Members
Lori Holt Pfeiler, Chair
Mayor, Escondido
(Representing North County Inland)
Jerry Jones, Vice Chair
Councilmember, Lemon Grove
(Representing East County)
Carrie Downey
Councilmember, Coronado
(Representing South County)
Matt Hall
Mayor Pro Tem, Carlsbad
(Representing North County Coastal)
Jerry Sanders
Mayor, City of San Diego
Pam Sater-Price
Supervisor, County of San Diego

Alternates
Steve Gronke
Councilmember, Vista
(Representing North County Inland)
Barry Jantz
Councilmember, La Mesa
(Representing East County)
Patricia McCoy
Councilmember, Imperial Beach
(Representing South County)
Lesa Heebner
Deputy Mayor, Solana Beach
(Representing North County Coastal)
Toni Atkins
Councilmember, City of San Diego
Bill Horn
Chairman, County of San Diego

Advisory Members
Susannah Aguilera
U.S. Department of Defense
Harry Mathis
Chairman, Metropolitan Transit System
Dave Druker/Ed Gallo
North County Transit District
Howard Williams
San Diego County Water Authority
Bill Briggs
San Diego Unified Port District
Pedro Orso-Delgado
District 11 Director, Caltrans
Niall Fritz
Regional Planning
Technical Working Group
Kathy Keehan/Gary Nordstrom
Regional Planning
Stakeholders Working Group

Environmental Mitigation Program
Advisory Members
Therese O’Rourke
U.S. Fish & Wildlife Service
Michael J. Mulligan
California Department of Fish & Game
Mark Durham
U.S. Army Corps of Engineers
John Donnelly
Wildlife Conservation Board
Gary L. Gallegos
Executive Director, SANDAG

AGENDA HIGHLIGHTS

• 2007 RTP: ENERGY WHITE PAPER

A PORTION OF THIS MEETING WILL BE HELD JOINTLY WITH THE REGIONAL HOUSING WORKING GROUP. HIGHLIGHTS INCLUDE:

• PRESENTATION ON THE STATE OF THE REAL ESTATE MARKET
• SAN DIEGO HOUSING FEDERATION CIVIL SOCIETY GRANT
• UPDATE ON THE REGIONAL HOUSING WORK PROGRAM
• STATEWIDE PROPOSITIONS SUPPORTIVE OF HOUSING AND SMART GROWTH

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YOU CAN LISTEN TO THE REGIONAL PLANNING COMMITTEE MEETING BY VISITING OUR WEB SITE AT WWW.SANDAG.ORG.

MISSION STATEMENT

The Regional Planning Committee provides oversight for the preparation and implementation of the Regional Comprehensive Plan that is based on the local general plans and regional plans and addresses interregional issues with surrounding counties and Mexico. The components of the plan include: transportation, housing, environment (shoreline, air quality, water quality, habitat), economy, borders, regional infrastructure needs and financing, and land use and design components of the regional growth management strategy.
Welcome to SANDAG. Members of the public may speak to the Regional Planning Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip, which is located in the rear of the room, and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The Regional Planning Committee may take action on any item appearing on the agenda.

This agenda and related staff reports can be accessed at www.sandag.org under meetings on SANDAG’s Web site. Public comments regarding the agenda can be forwarded to SANDAG via the e-mail comment form also available on the Web site. E-mail comments should be received no later than noon, two working days prior to the Regional Planning Committee meeting.

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ITEM #

+1. APPROVAL OF NOVEMBER 3, 2006, MEETING MINUTES

APPROVE

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the Regional Planning Committee on any issue within the jurisdiction of the Committee. Speakers are limited to three minutes each and shall reserve time by completing a “Request to Speak” form and giving it to the Clerk prior to speaking. Committee members also may provide information and announcements under this agenda item.

CONSENT ITEMS

+3. PROGRESS REPORT ON BOARD POLICY NO. 033: IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) MEMORANDUM (Susan Baldwin)

The purpose of this item is to update the RPC on the implementation of Board Policy No. 033. The attached letter was sent to the planning/community development directors (with copies to the city managers and public works directors) as a reminder that Board Policy No. 033 will be used in the allocation process for the 2008 Transportation Development Act (TDA) and TransNet Bicycle and Pedestrian funds. The call for projects for these funds will be posted on SANDAG's Web site on January 8, 2007; applications will be due on February 5, 2007. The letter contains a brief questionnaire regarding the information required for eligibility for the funds and a copy of the Board Policy.

REPORTS

+4. 2007 REGIONAL TRANSPORTATION PLAN (RTP): ENERGY WHITE PAPER (Susan Freedman)

A number of white papers are being developed for the 2007 RTP. This paper addresses energy and climate change impacts associated with transportation, alternative fuel and vehicle considerations, and potential energy-saving and emission-reducing measures. The Regional Planning Committee is asked to provide input and comments to this white paper. The information in this report will be used in the development of the 2007 RTP.
5. **PRESENTATION ON THE STATE OF THE REGION’S REAL ESTATE MARKET** 
(Russ Valone, MarketPointe Realty Advisors)  

Russ Valone, President of MarketPointe Realty Advisors, will make a presentation on the state of the region’s real estate market.

6. **SAN DIEGO HOUSING FEDERATION CIVIL SOCIETY GRANT FROM THE SAN DIEGO FOUNDATION** 
(Tom Scott, San Diego Housing Federation)  

The San Diego Housing Federation (SDHF) received a grant from the San Diego Foundation to create a broad coalition (Homes 4 San Diego) of civic leaders from business, labor, philanthropy, education, government, environmental, human service and community service organizations with the purpose of promoting “Smart Growth” in San Diego County as a means to accommodate the 1 million new residents expected to reside in the region by 2030. The coalition also will develop support for infrastructure and affordable housing mechanisms. Tom Scott, Executive Director of the SDHF, will discuss the objectives of the grant.

7. **UPDATE ON REGIONAL HOUSING ACTIVITIES** 
(Susan Baldwin)  

The attached report provides an overview of SANDAG’s current housing-related activities. These activities include: collaboration with universities and housing advocacy groups; review of state and federal housing- and smart growth-related legislation; implementation of the RHNA Board Policy No. 033; work on the Otay Mesa-Mesa de Otay Strategic Plan and I-15 Interregional Partnership; and assistance with the baseline performance monitoring report for the Regional Comprehensive Plan.

8. **STATEWIDE PROPOSITIONS SUPPORTIVE OF HOUSING AND SMART GROWTH** 
(Susan Baldwin)  

On November 7, 2006, Proposition 1C (Housing and Emergency Shelter Trust Fund Act of 2006) and other infrastructure-related bond propositions were approved by the voters. The attached report discusses the smart growth and housing-supportive aspects of Propositions 1C and 84 and how the San Diego region will benefit from these funds.
9. UPCOMING MEETINGS

The next meeting of the Regional Planning Committee is scheduled for Friday, February 9, 2007, at 12 noon.

10. ADJOURNMENT

+ next to an item indicates an attachment
The meeting of the Regional Planning Committee (RPC) was called to order by Chair Lori Holt Pfeiler (North County Inland) at 1:40 p.m. She noted that the Shoreline Report and an article from the City of Imperial Beach were mailed as requested at the last meeting. See the attached attendance sheet for Regional Planning Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Councilmember Toni Atkins (City of San Diego) and a second by Councilmember Patricia McCoy (South County), the SANDAG Regional Planning Committee approved the minutes from the October 6, 2006, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

None.

CONSENT ITEM

3. CALIFORNIA REGIONAL BLUEPRINT PLANNING PROGRAM GRANT RENEWAL APPLICATION (Jane Signaigo-Cox)

REPORTS

4. ENERGY WORKING GROUP RECOMMENDATIONS ON SDG&E’S SUNRISE POWERLINK TRANSMISSION PROJECT (RECOMMEND)

Supervisor Bill Horn (County of San Diego) asked to be excused from the discussion as he owns SDG&E stock, and then he left the room.

Susan Freedman (SANDAG) stated that the Board of Directors requested that the EWG perform an assessment of the Sunrise Powerlink (SPL) Project and provide a recommendation at its November 2006 Board Meeting. Therefore, the EWG was presenting its recommendation to the RPC today to bring forward to the Board later this month.

Ms. Freedman explained the Energy Working Group’s (EWG) role. The purpose of the EWG is to facilitate the implementation of the San Diego Energy Strategy, which was created to
map long-term energy priorities for the San Diego Region, through 2030. The EWG serves as a venue to deliberate San Diego’s energy future.

The SPL is an SDG&E proposal for a 150-mile-long, 500-KV transmission line that will run east to west, from El Centro in Imperial County to northwestern San Diego County. It would create a third major electric transmission corridor into the region. SDG&E states that it is needed to maintain reliability, provide access to renewable energy, and reduce energy costs.

The California Public Utilities Commission (CPUC) is the lead agency overseeing this application and it released a ruling this week, including a schedule. Important milestones include a needs assessment from its Division of Ratepayer Advocates in March 2007, release of the draft Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) in August 2007, final EIR/EIS in November 2007, and final decision on the SPL in January 2008.

The EWG took into account the following during its assessment of the Project:

- Is there a need for additional resources for 2010?
- What are the energy resource options, both transmission and non-transmission?

In addition, the EWG reviewed how each resource option fit within the State’s Preferred Loading Order, which prioritizes conservation and energy efficiency, renewable energy and other clean distributed generation, over conventional fossil-fueled power plants.

The EWG assessment garnered unresolved questions. It discovered that there may be other resource options available that could meet the region’s needs in 2010. The EWG was unclear what amount of renewable generation will be delivered via SPL in 2010 to meet the Regional Strategy and State requirements. Also, SPL in 2010 could hinder the Regional Strategy goal for a certain level of in-region power.

Ms. Freedman then requested that the Regional Planning Committee deliver a recommendation to the Board of Directors at the November 17, 2006, meeting. In the meantime the EWG will continue to track the SPL regulatory proceeding and report back as requested. She then introduced the Honorable Henry Abarbanel, Chairman of the EWG, to deliver the formal recommendation.

Mr. Abarbanel asked that the EWG vote from the meeting conducted November 1, 2006, be noted as 11 ayes. The only dissenting vote was from the San Diego Regional Chamber of Commerce (SDRCC). He referred to a blue handout, which included the EWG recommendation to the RPC as well as the rationale for the dissenting vote from the SDRCC.

Mr. Abarbanel reported that the EWG Resources Subcommittee found over 20 transmission options, of which two, the SPL and Lake Elsinore Advanced Pumping Station (LEAPS) project, were especially favored. LEAPS could offer transmission into the region from the North. He stated that SANDAG is not an “intervener” in the proceeding at the CPUC, but can express its opinion to the Commissioners. Therefore, he asked on behalf of the EWG that the RPC recommend that the Board of Directors ask the CPUC to review in great detail four specific items:
1. A thorough analysis of the realistic ability of either the Sunrise Powerlink or the LEAPS project or other options to deliver the proposed renewable resources to the San Diego region.

2. A complete analysis of the ability of either project or other resource options consistent with the Regional Energy Strategy to be permitted and constructed by 2010.

3. A thorough comparison of the environmental analysis of the Sunrise Powerlink and LEAPS projects.

4. A thorough discussion of the cost and need analysis of both the Sunrise Powerlink and LEAPS projects.

Finally, the EWG requested the SANDAG Board of Directors work with the EWG to request the analysis of the many different alternatives to the Sunrise Powerlink from the California Independent System Operator (CAISO), which the CAISO has yet to make available to the EWG.

Mr. Abarbanel then stated the EWG recommendation, which was: The EWG feels it is premature to support, affirm, or oppose the project as the information needed to make the recommendation is not yet firm enough and that the Board take no position.

Chair Holt Pfeiler introduced various speakers.

Scott Crider, representing SDG&E, stated for the record that they were troubled by the fact that SDG&E was not allowed a seat at the EWG meeting on November 1, 2006. Their representative was not allowed to be in the room due to a financial conflict of interest. He said SDG&E finds the timing to be suspect as they’ve been voting on issues for the last three years and nearly every vote had some sort of financial impact, as SDG&E is the energy company. He added that the Powerlink’s purpose is to provide for reliability, access renewables, and help lower energy costs. Also, the Powerlink meets the policy goals of the Regional Energy Strategy (RES) by increasing the transmission capacity, identifying an interconnection project and building it by 2008, and providing an interconnection outside the service territory.

