Chairman Mickey Cafagna (North County Inland) called the Executive Committee meeting to order at 9:06 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by Mayor Christy Guerin (North County Coastal) and a second by Supervisor Bill Horn (County of San Diego), the minutes of the March 10, 2006, Executive Committee meeting were unanimously approved with one abstention by Councilmember Jim Madaffer (City of San Diego).

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Chuck Lungerhausen, a member of the public, solicited sponsorship donations for the Multiple Sclerosis (MS) Walk on April 29 and 30. On the public transportation front, it is his hope that Board members read the Opinion Editorial article in last Friday’s San Diego Union-Tribune newspaper entitled, “An effort to save our transit system,” by Metropolitan Transit System (MTS) Board members Toni Atkins, Bob Emery, and Phil Monroe. He hoped all readers came to the conclusion that more local tax dollars draw more federal and state tax dollars, and that a higher tax is an investment in the future expansion of trade in the San Diego region.

CHAIR’S REPORT (3)

3. UPDATE ON THE CALIFORNIA LEGISLATIVE ANALYST’S OFFICE REPORT (INFORMATION/POSSIBLE ACTION)

Kim Kawada, Executive Program Manager, reported that the state legislation that consolidated the functions of SANDAG with the transit planning and project development responsibilities of the two transit agencies in the San Diego region also called for the California Legislative Analyst’s Office (LAO) to study the effectiveness of the region’s governance system. The LAO released its report on March 30, 2006. The LAO looked at SANDAG activities since consolidation in 2003 in the areas of how we influence land use development, how we address transportation needs, and how much progress we’ve made in other areas such as the environment and affordable housing.

On the positive side, the LAO found that the scope and scale of SANDAG’s responsibilities in transportation and comprehensive regional planning are a good fit. The broad scope allows
SANDAG to look at the big picture when making policy decisions on a number of issues. The LAO highlighted the TransNet program in which we balanced needs for transportation with smart growth incentives and habitat protection. The LAO also found that SANDAG is one of the best regional agencies in the state at addressing regional issues. The LAO further found significant accountability between the public and local elected officials of the 18 cities and the County of San Diego.

On the other side, the LAO identified certain limitations in the regional governance structure. Those areas included land use authority, tax structure and fiscal reform, and accountability. The LAO stated that while SANDAG as the regional agency makes regional land use policies and recommendations to local jurisdictions, ultimately the land use authority and the ability to implement changes to land use remains with the cities and the County. The LAO found shortcomings in the current tax structure that encourage local jurisdictions to promote “a narrow range of land uses” that bring in revenues to the local jurisdictions but aren’t necessarily consistent with regional interests to promote compact, smart growth development around transit. The LAO also mentioned the issue of directly elected versus appointed representatives and stated that the public sometimes may have a hard time holding SANDAG officials accountable since the membership positions on the SANDAG Board are appointed and often rotate. However, these limitations are not unique to the San Diego region or SANDAG in particular.

The LAO presented three options for the region’s governance structure: (1) no change; (2) take incremental steps to increase accountability, such as the Board’s efforts to add a second County representative to SANDAG; and (3) broad governance restructuring. The potential areas for change identified by the LAO, such as fiscal reform and land use regulations, would take a combined effort of local jurisdictions, regional agencies, and the state to make a difference. The LAO did not take a position on whether the governance structure should be changed. It will be up to the region to decide. The LAO’s report will be presented to the Board at its April 28 meeting.

Councilmember Madaffer commented that it is unfortunate that this report received no media play. The LAO’s report could not have been any better for SANDAG. With respect to the governance system, adding a second representative to the SANDAG Board for the County’s unincorporated areas is a good step. Regarding the LAO’s suggestion to convert SANDAG to a “council of mayors,” he noted that some jurisdictions rotate their mayor positions within their city council. To date, SANDAG has worked extremely well in its current form. On Page 12 of the report, the LAO states that SANDAG plays a more prominent role than most other councils of governments (COGs). This is the case throughout the state. Another comment on page 17 stated that SANDAG has limited active feedback. SANDAG has a good Web site and broadcasts its Board meetings over the Internet. He didn’t know what else we could do but suggested that we continue to explore ways to enhance public involvement in SANDAG activities. On Page 42, with regard to transportation, the LAO recognized the necessary coordination between SANDAG, MTS, and the North County Transit District (NCTD). On Pages 45 and 46, the LAO talked about SANDAG choosing to use transportation dollars as incentives for local jurisdictions to develop affordable housing. He said that SANDAG is looked at as a leader around the state by such actions. This organization deserves a pat on the back for this effort. The report is a glowing assessment of this organization. The SANDAG Board deserves the credit for the structure and
Mayor Crystal Crawford (North County Coastal) stated that the comments made in the LAO report regarding limited public comments are related to the fact that not a lot of members of the public provide input at SANDAG meetings. The members of the public attending SANDAG meetings vary based on the issues being discussed. She added that we go out to the community with public workshops to try to obtain public input for those who cannot attend Board meetings on Friday mornings. There are different ways to interpret what the LAO meant with that statement.

