MEETING NOTICE AND AGENDA

CITIES/COUNTY TRANSPORTATION ADVISORY COMMITTEE (CTAC)

CTAC may take action on any item appearing on this agenda.

Thursday, February 2, 2006

9:30 a.m. to 11:30 a.m.

SANDAG, Conference Room 8A
401 B Street, Suite 800
San Diego, CA 92101-4231

Chair: Alex Al-Agha, City of Chula Vista
Vice Chair: Greg Humora, City of La Mesa

Staff Contact: Richard Chavez
(619) 699-6989
rch@sandag.org

AGENDA HIGHLIGHTS

• URBAN DESIGN GUIDELINES
• DRAFT SMART GROWTH CONCEPT MAP
• TRANSNET ORDINANCE: LOCAL STREETS AND ROADS PROGRAM

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<table>
<thead>
<tr>
<th>ITEM #</th>
<th>RECOMMENDATION</th>
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<tbody>
<tr>
<td>1.</td>
<td>INTRODUCTIONS</td>
</tr>
<tr>
<td>+2.</td>
<td>MEETING SUMMARY (Alex Al-Agha)</td>
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<tr>
<td></td>
<td>The meeting summary for the January 5, 2006 meeting is attached. CTAC is asked to review and approve the meeting summary.</td>
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<tr>
<td>3.</td>
<td>PUBLIC COMMENTS</td>
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<td>+4.</td>
<td>MEMBERSHIP ROSTER AND FORM 700 (Richard Chavez)</td>
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<td></td>
<td>Additional changes to the membership roster have been requested. CTAC is asked to modify as necessary and approve the attached membership roster. In addition, all CTAC members and alternates are required to submit a new Form 700 for 2006. The form can be filled out and printed directly from the Fair Political Practices Commission Web site <a href="http://www.fppc.ca.gov">www.fppc.ca.gov</a>. Please mail the completed forms directly to Deborah Gunn at SANDAG. If you have any questions, please call Deborah at (619) 699-1912.</td>
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<tr>
<td>5.</td>
<td>URBAN DESIGN GUIDELINES (Stephan Vance)</td>
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<td>The Regional Comprehensive Plan (RCP) calls for the development of urban design guidelines. At the last CTAC meeting on January 5, 2006, a discussion was held on the considerations that should be taken into account when developing the guidelines. In response to the discussion, staff requests that CTAC appoint two members to participate on an Ad-Hoc Working Group to assist with the development of the guidelines. The draft guidelines are scheduled to be released in January 2007.</td>
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</table>
The Regional Comprehensive Plan calls for the preparation of a Smart Growth Concept Map that identifies areas within the region that have existing smart growth or opportunities for smart growth development. The map will be used in the update of the comprehensive 2007 Regional Transportation Plan (RTP) and in determining eligibility to compete for the future TransNet Smart Growth Incentive Program (SGIP) funding. The Regional Planning Committee report on the status of the draft Smart Growth Concept Map is attached. In addition, workshops on the draft map and the 2007 RTP update will be held this spring.

A Special Joint CTAC/Regional Planning Technical Working Group (TWG) meeting was held on January 26, 2006 to discuss State infrastructure funding proposals. The Chair will provide a summary of the discussion and seek additional input from CTAC members.

The TransNet Ordinance approved by San Diego County voters in 2004 contains a number of new local street and road requirements and accountability provisions. There are new requirements related to fund usage, maintenance of effort, developer exactions, and others. Attached is an excerpt from the Ordinance. Also attached are revised guidelines for differentiating roadway capacity improvements from roadway maintenance. An Ad-Hoc Working Group meeting was held on January 12, 2006 to discuss the guidelines. The guidelines were also discussed with the Independent Taxpayer Oversight Committee (ITOC) on January 18, 2006.

CTAC members are encouraged to share items of interest.

The next CTAC meeting is scheduled for Thursday, March 2, 2006 from 9:30 to 11:30 a.m.

+next to an agenda item indicates an attachment.
MEETING SUMMARY

Introduction

Results of the January 5, 2006 meeting are summarized as follows.

Discussion

Approval of Meeting Summary

The meeting summary for the December 1, 2005 meeting was approved with the addition of missing working at the bottom of page 4 stating, “…provided for comment. Richard Chavez (SANDAG) stated they would be provided at the next CTAC meeting. Mohamad…”

Public Comments

There were no comments from the public.

Elections

Alex Al-Agha (Chula Vista) was appointed Chair and Greg Humora (La Mesa) was appointed Vice-Chair for the 2006-2007 term by unanimous vote. Fred Luedtke (Escondido) thanked CTAC and SANDAG staff for their professionalism and support during his time as CTAC Chair.

Membership Roster

The membership roster was unanimously approved with modifications.