Mr. Crider continued that SDG&E is not in opposition to the EWG recommendation and will not reach a conclusion on the route of the transmission line until the end of 2007. The EIR will be completed a month before the proposed decision. He said SDG&E recommends that the RPC direct the EWG to return with a recommendation whether Sunrise is consistent with the Regional Energy Strategy (RES) by March 2007, and then, if SANDAG feels a need to weigh in on the routing issues, then it can. However, if the EWG finds SPL to be inconsistent with the RES, the routing is actually moot.

Chair Holt Pfeiler noted that Mr. Crider will be the official resource from SDG&E should anyone have further questions.

Joe Maruca, County Supervisor for Imperial County, stated that he attended the meeting in order to dispel any misconceptions. He continued by saying that in April 2006, the Imperial
County Board of Supervisors voted unanimously to oppose the Sunrise Powerlink as it did not believe the information from the power company. They are very concerned that the power is going to be provided from power plants located in Mexico, including an LNG plant currently under construction south of Rosarito, B.C., Mexico. They also understand that the Imperial substation will provide power not only to the United States but to other cities in Mexico, as well. He suggested the power plant be constructed in Imperial County instead of Mexico, as Mexico does not have the same air quality standards as the United States.

Supervisor Pam Slater-Price (County of San Diego) asked Supervisor Maruca the rationale of extending an invitation for the construction of a power plant in Imperial County.

Supervisor Maruca responded that they want the plant in the United States not only for the added jobs and tax revenue but, more importantly, because they would be able to monitor and control the operations and make sure the company was doing the right thing.

Supervisor Maruca presented the RPC Resolution #2006-029, “A Resolution of the Board of Supervisors of the County of Imperial Opposing Conveyance of Any Power Or Fuel To Or From a Power Generating Facility Unless It Is California-Compliant and Provides Emission Offsets for the Project and Its Associated Components,” which was passed and adopted by the Imperial County Board of Supervisors on April 11, 2006.

Laura Copic, member of Communities United for Sensible Power and the Pauma Valley Community Planning Board, stated that both groups oppose the Powerlink, along with the Del Mar Mesa Community Planning Board and Torrey Hills Community Planning Board. She stated the group’s rationale was that the “transmission first” strategy contradicts the Energy Action Plan and the RES. In addition, the Powerlink would be a visible blight, and a fire and health hazard. She added that the Division of Ratepayer Advocates at the CPUC was one of the first in the public utility process to file a protest against the application due to the many unanswered questions and questionable assumptions with regard to the application. She supports the EWG’s recommendation as there is not sufficient information.

Paul O’Neal, representing the EWG Resources Subcommittee, informed the group that LEAPS is the acronym for Lake Elsinore Advanced Pumped Storage. It would be a hydroelectric plant built above and below Lake Elsinore, with a 31-mile-long transmission line. He stated that he, like SDG&E, was asked to leave the room at the November 1, 2006, EWG meeting as he is in the business of public strategies and policies. An important fact, he felt, is that SDG&E does not have a route nor an EIR and therefore the project cannot be analyzed from a cost standpoint.

Harvey Payne, Chair of Rancho Penasquitos Concerned Citizens and an intervener in the Sunrise Powerlink proceeding before the CPUC, stated they were one of many community-based groups in opposition to the Sunrise Powerlink. He supported the EWG’s recommendation and encouraged the RPC to support the recommendation of non-opposition and non-support due to the lack of information.

Don Wood, representing C-3 and Pacific Energy Policy Center (PEPC), said neither group has taken a position on the proposed line as the proposal has changed several times since it was initially proposed and it continues to evolve. He informed the group that the assigned
Commissioner's Project Scoping Memo was just released Wednesday and it identified a significant amount of additional information that they want SDG&E to provide. One of the issues being debated between the CPUC and CAISO is whether promised demand reduction results coming from the proposed demand response programs should be used in transmission project planning. He supports the recommendation due to the unanswered questions regarding the project.

Bill Powers, Co-Chair of the Border Power Plant Working Group, commented that the project is not consistent with RES Goal #2, which states that over time the amount of in-basin generation in the region would be increased. He said one of the fundamental premises to the Sunrise Powerlink is that local in-basin generation would be left to atrophy over time and the U.S. would have to rely more and more on imports. He urged the RPC to adopt the recommendation proposed by the EWG.

Councilmember Donna Frye (City of San Diego), member of the EWG, wanted to bring to the group’s attention that CAISO would not provide the EWG with documentation supporting its findings in regard to savings to ratepayers from the Sunrise Powerlink. She stated that only approximately $1 would be saved; however, there hasn’t been an analysis done. She urged the group to support the recommendation of the EWG.

Chair Holt Pfeiler asked Councilmember McCoy to begin discussion on the item. Councilmember McCoy said she was concerned over the onslaught on state parks in the county, the negative impact on the health of the population and associated costs related to it, and the lack of information. She cautioned that the decision will affect lifetimes of people and the importance to explore all the issues when coming to a decision.

Michael Beck, representing Endangered Habitats League, observed that in the past, homes required a small amount of electricity (40–50 amps), and nowadays they can require 400 amps or more. He asked if a study had been performed regarding power usage associated with building densities.

Ms. Freedman answered that to her knowledge, SANDAG has not done a study. They are presently looking at future modeling such as the Place3s model, which will help evaluate and estimate land use and building densities and the power associated with them.

Mr. Abarbanel continued that the analysis indicates another thousand megawatts of power will be needed in 2010. There are several different options, and the transmission line is one of them. It isn’t clear that the transmission line proposed by SDG&E is the one to be chosen, and the message of the EWG is to acknowledge the need for more power.

Councilmember Matt Hall (North County Coastal) remarked that the group does not have all the technical data necessary and asked that there be timelines assigned to the analysis in order to produce results.

Supervisor Slater-Price informed that the San Diego County Board of Supervisors decided to take a wait-and-see position pending the findings of CALPIRG’s study and some of the other studies being performed. She was concerned about the impacts to the many open space areas, the cost benefit analysis, the lack of data and complete project report, and the many
unanswered questions. She made a motion to accept and affirm the findings of the Energy Working Group.

Councilmember McCoy seconded the motion.

Councilmember Steve Gronke (North county Inland) commented that he would like to further investigate the LEAPS program. He agreed, however, and seconded the motion.

Councilmember Hall reiterated the need to frame options in timelines and a study of the economic impact.

Chair Holt Pfeiler stated that the motion will go to the November 17 Board of Directors meeting as a neutral position, and there must be a schedule when a decision can be made and the time that will be spent to get the information back. She directed the EWG to work on gathering information so that a conclusion may be reached.

Supervisor Slater-Price suggested the proponents of the power line help provide some of the information.

Vice Chair Jerry Jones (East County) said that as a member of the Regional Energy Policy Advisory Council (REPAC), the need for renewable energy was always important. He supported the recommendation of the EWG and cited the lack of information and other concerns related to the power line.

Ms. Freedman responded that the CPUC, the lead agency looking at the application, on November 1, 2006, came out with its timeline of when the Draft EIR would be presented. She also stated that these timelines generally slide but serve as a good starting point. As of this date, the publication of a Draft EIR is scheduled for August 3, 2007, with an expected date of completion of the Final EIR on November 20, 2007.

Chair Holt Pfeiler remarked that there were comments regarding parties not being able to participate in the EWG due to conflict of interest and the need to explore the possibilities of having all parties participate in the discussion in order to receive the best information. She said that San Diego was the only county in the state that actually partners with the provider when planning its energy future, and that it’s very important to continue dialogue.

Mr. Abarbanel agreed and told the group that General Counsel had been asked to give the EWG a written list of items everybody can and cannot participate in, and also said he was disappointed that SDG&E was not allowed to participate on November 1, as they have been a very good partner in discussing issues in a very straight-forward way.

**Action:** Upon a motion by Supervisor Slater-Price and a second by Councilmember Patricia McCoy, the SANDAG Regional Planning Committee unanimously approved to affirm the Energy Working Group’s recommendation.
Keith Greer, Senior Environmental Planner (SANDAG), reported that the TransNet Environmental Mitigation Program (EMP) was adopted with the TransNet extension in November 2004. The EMP Working Group advises the RPC and Board of Directors to identify regional priorities, implement habitat conservation plans, and establish a funding strategy. The EMP establishes two funds: The Transportation Project Mitigation Fund to mitigate the direct cost of projects in the Regional Transportation Plan for Mobility 2030; and the Regional Habitat Conservation Fund, which is the economic benefit derived for specific assurances with certain state and federal regulatory agencies through the environmental review process.

The funds can be used for habitat acquisition, biological monitoring, or land management. The EMP guidelines for 2007 indicate a $2 million target and the EMP Working Group recommends allocation of the fiscal 2007 monies for management and monitoring of the Regional Habitat Conservation Fund, as well as a Draft Five-Year Strategy for this same management and monitoring.

The availability of these funds is tied to a Draft Master Agreement, which locks in the provisions of the voter-approved TransNet extension. The Master Agreement is currently being developed cooperatively between SANDAG, Caltrans, California Fish and Game, and the U.S. Fish and Wildlife Service, with an estimated completion date of late March 2007.

Upon review of the region, the EMP Working Group identified the most urgent regional management monitoring needs. They are:

- Lack of regional coordination of management and monitoring
- Lack of a strategic plan for weed (invasive species) removal
- Lack of standards for regional monitoring activities, data storage, and analysis

The EMP Working Group also identified two regional monitoring efforts that needed to occur: the flagship species of these programs in Southern California, the Southern California Gnatcatcher; and the recovery of species after the 2003 wildfires.

The EMP Working Group recommends a series of activities for 2007, as well as the conceptual Five-Year Strategy which address the program developer administration, land costs, and biological monitoring costs over the next five years.

It is requested that the RPC recommend the SANDAG Board of Directors approve:

- The proposed budget and activities for FY 2007 when funding becomes available
- The conceptual Five-Year Funding Strategy
- Authorization of the Executive Director to solicit proposals and enter into contracts when funding becomes available
Authorization should be to coordinate for the selection of a Program Developer and the contract positions, enter into contracts for those ongoing monitoring efforts, and solicit proposals for new efforts.

Supervisor Slater-Price asked if the $2 million was supposed to be released for purchases and other types of activities, and not just mainly for administration and creating new jobs.

Mr. Greer answered that the activities can be for land acquisition, management, or monitoring.

Supervisor Slater-Price informed Mr. Greer that the County of San Diego has been working on these issues for many years and was concerned the allocation would duplicate the efforts of what has already been done. She was interested in seeing the money invested in the product rather than in the process.

Advisory Member Jeannette Baker (U.S. Army Corps of Engineers) stated that there was a need for uniformity among agencies when monitoring.

Advisory Member Susan Wynn (U.S. Fish and Wildlife Service) added that the primary task of the Coordinator would be to develop a Strategic Plan for the County at large, and better prioritize. The bulk of the money would be earmarked for actual on-the-ground, countywide implementation of the Strategic Plan. The allocation would be used to continue the efforts and supplement the state and federal funds being expended for the same effort.

Councilmember McCoy reiterated they do not want a duplicate effort and suggested getting a matrix of organizations with a description of what each organization does in order to avoid duplication.

Michael Beck, representing the Endangered Habitats League, said the proposed program will establish the infrastructure to coordinate and collect, manage, and analyze the data and then give adaptive management directives to people on the ground, both collecting data and managing the land. The infrastructure is going to be a regional coordinating prospective that does not presently exist and is needed to succeed. Once the infrastructure is in place, they plan to bring in private sector funding to meet 25% of the annual budget.

Supervisor Slater-Price commented on the nurseries and other commercial vendors of plant products that are selling invasives. She then made a motion to approve the recommendation, with the added proviso that staff should work with stakeholders to release at least some of the funding so work could begin this year.

Councilmember McCoy seconded the motion.

Advisory Member Dave Drucker (NCTD) commented that the positions appear to be contract positions and strongly urged that they be full-time regular positions.

Chair Holt Pfeiler asked Mr. Greer if it would be possible to negotiate the Master Agreement in a timely fashion so as to be able to meet the deadlines.
Mr. Greer answered that the Master Agreement should be ready in March, and the gnatcatcher and post-fire monitoring, which will use the bulk of the money, should be conducted in the spring of 2007.