Vice Mayor Ron Morrison (South County) said that it was fascinating to watch the media coverage on this report. The one point raised was that since we have appointed, elected officials on our Board, it might be difficult for individuals to determine who represents them on the SANDAG Board. Vice Mayor Morrison said he took an informal poll asking various people whether they knew their elected officials at the federal, state, and local levels. Less than 10 percent of the people he asked knew who their elected officials were. What he hears from COGs throughout the nation is that they envy SANDAG.

Chair Cafagna commented that the LAO was not happy about doing this report, but it did a good job. It pointed out areas needing improvement, and we are continuing to improve. There were no surprises.

Action: No action was taken on this item.

REPORTS (4 through 5)

4. DRAFT BOARD POLICY: IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) POLICY MEMORANDUM (RECOMMEND)

Susan Baldwin, Senior Planner, reported that the subject of this item was draft Board policy No. 033 that includes implementation guidelines for the RHNA policy. This item was referred back to staff for further review. Mayor Guerin distributed a memo at the last Board meeting that discussed several concerns. Staff has responded to this memo in Attachment 1 of the report. A number of the recommended changes were not consistent with the adopted RHNA policy, however, staff does support three changes to the draft Board policy for clarity purposes. One change was to add a statement in the Purpose section that the Board policy will be reviewed annually to determine if changes are needed and noting some issues that should be considered. A second concern was a change to Section 2.4.2, regarding making progress toward implementation. “Making progress” on housing elements is defined as demonstrating a good faith effort. The third change is to Section 2.4.3, to allow the submission of an annual report on or before the application due date for a funding program. This would allow jurisdictions additional time to complete these reports. Attachment 2 shows the actual changes to the draft Board policy.

Following completion of the agenda report, staff received a letter from the County of San Diego expressing its concerns with the policy. It also suggested changes. Two of those
changes have been addressed in the revised draft Board policy regarding the annual evaluation and greater flexibility with the annual housing report due date. The third change was to delay implementation of the housing element submittal requirement until June 2007 when the County’s General Plan will be complete. Staff does not agree with that proposed change. We also received a letter from the City of Chula Vista on Wednesday, April 12, that requests that during the annual review of the policy, the overall lower income production be considered rather than just the percentage of RHNA numbers that have been produced.

Supervisor Horn expressed his appreciation for SANDAG staff addressing two of the County’s issues. He was disappointed that the third issue was not included; however, he expressed his support for this item.

Mayor Guerin also thanked staff for taking each of the comments she submitted and thoroughly explaining their recommendations. She is happy with the second recommendation.

Vice Mayor Pia Harris-Ebert (North County Inland) asked for an explanation of a good faith effort. She expressed frustration about these changes coming back again.

Ms. Baldwin explained that in your housing elements, if you have to undertake a rezoning program, you need to put together a schedule that shows what you are going to do and when. A good faith effort is if you are actually meeting the deadlines in the schedule.

Vice Mayor Morrison asked about how the proposal by Chula Vista would be any different from the methodology included in the Board policy. Ms. Baldwin said the current recommended approach awards incentive points based upon the percentage of the need met for low and very low income housing categories within each jurisdiction. The letter from Chula Vista stated that using the percentage approach allows many jurisdictions to compete for incentive points, but using it alone may place jurisdictions that are actually producing the largest absolute numbers of low income units at a disadvantage because of their very high RHNA allocations. She agreed that we could look at a two-pronged approach to evaluating those numbers.

Gary Gallegos, Executive Director, agreed that showing both the actual numbers and the percentages would be a good thing to do.

Second Vice Chair Holt Pfeiler (North County Inland) suggested that the two-pronged approach to awarding incentive points be evaluated when the first annual review is conducted.

Mayor Crawford said that it would be helpful for local jurisdictions to keep track if they had a frame of reference for how many units we need as a city and how many we need for the county as a whole. She expressed concern about the disparity between housing units and population.
Ms. Baldwin noted that one of the things we are doing as part of the RCP is a performance monitoring report. That is where we will look at the housing growth in comparison to population growth in the region.

Mr. Gallegos said that we will strive to present the information in various ways.

**Action:** Upon a motion by Supervisor Horn, and a second by Councilmember Madaffer, the Executive Committee recommended that the SANDAG Board of Directors approve the revisions to Draft Board Policy No. 033 as presented.

5. **LEGISLATIVE STATUS REPORT (INFORMATION/POSSIBLE ACTION)**

Kim Kawada reported that on the federal side, all of our project funding proposals for the FY 2007 transportation appropriations process have been submitted, and the four current members of San Diego’s Congressional delegation signed a letter supporting various projects on behalf of the vacant 50th District seat. Ms. Kawada noted that Congress will return from recess on April 24, when the House is expected to make markups to be done by the July 4 recess. She said that earmark requests for FY 2007 are substantially down compared to FY 2006.

