

CITY OF SAN CLEMENTE

City Council Minutes

Regular Meeting - February 20, 2007

A Regular Meeting of the San Clemente City Council was called to order on February 20, 2007 at 6:00 p.m. in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California.

MEETING RECESSED – LACK OF CLOSED SESSION

There being no Closed Sessions to be conducted, City Clerk Erway recessed the meeting to 7:00 p.m.

MEETING CONVENED

Council convened at 7:00 p.m., with all members present.

PRESENT

ANDERSON, DONCHAK, EGGLESTON*, KNOBLOCK,
MAYOR DAHL

*Left the meeting at 12:45 a.m.

ABSENT

NONE

STAFF PRESENT

George Scarborough, City Manager; Jeff Oderman, City Attorney; Jim Holloway, Community Development Director; Myrna Erway, City Clerk; Joanne Baade, Deputy City Clerk.

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INVOCATION

Valerie Jordan, Sheriff Chaplain, gave the invocation.

PLEDGE OF ALLEGIANCE

Councilmember Donchak led the Pledge of Allegiance.

1. **SPECIAL PRESENTATIONS**

A. **Status Update - Property-Based Improvement District (PBID) for Downtown San Clemente**

Michael Kaupp, President of the Downtown Business Association, reported on the status of the Property-Based Improvement District (PBID) for Downtown San Clemente; summarized the DBA's efforts to secure support for the PBID effort, noting that the DBA is meeting its benchmarks; reported that 26.4% of the affected property owners have signed the PBID petition to date and estimated that the percentage will reach 31.4% within the next few days; related that the DBA's goal is to obtain the needed 51% of signatures by May 1, 2007. In response to Council inquiry, Mr. Kaupp agreed to provide Council with copies of the Downtown Business Association's 501(c)(3) filings.

2. MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to waive reading in full of all Resolutions and Ordinances.

3. **CONSIDERATION OF AGENDIZING ITEMS REQUIRING IMMEDIATE ACTION**

None.

4. **ORAL COMMUNICATIONS (PART ONE)**

None.

5. **CONSENT CALENDAR**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to approve the Consent Calendar with the removal of Items D and G.

A. **City Council Minutes**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to approve the City Council minutes of January 9, 2007 and January 23, 2007.

B. MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to receive and file:

- (1) Zoning Administrator meeting minutes of February 7, 2007.
- (2) Planning Commission minutes of February 7, 2007.
- (3) Coastal Advisory Committee minutes of January 11, 2007.

C. **Warrant Register**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to approve Wire Transfers Nos. 438 through 441 and Warrant Nos. 781875 through 782043 for the period 1-22-07 through 1-26-07 in the amount of \$3,272,730.22; approve Warrant Nos. 782044 through 782224 for the period 1-29-07 through 2-2-07 in the amount of \$368,827.44; for a total Warrant Register of \$3,641,557.66.

Payroll Register

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to approve Warrant Nos. 318763 through 318801 and Automatic Deposit Advises 144794 through 145021 for the period 1-15-07 through 1-28-07 in the amount of \$357,168.55; for a total Payroll Register of \$357,168.55.

E. **Program Supplement Agreement No. N017 to Administering Agency/State Agreement No. 12-5274R for Federal Aid Project No. HPLUL-5274(25) for the Rail Corridor Pedestrian Beach Trail, City Project No. 11410**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to:

1. Adopt Resolution No. 07-09 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING PROGRAM SUPPLEMENT AGREEMENT NO. N017 TO ADMINISTERING AGENCY/STATE AGREEMENT NO. 12-5274R FOR FEDERAL AID PROJECT NO. HPLUL-5274(025) FOR THE RAIL CORRIDOR PEDESTRIAN BEACH TRAIL, CITY PROJECT NO. 11410.
2. Accept revenue in the estimated amount of \$680,000 in Account 012-000-33900-000-11410.