Chair Holt Pfeiler stated that there was a motion and a second; therefore, it passed unanimously.

**Action:** Upon a motion by Supervisor Slater-Price and a second by Councilmember Patricia McCoy, the SANDAG Regional Planning Committee unanimously approved the recommendation, with the added proviso that staff should work with stakeholders to release at least some of the funding so work could begin this year.

6. **UPCOMING MEETINGS**

The next meeting of the Regional Planning Committee is scheduled for Friday, January 5, 2007, at 12 noon.

7. **ADJOURNMENT**

Chair Lori Holt Pfeiler adjourned the meeting at 1:40 p.m.

Attachment: Attendance Sheet
CONFIRMED ATTENDANCE
SANDAG REGIONAL PLANNING COMMITTEE MEETING
November 3, 2006
12 noon to 2 p.m.

<table>
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<tr>
<th>SUBREGIONAL AREA</th>
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<th>MEMBER/ALTERNATE</th>
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<td>North County Inland</td>
<td>City of Escondido</td>
<td>Lori Holt-Pfeiler, Chair</td>
<td>Member</td>
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<td>City of Vista</td>
<td>Steve Gronke</td>
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<td>Advisory Members</td>
<td>Caltrans, District 11</td>
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<td>Department of Defense</td>
<td>Susanah Aguilera</td>
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<td>Niall Fritz</td>
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The purpose of this item is to update the Regional Planning Committee on the implementation of Board Policy No. 033: Implementation Guidelines for SANDAG Regional Housing Needs Assessment (RHNA) Memorandum. The RHNA memorandum was intended to provide incentives to jurisdictions that produce housing for low- and very low-income households and was approved in conjunction with the RHNA by the Board on February 25, 2005.

Board Policy No. 033 was adopted by the SANDAG Board of Directors on April 28, 2006. The RPC recommended approval of the Draft Board Policy on February 10, 2006, to the Executive Committee and Board of Directors. The policy is being implemented as part of the 2008 Transportation Development Act (TDA)/TransNet Bicycle and Pedestrian call for projects that will be available in January.

A letter reminding the planning/community development directors, public works directors, and city managers about the board policy and how it would affect the upcoming TDA/TransNet Bicycle and Pedestrian funding program was mailed in November 2006. A brief questionnaire, which includes the information required to be submitted with the application for funds, and a copy of the board policy was attached to the letter.

In order to be eligible for these funds jurisdictions must: (1) have an adopted housing element found in compliance with state law by the California Department of Housing and Community Development (HCD) or self-certified; (2) have submitted information regarding the production of housing units constructed between July 1, 2005, and June 30, 2006, by income category; and (3) have provided information on the progress made toward implementing any rezoning program(s) contained in its housing element.

Next Steps

SANDAG staff has scheduled a special meeting with the Regional Planning Technical Working Group in January 2007 to discuss how to best collect the data required to address Policy 33.

BOB LEITER
Director of Land Use and Transportation Planning

Key Staff Contact: Susan Baldwin, (619) 699-1943, sba@sandag.org
2007 REGIONAL TRANSPORTATION PLAN (RTP): ENERGY WHITE PAPER

Introduction

SANDAG has identified several key components to be developed for the 2007 RTP for which staff prepared white papers and gathered input from SANDAG working groups. The Energy White Paper was discussed at the Regional Planning Stakeholders Working Group, the Energy Working Group, and the Regional Planning Technical Working Group. The paper addresses energy and climate change impacts associated with transportation, alternative fuel and vehicle considerations, and potential energy-saving and emission-reducing measures. Energy issues identified in the 2007 RTP will be addressed further through an update of the Regional Energy Strategy (RES) (adopted in 2003).

The Regional Planning Committee is asked to provide comments on the Energy White Paper.

Discussion

This white paper identifies energy issues related to the use of transportation fuels and transportation activities. Focal areas include alternative fuel and vehicle program options, ways to reduce fuel demand and associated emissions through integrated land use and transportation planning, and recognition of climate change effects from transportation and mitigation options. The paper recommends that the RTP 2007 showcase plan components that inherently save energy and reduce emissions such as congestion reduction measures, demand reduction measures, and smart growth. It further recommends that the plan identify existing alternative fuel and alternative vehicle measures and propose suitable programs for the San Diego region.

Subsequent to the adoption of MOBILITY 2030, California has undergone significant changes in law and mandate regarding climate change. The white paper recommends that the 2007 RTP include greenhouse gas emission impacts and reductions from various travel choices and from smart growth efforts, enhance the energy component of the plan’s Environmental Impact Report to recognize and explain the projected effects of greenhouse gases, and identify an action plan and possible funding sources to further address climate change effects of transportation activities.

Potential barriers such as infrastructure needs and implementation costs are to be addressed for each energy issue area. These challenges can lead to opportunities to work with policy makers to advance transportation projects with the goal of making more efficient use of our transportation system and reducing pollutants that degrade the quality of life in the region.
INTRODUCTION

The update of the Regional Transportation Plan (RTP) should recognize energy affects of the transportation system, identify appropriate measures to reduce the rate of fuel consumption, and highlight plan components that yield energy-saving results. RTP aspects that inherently save energy and reduce emissions include smart growth, congestion management, and demand management through added travel choices like mass-transit and carpooling.

Subsequent to the adoption of MOBILITY 2030, California has undergone significant changes in law and mandate regarding climate change. In 2005, Governor Schwarzenegger established Executive Order S-3-05 calling for statewide greenhouse gas (GHG) emission reductions. In September 2006, the California Global Warming Solutions Act of 2006 was signed into law, which creates a statewide GHG emission limit that will reduce emissions by 25 percent by 2020. The law will first require mandatory GHG emission reporting and reductions from the electricity sector. It also requires all state agencies to consider and implement GHG emission reporting and reduction strategies.

Energy implications of the transportation sector are receiving greater scrutiny. Transportation is the largest source of climate change emissions in California. The California legislature has recognized that “passenger vehicles and light-duty trucks are responsible for 40 percent of the total GHG pollution in the state.” In March 2006, the California Attorney General filed comments on the Orange County Transportation Authority (OCTA) Draft Environmental Impact Report (EIR) for its long range transportation plan. The draft EIR was considered inadequate because it did not recognize or address GHG emissions. The Attorney General’s Office called for improvements in the OCTA final EIR to avoid legal challenges; OCTA complied and made these changes.

The 2007 RTP can meet state mandates and regional needs through the inclusion of measures like an alternative fuel vehicles program, enhanced linkages among smart growth, energy and sustainability, and a strategy for the region to address climate change. These aspects identified in the RTP can be further realized through an update of the Regional Energy Strategy (adopted by SANDAG in 2003).

Objectives for 2007 RTP

- Identify existing alternative fuel and alternative vehicle programs at state and national levels and propose suitable program(s) for the San Diego region.

- Include energy and GHG emissions impacts and reductions from various travel choices and from smart growth efforts.

- Enhance the energy component of the plan’s EIR to recognize and explain the importance of climate change.
  - Recognize and explain the projected impacts of GHG’s. Include reference to these emissions in both the air quality and energy sections of the EIR.
Identify an action plan and possible funding sources for SANDAG to inventory GHG emissions, develop a course of action, and implement measures to address climate change in the RTP.

**Background**

**Alternative Transportation Fuels and Vehicles**

The use of alternative fuels can reduce dependence on foreign oil, provide economic development opportunities, and reduce emissions of GHG’s, criteria pollutants, and toxic air contaminants. Moving toward a more diversified approach to fuels and supporting the advancement of higher efficiency vehicles is one of the state’s goals. The California Energy Commission (CEC) and California Air Resources Board (CARB) set a goal that 20 percent of all transportation energy used in 2020 comes from alternative fuels (current alternative fuel use in 2005 is six percent). If California successfully meets this goal, about 4.8 billion gallons of gasoline and diesel will be displaced annually by alternative fuels.

According to a 2005 CEC report, the state’s demand for transportation fuels has increased 53 percent in the last 20 years and in the next 20 years gasoline and diesel demand will increase another 36 percent. California refineries rely increasingly on imported petroleum products to meet this demand. This growing demand and the increasing challenge faced by refineries in meeting this demand will lead to more frequent price volatility and potential economic dislocation. In 2003, the CEC and CARB adopted a two-pronged strategy to reduce petroleum demand: promoting improved vehicle efficiency, and increasing the use of alternative fuels.

California law defines alternative fuel as “…a nonpetroleum fuel, including electricity, ethanol, biodiesel, hydrogen, methanol, or natural gas that, when used in vehicles, has demonstrated, to the satisfaction of the air resources board, to have the ability to meet applicable vehicular emission standards.” Alternative fuel also may include petroleum fuel blended with nonpetroleum constituents, such as E85 or B20.

In September 2005, Governor Schwarzenegger signed into law Assembly Bill (AB) 1007 requiring the CEC to prepare a state plan no later that June 30, 2007, to increase the use of alternative fuels in California. This plan is underway along with other alternative transportation efforts. San Diego Gas & Electric (SDG&E) has restarted an electric vehicle program, Miramar College has a hydrogen highway program, and the CEC has a truck-stop electrification program and a heavy-duty advanced technology development program.

**Climate Change**

The state has declared that global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California. The potential adverse effects of global warming include the exacerbation of air quality problems, a reduction in the quality and supply of water to the state from the Sierra snow-pack, a rise in sea levels resulting in the displacement of thousands of coastal businesses and residences, damage to marine ecosystems, and the natural environment, and an increase in the incidences of infectious diseases, asthma, and other human health-related problems.
On June 15, 2005, Governor Schwarzenegger established Executive Order S-3-05. Executive Order S-3-05 established the following GHG emission reduction targets for California: by 2010, reduce GHG emissions to 2000 levels; by 2020, reduce GHG emissions to 1990 levels; by 2050, reduce GHG emissions to 80 percent below 1990 levels.

On March 30, 2006, the California Attorney General filed comments on the OCTA Draft EIR for its long-range transportation plan. The comments collectively stated that the OCTA RTP and Draft Plan EIR were not acceptable because they did not adequately address climate change impacts.

California Global Warming Solutions Act of 2006 (AB 32) was signed into law on September 27, 2006. This law calls for statewide GHG emissions limits equivalent to the statewide GHG emissions levels in 1990 to be achieved by 2020. It requires all state agencies to consider and implement GHG emission reduction strategies.

Current Conditions

The current RTP, MOBILITY 2030, does not address energy impacts directly: energy is addressed in the EIR. The 2030 RTP EIR acknowledges the potential benefit of alternative fuels program on the region. In general terms, the EIR makes the correlation between optimized public transportation and reduced energy consumption. These more generalized impacts could be addressed in greater detail for the 2007 RTP update.

MOBILITY 2030 states how the region can grow smarter, including an air quality assessment. There is no mention of climate change and the regional impacts of GHG’s resulting from the plan. The 2007 RTP could enhance the air quality sections to address GHG emissions, or provide reference to the energy section for GHG impacts. SANDAG air quality and energy staff could collaborate to identify additional ways to address climate change in the update.

Identification of Problems

Alternative Transportation Fuels and Alternative Vehicles

The identification and status of a variety of transportation efficiency, alternative fuel, and alternative vehicle programs is unclear. The state is to complete an alternative transportation fuels plan of action in June 2007. Many existing alternative vehicle programs at the CEC are unstaffed. Regarding the availability of alternative fuels in the region, there is only one alternative fueling station in San Diego (located on El Cajon Boulevard in the mid-city area of the City of San Diego) that sells ethanol, CNG, and LPG. It is difficult for drivers in the region to switch to alternative fuels when only one station can accommodate their needs in Southern California.

Although the use of alternative fuels can reduce dependence on foreign oil, provide economic development opportunities, and reduce emissions of GHG’s, criteria pollutants, and toxic air contaminants; these same fuels may result in an overall increase of certain criteria pollutants that raise public health concerns and constrain the state’s ability to meet its State Implementation Plan requirements. The AB 1007 process is to address potential air quality conflicts to ensure a harmonizing of transportation energy and air quality policies and objectives.
Climate Change

After the Attorney General’s Office filed comments with OCTA regarding its 2006 Long-Range Transportation Plan Draft Program Environmental Impact Report, OCTA took the following steps to avoid possible legal challenges to its RTP EIR on this issue.