Ms. Kawada said that on the state side, SANDAG’s governance bill, Senate Bill (SB) 1296 (Kehoe), to add a second county supervisor representative to the SANDAG Board and to allow the San Diego Mayor to serve on the SANDAG Board, is moving through the Legislature with no problems. The bill is out of the Senate and into the Assembly.

Ms. Kawada said that talks are still in the works about a potential infrastructure bond for the November ballot. The most current vehicle is Assembly Bill (AB) 134 (Nunez), which has moved out of the Assembly and has been marked up by the Senate.

In addition, there are a couple of state bills that, if passed, will help improve and expedite transportation project delivery. The first is SB 1812 (Runner) that would delegate NEPA (National Environmental Protection Act) authority from the United States Department of Transportation (USDOT) to Caltrans. It’s a state bill to allow California to participate in a pilot program authorized under SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) to speed up project delivery while still maintaining adequate environmental protections. Another bill, AB 2025 (Niello), would give authority to Caltrans for design-build projects. There is a hearing on this bill next week in the Assembly Transportation Committee.

Mr. Gallegos added that San Diego and Orange Counties have been asked to provide testimony at the Assembly hearing on AB 2025, related to our experience with limited design-build projects previously authorized for AB 680; these are toll road projects such as State Route 125.

Ms. Kawada continued that, on the state side, we would like Executive Committee direction on SANDAG legislative goal number 10, which would allow SANDAG to conduct public meetings in Mexico and adjoining counties. We approached Senator Denise Ducheny on this matter, and she advised us that our legal counsel should prepare an opinion on the legal
Ms. Kawada asked for a consensus from the Executive Committee on this approach; the Executive Committee agreed.

Mr. Gallegos said that on this date, Assemblymember George Plescia takes over as minority leader in the state Assembly. He is now a member of the “big five,” and it is the first time in many years that the San Diego region has been included in such a leadership position. That’s a plus for us. Related to the infrastructure bond, after negotiations on the bond measure collapsed in March, the Governor challenged the leadership of the Legislature to come back with a proposal he could support. They appear to be optimistic. We have been providing information about what would be helpful to us here in San Diego. The general talk today is a $30 billion bond measure scaled down from the previous $68 billion. There would be three areas of focus: transportation, education, and levees. With all of the recent rain in Northern California, the levees have a high level of interest. The membership is not as optimistic as the leadership in getting something out. They hope to have something done within two weeks after the spring recess. We continue to push on the concept of making sure design-build is included along with the ability to do private/public partnerships. There is acknowledgement that there is not enough money to do everything. There is agreement that there should be some fees to pay for portions of the infrastructure bonds.

We are looking for the authority to allow local officials to consider and make decisions about tolls and fees for transportation infrastructure. If a region determined that it would be in the public’s interest for a transportation project to be implemented by the private sector, then the regional decision could be ratified by the state. Mr. Gallegos noted that the Legislature probably has about two to three weeks to deal with the infrastructure bond. If a decision is not made by then, its focus will shift to the state budget, and then the election cycle starts.

Vice Mayor Harris-Ebert asked about the funding breakdown. Mr. Gallegos responded that it was his understanding that the proposed $30 billion bond would be split in the following way: $15 billion for transportation, $10 billion for education, and $5 billion for levees.

Mayor Art Madrid (East County) said that we might want to look at the proposed bond measure for libraries (Proposition 81) for the June election. He thought that SANDAG should take a position on this.

Councilmember Madaffer stated that he has signed a memo to the San Diego City Council regarding this proposition; the City Council is being asked to take a position of support. The City received $30 million from the last library bond measure. There is a draft resolution that he could share with other jurisdictions.

Mayor Madrid asked that the model resolution be sent to other jurisdictions.

Vice Mayor Morrison said that National City also was a recipient of funding from the first library bond. National City completed a library, and it has made a huge difference in the city. People underrate the influence of libraries.
Action: No action was taken on this item.

6. REVIEW OF APRIL 28, 2006, DRAFT BOARD AGENDA

Diane Eidam, Chief Deputy Executive Director, reviewed each item. She said that agenda item No. 11 would be deleted from this agenda and added to the May 26 Board agenda.

Mayor Holt Pfeiler asked about the subject of the May 12 Policy Board meeting. Ms. Kawada replied that it is related to the regional growth forecast.

Action: Upon a motion by Vice Mayor Morrison, and a second by Councilmember Madaffer, the Executive Committee voted to approve the agenda for the April 28, 2006, Board of Directors meeting, as revised.

12. UPCOMING MEETINGS

The next Executive Committee meeting is scheduled for May 12, 2006.

13. ADJOURNMENT

Chair Cafagna adjourned the meeting at 9:56 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG EXECUTIVE COMMITTEE MEETING
#### APRIL 14, 2006

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