Regional Housing Needs Assessment

Susan Baldwin (SANDAG) distributed a staff report and summarized the Regional Housing Needs Assessment process that is completed every five years. Ms. Baldwin referenced the table indicated which funding programs would be subject to housing goal requirements under the draft proposal. Stefan Marks (NCTD) stated that grade separation projects should not be subject to the requirements because grade separations are needed for safety. Mr. Marks asked how the incentive points would be assigned. Ms. Baldwin stated that up to 25 incentive points would be assigned.
based upon performance of meeting annual housing goals. David Hauser (Carlsbad) stated that there should be consideration based on the gross number of units built. Bob Johnson (Carlsbad) stated that agencies should not be penalized for poor performance in the first year if the year two goals were met.

**Urban Design Guidelines**

Stephan Vance (SANDAG) stated that SANDAG would be developing urban design guidelines to continue fostering smart growth around the region. Richard Leja (City of San Diego) asked if the guidelines would be used for fund allocation purposes. Mr. Vance stated that the guidelines would be developed as a resource for agencies but could be used to develop criteria for regional funding decisions. Greg Humora (La Mesa) stated that the guidelines needed to resolve conflicts between smart growth concepts and fire code and Americans with Disabilities Act (ADA) requirements. Mr. Humora presented an example where stair cases are not being built to connect communities because accompanying ADA required wheel chair ramps are not feasible. Gena Franco (San Marcos) stated that conflicts with regional standard drawings needed to be resolved. Other issues and suggestions for benchmarking were discussed. Mr. Vance stated that it may be beneficial to create an Ad-Hoc Working Group with CTAC representation to assist with the development of the guidelines.

**Regional Transportation Improvement Program (RTIP)**

Sookyung Kim (SANDAG) presented the schedule for developing the 2006 RTIP. Ms. Kim stated that the fund estimates should be available by February 17, 2006.

**TransNet Ordinance: Local Streets and Roads Program**

Richard Chavez (SANDAG) presented the draft TransNet Local Street and Road Program: Expenditure Plan Summary Guidelines. A discussion took place on suggestions for further defining capacity increasing improvements and roadway maintenance. An Ad-Hoc Working Group meeting was scheduled for January 12, 2006 to continue the discussion.

**Announcements**

Gary Vettese (Caltrans) stated that changes were proposed for the Disadvantaged Business Enterprise (DBE) program and distributed a letter dated December 30, 2005 summarizing the proposal. Carmen Kasner (Del Mar) distributed the 2005 Report Card for San Diego County Infrastructure prepared by ASCE, CELSOC, and APWA. Richard Leja (City of San Diego) requested clarification on the deadline for submitting Fiscal Year 2007 Federal Transportation Appropriations proposals. Richard Chavez (SANDAG) stated that he believed the January 10, 2006 deadline was still valid but would send an e-mail to CTAC members to confirm. Rick Odiorne (El Cajon) stated that this would be his last CTAC meeting as he was retiring at the end of the month. CTAC congratulated Mr. Odiorne and wished him a happy retirement.

**Upcoming Meeting**

It was announced that the next CTAC meeting would be held on February 2, 2006 from 9:30 to 11:30 a.m. at SANDAG.
CTAC MEMBERSHIP LIST

<table>
<thead>
<tr>
<th>Agency</th>
<th>Member</th>
<th>First Alternate</th>
<th>Second Alternate</th>
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<tr>
<td>Carlsbad</td>
<td>Bob Johnson</td>
<td>David Hauser</td>
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<tr>
<td>Chula Vista</td>
<td>Alex Al-Agha*</td>
<td>Frank Rivera</td>
<td>Samir Nuhaily</td>
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<td>Coronado</td>
<td>Jim Benson</td>
<td>Ed Walton</td>
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<td>Del Mar</td>
<td>Carmen Kasner</td>
<td>Ernesto Aguilar</td>
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<td>El Cajon</td>
<td>Rob Turner</td>
<td>Ed Krulikowski</td>
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<td>Encinitas</td>
<td>Leroy Bodas</td>
<td>Kipp Hefner</td>
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<td>Escondido</td>
<td>Fred Luetdke</td>
<td>Ed Domingue</td>
<td>Pat Thomas</td>
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<td>Imperial Beach</td>
<td>Hank Levien</td>
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<td>La Mesa</td>
<td>Greg Humora**</td>
<td>Matt Souttere</td>
<td>Kathy Feilen</td>
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<td>Lemon Grove</td>
<td>Majed Al-Ghafry</td>
<td>Dirk Epperson</td>
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<td>Metropolitan Transit System</td>
<td>Mark Thomsen</td>
<td>Brandon Farley</td>
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<td>National City</td>
<td>Steve Kirkpatrick</td>
<td>Din Daneshfar</td>
<td>Albert Griego</td>
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<td>North County Transit District</td>
<td>Stefan Marks</td>
<td>Kurt Luhrsne</td>
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<tr>
<td>Oceanside</td>
<td>Frank Watanabe</td>
<td>Cindy Watson</td>
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<td>Poway</td>
<td>Frank Casteleneto</td>
<td>Greg Lewis</td>
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<td>San Diego City</td>
<td>Richard Leja</td>
<td>Kris Shackelford</td>
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<td>San Diego County</td>
<td>Mahamad Fahkradine</td>
<td>Bob Garalka</td>
<td>Terry Raback</td>
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<td>San Marcos</td>
<td>Gena Franco</td>
<td>Paul Vo</td>
<td>Sassan Haghgoo</td>
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<td>Santee</td>
<td>Cary Stewart</td>
<td>Robb Zaino</td>
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<td>Solana Beach</td>
<td>Chandra Collure</td>
<td>Dan Goldberg</td>
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<tr>
<td>Vista</td>
<td>Larry Pierce</td>
<td>Sudi Shoja</td>
<td>Tim Shell</td>
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Key Staff Contact: Richard Chavez, (619) 699-6989, rch@sandag.org