OCTA expressed a commitment to develop a plan, through a public process, which consists of:

- Inventory of GHG emissions from RTP activities, both direct and indirect, and including non-transportation sources
- Broad GHG reduction goals targeted to the Governor’s Climate Action Team goals
- Specific actions to meet specific reduction goals
- Identification of public and private funding sources to implement actions
- A monitoring and public information plan

Anticipated problems for SANDAG in this regard will include determining the appropriate scope of a GHG plan, securing adequate resources to develop and implement such a plan, as well as developing an educational component to inform local stakeholders and securing their participation.

**DISCUSSION**

**Potential Solutions/Alternatives**

Reducing Fuel Demand Through Integrated Land Use and Transportation Planning

The 2007 RTP could showcase aspects of the plan that inherently save energy and reduce emissions. These components include: smart growth, congestion management, and other systems management measures, and demand management through added travel choices like mass transit and carpooling. If finalized by the CEC in time for the RTP, the PLACE3S model can be used to further identify energy affects of various land use and transportation scenarios.

Alternative Transportation Fuels and Vehicles

SANDAG could research and identify existing alternative fuel and alternative vehicle programs in the region and nationally. The RTP could include possible programs to identify barriers and solutions for additional alternative fueling stations to be located in the region. SANDAG also could participate in the CEC development of an alternative transportation fuels plan to ensure it meets the needs of the region. Regarding public transit, significant shift to alternative fuel vehicles is already underway. The San Diego Metropolitan Transit System (MTS) has already replaced 360 of its 725 revenue vehicles with alternative fuel buses. Their proposed FY 2008 budget calls for purchase of up to another 73 new alternative fuel buses. North San Diego County Transportation (NCTD) has replaced 79 of its 155 urban buses with CNG buses and has another 12 CNG buses on order.

The 2007 RTP can provide an outline of available and possible alternative fuel and vehicle activities for the region, with the intention that implementation measures be identified in the update of the Regional Energy Strategy (RES). The RES will include transportation, land use planning, and climate change in its update.
Climate Change

The RTP can identify current measures in existence or under development to address climate change. Organizations can include the California Climate Action Registry and ICLEI (Local Governments for Sustainability). A regional action plan can be further developed through the update of the Regional Energy Strategy.

SANDAG also could encourage member governments to develop local climate action plans. ICLEI has developed a local climate action plan template and tools that governments around the world have adopted. More than 159 U.S. local governments participate in the ICLEI Cities for Climate Protection Campaign (CPC). Locally, the Cities of Chula Vista and San Diego have developed city action plans. Future government protocols will be developed by the state to complement existing plans. A Local Climate Action Plan Includes:

1. A jurisdiction’s GHG emissions data (baseline emissions inventory, emissions forecast, and emissions reduction target).

2. GHG reduction measures (existing measures that will continue, new or proposed measures, quantified emissions reductions resulting from each measure).

3. Implementation strategies (costs, responsibilities, schedules, and funding sources for implementing each measure and procedures for monitoring the progress of all reduction measures).

The California Climate Action Registry, in cooperation with the California Energy Commission, ICLEI and California Climate Action Team, are to develop protocols for local governments to address climate change. This activity is underway at the state level.

Additionally, AB 32 states that on or before June 30, 2007, the state air resources board shall publish and make available to the public, a list of discrete early action GHG emission reduction measures that can be implemented prior to the measures and limits adopted pursuant to Section 38562.

RECOMMENDATIONS

The RTP should include acknowledgement of inherent energy-saving measures in the plan.

For the RTP Update

- Identify existing alternative fuel and alternative vehicle measures at state and national levels and propose suitable program(s) for the San Diego region.

- Include energy and GHG emissions impacts and reductions from various travel choices and from smart growth efforts.

- Enhance the energy component of the plan’s EIR to recognize and explain the importance of climate change.
Recognize and explain the projected effects of GHG’s. Include reference to these emissions in both the air quality and energy sections of the EIR.

Identify an action plan and possible funding sources for SANDAG to inventory GHG emissions, develop a course of action, and implement climate change mitigation measures in its transportation plan.

- Recommend that the RES be updated so as to integrate transportation, land use and climate change in the long term energy plan for the San Diego region.

**For Future Analysis**

SANDAG should participate in the state’s implementation planning activities for AB 32 as they relate to local government initiatives and requirements.

SANDAG could engage the Climate Action Team in the development of local government GHG protocol to ensure that the needs of local governments are best served.

SANDAG should continue work with the CEC on the PLACE3S model so that land use, transportation, and energy modeling are integrated into a robust regional planning model.

**BIBLIOGRAPHY**


March 2006 California Climate Action Team Report to Governor Schwarzenegger and the California Legislature

June 2005 Executive Order S-3-05


UPDATE ON REGIONAL HOUSING ACTIVITIES

Introduction

On October 7, 2005, the Regional Planning Committee (RPC) approved the charter for the Regional Housing Working Group (RHWG) (formerly the Regional Housing Task Force). The charter states that this working group reports to the Regional Planning Committee. The purpose of this report is to provide an update to the RPC on the activities of the Regional Housing Working Group and SANDAG staff on housing issues during the past year.

Discussion

The RHWG and SANDAG staff members have been working on a number of projects that are intended to improve housing choice and affordability in the region. A brief discussion of these activities follows.

Regional Housing Working Group (RHWG)

Since its charter was approved by the RPC, the RHWG has met to review and discuss the Smart Growth Concept Map, the Pilot Smart Growth Incentive Program, the I-15 Interregional Partnership housing strategy, and the 2030 Regional Growth Forecast. During 2005-06, two members of the RHWG served on the Transportation Project Evaluation Criteria (TPEC) Ad Hoc Working Group, which was charged with developing criteria for prioritizing transportation projects for the 2007 Regional Transportation Plan. A subcommittee of the RHWG is planning a housing forum for the spring of 2007, with the assistance of the National Conflict Resolution Center (NCRC) (formerly the San Diego Mediation Center). It is anticipated that the forum will be in the form of a mock community meeting, which will demonstrate best practices for conducting successful public meetings on housing projects.

Collaboration with Universities and Housing Advocacy Groups

SANDAG staff works with a number of housing-related groups on an ongoing basis to support the Regional Comprehensive Plan (RCP) goal of providing a variety of affordable and quality housing choices for people of all income levels and abilities throughout the region. In December 2005, SANDAG co-hosted a meeting with The Campaign for Affordable Housing (TCAH), a nationwide group that facilitates and supports the development of diverse housing styles for America's workforce and seniors by educating all segments of the public on the true nature of affordable housing and the people who reside there. SANDAG staff also spoke at several conferences during 2006 including the California Housing Consortium's April 27, 2006, policy forum (Building a Better
Commute: The Link Between Housing and Transportation), and the University of San Diego's June 8, 2006, Workforce Housing Symposium. Staff participates on several housing groups that meet regularly including the San Diego Regional Chamber of Commerce's Housing Committee, Civic Solutions, and the San Diego Housing Federation's Policy Committee. These collaborative efforts are primarily focused on public education and the development of strategies that will help implement the RCP's goal of improving housing choice and affordability.

Specific public outreach and educational activities on which SANDAG staff is working with these groups include the San Diego Foundation Civil Society grant to the San Diego Housing Federation (Agenda Item 7) to create a broad coalition of civic leaders with the purpose of promoting smart growth, and developing support for infrastructure and affordable housing funding mechanisms and the preparation of an educational brochure with the San Diego Housing Federation entitled Homes for All San Diegans: The State of Housing Affordability in the Region (June 2006) (Attachment 1).

State and Federal Legislation Related to Housing and Smart Growth

Each year numerous bills related to housing and smart growth are introduced in the State Legislature, many of which are the result of recommendations from statewide working groups and task forces that are addressing these issues. SANDAG staff reviews and makes comments on bills that have the potential to affect the San Diego region, and has participated over the years in several task forces and working groups that have recommended changes to state housing element law.

The approval by the voters in November of the state infrastructure bonds will provide the region with funding for affordable housing and infrastructure to support housing and smart growth in the region. Much of our focus in the upcoming legislative session will be on ensuring that our region gets its fair share of the bond funds and that such funds are allocated based on the smart growth principles contained in the RCP. Several bills will be introduced during the upcoming legislative session that will spell out the details regarding how these funds will be spent. SANDAG staff will actively monitor and provide input on this legislation.

Adoption of Board Policy No. 033: Implementation Guidelines for the Regional Housing Needs Assessment (RHNA) Memorandum

On April 28, 2006, the SANDAG Board adopted Board Policy No. 033: Implementation Guidelines for the Regional Housing Needs Assessment Memorandum. The RHNA memorandum was intended to provide incentives to jurisdictions that produce housing for low- and very low-income households and was approved in conjunction with the RHNA by the Board on February 25, 2005. The RPC recommended approval of the Draft Board Policy on February 10, 2006, to the Executive Committee and Board of Directors. The policy is being implemented as part of the 2008 Transportation Development Act (TDA)/TransNet Bicycle and Pedestrian call for projects that will be available in January (Agenda Item 4).

I-15 Interregional Partnership and Otay Mesa-Mesa de Otay Binational Corridor Early Action Plan

The I-15 Interregional Partnership (I-15 IRP) and Otay Mesa-Mesa de Otay Binational Corridor Strategic Plan both include housing components. The focus of the I-15 IRP is on workforce housing
(housing affordable to households that make between 80 -120 percent of median income). A study of the financial feasibility of building this type of housing near the stations along the SPRINTER rail line is proposed to be undertaken. The information developed as a part of this study will be transferable to other areas of the region. A SPRINTER Stakeholders Working Group has been established to provide input on this project, and to serve as a forum to help implement and coordinate smart growth activities in the areas around the SPRINTER stations.

The Otay Mesa-Mesa de Otay Binational Corridor Early Action Plan (September 2006) provides background information on housing issues discussed at binational workshops that were held in the fall of 2005 in National City and Tijuana, and includes early actions to begin to address them. These early actions are directed at collaboration with the City of San Diego on the potential to convert industrial land to residential use, and promoting comprehensive housing developments with space for recreational activities, sports, green areas, and public facilities and services to improve the quality of life.

The Regional Comprehensive Plan: Establishing a Baseline for Monitoring Performance and Other Monitoring Activities

The Baseline Report for Performance Monitoring was accepted by the SANDAG Board of Directors on October 27, 2006. This report establishes a benchmark for monitoring the region’s progress toward implementing the RCP. The indicators designated for tracking progress toward the RCP housing goal (stated above in the Collaboration section) include:

1. Housing Affordability Index
2. Percent of Households with Housing Costs Greater Than 35 percent of Income
3. Ratio of New Jobs to New Housing Units
4. Share of New and Existing Units by Structure Type and Income Category
5. Vacancy Rates
6. Percent of Households Living in Overcrowded Conditions
7. Number of households on the waiting list for Section 8 (housing assistance) Vouchers

As stated in the report: The region continues to experience serious housing affordability problems. The clearest evidence of this is the affordability ranking by the California Association of Realtors (CAR) Housing Affordability Index, which indicates that only 9 percent of the county’s households can afford a median-priced home, down from 38 percent in 1995….Contributing to the increase in housing costs is the region’s lack of housing supply and variety of housing types as shown in the ratio of new jobs to housing units and the share of existing units by structure type.

During the 1999-2004 housing element cycle the number of new homes built for very low- and low-income households in the region was about 5,800 units or about 16 percent of the new housing needed as identified in the Regional Housing Needs Assessment. (See the Regional Housing Needs Assessment discussion below.)

SANDAG will continue to monitor these indicators, as well as monitor housing element compliance, affordable housing production (both new and other types of affordable units), and share of state housing funding resources (Proposition 1C bond funds) to better understand the ability of these and other state and local resources to meet the affordable housing needs of the region.
Next Steps

During the upcoming year SANDAG staff and the Regional Housing Working Group will continue to work on the activities described above. We plan to participate in the work related to the San Diego Foundation grant awarded to the San Diego Housing Federation, prepare and publish a brochure with the San Diego Housing Federation, develop the initial components of a regional housing and smart growth financing strategy, prepare a report on affordable housing production in the region, and initiate work on the Regional Housing Needs Assessment (RHNA) for the 2010-2015 housing element cycle.