F. **Notice of Completion - Grande Vista Slope Repair, Project No. 27801**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to:

1. Accept the construction of Grande Vista Slope Repair, Project No. 27801.
2. Authorize the Mayor to execute, and the City Clerk to record, the Notice of Completion for Grande Vista Slope Repair, Project No. 27801. (Contract AC-283)

ITEMS REMOVED FROM THE CONSENT CALENDAR FOR DISCUSSION**D. Funding Transfer - Noise Ordinance Update**

In response to Council inquiry, Staff confirmed that the subject Noise Ordinance will be applicable City wide (as opposed to being area specific) and will be written with the City's future needs in mind.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve a transfer from Council Contingency Account 001-203-44900 to Account 001-451-43890, Consultant Services, in the amount of \$8,500 to fund a contract with Wieland and Associates for the preparation of a Noise Ordinance.

G. Naming of Marblehead Coastal Parks

Director of Beaches, Parks and Recreation King reviewed the contents of the Administrative Report.

Mimi Johnson, San Clemente, expressed gratitude that Council is considering honoring her late husband, Jim Johnson, by naming the Marblehead Coastal sports park after him; noted that Jim never sought recognition for his many contributions; conveyed appreciation for keeping her husband's memory alive.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve the following names for the four Marblehead Coastal Parks:

- The Jim Johnson Memorial Sports Park - Located at I-5 and Avenida Vista Hermosa
- Pico Park - Located along Avenida Pico
- Sunset Park - Small passive park designated as Lot G on the map attached to the Administrative Report
- Canyon View Park - Small passive park designated as Lot H on the map attached to the Administrative Report.

Additionally, Council directed that Staff report back at the March 6, 2007 meeting relative to the possibility of naming the access road between the two passive parks as "Puesta de Sol". Staff is to verify that "Puesta de Sol" is an accurate Spanish translation of "sunset", determine if the proposed street duplicates any existing street name, and determine an appropriate street name preface (i.e., Calle, Avenida, etc.).

6. **PUBLIC HEARINGS**

A. **Appeal of Sign Exception Permit 06-402, Marblehead Coastal Plaza San Clemente Master Sign Program**

Continued Public Hearing to consider an appeal of a previously denied application by Villa San Clemente, LLC, which would allow freeway-oriented signs and other signs on the Marblehead Coastal Plaza San Clemente project that exceed the standards of the zoning code. Marblehead Coastal Plaza San Clemente consists of approximately 642,584 square feet of commercial uses including a 120 to 130 room hotel, conference center, theater, restaurants and outlet retail uses. The 50.5-acre project site is located within the Marblehead Coastal Specific Plan-Commercial and is west of the San Diego Freeway (Interstate 5) and northeast of the intersection of Avenida Pico and the future extension of Avenida Vista Hermosa.

While Councilmember Donchak was not on the City Council on November 6, 2006 (the date of the original Public Hearing on this item), she reviewed the DVD and minutes of that meeting.

Community Development Director Holloway reviewed the contents of the Administrative Report; narrated a PowerPoint presentation entitled “Marblehead Coastal Plaza San Clemente Master Sign Program” (a hard copy of which is on file with the City Clerk) and responded to Council inquiries; presented modifications to the Staff-recommended Conditions of Approval for the freeway-oriented sign resolution as follows:

<u>Condition No.</u>	<u>New Verbiage</u>
2.A.1)	Shall be limited to a maximum of ten (10) tenant signs <u>of the 14 sign locations shown on Sheet MSP 3.3</u>
2.A.2)	The tenant signs shall be <u>an average</u> maximum 36” in height.
2.A.3)	All tenant signs shall be constructed of aluminum or other acceptable metal material and painted a uniform copper color. <u>The color shall be determined in consultation between the owner and Community Development Director or designee after the final coat of the building finish has been completed.</u>