* Chair  
** Vice Chair
Introduction

The Regional Comprehensive Plan (RCP) contains policy objectives and actions aimed at improving transportation and land use coordination. A key recommendation is to identify smart growth opportunity areas and place a higher priority on directing transportation facility improvements and other infrastructure resources toward those areas.

The Urban Form chapter of the RCP defines seven categories of smart growth “place types,” ranging from “metropolitan center” to “rural village.” In addition, the RCP recommends that smart growth development be planned near existing and future transit stations, as well as other appropriate locations such as rural community village cores, which can provide a focal point for commercial and civic uses that serve surrounding rural areas.

One of the RCP’s key actions is the development of a Smart Growth Concept Map illustrating the location of existing, planned, and potential smart growth areas. The Concept Map will be used in relation to two key SANDAG initiatives:

1. Updating the 2030 Regional Transportation Plan (RTP), where it will help in the prioritization of transportation infrastructure investments and deployment of transit services to support smart growth development, and

2. Determining eligibility to participate in the long-term Smart Growth Incentive Program (SGIP) funded by TransNet.

Last July, the Regional Planning Committee (RPC) reviewed a preliminary draft Smart Growth Concept Map and a series of accompanying subregional maps. Since then, SANDAG staff and the local planning directors, through the Regional Planning Technical Working Group (TWG), have continued to work on refining the smart growth areas and addressing a number of issues that have arisen from the mapping process.

In addition, the TWG and the Regional Planning Stakeholders Working Group (SWG) have provided input on an “illustrative” version of the Concept Map that could be used during the public input process. The illustrative map is more conceptual than the preliminary map reviewed by the RPC last July. While the illustrative map still needs additional work, it will be circulated at the RPC meeting for review and comment.
The Regional Planning Committee is asked to comment on the key issues described in this report and provide input on the sample illustrative map to be circulated at the meeting.

Discussion

Uses of the Map

The Smart Growth Concept Map will be used in relation to two key SANDAG initiatives: updating the comprehensive 2007 Regional Transportation Plan (RTP) and determining eligibility for the long-term TransNet Smart Growth Incentive Program (SGIP). The map will be used to develop the land use scenarios for the RTP, including the Regional Growth Forecast (Existing Plans and Policies) and an Enhanced Smart Growth scenario. These scenarios will be used in the environmental analysis of the RTP. The map also will be used in the update of the transportation project evaluation criteria that will occur as part of the RTP work program. These criteria are used to determine priorities for transportation funding.

In addition to the RTP, the map also will be used to determine eligibility to compete for future funding from the long-term TransNet Smart Growth Incentive Program. The intent of the program is to provide incentives to plan and provide for the infrastructure to support smart growth development in our communities.

The map will be updated periodically to reflect ongoing general plan amendments and updates. Regular updates to the map will ensure accurate land use inputs into future growth forecasts and RTP updates and will allow active participation by local jurisdictions in the future SGIP.

Mapping Effort

The seven smart growth place types identified in the RCP fall into two distinct categories - “Existing and Planned Smart Growth Areas” and “Potential Smart Growth Areas.” The RCP includes recommended land use characteristics, intensity targets, and transportation system and public transit service characteristics for each of the seven place types.

Existing and planned smart growth areas are places where existing development and/or planned land uses are consistent with the recommended residential and employment land use intensities and characteristics described in the RCP’s Smart Growth Matrix, and are (or will be) served by appropriate levels of public transit. Potential smart growth areas are places where there are opportunities for smart growth development, if local land use plans and/or regional plans for transportation and transit service are changed.

The designation of smart growth areas as either Existing/Planned or Potential is important because it will affect the kind of funding that areas will be eligible to compete for in the long-term SGIP. As previously discussed with the Regional Planning Committee, Existing/Planned smart growth areas will be eligible for both planning and infrastructure grants while Potential smart growth areas will be eligible for planning grants only.

The TWG has been serving as the lead advisory group in preparing the Concept Map. Last spring, city and county planning staffs identified areas within their jurisdictions that they believed could be
classified as either Existing/Planned or Potential smart growth areas. These areas were shown on the preliminary draft map reviewed by the RPC last July.