BOB LEITER
Director of Land Use and Transportation Planning

Attachment: 1. Homes for All San Diegans: The State of Housing Affordability in the Region (June 2006)

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homes for all san diegans

THE STATE OF HOUSING AFFORDABILITY IN THE REGION

2006
choice

that’s what most people want in determining where they’ll live:

- a choice of how far to live from work;
- a choice of lifestyle and community amenities;
- and a choice of school districts for their children.

But, given San Diego’s housing crisis, for most low and moderate income residents, the choices are limited at best.

For many residents in San Diego and throughout California, the price of housing has reached a breaking point. Though shelter is a basic need, renting or buying a home becomes more difficult every day.

In discussing housing choice, the analogy is often made between finding a home and buying a car. With cars people have many choices. There are cars of all sizes and prices—new and used—based on a buyer’s budget and personal preferences.

» san diego region housing affordability index

the jiménez family, fallbrook view

“We moved from housing that was causing our three year-old daughter to be very ill. Now we’re in a safer neighborhood, and the Learning Communities program has helped our oldest daughter improve her math scores. We used to feel squeezed, barely making it every month because rent was so high. Now, life is easier at Fallbrook View. Last month we bought a computer that our daughters use every day for their schoolwork.”
When it comes to renting or buying a home here, nearly all choices are expensive:

- The median price of new and resale single family homes and condominiums, is $520,000, and new detached single family homes fall in the $800,000 range—a 350 percent increase since 1996;
- The average cost of apartments converted into condominiums is almost $340,000; and
- A two-bedroom apartment rental is now priced at $1,158 per month, almost double the average rent of $643 in 1990.

This report describes how the lack of housing choices is affecting the region, particularly lower income residents, and the public policies that are being pursued to provide a continuum of housing choice.

**the region is one of the least affordable places in the nation**

The California Association of Realtors Housing Affordability Index indicates that only nine percent of the region's households could afford a median priced home in San Diego County as of December 2005. This figure compares to 14 percent in California and 49 percent for the nation.

**incomes are not keeping pace**

The cost of homes in the region has increased dramatically over the last decade, especially when compared to household income. While the San Diego economy is one of the strongest in California, most new jobs do not have salaries that match the cost of housing in the region.

- From 2001 through 2003, 61 percent of jobs created in the San Diego region have been in categories with salaries averaging less than $26,000 per year;
- Buyers need an annual household income of about $134,000 to afford a median-priced single family home, assuming a 10 percent down payment and a 30-year fixed-rate mortgage at current interest rates. The county's median household income is $64,273;
- The income needed to afford a modest two-bedroom apartment is $46,320 a year, or $22.27 an hour. The average hourly wage for renters in San Diego County is $13.71, but many workers earn the minimum wage of $6.75.

**effects of the disparity between housing costs and income**

Forty percent of all households in California with mortgages pay more than 30 percent of their household income on housing costs. That rate exceeds all other states in the nation. In 2005, more than 70 percent of home loans made in San Diego County were interest-only or negative amortization loans—homeowners were paying no principal and only a portion of the interest on the loans.

Other results of the gap between housing costs and income levels are:

- Households “doubling up” and moving frequently;
- Parents working multiple jobs to support their families;
- Workers commuting extreme distances to find more affordable homes; and
- Young adults remaining at home rather than moving out.

**housing costs and household income**

![Graph showing median home price and median household income over time.](source: DataQuick, SANDAG)
The gap also poses significant difficulties in recruiting workers for San Diego's job growth. Between 2004 and 2005, 43,126 more people moved out of the area than moved in, largely because of the region's lack of affordable housing options.

Those with the greatest need for more housing choices are those spending more than 50 percent of their monthly income on housing or those living in substandard conditions.

- In San Diego County, 53 percent of all renters in the region and 35 percent of all homeowners have housing problems (cost burden greater than 30 percent of income, overcrowding, or lacking complete kitchen or plumbing facilities).
- Forty-nine percent of all very low income households in San Diego County spend more than 50 percent of their income on housing costs causing them to cut back on or do without basic necessities such as food, health care, and transportation.
- The San Diego Regional Task Force on the Homeless estimates that the region has more than 9,600 homeless people, 1,400 of them chronically homeless.

**lack of supply and absence of a housing continuum**

Effectively serving San Diegans at all income levels requires a continuum of home ownership and rental opportunities. The San Diego region has failed to produce the homes needed to meet its burgeoning and diverse housing needs.

**lack of housing supply**

Over the next 30 years, SANDAG’s 2030 Regional Growth Forecast projects that the region's population will increase by about a million people and a half million

> growth trends in the san diego region

![Graph showing population, jobs, and housing trends in San Diego region](image-url)

**source:** SANDAG
Further affecting the region’s housing supply is the dramatic decline in multifamily housing production that occurred in the 1990s. Currently, only seven percent (about 2,000 acres) of the remaining approximately 28,400 acres of vacant land in the 18 cities is planned for multifamily densities of 12 or more homes per acre.

what’s been done to increase housing affordability in san diego?

In 2002, California voters approved Proposition 46 that authorized $2.1 billion in bonds for affordable housing development. Proposition 46 brought $100 million in state loans into the San Diego economy. This leveraged $200 million more for affordable housing and resulted in the development of 2,147 apartments and

jobs—both growing at about the same rate. Even though housing in the 1970s and 1980s grew at about the same rate as population and employment, in the 1990s home production began to fail to keep pace with demand.

The 2030 Regional Growth Forecast also shows the region exporting almost 90,000 households to Riverside and Imperial Counties, and Baja California, although at least one household member continues to work in San Diego County. This reflects the region’s relative lack of planning for residential development.

absence of a housing continuum

The great majority of homes built during the past 15 years have been affordable only to families with incomes in the above moderate income range, and only a small percentage have been built for very low and low income families. Very few or no homes have been built for moderate income households.

The homes for very low and low income households have been built using a variety of local, state, and federal funds and inclusionary (mixed income), density bonus, and accessory unit ordinances. During the last housing element cycle (1999–2004), about 5,800 new homes were constructed for very low and low income households—about 16 percent of the need (36,282 units) as identified in the Regional Housing Needs Assessment.

Further affecting the region’s housing supply is the dramatic decline in multifamily housing production that occurred in the 1990s. Currently, only seven percent (about 2,000 acres) of the remaining approximately 28,400 acres of vacant land in the 18 cities is planned for multifamily densities of 12 or more homes per acre. This reflects the region’s relative lack of planning for residential development.

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Kelly Ryan and Sons, Torrey Highlands

“Although I earn a good salary from my job as a special events coordinator, my paycheck isn’t enough to cover all of our living expenses. But my rent is affordable at Torrey Highlands, and my sons and I enjoy living in such a beautiful neighborhood. This is a great place to raise children and I’m relieved that they can go to good schools. That’s important for the long-term.”
In addition to Proposition 46 funding, ten projects in the San Diego region received federal tax credits in 2005, resulting in the construction of 815 large family apartments and 150 senior apartments. Since the inception of the federal and state tax credit programs, an additional 16,736 affordable apartments have received credits. These homes are affordable to those who earn up to 60 percent of median family income.

The inventory of rent-restricted affordable homes in the region totals about 26,000 units, which serve about 52,000 households. Another 75,000 renter households—those who pay more than 50 percent of their income on housing—are in need of assistance.

**What can be done to provide greater housing choice and affordability?**

The cost of land and construction for housing in the region is so high that subsidies are needed to provide affordable homes for very low and low income families. Also, a wider array of market rate homes—both multifamily and smaller single family units—need to be built for families with moderate incomes.

**Smart growth approach**

SANDAG’s Regional Comprehensive Plan (RCP) recommends a smart growth approach to improving housing choice. Vacant land for new construction is disappearing quickly and is nonexistent in some cities, which means that most new housing development will occur through redevelopment and infill, and mixed use development. SANDAG’s Smart Growth Concept Map identifies where this type of development should be located—along transit corridors and near transit stations.

**Proposition 1C—the statewide housing bond**

Proposition 1C, if passed by voters in November 2006, proposes to:

- Continue important affordable housing construction programs launched under Proposition 46;
- Provide infrastructure, parks, and transit oriented improvements as incentives for smart growth developments; and
- Provide amenities to help residents support new housing in existing communities.

**Permanent source of state housing funds**

With funds from Proposition 46 nearly depleted and passage of Proposition 1C still uncertain, most observers believe that a source of permanent state funding for affordable housing is needed. While several alternatives have been discussed, policymakers have yet to agree on a permanent source. Such funding streams are important because of the private capital, local matching funds, and other state and federal funds they leverage. Without this type of funding, the diversity of housing opportunities will be limited.

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**Community**

*elaine erickson and sons, clairemont*

“As the sole supporter of two school-age boys, I used to feel overcome with a sense of despair that nothing would ever change. Things had been especially bad when I was married. I escaped that life with my kids, fleeing to an emergency homeless shelter. Eventually, we got onto Section 8 and into our own apartment. I’ve since earned an Office Information Systems certificate of achievement from San Diego City College which led to a good job at Mesa College. I’ve continued going to school, working on two associate degrees so I can qualify for a promotion at work, and soon will no longer depend on housing assistance.”
broad-based community support and leadership

Broad-based community support and leadership are needed to tackle the region’s housing affordability challenges. To have the housing choices that San Diegans need and deserve, civic and political leaders must:

- Provide the incentives and environment that will make it attractive for both for-profit and nonprofit housing developers to build a variety of homes for families of all sizes, ages, and incomes;
- Ensure that adequate land is zoned for residential development at a variety of densities;
- Persistently and creatively identify sources of funding for affordable housing;
- Secure funding for infrastructure upgrades in older neighborhoods; and
- Educate the public that housing choices for all improve the quality of life for everyone in the San Diego region.

for more information, please contact:
San Diego Housing Federation
www.housingsandiego.org | 619-239-6693

San Diego Association of Governments (SANDAG)
www.sandag.org | 619-699-1900

note
The homes and families shown in this report were assisted through federal, state, and/or local programs.

ian ly, city heights

“I went to Community Housing Works to learn about buying a house. They helped me get down payment loans from Home in the Heights (which provides Redevelopment Agency incentives for City Heights renters to buy a home in City Heights) and PITCH (the Price program which trades volunteer hours for loan payments). This is the first time that I’ve owned a house and the feeling is really incredible. There’s such a sense of belonging. I’ve always wanted to settle in San Diego, and CHW has allowed me to realize my dream.”

christian castro, creekside trails

“Since moving to the Otay Mesa-Nestor neighborhood, my life has changed in many positive ways. I live in a better neighborhood, share a bigger home with my family, and have taken advantage of an amazing job opportunity. I now live in an ideal location where I can go anywhere because I have great access to freeways, stores and my house is more centrally located. The Internet availability at Creekside Trails is very good for the community. It allows us access to more information and is especially good for the children because it helps them succeed at school.”

craig and britta hyde, city heights

The Hydes say they would not have been able to [buy their first home] without the help they received from San Diego Housing Commission’s first-time homebuyer programs—despite the fact that Craig holds three jobs (as a teacher, part-time soccer coach, and wedding D.J.).
STATEWIDE PROPOSITIONS SUPPORTIVE OF HOUSING AND
SMART GROWTH

Introduction

On November 7, 2006, Proposition 1C (The Housing and Emergency Shelter Trust Fund Act of 2006) and Proposition 84 (The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006) were approved by the voters. These propositions, along with Propositions 1A, 1B, 1D, and 1E, will provide substantial infrastructure funds to the San Diego region and the rest of the state. This report provides information on the bond funds from Propositions 1C and 84 that could be used to support smart growth and housing in the San Diego region. It also describes how these funds are expected to be allocated, the types of projects that could be funded, and SANDAG’s proposed strategies for accessing these funds (Attachments 1 and 2).

Discussion

Proposition 1C - The Housing and Emergency Shelter Trust Fund Act of 2006 ($2.85 Billion)

In 2002, voters approved Proposition 46, which provided a total of $2.1 billion of general obligation bonds to fund state housing programs. All but about $350 million of those funds were unspent as of November 1, 2006. Approval of Proposition 1C in November 2006 provides $1.5 billion in continued funding for the Proposition 46 programs, as well as $1.35 billion for three new programs aimed at increasing housing development in the state. The programs and the potential for providing funding for affordable housing and capital improvements supporting new housing in the San Diego region are described below.