<u>Condition No.</u>	<u>New Verbiage</u>
2.B.2)	The project identification sign shall be constructed of aluminum or other acceptable metal material and painted a uniform copper color. <u>The color shall be determined in consultation between the owner and Community Development Director or designee after the final coat of the building finish has been completed.</u>
2.C.1)	Shall be limited to a maximum of three (3) tenant signs on the North Elevation <u>and three (3) tenant signs on the Northwest Elevation of Building 16.</u>
2.C.3)	Tenant signs may be painted a variety of colors within a limited palette that includes: black, dark navy blue, brown, gray, copper, white or other colors determined acceptable to the Community Development Director or designee. The color palette may also include up to two <u>a total of four</u> other color exceptions to the prescribed color palette at the owner's discretion. <u>The total of four color exceptions allowed is to be distributed between the North Elevation, Northwest Elevation of Building 16 and South Elevation as deemed necessary by the owner.</u>
2.D.2)	The project identification sign shall be constructed of aluminum or other acceptable metal material and painted a uniform copper color. <u>The color shall be determined in consultation between the owner and Community Development Director or designee after the final coat of the building finish has been completed.</u>
2.E.3)	Tenant signs may be painted a variety of colors within a limited palette that includes: black, dark navy blue, brown, gray, copper, white or other colors determined acceptable to the Community Development Director or designee. The color palette may also include up to two <u>a total of four</u> other color exceptions to the prescribed color palette at the owner's discretion. <u>The total of four color exceptions allowed is to be distributed between the North Elevation and South Elevation as deemed necessary by the owner.</u>
2.F.2)	The project identification sign shall be constructed of aluminum or other acceptable metal material and painted a uniform copper color. <u>The color shall be determined in consultation between the owner and Community Development Director or designee after the final coat of the building finish has been completed.</u>

*Strike-through type indicates deleted verbiage. Underscored type reflects new verbiage.

During the ensuing discussion, Council questioned and received responses to questions relating to signage details (colors, sizes, content, locations, etc.), and results of the Marblehead Coastal Signage Task Force meetings (including disposition of the perpendicular signage concept).

Louis Troiani, on behalf of the Applicant, responded to Council inquiries relative to the definition of “Pinned Off Letters”, visibility distance of halo-lit signs, implementation of the 36” average sign height concept, and proposal that the lamping of the halo-lit signs will be 6500 Degrees Kelvin (i.e, the industry standard).

Steve Craig, on behalf of Villa San Clemente Associates, narrated a PowerPoint presentation entitled “Plaza San Clemente - Sign Exception Permit Appeal”, a hard copy of which is on file with the City Clerk. Mr. Craig’s presentation focused on the following: 1) The necessity of adequate signage in order for the shopping center to succeed; 2) History of signage on the project; 3) Historical signage in San Clemente; 4) Why Carlsbad is not an equivalent comparison; 5) What the center will do for the City of San Clemente; 6) Signs being proposed and signs not being proposed; and 7) Compromises made by the Applicant to date; responded to Council inquiries relative to construction of the center, leasing status, calculation of 36” average signage height, brightness level of halo-lit signage, monument signage, status of the book store and feasibility of reducing the maximum number of tenant signs on the East Elevation below the current recommendation of ten.

Mayor Dahl opened the Public Hearing.

Mimi Johnson, San Clemente, opined that the current proposal is a workable solution; urged that Council approve signage to give the shopping center a reasonable chance to succeed; stated that Steve Craig was selected to operate the center because he is a good businessman, perfectionist and good neighbor.

Deborah Alves, Laguna Niguel, stated that Steve Craig has integrity and has tried to accommodate the City’s desires; asserted that signage is essential to business success.

Cindy Holmes, San Clemente, urged Council to support the proposed signage program; read a letter from Mike Burke that expressed that the subject project is the cornerstone to San Clemente's financial future and represents a key source of revenue to promote a high quality of life for San Clemente citizens.

Bob Joseph stated that meetings he has attended concerning the subject project have revealed community concerns with freeway signage and night lighting; stated that citizens also expressed that the sign program should provide information (i.e., direction and location) instead of company logos; stated that the Marblehead Coastal Signage Task Force asked Staff to query CalTrans as to whether it would allow Center directional signage to be placed in advance of the Center on the I-5 rights-of-way (northbound and southbound).

Tom Levy, San Clemente, requested that Council continue this matter and obtain a legal opinion as to whether the City can control the color and content of the signs; recommended a deed restriction to ensure that any future owners of the center will be bound to the same signage requirements as Mr. Craig; stated that the revenue that the City is expected to receive from the Center equates to only \$50 per person; urged that no freeway signs be approved if possible.