During the summer, SANDAG staff evaluated the areas for consistency with the land use intensity thresholds and transit service levels included in the RCP Smart Growth Matrix, using SANDAG’s land use database. This verification process, as discussed in Attachment 1, has resulted in a number of questions related to the broader policy issue of what degree of flexibility should be allowed in making final determinations with respect to identifying the Existing/Planned smart growth areas, and in the recognition that the development of the Concept Map needs to be more closely related to the 2007 RTP update, the Comprehensive Operational Analysis (COA) currently underway by the Metropolitan Transit System (MTS), and the work of the Independent Transit Planning Peer Review Panel.

**Process to Refine the Concept Map**

While the TWG and the SWG have been the most actively involved advisory groups in the preparation of the Concept Map, staff has also met with the Independent Transit Planning Peer Review Panel to discuss the Concept Map on two occasions. The meetings with the Peer Review Panel have been very helpful and have led to the recognition that the various land use and transit planning efforts currently underway need stronger coordination. For example, while the current draft Concept Map relies on the transit networks included in the adopted RTP, the final Concept Map should reflect revised transit service concepts that are being recommended in the COA, the Independent Transit Planning Review, and other input into the updated Regional Transportation Plan.

In addition, various members of the Peer Review Panel have suggested that the Concept Map be less inclusive and instead focus on areas planned for significant land use intensity where major regional transit investments have already been made. This approach would maximize the region’s use of existing investments in its transit system and provide additional incentives for increased development around existing and planned transit stations before expanding the transit system to areas that may generate less transit ridership.

As a result of these discussions, and in coordination with the 2007 RTP update, staff believes that it would be useful to develop several alternative “enhanced smart growth” land use / transportation scenarios based on variations of the Concept Map and transit service concepts, and to test the transportation, housing, land consumption, and environmental effects of those alternatives through the development of the 2007 RTP update.

The current Smart Growth Concept Map includes all Existing/Planned or Potential smart growth areas identified by local jurisdictions. Understanding that the region will lack sufficient funding to complete transportation improvements or provide smart growth incentive funds to all of those areas by the year 2030, the Regional Planning Committee could provide policy direction on these alternatives, which could range from the existing, all-inclusive map, to a map that focuses exclusively on areas along existing/planned red and yellow car transit service, to a map that includes areas only along the yellow transit service lines, to a combination of these. Staff could develop performance measures to test which of the alternatives best implements the RCP policy objectives associated with housing, transportation, urban form, and the environment, such as affordable housing, mode share, transit ridership, air quality, land consumption, and others.
SANDAG could also use the upcoming public workshops to obtain input on these alternative land use/transportation scenarios related to different combinations of smart growth and transit in the draft RTP and also obtain public input on the transportation networks connecting the smart growth areas.

Because of the additional coordination necessary between SANDAG, the local planning staffs, MTS, North County Transit District (NCTD), and the Independent Transit Planning Peer Review Panel, it is anticipated that the workshops will be held sometime this spring. Holding the workshops this spring will allow staff, the Regional Planning Committee, and the working groups time to address remaining issues; provide the opportunity to more fully engage the city/county managers and members of the SANDAG Board of Directors in discussions on the Concept Map before the workshops; and allow better integration of the Smart Growth Concept Map with the various efforts described above.

**Next Steps**

Based on the approach to public outreach and integration with other planning programs as outlined above, the following are the proposed next steps:

- Joint briefing with local city managers and planning directors: January 2006
- Revised illustrative map to TWG and SWG: January 2006
- Initial discussion with SANDAG Board members at Board retreat: Early February 2006
- Presentations to local City Councils / Board of Supervisors and other groups: February / March 2006
- Refinements to Concept Map and alternatives based on public input: April / May 2006
- Board action on draft Concept Map and alternatives for use in RTP update: June / July 2006

BOB LEITER  
Director of Land Use and Transportation Planning

Attachment: 1. Overview of Process Used to Develop the Draft Smart Growth Concept Map

Key Staff Contact: Carolina Gregor, (619) 699-1989, cgr@sandag.org
Overview of Process Used to Develop the Draft Smart Growth Concept Map

Over the past year, staff has been working with the local planning directors in the region to identify the initial list of smart growth areas for inclusion on the Smart Growth Concept Map. The planning directors were asked to identify areas in their jurisdictions that exemplified the characteristics of the smart growth place types contained in the RCP and listed below. The planning directors also were asked to estimate whether the areas should be classified as “Existing/Planned” smart growth areas or “Potential” smart growth areas based on whether they meet the residential and employment targets contained in the table below, and whether they meet certain transit service characteristics contained in the RCP.

<table>
<thead>
<tr>
<th>Smart Growth Place Type</th>
<th>Minimum Residential Target based on RCP</th>
<th>Minimum Employment Target based on RCP</th>
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<tbody>
<tr>
<td>Metropolitan Center</td>
<td>75 du/ac</td>
<td>80 emp/ac</td>
</tr>
<tr>
<td>Urban Center</td>
<td>40 du/ac</td>
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<td>Town Center</td>
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<td>Community Center</td>
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<tr>
<td>Rural Village</td>
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<td>NA</td>
</tr>
<tr>
<td>Special Use Center</td>
<td>Optional</td>
<td>45 emp/ac</td>
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<tr>
<td>Transit Corridor</td>
<td>25 du/ac</td>
<td>NA</td>
</tr>
</tbody>
</table>

Once the planning directors identified the areas and estimated their status (Existing/Planned or Potential), staff initiated a “verification” process to determine whether the areas met the residential and employment targets, and the associated transit service levels. (The verification process did not include analysis of urban design characteristics at this stage.)