Affordable Housing Programs - $1.5 Billion: Homeownership Programs, Multifamily Housing Programs, and Other Housing Programs (Continued Funding for Proposition 46 Programs)

The affordable housing programs are administered by the California Department of Housing and Community Development (HCD) and the California Housing Finance Agency (CalHFA), and with the exception of the $100 million Affordable Housing Innovation Fund, they provide continued funding for the programs developed under Proposition 46. The Homeownership Programs ($625 million) encourage homeownership for low- and moderate-income homebuyers by providing down payment assistance to homebuyers through low-interest loans or grants. The Multifamily Housing Programs ($590 million) provide funding for programs aimed at the construction or renovation of rental housing projects, such as apartment buildings. Local
governments, nonprofit organizations, and private developers are provided low-interest (3 percent) loans to fund part of the construction cost in exchange for reserving units for low-income households for a period of 55 years. Funding priority is given to projects in already developed areas and near existing public services such as public transportation. Other housing programs funded by Proposition 1C ($285 million) will provide loans and grants to the developers of homeless shelters and housing for farmworkers. A new program also falls into this category, the Affordable Housing Innovation Fund ($100 million), which provides competitive grants or loans to pilot projects aimed at reducing the costs of affordable housing through innovative cost-saving approaches. This program requires further legislation to develop specific criteria that establishes eligibility for use of the funds.

With respect to the Proposition 46 funds allocated to date, the San Diego region has received approximately $118 million in awards over the past four years (about 8 percent of the funds awarded statewide), resulting in assistance to 4,003 individuals and families in the form of new or renovated affordable units, homeownership assistance, and homeless shelter beds. (Additional Proposition 46 funds were scheduled to be allocated in December 2006.) Assuming the region receives 8 percent of the $1.5 billion of Proposition 1C’s affordable housing funds, the region stands to receive approximately $120 million during the next few years. This amount in conjunction with other affordable housing funds (redevelopment set-aside, low-income housing tax credits, etc.) will provide funding for only a portion of the 42,491 very low and low-income housing needs projected for the 2005-2010 housing element cycle. During the 1999-2004 housing element cycle only about 5,800 new homes were constructed for very low and low-income households—16 percent of the need (36,282) as identified in the Regional Housing Needs Assessment (RHNA). These figures illustrate the need for Proposition 1C funds in the San Diego region.

SANDAG staff will participate in the review of criteria as opportunities arise for the homeownership and Multifamily Housing Programs undertaken by HCD and/or CalHFA to ensure that they are consistent with and supportive of the Regional Comprehensive Plan’s smart growth and housing objectives and that the region receives its fair share of funds from a geographic perspective. We also will participate in discussions regarding the implementing legislation for the Affordable Housing Innovation Fund.

Development Programs - $1.35 Billion: Regional Planning, Housing, and Infill Incentive Account ($850 Million); Transit-Oriented Development Account ($300 Million); and Housing Urban-Suburban-and-Rural Parks Account ($200 Million)

The purpose of these three new programs is to provide funds aimed at increasing development of new housing. Most of the funds are targeted for development projects in existing urban areas and near public transportation. The programs would provide loans and grants for a wide variety of projects, such as parks, water, sewage treatment, transportation, and housing. The San Diego region is well-positioned to use these funds to help implement development in the areas identified on the RCP’s Smart Growth Concept Map.

The Regional Planning, Housing, and Infill Incentive Account ($850 million) will provide grants for capital improvement projects related to infill housing and other related infill development (with no more than $200 million for park projects), and brownfield cleanup that promotes infill housing and other related infill development. The Housing Urban-Suburban-and-Rural Parks Account ($200 million) will provide funds for housing-related parks in urban,
Like the Affordable Housing Innovation Fund, these programs both require implementing legislation to determine the conditions and criteria that will be used to allocate the funds in these accounts. As noted in the introduction, SANDAG is participating in discussions regarding this legislation.

The Transit-Oriented Development Account ($300 million) will provide funds for a Transit-Oriented Development Implementation Program to be administered by HCD. The purpose of the program is to provide local assistance to cities, counties, transit agencies, and developers to develop or facilitate the development of higher-density uses with close proximity to transit stations. Grants can be made to local jurisdictions or transit agencies for the provision of infrastructure, or loans can be made for the development and construction of a housing project within one-quarter mile of a transit station, in which at least 15 percent of the units in the proposed development shall be affordable to very low or low-income households for at least 55 years. Criteria for these funds include the extent to which the project or development will increase public transit ridership and minimize automobile trips. In addition, bonus points will be granted to projects or developments that are in an area designated by the council of governments for infill development as part of a regional plan. The grant part of this program appears to be similar to SANDAG’s Smart Growth Incentive Program. Staff will work with other stakeholders and HCD staff in the development of guidelines for this program; no implementing legislation is required.

Proposition 84: The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006: Chapter 9. Sustainable Communities and Climate Change Reduction ($580 Million)

Proposition 84 ($5.388 billion) includes a chapter entitled Sustainable Communities and Climate Change Reduction, which provides $580 million in funds for improving the sustainability and livability of California’s communities through investment in natural resources. The purposes of this chapter include reducing urban communities’ contribution to global warming and increasing their adaptability to climate change while improving quality of life. The three programs included in this chapter are described below.

Local and regional parks ($400 million) is a competitive program focused on the acquisition and development of new parks and the expansion of overused parks in underserved communities. The creation of parks in neighborhoods where none exist will receive preference. No additional legislation will be required for these funds, which will be allocated by the California Department of Parks and Recreation.

Urban greening projects ($90 million) that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits will be funded through planning grants. Priority will be given to projects that provide multiple benefits, use existing public lands, serve communities with the greatest need, and facilitate joint use of public resources and investments including schools.

The third program, planning grants and planning incentives for regional and local land use plans ($90 million) will promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.
Implementing legislation is required for these two $90 million programs, both of which are supportive of SANDAG’s RCP and smart growth policies. As with the Proposition 1C programs that require additional legislation, SANDAG is participating in discussions regarding this legislation.

Next Steps

As described above, the San Diego region is eligible for substantial infrastructure funds from Propositions 1C and 84 that will help implement the RCP’s smart growth and housing goals. To ensure our fair share, however, SANDAG will need to actively participate in the development of the allocation criteria for the funds, and SANDAG and the local jurisdictions will need to be aggressive in applying for them.

A key focus of SANDAG’s current efforts is on the programs described above that require implementing legislation. Three funding programs totaling $1.15 billion associated with Proposition 1C (Affordable Housing Innovation Fund; Regional Planning, Housing, and Infill Incentive Account; and Housing Urban-Suburban-and-Rural Parks Account), and two funding programs totaling $180 million associated with Proposition 84 (urban greening projects and planning grants and planning incentives for regional and local land use plans) require implementing legislation to determine how these funds will be allocated and spent.

SANDAG staff is involved in discussions that will guide this future legislation with the California Association of Councils of Governments (CALCOG), the League of California Cities (LCC), and the California State Association of Counties (CSAC). Staff is working to ensure that these funds are used to implement the Regional Comprehensive Plan (RCP) and Smart Growth Concept Map, and to help meet the region’s affordable housing needs. Staff also believes that it may be beneficial to allocate some of these funds (such as the $850 million Regional Planning, Housing, and Infill Incentive Account) through block grants to regional planning agencies such as SANDAG. These funds could then be allocated by SANDAG in conjunction with the TransNet Smart Growth Incentive Program for infrastructure needs in the Existing/Planned Smart Growth Areas, and for planning activities in the Potential Smart Growth Areas.

The San Diego region has numerous projects that will qualify for funding from these bond programs including infrastructure projects in Existing/Planned Smart Growth Areas, plan amendments and specific plans in Potential Smart Growth Areas, park projects in smart growth and infill areas, Transit-Oriented Development housing and infrastructure projects, and affordable housing developments that address the region’s very low and low-income housing needs.

BOB LEITER
Director of Land Use and Transportation Planning

Attachments:  1. Proposition 1C Matrix
             2. Proposition 84 Matrix

Key Staff Contact: Susan Baldwin, (619) 699-1943, sba@sandag.org
### Proposition 1C Matrix - Housing and Emergency Shelter Trust Fund Act of 2006 ($2.85 Billion)

<table>
<thead>
<tr>
<th>Name/Section</th>
<th>Amount</th>
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<tr>
<td><strong>Development Programs - 53545 (b); (c); and (d) ($1.35 Billion)</strong></td>
<td></td>
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<tr>
<td>Regional Planning, Housing, and Infill Incentive Account 53545 (b)</td>
<td>$850 M</td>
<td>The funds may be used for the following purposes: (1) Infill incentive grants for capital outlay related to infill housing development and other related infill development, and (2) Brownfield cleanup that promotes infill housing development and other related infill development consistent with regional and local plans. ($200M maximum for parks.)</td>
<td>HCD</td>
<td>Implementing legislation</td>
<td>Smart Growth Incentive Program projects in Existing/Planned Smart Growth Areas on Smart Growth Concept Map</td>
<td>Work with CALCOG, League of CA Cities, and CSAC(^1) to influence implementing legislation; potential for block grant to SANDAG to leverage the TransNet Smart Growth Incentive Program.</td>
</tr>
<tr>
<td>Transit-Oriented Development Program 53545 (c) and 53560-53562</td>
<td>$300 M</td>
<td>To provide local assistance to cities, counties, and transit agencies and developers to develop or facilitate the development of higher density uses within close proximity to transit stations that will increase public transit ridership. Grants to cities, counties, and transit agencies for infrastructure necessary for the development of higher density uses near a transit station, or to facilitate connections between that development and the station. Loans for the development and construction of a housing development near a transit station. Loan eligibility requires at least 15 percent of the units to be made available at an affordable rent or at an affordable housing cost to persons of very low or low income for at least 55 years. Developments assisted pursuant to this subdivision shall be on parcels at least a portion of which are located within ¼ mile of a transit station. A housing development project may include a mixed-use development consisting of residential and nonresidential uses.</td>
<td>HCD</td>
<td>HCD to develop criteria for program</td>
<td>Same as above</td>
<td>Provide comments to HCD regarding program criteria; focus funding in Smart Growth Areas and on meeting housing element goals.</td>
</tr>
<tr>
<td>Housing Urban-Suburban-and Rural Parks Account 53545 (d)</td>
<td>$200 M</td>
<td>Funds shall be available upon appropriation by the Legislature for housing-related parks grants in urban, suburban, and rural areas, subject to conditions and criteria that the Legislature may provide in statute.</td>
<td>HCD</td>
<td>Implementing legislation</td>
<td>Parks in Existing/Planned Smart Growth Areas on Smart Growth Concept Map</td>
<td>Work with CALCOG, League of CA Cities, and CSAC(^1) to influence implementing legislation; focus funding in Smart Growth Areas.</td>
</tr>
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\(^1\) CALCOG is the California Association of Councils of Governments; CSAC is the California State Association of Counties.
**Proposition 1C Matrix - Housing and Emergency Shelter Trust Fund Act of 2006 ($2.85 Billion)**