Gilbert Blount, San Clemente, asserted that the subject proposal will "uglify" the City and transform San Clemente into a garish strip mall; requested that Council reject the proposal.

Susie Hirschag, San Clemente, stated that City leaders are responsible for making sound economic decisions and for serving as visionaries for the community's future; urged that Council approve the signage for Marblehead.

Harvey Goldberg, Member of the Board of the Marblehead Master Association, spoke in opposition to the proposed signage; questioned the hours when the signs will be illuminated and the constitutionality of limiting trademarks and logo signs to one color.

Terry Hirschag, San Clemente, opined that the project will be an attribute for the community; stated that the proposed compromise is excellent, but a few "bugs" remain to be worked out; conveyed his support for moving forward.

Don Jeisy, San Clemente, opined that Council should approve the proposed project; commented that San Clemente lost the Nixon Library because the Council focused on details and urged that Council not miss the current opportunity.

Dave Busk, Ladera Ranch, voiced concern that the lack of adequate signage will hinder Mr. Craig's ability to attract national retail tenants and impede the ability of the tenants to be successful; concurred with the compromises that have been made; noted that 85% of customers will come from out of town and stressed the importance of helping them locate the center.

Sally Jeisy, San Clemente, spoke in support of the proposed signage, noting that signage and trademarks are vital marketing tools.

Shaylin Sanders, San Clemente, spoke on the importance of signs to the center's viability; opined that the negotiated results are beautiful.

Anne Kalen, InnVision Co., Fullerton, stated that her company is a consulting firm for the hospitality industry; explained that the decision to locate the hotel in the subject center was predicated on her firm's feasibility study that assumed that highly visible lighted signage would exist along I-5; stated that her firm has been asked to revise its projections based on a lack of adequate signage and determine if the developer should proceed with the project; stressed the importance of lighted freeway signs to a non-destination based hotel.

Lynn Sobel, San Clemente, questioned why the recommendation before Council has changed 180 degrees since September 2006; voiced concern that the revised Staff recommendation has not been considered by the Planning Commission; commented on the possibility of CalTrans allowing signage in the freeway right-of-way to alert travelers as they approach the center; urged that Council continue this item and direct that visual simulations from Marblehead and Broadmoor be prepared.

Harry Mark, San Clemente, explained that he is a signage consultant and urged Council to uphold the values, aesthetics and lack of visual pollution that makes San Clemente special; opined that signage is appropriate for large tenants, but not for small in-line tenants; asserted that signage size should be based on the size and square footage or linear length of a store front; urged Council to approve Alternative #3.

Richard Boyer, San Clemente, reviewed commercial signage restrictions that are utilized in other countries and noted that Vermont, Alaska, Hawaii and Maine prohibit signage along highways; urged Council to use restraint; opined that Alternative #3 represents the best approach.

Chris Ahola, San Clemente, recommended that Council listen to the Planning Commission; urged that Council not allow San Clemente's reputation to change to the "Spanish Billboard by the Sea"; asserted that this item should be continued if the proposal being considered varies from the proposal that was posted to the City's web site.

Suzanne Schwartz, San Clemente, stated that she is a sign designer; asserted that the project needs signage, but not to the extent proposed; suggested that signage details need to be determined up front; conveyed support for Alternative #3.

Rino Larosa, San Clemente, stated that he wants to live, work and shop in San Clemente; opined that the project will meet tomorrow's needs.

Dwayne Nagel, President of the Naples Homeowners Association, stated that the homeowners within their community support the signage proposal as a way to help ensure the center's success; urged Council to support the signs.

Sheila Kessler, San Clemente, voiced concern that the Broadmoor ocean view community will be devalued by billboard signage; presented a petition signed by 136 area residents requesting that Council deny the proposed plan; asserted that approval of the subject proposal may open the floodgate for Las Vegas style signage; opined that the proposed Conditions of Approval contain loopholes.

Barney Blashill, San Clemente, opined that large malls do not need large signage since their size is sufficient to make a statement; spoke in support of advance center noticing along the I-5.

Joel Lesky, San Clemente, voiced concern with the adverse affect that the proposed signage will have on the City; urged that Council protect the City's image as a whole and be definitive about signage specifics within the Conditions of Approval; questioned the prudence of allowing one person the sole authority to approve signage.