The verification process is based on data included in SANDAG’s geographic information system (GIS) databases. The information in our GIS databases is updated on a periodic basis as part of the regional growth forecast update. SANDAG is in the process of updating the regional growth forecast, and has been working with local jurisdictions to obtain local land use inputs based on their most recently updated local general plans and policies. The criteria for verifying the smart growth areas is based on:

- Projected net residential densities in 2030,
- Projected net employment densities in 2030, and
- Existing/planned transit service levels included in the existing RTP, MOBILITY 2030.

Over the summer, SANDAG staff “ran the numbers” for the smart growth areas. Initial results indicated that approximately one-fifth of the areas identified by the planning directors qualified as “Existing/Planned” smart growth areas based on the criteria listed above.

SANDAG held subregional working sessions with local planning staff members to discuss their areas; consider the addition, deletion, or modification of any areas; verify their data; and identify remaining policy and technical issues. SANDAG currently is in the process of resolving remaining issues.
SECTION 2 - EXPENDITURE PLAN SUMMARY:

C.1 Local Street and Road Program: An estimated $3,950 million will be allocated on a fair and equitable basis, using the formula specified in Section 4(D)(1), to each city and the County of San Diego (hereinafter referred to as local agencies) to supplement other revenues available for local street and road improvements. In developing the biennial list of projects to be funded with these revenues as required under Section 5(A), local agencies shall give high priority in the use of these funds to improvements to regional arterials, grade separation projects, and related facilities contributing to congestion relief. At least 70 percent of the revenues provided for local street and road purposes should be used to fund direct expenditures for construction of new or expanded facilities, major rehabilitation and reconstruction of roadways, traffic signal coordination and related traffic operations improvements, transportation-related community infrastructure improvements to support smart growth development, capital improvements needed to facilitate transit services and facilities, and operating support for local shuttle and circulator routes and other services. No more than 30 percent of these funds should be used for local street and road maintenance purposes. A local agency desiring to spend more than 30 percent of its annual revenues on local street and road maintenance-related projects shall provide justification to the Commission as part of its biennial project list submittal. The Commission shall review each local agency’s biennial project list submittal and make a finding of consistency with the provisions of this Ordinance and with the Regional Transportation Plan prior to approving the local agency’s project list for funding. The Independent Taxpayer Oversight Committee shall also review the proposed project lists and make recommendations to the Commission.

SECTION 4 - EXPENDITURE PLAN PURPOSES:

E.3 All new projects, or major reconstruction projects, funded by revenues provided under this Ordinance shall accommodate travel by pedestrians and bicyclists, except where pedestrians and bicyclists are prohibited by law from using a given facility or where the costs of including bikeways and walkways would be excessively disproportionate to the need or probable use. Such facilities for pedestrian and bicycle use shall be designed to the best currently available standards and guidelines.

SECTION 5 - EXPENDITURE PLAN PROCEDURES:

A. Each local agency shall biennially develop a five-year list of projects to be funded with revenues made available for local street and road improvements under Section 4(D). A local public hearing on the proposed list of projects shall be held by each local agency prior to submitting its project list to the Commission for approval pursuant to Section 6.
B. All projects to be funded with revenues made available under Section 4 must be consistent with the Regional Transportation Plan (RTP). Project priorities or phasing shall also be consistent with the RTP. The Expenditure Plan shall be reviewed for consistency with RTP following each major update of the RTP as required by state or federal law. The Expenditure Plan shall be amended as necessary to maintain consistency with the Regional Transportation Plan. If funds become available in excess of the amount allocated in the Expenditure Plan, additional projects shall be added to the Expenditure Plan consistent with the priorities in the Regional Transportation Plan. Any amendments to the Expenditure Plan shall be made in accordance with the procedures for amending this ordinance as provided for in Section 16.