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<tr>
<td>Affordable Housing Innovation Fund 53545(a)(1)(F)</td>
<td>$100 M</td>
<td>For competitive grants or loans to sponsoring entities that develop, own, lend, or invest in affordable housing and used to create pilot programs to demonstrate innovative, cost-saving approaches to creating and preserving affordable housing.</td>
<td>HCD</td>
<td>Implementing legislation</td>
<td>Workforce housing along the SPRINT rail line (1-15 Interregional Partnership)</td>
<td>Work with CALCOG, League of CA Cities, and CSAC to influence implementing legislation.</td>
</tr>
<tr>
<td>Joe Serna, Jr. Farmworker Housing Grant Fund 53545(a)(1)(C)</td>
<td>$135 M</td>
<td>Grants or loans, or both, to local public entities, nonprofit corporations, and limited partnerships for construction and rehabilitation of housing for agricultural employees and their families or for the acquisition of manufactured housing. Monies may not be used for project organization or planning.</td>
<td>HCD</td>
<td>Proposition 46 criteria</td>
<td>Nonprofit and for-profit developers, local jurisdictions apply for funds through HCD NOFA</td>
<td>Provide comments to HCD, as opportunities arise, regarding program criteria; focus funding in Smart Growth Areas and on meeting housing element goals.</td>
</tr>
<tr>
<td>Emergency Housing and Assistance Fund for capital development</td>
<td>$50 M</td>
<td>Funds to be distributed in the form of capital development grants and shall be administered by HCD.</td>
<td>HCD</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
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<tr>
<td>Multifamily Housing Programs - 53545 (a) (1) (A)</td>
<td>$345 M</td>
<td>Low interest loans for housing developments for low income renters. (a) Under the Housing and Emergency Trust Fund Act of 2002, priority points are given to projects to prioritize any of the following: (1) Infill development. (2) Adaptive reuse in existing developed areas served with public infrastructure. (3) Projects in proximity to public transit, public schools, parks and recreational facilities, or job centers. (b) The department may utilize other factors in rural areas to promote infill development.</td>
<td>HCD</td>
<td>Proposition 46 criteria</td>
<td>Nonprofit and for-profit developers, local jurisdictions apply for funds through HCD NOFA</td>
<td>Provide comments to HCD, as opportunities arise, regarding program criteria; focus funding in Smart Growth Areas and on meeting housing element goals.</td>
</tr>
<tr>
<td>Multifamily Housing Program 53545 (a) (1) (B)</td>
<td>$50 M</td>
<td>Low interest loans for housing projects which provide housing for those “at risk of becoming homeless” and homeless youth.</td>
<td>HCD</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
</tr>
<tr>
<td>Multifamily Housing Program 53545 (a) (1) (B)</td>
<td>$195 M</td>
<td>Low interest loans for supportive housing for individuals and households moving from emergency shelters or transitional housing or those at risk of homelessness. Priority for projects given (i) to supportive housing for people with disabilities and (ii) projects that demonstrate funding commitments from local governments for operating subsidies or services funding or both for five years or longer.</td>
<td>HCD</td>
<td>See above</td>
<td>See above</td>
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### Proposition 1C Matrix - Housing and Emergency Shelter Trust Fund Act of 2006 ($2.85 Billion)

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<tr>
<td><strong>Homeownership Programs - 53545 (a) (1) (D) - (E) and (G) ($625 Million)</strong></td>
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<tr>
<td>Self-Help Housing Fund 53545 (a) (1) (D)</td>
<td>$290 M</td>
<td>To be expended for the purposes of enabling low and very low income households to become or remain homeowners pursuant to the CalHome Program.</td>
<td>HCD</td>
<td>Proposition 46 criteria</td>
<td>Nonprofit and for-profit developers, local jurisdictions apply for funds through HCD NOFA</td>
<td>Provide comments to HCD, as opportunities arise, regarding program criteria; focus funding in Smart Growth Areas and on meeting housing element goals.</td>
</tr>
<tr>
<td>Self-Help Housing Fund 53545 (a) (1) (D)</td>
<td>$10 M</td>
<td>For the construction and management under California Self-Help Housing Program.</td>
<td>HCD</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
</tr>
<tr>
<td>Self-Help Fund 53545 (a) (1) (E)</td>
<td>$200 M</td>
<td>For the California Homebuyer's Down Payment Assistance Program, to assist first-time low and moderate income homebuyers utilizing existing mortgage financing. <em>Up to $100M of these funds may be expended to finance the acquisition of land and the construction and development of for-sale residential structures.</em></td>
<td>CalHFA</td>
<td>See above</td>
<td>See above (CalHFA NOFA)</td>
<td>See above (Comments to CalHFA)</td>
</tr>
<tr>
<td>Building Equity and Growth in Neighborhood Fund to be used for the Building Equity and Growth in Neighborhood program 53545 (a) (1) (G)</td>
<td>$125 M</td>
<td>HCD issues a notice when funding is available to all cities, counties, or cities and counties. A city has to submit an application for the funds and, if they receive a grant from BEGIN, they shall use the proceeds for down payment assistance to a prospective first-time homebuyer who enters into an agreement to purchase a newly constructed home, or a newly erected manufactured home placed within the city, county, or city and county. Any residence assisted by BEGIN shall be continuously occupied by the homebuyer for at least five years. If the homebuyer fails to meet this condition, the loan amount shall become immediately due and payable to the local entity.</td>
<td>HCD</td>
<td>See above</td>
<td>See above</td>
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## Proposition 84 Matrix - The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006

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<td><strong>Sustainable Communities and Climate Change Reduction - 75065 ($580 Million)</strong></td>
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<tr>
<td>Local and Regional Parks</td>
<td>$400 M</td>
<td>Acquisition and development of new parks and expansion of overused parks that provide park and recreation access to underserved communities shall be given preference. Creation of parks in neighborhoods where none currently exist shall be given preference. Projects designed to provide efficient use of water and other natural resources.</td>
<td>Department of Parks &amp; Recreation</td>
<td>Competitive</td>
<td>Parks in Existing/Planned Smart Growth Areas on Smart Growth Concept Map</td>
<td>Provide comments to Dept. of Parks and Recreation on program criteria; focus funding in Smart Growth Areas to meet existing deficits in current underserved communities.</td>
</tr>
<tr>
<td>Urban Greening Projects**</td>
<td>$90 M</td>
<td>Urban greening projects that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits. Priority given to projects that provide multiple benefits, use existing public lands, serve communities with the greatest need, and facilitate joint use of public resources and investments, including schools.</td>
<td>Implementing legislation</td>
<td></td>
<td>Parks and urban greening projects in Smart Growth Areas on Smart Growth Concept Map</td>
<td>Work with CALCOG, League of CA Cities, and CSAC to influence implementing legislation; focus funding in Smart Growth Areas and the potential of joint use parks in school settings.</td>
</tr>
<tr>
<td>Planning Grants/Incentives for regional and local land use plans</td>
<td>$90 M</td>
<td>Encourage development of regional and local land use plans that promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.</td>
<td>Implementing legislation</td>
<td></td>
<td>Amending local plans to incorporate potential Smart Growth Areas and other RCP policies</td>
<td>Work with CALCOG, League of CA Cities, and CSAC to influence implementing legislation; focus funding on general plan updates and specific plans for the purpose of implementing smart growth.</td>
</tr>
</tbody>
</table>

1. CALCOG is the California Association of Councils of Governments; CSAC is the California State Association of Counties.

November 12, 2006
National Perspectives

No Parking: Condos Leave Out Cars

By LINDA BAKER

PORTLAND, Ore.

ANNEMIEKE CLARK and her boyfriend, Daniel Pasley, do not spend a lot of time driving. Ms. Clark, a 29-year-old nursing student at Oregon Health and Science University, takes the bus to school. Her boyfriend is a “crazy bike rider,” she said.

So when they decided to buy their first home last winter, they chose a one-bedroom unit in the Civic, one of the first new developments in Portland to market condominiums without parking spaces.

Ms. Clark said they bought the $175,000 condo, which will be ready next summer, because “it was absolutely the cheapest one selling.” Mr. Pasley also hoped a unit without parking would inspire Ms. Clark to sell her 1992 Subaru.

“So, part of it was idealism that we would get rid of the car,” Ms. Clark said.

Although condominiums without parking are common in Manhattan and the downtowns of a few other East Coast cities, they are the exception to the rule in most of the country. In fact, almost all local governments require developers to provide a minimum number of parking spaces for each unit and to fold the cost of the space into the housing price.

The exact regulations, which are intended to prevent clogged streets and provide sufficient parking, vary by city. Houston’s code requires a minimum of 1.33 parking spaces for a one-bedroom and 2 spaces for a three-bedroom. Downtown Los Angeles mandates 2.25 parking
spaces per unit, regardless of size.

Today, city planners around the country are trying to change or eliminate these standards, opting to promote mass transit and find a way to lower housing costs.

Minimum parking requirements became popular in the 1950s with the growth of suburbia, said Donald Shoup, a professor of urban planning at the University of California at Los Angeles and the author of “The High Cost of Free Parking” (American Planning Association, 2005). “They spread like wildfire,” he said.

But in the 21st century, skyrocketing housing prices and the move toward high-density urban development are bringing scrutiny to the ways in which cities and developers manage the relationship between parking and residential real estate. Once a tool of government, parking requirements are increasingly driven by the market.

Last year, for example, Seattle reduced parking requirements for multifamily housing in three of the city’s major commercial corridors. Next month, the City Council will vote on a proposal to eliminate minimum parking requirements in Seattle’s six core urban districts and near light-rail stations. In June, San Francisco replaced minimum requirements downtown with maximum standards allowing no more than 0.75 parking spaces per unit. In Portland, where central city parking minimums were eliminated six years ago, developers are breaking ground on projects with restricted parking.

“In the future,” Dr. Shoup said, “we will look back at minimum parking requirements as a colossal mistake. Change will be slow, but it’s happening now.”

The Civic, a 261-unit project, includes 24 condos without parking. The building is six blocks from downtown and near a major bus and light-rail line, and will offer residents a rental-car-sharing arrangement.

“We’re always looking for ways to promote smart growth,” said Tom Cody, a project manager of the Gerding/Edlen Development Company, which developed the Civic. “We decided to test the water and see if there was a market for units without parking spaces.” The 24 condos sold out, he said.

In San Francisco, more downtown housing has been approved over the last few years than in the last 20 years combined, said Joshua Switzky, a city planner. The booming real estate market there inspired local officials to revoke minimum-parking requirements in the central core, Mr. Switzky said. “The city’s modus operandi is ‘transit first,’” he said. “Everyone recognized the existing rules didn’t match the policy.”

Under San Francisco’s new parking maximums, downtown developers are also required to “unbundle” the price of parking from the price of the condo. “Buyers aren’t obligated to buy a parking space, and developers don’t have the incentive to build spaces they can’t sell,” Mr. Switzky said.

Sustainable development is not the only factor driving changes to parking standards. “We talk about affordable housing as the most critical thing facing cities and the nation,” Mr. Cody said. “But we never talk about the costs of the automobile.” Since individual parking spaces cost about $40,000, reducing or eliminating parking is an effective way to lower housing prices, he said.

1/5/2007
At the Moda condominiums, a development under construction in Seattle, only 43 out of 251 units have assigned parking. Eighty-three units have no parking and the remainder have access to a permit parking system. The building is in the downtown Belltown neighborhood, where the average condo has one and a half parking spaces.

“I wanted the least expensive unit,” said Mary Stonecypher-Howell, a computer database specialist who bought a Moda studio without parking for $170,000. Ms. Stonecypher-Howell said it was the only downtown condo she could find for less than $200,000. “In the city, it’s simpler not to have a car,” she said. Moda units with parking cost about $30,000 more than units without.

Lenders traditionally balk at financing projects without parking, said David Hoy, who developed the Moda condos. The concern is that they would be difficult to resell. “But in a high-density urban environment, there’s a strong demand and a shortage of supply,” Mr. Hoy said. Moda, which is financed by United Commercial Bank, sold out in less than a week, he said.

Other cities are also reconsidering parking standards. In Houston, for example, a committee is reviewing parking minimums along the light-rail line, according to Suzy Hartgrove, a spokeswoman for the city’s planning and development department.

But not everybody is enthusiastic about the piecemeal changes taking place around the country, especially because often-arcane parking codes vary from district to district and city to suburb.

In the Rincon Hill neighborhood of San Francisco, where the new luxury tower One Rincon Hill is selling for $1,000 a square foot, parking standards allow a maximum of one space per unit. Just a few blocks away, downtown requirements undercut that figure by a quarter, making One Rincon Hill more attractive to buyers with cars.

“It gives them a marketing advantage,” said Victor Gonzalez, director of development for Monahan Pacific, a local company that has built condo properties downtown. “You’d be killed if you tried to do a project in the suburbs without parking,” he added.

Others point to the free-market parking situation in Manhattan, where monthly rates now exceed $500 a month.