Skip Ziccardi, Newport Beach, stated that his company was selected as the hotel developer within Marblehead Coastal; provided an overview of the quality of the proposed hotel, noting that it will be an all-suites project with a Spanish Colonial Revival exterior and a contemporary interior; spoke on the importance of signage to attract patrons; read a letter from his wife, Karen Ziccardi, which conveyed support for the proposed signage program.

Mike Sellers, San Clemente, spoke in opposition to the proposed signage and urged that Council make sure that it is getting exactly what it wants.

MEETING RECESSED

Council recessed at 10:15 p.m. and reconvened at 10:25 p.m., with all members present.

Jackie Dupont, San Clemente, stated that signs are important, especially for older adults who may be experiencing visual impairment; explained that she is looking forward to the center.

Gail Hiduke voiced concern with the impact of parking lot lighting; questioned why monument signs are no longer being discussed.

John Tengdin, San Clemente, stated that he is impressed with Staff's alternative solution; commented that San Clemente's topography necessitates that monument signs be large and unsightly in order to be visible; commented that CalTrans does not allow corporate signage in its right-of-way and suggested that signage that simply references a "shopping center" is insufficient for a large project; recommended that Council narrow the color alternatives to reduce discretion.

Karen Armenteros, San Clemente, voiced concern that the signage proposal will establish San Clemente as the "Citadel by the Sea"; urged Council to listen to the community.

Karen Ahola, San Clemente, stated that the citizens of San Clemente do not want excessive advertising along the freeway and opined that the proposed signage is blatantly excessive; voiced concern with Staff's change in position; urged that Council approve Alternative #3.

Joe Campbell, Ruby's Diner (San Juan Capistrano), stated that he is a potential tenant at the subject project; conveyed his support for the proposed sign program, noting that Ruby's hires youth.

Steve Kos, San Clemente, opined that large marquee signs along the freeway could affect quality of life; explained that he likes the signage at Ocean View Plaza and urged signage consistency; asserted that freeway signage is not a critical component to mall success.

Alan Korsen urged that a maximum size sign needs to be established, as opposed to allowing signs to average 36"; spoke in support of pre-center noticing along the CalTrans' I-5 right-of-way; opined that the proposed signage is inconsistent with the City's Mission Statement.

Patrick Griffin, San Clemente, opined that the developer has been considered with greater weight than the overall public; spoke in opposition to the proposed recommendation; suggested that the project's rear signage be limited to the two anchor tenants, with appropriate size and color, and that the City work with CalTrans for appropriate signage along the freeway.

Mimi Griffin, San Clemente, voiced concern that the Marblehead Coastal Signage Task Force was disbanded; suggested that the Staff recommendation does not incorporate the public's wishes; asserted that the Center will be successful without 21 freeway signs; recommended that Council consider Alternative #3 as a compromise.

Marilyn Ditty, South County Senior Services, stated that the process has given everyone an ample opportunity for input; opined that the signage issue is an attempt to kill the project.

Clark McGillivray, San Clemente, disagreed that signage is needed for the project and pointed out that signage could be added later if needed; spoke in support of Alternative #3.

David Sanner, Irvine, stated that his company is an investor in the Applicant's projects; stated that the Applicant needs 150+ quality tenants that will pay rents commensurate with a very expensive development; stated that most of the tenants are savvy negotiators who are cautious about committing resources to a new center with no record of performance; stated that the Applicant has built 25 centers and is knowledgeable about marketing a successful commercial development; opined that the proposed signage is tasteful and deserving of Council's approval.

CONTINUATION OF MEETING PAST 11:00 P.M.

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 5-0, to extend the meeting past 11:00 p.m.

Lynda Mulligan, San Clemente, explained that many malls have failed for lack of signage and expressed concern with the impacts that would be associated with a failed center; urged that Council allow the experts to do what they do best.

Emily Torney, San Clemente, explained that the project will result in the loss of view from her Faire Harbor home; stated that she does not want to see freeway signage from her patio.