SECTION 8 - MAINTENANCE OF EFFORT:

It is the intent of the Legislature, as stated in the Act, and the Commission that revenues provided from this measure be used to augment, not supplant existing local revenues being used for the purposes set forth in Section 4 herein. Each local agency receiving revenues pursuant to Section 4(D) shall annually maintain as a minimum the same level of local discretionary funds expended for street and road purposes on average over the last three fiscal years completed prior to the operative date of this Ordinance (Fiscal Years 2000-01, 2001-02, 2002-03), as was reported in the State Controller’s Annual Report of Financial Transactions for Streets and Roads and as verified by an independent auditor. The maintenance of effort level as determined through this process shall be subject to adjustment every three years based on the Construction Cost Index developed by Caltrans. Any increase in the maintenance of effort level based on this adjustment shall not exceed the growth rate in the local jurisdiction’s General Fund revenues over the same time period. The Commission shall not allocate any revenues pursuant to Section 4(D) to any eligible local agency in any fiscal year until that local agency has certified to the Commission that it will include in its budget for that fiscal year an amount of local discretionary funding for streets and roads purposes at least equal to the minimum maintenance of effort requirement. An annual independent audit shall be conducted to verify that the maintenance of effort requirement for each agency was met. Any local agency which does not meet its maintenance of effort requirement in any given year shall have its funding under Section 4(D)(1) reduced in the following year by the amount by which the agency did not meet its required maintenance of effort level. In the event that special circumstances prevent a local agency from meeting its maintenance of effort requirement, the local agency may request up to three additional fiscal years to fulfill its requirement. Such a request must be approved by the Commission. The Independent Taxpayer Oversight Committee shall also review such requests and make recommendations to the Commission. Any local street and road revenues not allocated pursuant to the maintenance of effort requirement shall be redistributed to the remaining eligible agencies according to the formula described in Section 4(D)(1). The maintenance of effort requirement also shall apply to any local agency discretionary funds being used for the other purposes specified under Section 4. In addition, revenues provided from this Ordinance shall not be used to replace other private developer funding that has been or will be committed for any project.

SECTION 9 - REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (RTCIP):

A. New Development Exactions Starting on July 1, 2008, each local agency in the San Diego region shall contribute $2,000 in exactions from the private sector, for each newly constructed residential housing unit in that jurisdiction to the RTCIP. These exactions shall ensure future development contributes its proportional share of the funding needed to pay for the Regional Arterial System and related regional transportation facility improvements, as defined in San Diego Association of
Governments’ (SANDAG’s) most recent, adopted Regional Transportation Plan. New residential housing units constructed for extremely low, very-low, low, and moderate income households, as defined in California Health and Safety Code Sections 50105, 50106, 50079.5 and 50093, will be exempted from the $2,000 per unit contribution requirement. The amount of contribution shall be increased annually, in an amount not to exceed the percentage increase set forth in the Engineering Construction Cost Index published by the Engineering News Record or similar cost of construction index. Each local agency shall establish an impact fee or other revenue Funding Program by which it collects and funds its contribution to the RTCIP. Each local agency shall be responsible for establishing a procedure for providing its monetary contribution to the RTCIP. The RTCIP revenue will be used to construct improvements on the Regional Arterial System such as new or widened arterials, traffic signal coordination and other traffic improvements, freeway interchange and related freeway improvements, railroad grade separations, and improvements required for regional express bus and rail transit. This action is predicated on the desire to establish a uniform mitigation program that will mitigate the regional transportation impacts of new development on the Arterial system. While the RTCIP cannot and should not fund all necessary regional transportation network components and improvements, the RTCIP will establish a new revenue source that ensures future development will contribute its pro rata share toward addressing the impacts of new growth on regional transportation infrastructure.

SECTION 11 - INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE:

An Independent Taxpayer Oversight Committee (ITOC) shall be established to provide an enhanced level of accountability for expenditure made under the Expenditure Plan. The ITOC will help to ensure that all voter mandates are carried out as required and will develop recommendations for improvements to the financial integrity and performance of the program. The roles and responsibilities of the ITOC, the selection process for ITOC members, and related administrative procedures shall be carried out in substantially the same manner as further described in the document titled “Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the TransNet Program,” which is hereby incorporated by reference as if fully set forth herein. Up to $250,000 per year, with adjustments for inflation based on the Consumer Price Index for San Diego County, may be expended for activities related to the ITOC.
REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM

Providing new transportation services and facilities is an expensive undertaking. Not providing them, however, will result in a decreased quality of life due to significant increases in traffic congestion, degrading mobility throughout the San Diego region. As SANDAG’s Regional Transportation Plan (RTP) explains, our challenge is especially critical for the Regional Arterial System, which is forecast to carry an increasingly significant amount of traffic volume. The SANDAG Board recognizes the need to establish a new Regional Transportation Congestion Improvement Program (RTCIP) that ensures future development will contribute its share toward funding and mitigating new traffic impacts on the Regional Arterial System.

A. Funding Program

1. Section 9 of the TransNet Ordinance requires that local jurisdictions establish a program or mechanism that provides $2,000 per new residential unit for the purpose of funding the Regional Arterial System, including SR 75. For purposes of the RTCIP, the Regional Arterial System is defined in SANDAG’s most recent and adopted RTP. Each jurisdiction’s program or mechanism shall be known as a “Funding Program.” Local jurisdictions may choose to implement a Funding Program through a development impact fee program or other exactions from the private sector.

2. In the event a jurisdiction(s) chooses to establish a development impact fee program to meet its Funding Program requirements, said program shall be consistent with Government Code Section 66000 et seq.