Elizabeth Arjun, San Clemente, conveyed support for the project, but not for signage on the back of buildings; suggested that an entrance sign that identifies tenants would be appropriate.

Gene Habich, San Clemente, stated that he was the Chair of the Committee to oppose the Marblehead Coastal plan; stated that Mayor Pro Tem Anderson opposed the Target and grocery store that were originally proposed for the site; asserted that the proposed signage won't be visible from Marblehead Coastal; spoke in support of Steve Craig and his projects.

Clint Coleman, Newport Beach, on behalf of the California Pizza Kitchen, stated that the proposed signage is in scale with the project; stated that a proper tenant mix is necessary for the center's success.

Heather Athan, San Clemente, stated that many malls are successful without signs and suggested that the San Clemente location will ensure its success.

Lori Smith, Craig Realty Group, stated that she hopes to live and work in San Clemente in the future; stated that Craig Realty Group is vested in the subject project in both money and time; commented that the project will be of the highest architectural quality; stressed that regional-drawing malls need signage.

There being no others desiring to speak to this issue, the Public Hearing was closed.

During the discussion that followed, answers were provided to questions raised during the Public Hearing as follows:

- City Attorney Oderman opined that the City has the authority to indirectly control the color of the logos on signage and reviewed proposed Conditions of Approval relative to color uniformity.
- Steve Craig explained the height of the signs depicted in his PowerPoint presentation; stated that his company has good taste in signage and has created some of the best centers in the industry; asserted that the proposed signs have a strong sense of place on the architectural elements. During the course of discussion, Mr. Craig indicated that he is prepared to commit to the maximum signage sizes that were outlined in his PowerPoint presentation, with a reduction of 3”.
- With regard to the four “exception” colors, Steve Craig explained that it is likely that a theatre that locates in the center will want a red sign, Barnes & Noble (if it locates in the center) will want its trademark green sign, and the Nike swoosh will likely be rusty red.
- With respect to the maximum lumens that are proposed to be utilized in the center signage, Louis Troiani stated that the Applicant is proposing to utilize the industry standard of 6500 Degrees Kelvin.
- Steve Craig stated that the signage lights will be turned off one hour after the mall closes; anticipated that during the early stages of the mall’s operation, the stores will remain open until 8:00 p.m. and the signage lights will be turned off at 9:00 p.m.; explained that all exterior signage lights will be turned on and off by one switch.

- In response to Council inquiry about the proposed finding that the granting of a Sign Exception Permit does not create a traffic or safety hazard, City Attorney Oderman opined that there is no substantial evidence that a traffic or safety hazard will result from the subject sign exception permit; pointed out that there are no line-of-sight or turning movement issues and the amount of signage is much less than the signage that exists on El Camino Real or other commercial streets in the City; explained that the finding is necessary for a sign exception permit and cannot be removed.

Council requested that the possibility of assigning the Planning Commission the task of studying the circulation system in the North Beach/Plaza San Clemente area and evaluating concepts to facilitate traffic flow be agendized for a future Council meeting. In response to Council inquiry, Mr. Craig conveyed that Craig Realty Group would be willing to participate in that effort. It was noted that management of the traffic flow on I-5 falls under CalTrans' jurisdiction.

Steve Craig explained that he scheduled a meeting with the Broadmoor Homeowners Association, but less than 15 people attended the meeting, and he also met with the Marblehead Master Association, but less than 30 people attended; noted that concerns expressed focused around views; stated that some persons oppose the development and not necessarily the signage; commented that an expert addressed Council on November 7, 2006 and stated that he could not find any evidence that signage causes a diminution of property values; requested that Council approve the Sign Exception Permit, with the following modifications:

East Elevation Wall Signs (Parallel to Interstate 5)

- A maximum of ten halo illuminated tenant signs and one center identification sign.
- The average height of all 10 tenant signs shall be 36".
- The location of the 10 tenant signs shall be selected from the 15 previously identified sign areas.
- A uniform dark color shall be used for all ten tenant signs. The color shall be agreed upon by the applicant and Community Development Director. If agreement cannot be reached, the issue shall be referred to Council.

South Elevation Wall Signs (Facing Denny's Sign)

- The color palette of the eight tenant signs shall be limited to black, dark navy blue, brown, gray, copper or white.
- The tenant signs shall be metal pinned signs with halo illumination utilizing the industry standard of 6500 Degrees Kelvin.
- The Applicant shall be allowed three color exceptions for the eight tenant signs.

North Elevation Wall Signs (Facing Avenida Vista Hermosa Interchange)

- The color palette for the tenant signs on this elevation shall be limited to black, dark navy blue, brown, gray, copper or white, even though the northwest elevation signs do not face the freeway.
- All such signs shall be metal pinned signs with halo illumination, including the northwest building that faces the commercial bridge.
- The Applicant shall be allowed three color exceptions for tenant signs along the north and northwest exterior elevations.

Tower Sign (Located at the southwest corner of site near I-5)

- The Applicant shall be allowed to place two tenant signs on each side of the two-sided tower.
- Signs shall be metal pinned signs with halo illumination.
- The Applicant be permitted to use tenant colors on the tower sign.

Parking Lot Lighting

- The Applicant shall use best efforts to minimize parking lot light impact on neighboring residential properties.

Banners

- No wall-mounted banners shall be allowed at any time. The Applicant may use parking lot banners and pedestrian walkway banners throughout the mall.

Trademarks

- Only nationally and regionally recognized trademarked logos shall be allowed for use on the east, south, north, and northwest exterior elevations.

Following commentary by individual Councilmembers, MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, to:

- 1) Adopt Resolution No. 07-10 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING SIGN EXCEPTION PERMIT 06-402, MARBLEHEAD COASTAL PLAZA SAN CLEMENTE MASTER SIGN PROGRAM OVERSIZED INTERIOR TENANT SIGNS.
- 2) Adopt Resolution No. 07-11 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING SIGN EXCEPTION PERMIT 06-402, MARBLEHEAD COASTAL PLAZA SAN CLEMENTE MASTER SIGN PROGRAM FREEWAY ORIENTED SIGNS (version presented by Staff this evening), with the following modifications:
 1. Brand names, rather than tag lines, shall be allowed on the towers.
 2. The color palette of the towers shall adhere to the palette of the other Plaza signage (i.e., colors shall not be permitted).
 3. Interior (not exterior) banners will be permitted in accordance with the City's existing rules.
 4. Signage illumination shall adhere to the industry standard of 6500 Degrees Kelvin.
 5. Merchant signage lighting shall be turned off one hour after closing of the merchant stores.

SUBSTITUTE MOTION BY COUNCILMEMBER EGGLESTON that the color for the center signage be determined in concert with the Community Development Director and Design Review Committee and/or Planning Commission. The Substitute Motion died for lack of a second.

SUBSTITUTE MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY MAYOR DAHL, CARRIED 5-0, to adopt Resolution No. 07-10 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING SIGN EXCEPTION PERMIT 06-402, MARBLEHEAD COASTAL PLAZA SAN CLEMENTE MASTER SIGN PROGRAM OVERSIZED INTERIOR TENANT SIGNS, as presented by Staff.

SUBSTITUTE MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 3-2 (COUNCILMEMBERS EGGLESTON AND DONCHAK VOTING NOE), to adopt Resolution No. 07-11 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING SIGN EXCEPTION PERMIT 06-402, MARBLEHEAD COASTAL PLAZA SAN CLEMENTE MASTER SIGN PROGRAM FREEWAY ORIENTED SIGNS (version presented by Staff this evening), with the following modifications:

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2. The color palette of the towers shall adhere to the palette of the other Plaza signage (i.e., colors shall not be permitted).
3. Interior (not exterior) banners will be permitted in accordance with the City's existing rules.
4. Signage illumination shall adhere to the industry standard of 6500 Degrees Kelvin.
5. Merchant signage lighting shall be turned off one hour after closing of the merchant stores.

*Councilmember Eggleston left the meeting at 12:45 a.m.

B. **Amendment to the City of San Clemente 2005 Urban Water Management Plan**

Public Hearing to consider the adoption of the amended City of San Clemente 2005 Urban Water Management Plan.