3. SANDAG will be responsible for producing the required nexus study to satisfy the requirements of California Government Code Section 66000 et seq. for Funding Programs utilizing a development impact fee. The first draft of the regional nexus study shall be presented to the SANDAG Board within nine months of the successful reauthorization of TransNet.

4. In no case will nonresidential development be subject to a development impact fee to meet the requirements of Section 9 of the TransNet Ordinance.

5. Each jurisdiction’s Funding Program shall be submitted for review by the Independent Taxpayer Oversight Committee (ITOC) referred to in Section 11 of the TransNet Ordinance prior to April 1, 2008, approved by Regional Transportation Commission by June 1, 2008, and shall become operative on July 1, 2008. Failure to submit a Funding Program for review by the ITOC by April 1 of any year beginning April 1, 2008, shall result in that jurisdiction losing eligibility to receive funding for local streets and roads under Section 4(D)(1) of the Ordinance until July 1 of the following year.
TransNet Extension

B. Purpose

1. The purpose of each jurisdiction’s Funding Program is to provide additional revenue to fund those facility and service improvements on the Regional Arterial System necessitated by development of newly constructed residences.

C. Fee Adjustment

1. The fee amount per residential unit shall be adjusted by SANDAG on July 1 of each year beginning July 1, 2009, based upon the Engineering Construction Cost Index as published by the Engineering News Record or similar cost of construction index.

2. Any increase shall not exceed the percentage increase set forth in the construction index. In no event, however, shall the increase be less than two percent per year. The purpose of this annual adjustment is to retain purchasing power in anticipation of future inflation.

D. Expenditure of Funding Program Revenues

1. Revenues collected under Section 9 of the TransNet Ordinance shall be deposited into each jurisdiction’s Funding Program for use on the Regional Arterial System as described in this Subsection D.

2. Revenue collected through the Funding Programs shall be used to construct transportation improvements on the Regional Arterial System such as new arterial roadway lanes, turning lanes, reconfigured freeway-arterial interchanges, railroad grade separations and new regional express bus services, or similar types of improvements, preliminary and final engineering, right-of-way acquisition, and construction that will be needed to accommodate future travel demand generated by new development throughout the San Diego region. A reasonable portion of the program revenue, up to a maximum of 3 percent, may be used for fund administration.

3. Expenditure of the Funding Program revenues shall be in a manner consistent with the expenditure priorities in SANDAG’s most recent and adopted long-range RTP and with Section 5 of the TransNet Ordinance. To maximize the effective use of these Funding Program revenues, they may be transferred, loaned, or exchanged in accordance with the requirements of Section 7 of the TransNet Ordinance.

E. Exemptions

The following development types shall be exempt from the Funding Program requirements:

1. New moderate, low, very low, and extremely low income residential units as defined in Health & Safety Code sections 50079.5, 50093, 50105, 50106, and by reference in Government Code Section 65585.1.

2. Government/public buildings, public schools and public facilities.
3. The rehabilitation and/or reconstruction of any legal, residential structure and/or the replacement of a previously existing dwelling unit.

4. All new, rehabilitated, and/or reconstructed nonresidential structures.

5. Development Projects which are the subject of a Public Facilities Development Agreements (pursuant to applicable Government Code Sections) prior to the effective date of this ordinance, wherein the imposition of new fees are expressly prohibited, provided, however that, if the term of such a Development Agreement is extended after July 1, 2008, the requirements of this funding program shall be imposed.

6. Guest Dwellings

7. Additional residential units located on the same parcel regulated by the provisions of any agricultural zoning.

8. Kennels and Catteries established in conjunction with an existing residential unit.

9. The sanctuary building of a church, mosque, synagogue, or other house of worship, eligible for property tax exemption.

10. Residential units that have been issued a building permit prior to July 1, 2008.

11. Condominium conversions

F. Credits

1. If a developer funds or constructs improvements on the Regional Arterial System and/or as that arise out of SANDAG’s Congestion Management Program, the developer shall receive credit for the costs associated with the arterial improvements, offsetting the revenue requirements of the Funding Program. Such credits shall only apply to the Funding Program for the jurisdiction in which the residential unit was developed.

2. In special circumstances, when a developer constructs off-site improvements such as an interchange, bridge, or railroad grade separation, credits shall be determined by the local jurisdiction in consultation with the developer.

3. The amount of the credit shall not exceed the revenue requirements of the most current Funding Program or actual cost, whichever is less.

4. The local jurisdictions shall compare facilities in their Funding Program, against the Regional Arterial System and eliminate any overlap in its Funding Program except where there is a legally recognized benefit district established.

5. If there is a legally recognized benefit district established, the local agency may credit that portion of the facility identified in both programs against its Funding Program.
G. Procedures for the Levy, Collection and Disposition of Funding Program Revenues

1. Each jurisdiction shall establish and implement a procedure to levy and collect its required contribution to the RTCIP in its Funding Program document.

2. Each jurisdiction shall determine its own schedule for collecting and/or contributing private sector exactions to its Funding Program. This schedule shall be kept up-to-date and provided to SANDAG and the ITOC each year at the time of the annual review and audit. Each jurisdiction must submit its Funding Program documents, including an expenditure plan and financial records pertaining to its Funding Program, to the ITOC for a review and audit by July 1 of each year beginning July 1, 2009. The ITOC shall review each jurisdiction’s Funding Program consistent with its auditing role as described in Section 11 of the Ordinance and the Statement of Understanding referenced in that Section.

3. Funding Program revenue requirements shall not be waived.

4. Each jurisdiction shall have up to but no more than seven fiscal years to expend Funding Program revenues on the Regional Arterial Systems projects. The seven-year term shall commence on the first day of July following the jurisdiction’s receipt of the revenue. At the time of the review and audit by the ITOC, each jurisdiction collecting a development impact fee to meet the requirements of its Funding Program shall provide the Committee with written findings for any expended, unexpended and uncommitted fees in their Program Fund and demonstrates a reasonable relationship between the fee and the purpose for which it was charged, consistent with the requirements of Government Code Section 66000 et seq. Unless a planned need for such fees can be demonstrated and a justification for the delay can be provided that is acceptable to the Taxpayer Independent Oversight Committee, the unexpended or uncommitted portion of the Funding Program revenues shall be transferred to the Regional Transportation Commission (SANDAG) to be expended within three years on qualified projects within the same subregion. Contributions to the Funding Program not committed or expended by the tenth anniversary date of the July 1 following collection shall be refunded to the current record owner of the development project on a prorated basis. In no case will a refund be more than was initially contributed to the Funding Program.

5. The ITOC identified in Section 11 of the Ordinance shall be responsible for issuing an annual audit statement on each jurisdiction’s compliance with requirements of Section 9 of the TransNet Ordinance by October 1 of each year beginning October 1, 2009. SANDAG will report to the Board on the RTCIP and the annual audit statement in November of each year beginning in November 2009.
The TransNet Ordinance requires that at least 70 percent of the revenues provided for local street and road purposes should be used to fund direct expenditures for facilities contributing to congestion relief. No more than 30 percent of these funds should be used for local street and road maintenance purposes. The required multi-year Regional Transportation Improvement Program (RTIP) project lists submitted by local agencies that are found to be out of compliance with this requirement will not be approved. Local agencies may request an exception to this requirement due to unique circumstances and must provide justification for such a request as part of its project list submittal. The following table categorizes and lists the more typical types of facilities that are considered to contribute to congestion relief. For other facilities not listed, it must be demonstrated that congestion relief can be obtained before the project can be considered part of the 70 percent category. Clarification is added in the roadway maintenance column where appropriate. Facilities that are not considered to contribute to congestion relief are listed at the end of the table in the maintenance column.

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<thead>
<tr>
<th>Congestion Relief</th>
<th>Maintenance and Non-Congestion Relief</th>
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<td>(At least 70%)</td>
<td>(No more than 30%)</td>
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**New or Expanded Facilities**
1. New roadways and bridges
2. Roadway and bridge widening
3. Bike lanes

**Major Rehabilitation and Reconstruction**
4. Roadway rehabilitation (grinding and overlay, or new structural pavement, or new overlay 1 inch thick or greater)
5. Roadway realignment
6. Bridge retrofit
7. Roadway drainage facilities

**Traffic Signal and Operational Improvements**
8. Median installation
9. New traffic signal
10. Traffic signal coordination
11. Traffic signal interconnection
12. Centrally controlled traffic signal optimization system
13. Traffic surveillance system (video)
14. Traffic data collection system (in pavement detection, radar)

- Pavement overlay (less than 1 inch)
- Pot hole repair, chip seal, fog seal, crack seal (except when part of roadway rehabilitation project)
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**Smart Growth Related Infrastructure**
15. New sidewalks
16. Sidewalk widening
17. Bulb -outs
18. Speed bump
19. Pedestrian ramps
20. Pedestrian traffic signal activation
21. Pedestrian crossings/overcrossings
22. Buffer area between sidewalk and street
23. New roadway lighting

**Transit Facilities**
24. New bus stops
25. Bus stop enhancements
26. Bus-only lanes
27. Queue jumper lanes for buses
28. Traffic signal priority measures for buses
29. Transit operational costs for shuttle and circulator routes

**Non-Congestion Relief**
30. Erosion control (unless required as part of a congestion relief project)
31. Landscaping (unless required as part of a congestion relief project)
32. Roadway signing and delineation (unless required as part of a congestion relief project)

Note: Direct staff costs for congestion relief project development (environmental, preliminary engineering, design, right of way acquisition, and construction management) are eligible expenditures under the appropriate category. Staff costs for general transportation planning and other non-project specific expenses are not considered eligible. Costs for general TransNet fund administration are eligible up to one percent of annual revenues.

* To receive credit for providing congestion relief under the 70 percent category, improvements must be provided in one of the seven Regional Comprehensive Plan smart growth land use type characteristic areas: Metropolitan Center, Urban Center, Town Center, Community Center, Transit Corridor, Special Use Center, Rural Community.