Utilities Manager Howard reviewed the contents of the Administrative Report and responded to Council inquiries. During the course of discussion, it was noted that MWDOC's study relative to desalination is anticipated to be submitted for Council consideration in March 2007.

Management Analyst II Adams reported on the City's efforts to encourage the usage of SmartTimers.

Mayor Dahl opened and closed the Public Hearing, there being no one desiring to speak to this issue.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 4-0, to adopt Resolution No. 07-12 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ADOPTING AN AMENDED CITY OF SAN CLEMENTE 2005 URBAN WATER MANAGEMENT PLAN PURSUANT TO AB 797.

7. **UNFINISHED BUSINESS**

A. **Contract Amendment - Army Corps of Engineers Feasibility Study**

Report from the Director of Beaches, Parks and Recreation concerning the possibility of approving a second amendment to the agreement between the Department of the Army and the City of San Clemente for the San Clemente Shoreline Feasibility Study.

Marine Safety Chief Humphreys reviewed the contents of the Administrative Report; advised that the Administrative Report specifies that the balance due in FY 2007/08 will be \$225,500, but noted that this figure failed to take into account \$152,000 worth of in-kind credit; explained, therefore, that the balance due in FY 2007/08 will be approximately \$73,000, minus any potential future in-kind credit.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 4-0 (COUNCILMEMBER EGGLESTON VOTING NOE), to:

1. Approve Amendment No. 2 to Contract C01-68, Agreement between the Department of the Army and the City of San Clemente for the San Clemente Shoreline Feasibility Study.
2. Authorize the City Manager to execute Amendment No. 2 to Contract C01-68 by and between the Department of the Army and the City of San Clemente for the San Clemente Shoreline Feasibility Study.

8. **NEW BUSINESS**

None.

9. **ORAL COMMUNICATIONS (PART TWO)**

Marblehead Coastal Signage (Disappointment with Council Action)

April Rebow, San Clemente, stated that she is saddened by Council's action relative to the Marblehead Coastal signage issue; asserted that Council's decision was contrary to the community's wishes.

10. **REPORTS**

A. **Commissions and Committees**

(1) **Resignation of Marc Carpenter from the Coastal Advisory Committee**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 4-0, to accept the resignation of Marc Carpenter from the Coastal Advisory Committee and authorize the City Clerk to advertise the vacancy at the time the vacancies are advertised for all Commission/Committee members whose terms expire June 30, 2007, and fill the vacancy at that time.

B. **City Manager**

None.

C. **City Attorney**

None.

D. **Council Members**

(1) **Council Position on Orange County Division, California League of Cities Issues.**

None.

(2) **Council Position on Legislative Issues.**

None.

(3) **Orange County Fire Authority Status Update.**

Councilmember Knoblock reported that 11 new members were seated on the Board of Directors of the Orange County Fire Authority; advised that he was selected as an alternate to the Executive Committee.

(4) **San Clemente-Dana Point Animal Services Authority.**

Mayor Dahl reported on animals available for adoption at the San Clemente-Dana Point Animal Shelter.

(5) **Transportation Corridor Agencies Status Report.**

None.

(6) **Councilmember Items.**

Mayor Pro Tem Anderson advised that he attended his first meeting of the South County Major Investment Study Group and will provide a report at a later meeting.

11. **RESOLUTIONS/ORDINANCES**

None.

12. **ADJOURNMENT**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 4-0, to adjourn at 1:08 a.m. to an Adjourned Regular Meeting to be held on February 21, 2007 at 4:00 p.m. in the Community Center Ole Hanson Room, located at 100 N. Seville, San Clemente, for the purpose of meeting in Joint Session with Congressman Calvert.

A subsequent Adjourned Regular Meeting will be held on February 27, 2007 in the Council Chambers, located at 100 Avenida Presidio, San Clemente. The Long-Term Financial Plan will be considered at 4:00 p.m. and the Vital Few Priorities Workshop will commence at 6:30 p.m.

The next Regular Meeting will be held on March 6, 2007 in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California. Closed Session items will be discussed at 6:00 p.m. The General Session will begin at 7:00 p.m.

CITY CLERK of the City of
San Clemente, California

MAYOR of the City of
San Clemente, California