Planners are undeterred. In the United States, “housing is expensive and parking is cheap,” Dr. Shoup said. “We’ve got it the wrong way around.”
### LAND CONSUMPTION W/ PROJECTED GROWTH

<table>
<thead>
<tr>
<th>Dwelling Units per Acre (du/acre)</th>
<th>314,000 Dwelling Units</th>
<th>Smart Growth Project Type</th>
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<tr>
<td>2</td>
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<td>4</td>
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<td>8</td>
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<td>16</td>
<td>19,625</td>
<td>Rural Village</td>
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<td>32</td>
<td>9,812</td>
<td>Town and Community Centers</td>
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<tr>
<td>50</td>
<td>6,280</td>
<td>Urban Center and Transit Corridor</td>
</tr>
<tr>
<td>75</td>
<td>4,200</td>
<td>Metropolitan Center</td>
</tr>
</tbody>
</table>

**Smart Growth Project Types:**
- None
- Rural Village
- Town and Community Centers
- Urban Center and Transit Corridor
- Metropolitan Center

**Additional Notes:**
- Urban landform = 800 sqmi
- City of San Diego = 350 sqmi
- Roads, freeways and parking spaces = 200 sqmi
Auto Based Transportation System is Destroying San Diego

✓ ¼ Of Urban Land Space consumed.

✓ 2/3 of oil-based energy consumed.

✓ Health issues – air pollution and obesity.

✓ Unsustainable Costs.

✓ Exclusive - Not accessible for the young, the elderly and the poor.

✓ Forecloses on Smart Growth Redevelopment.
Overview

- Input process
- Current Regional Transportation Plan: *Mobility 2030*
- Changing landscape for energy
- Recommendations for 2007 RTP
- Next Steps
SANDAG Process

- Dialogue on energy white paper sought from various working groups and committees
  - Stakeholders Working Group, Oct 2006
  - Energy Working Group, Nov 2006
  - Technical Working Group, Dec 2006
  - Regional Planning Committee, Jan 2007
  - Transportation Committee, Jan 2007

Energy in Mobility 2030

- Energy not explicitly addressed in Mobility 2030
- Energy chapter in the plan’s environmental assessment (EIR)
- Since Mobility 2030:
  - SANDAG adopts 2003 Regional Energy Strategy
  - SANDAG adopts 2004 Regional Comprehensive Plan
  - SANDAG accepts Smart Growth Concept Map and Independent Transit Planning Review
  - State laws and mandates re: energy, climate change, and transportation
Transportation – Energy – Climate Relationship

California Greenhouse Gas Emission Sources

- Transportation: 41%
- Industrial Facilities: 23%
- In-State Generation: 10%
- Out-of-State Generation: 10%
- Other: 16%

Source: California Energy Commission

Changing Climate Landscape

- Governor Executive Order S-3-05
- CA Global Warming Solutions Act of 2006
- Orange County RTP
- Several local efforts
Climate Change for RTP

- Include energy and GHG emissions impacts from various travel choices and from smart growth efforts
- Recognize and explain the projected effects of greenhouse gases
- Identify possible actions and funding sources for SANDAG to address climate change at regional level

Alternative Transportation Fuels and Vehicles

- State mandates for low and zero emission vehicles (LEV, PZEV, ZEV)
  - Mass transit | Business | Public
- Alternative fuel/vehicle options and programs
  - (Plug-in) Hybrids | Fuel Cells | Biofuels
- Infrastructure needs, potential barriers, and solutions
**Alternative Transportation Fuels and Vehicles**

- The 2007 RTP should provide an outline of these activities.
- Implementation measures to be identified in the update of the *Regional Energy Strategy (RES)*.
- The RES to include transportation, land use planning, and climate change in its update.

---

**2007 RTP Energy Component can**

- Acknowledge energy and climate change effects.
- Showcase inherent energy-saving measures of RTP.
- Identify opportunities for more alternative fuels and vehicles.
- Serve as a framework for updating the *Regional Energy Strategy 2030*.
Next Steps

- Transportation Committee, Jan. 19, 2007
- Develop energy component for 2007 RTP

Questions or Comments?

2007 Regional Transportation Plan Energy White Paper

Susan Freedman, Senior Regional Planner
Regional Planning Committee
January 5, 2007
<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employment</th>
<th>Total Population</th>
<th>Total Housing Units</th>
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<td>408,700</td>
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<td>1,346,200</td>
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<td>1,654,300</td>
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<td>1,711,300</td>
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<td>1982</td>
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<td>1983</td>
<td>747,600</td>
<td>2,002,200</td>
<td>747,500</td>
<td>3.7%</td>
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</table>

Source: San Diego Association of Governments
Labor, business must unite to help solve city’s affordable-housing issue

The affordable-housing dilemma still exists in San Diego County. The list of problems is endless: slow permit and map processing; delays caused by planning groups; high fees for processing with delays increasing fees; additional financing costs due to delays; high insurance costs for construction defect protection for condo projects; environmental overkill and the need for more subsidies for low- and moderate-income citizens.

With San Diego’s median homes prices in the $500,000 range, it is difficult for many people to purchase a home or condo. Fast service is the key, but not the only solution.

Curing one or two of the problems is like going to the doctor with six things wrong and fixing only two. The patient is still sick! San Diego needs more new homes and condos with 1,100 to 1,300 square feet in the $200,000 price range. Families and citizens in the $50,000 to $60,000 income ranges qualify and afford to buy a home with a 10 percent down payment. Even in that price range, it can be difficult to qualify for a loan. San Diego is in a housing slowdown, but this is only temporary with our strong economy and jobs available, so we need to correct our permit processing problems.

The only way to make things happen is to speed up the process of applying for a permit. Getting a permit approved, building new homes, the sale and occupancy should take one year — not the three-and-four year processing times we have now. The continual permit delays increase costs for developers and are passed on in purchase prices.

The city of San Diego, now trying hard to solve the affordable-housing problem, is fortunate to have many outstanding appointments. For example, City Manager Jerry Sanders led the way, including Jim Waring, director of land use & economic development, and Bill Anderson, director of Planning & community investment. These appointees are people who are serving the public interest and later returning to the private sector; they are not planning to make their government service a career.

The problem: These leaders cannot do it alone. They need strong support from organized labor and the business community to help make things happen. San Diego is also fortunate the San Diego Regional Chamber is taking a leadership role to help streamline the processes to make affordable housing a reality. Sherri Harmer, the excellent chairman of the chamber’s Housing Committee and several of the chamber’s outstanding staff are taking the reins to assist the city.

The underlying problem is people who continue to oppose everything. This includes community-planning groups that continually cause delay after delay by Contesting many projects. They need to be given deadlines for decisions with automatic approvals: Unfortunately, some environmental community members also continue to fight everything. This dates to the early 1970s, when the Sierra Club surfaced in San Diego and fought new housing in Mira Mesa, where new 1,200-square-foot homes with three bedrooms and two bathrooms were selling for $16,900. The club-contended new housing causes growth, which is untrue. New housing is the result of growth, not the cause of it. The widening gap between births and deaths also indicates we are living longer.

New housing is the result of growth, not the cause of it. The widening gap between births and deaths also indicates we are living longer.

An unfortunate result of San Diego’s housing-affordability problem is the increase in traffic congestion. New-home buyers are moving to Temecula because of the lower housing costs — 37 percent commute to jobs in San Diego — and now El Centro, which is 110 miles away. El Centro buyers are lucky because Interstate 8 from the east is not heavily congested with traffic (except just east of Interstate 15 in the morning, similar to the north-south freeways of interstates 5, 15 and 805).

San Diego County also has a slow permit processing. Although there has not been as much publicity about this, more research is needed. San Diego’s need for new homes and condos in the $200,000 range is very real. Labor and business must team up to change things and help local government leaders fight through all of the current impediments they face in approving new housing projects. The public interest says: “Let’s make it happen ASAP!”

Schmidt is a retired banker and attorney and served in state government as Ronald Reagan’s appointee. He is currently active in civic organizations and transportation, housing and sports. Send comments to editor@sdtrans.com. All letters are forwarded to the author and may be published as Letters to the Editor.

Source Code: 20061228tza
STROK ECONOMY HERE CITED

Growth Management Policies Unrealistic, S&L Official Contends

BY DENISE A. CARABET

Although growth management policies are very well-meaning, Jim Schmidt, executive vice president of San Diego Federal Savings & Loan, said he feels those policies are unrealistic, given the state of the local economy.

"We have a strong economy in San Diego," Schmidt told the National Association of Accountants at a recent dinner meeting. "That factor attracts newcomers to our city. We can't have it both ways ... able to accommodate growth and restrict it at the same time."

Growth management is based on the philosophy that closer-to-town land should be developed first and more densely than the outlying areas, thereby reducing the strain of providing municipal services. However, said Schmidt, that kind of treatment drives up the cost of land in "anointed" areas, which in turn drives up the cost of homes and apartments all over the county.

"The owner of land that fits with the city's growth management plan can pretty well set any price he or she wants for it," said Schmidt. "San Diego received the dubious distinction of being the highest-priced new housing market in the continental United States in March, according to a Federal Home Loan Bank Board study. This area was ranked third highest in resale homes as well. The affordability of homes is already out of reach for many, and destined along that path for many more."

Creating greater - even surplus - supply of housing would help the price problem to an extent, said Schmidt, but the only way for that to be accomplished is "to open up more land for development." Otay Mesa, about 12 miles from downtown San Diego, was an example Schmidt used to point out the inavailability of land through growth management designation. He suggested that as many as 40,000 housing units could be built there.

Even when the land is available, there are permit-gathering delays that add to the cost of construction - and, of course, to the cost of housing. "Delay makes inflation worse," said Schmidt. "I would applaud any effort to speed things up" from today's three-year permit process, he said.

A phenomenon that is being tracked by census takers and demographers is the smaller household size. In 1970, the average household in San Diego County included 2.9 people. In 1978, that dropped to 2.5 people per household, said Schmidt. "If you take today's statistics, those five people probably live in two or three units, have five cars and five jobs - we have to keep up with lifestyle changes."

The S&L executive repeated again and again to his audience that he was not "pro-growth, just pro-truth." He also said that many people believe that if a subdivision is built, it will bring more people, more growth ... most don't realize just the opposite is true - builders don't build anymore on speculation. There has to be a demand out there."

Even though there is strong sentiment in San Diego right now to close off growth avenues, to preserve the "I have mine the hell with everyone else" attitude, Schmidt said he feels that day is not that far away where there will be a backlash against management of land use. "I think we'll see people becoming more interested in a place to live and a place for their children to live than environmental concerns."

He also added that builders have had to learn to make higher-density living more attractive. "There has been a lot of criticism of Mira Mesa and how that epitomizes the subdivision. If the builders had had the foresight to plant a row of trees so the homes couldn't be seen from the freeway, I doubt we'd have that criticism today. Look at Scripps Ranch, no one criticizes that subdivision. That's because there are eucalyptus groves that break up the monotony."

Schmidt reminded his audience that Mission Bay and Balboa Park are nothing but man-made developments as well.
San Diego
DATA DUMP 2006

Presented by
Russell T. Valone
MarketPointe Realty Advisors
www.marketpointe.com
Rvalone@marketpointe.com

Why We Consider the San Diego Housing Market Defined to be Schizophrenic
Why We Consider the Housing Market to be Schizophrenic

- Sales are down while the economic remains strong.
- New Home sales trended up in 4th Quarter.
- Those waiting for price stability or reductions to buy are now afraid to buy.
- Conversion cause inventory to levels to be overstated

San Diego County Job Growth on Track to Mirror 2004 & 2005
San Diego’s Job Market Fairs Well in 2006

Reflecting its Slower Job Growth Market, Migration a Much Less Important Component of San Diego County Population Growth
Attached Housing is a Vital Component of Today’s New Home Market
San Diego New Home Sales Volume Anticipated to Dip by 29% in 2006

Sales in 2006 Off Throughout the Southland When Compared to 2005
2006 Sales Declined Felt Countywide

What’s Different About Building Today?
San Diego Has Transitioned to Where Attached Housing Dominates the New Homes Market

Attached Housing Sector Represents Over Two-thirds of San Diego New Home Market
Attached Housing is a Vital Component of Today’s New Home Market

San Diego New Home Construction Declining
Conversions Are Outpacing Newly Constructed Attached Sales

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<td>488</td>
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</tr>
</tbody>
</table>

Condo Hotel Conversions Low-Med Density High-Density 3-D Column 5

Pricing
San Diego New Detached Home Prices
180% Higher Than The National Average

Affordability Drives Conversion and Medium Density Attached Market Sectors
Single Family Detached
New Home Pricing Trends

Sub-$500,000 New Detached Homes
Headed For Endangered Species List
Condo Conversions Keep Sub-$300,000 Attached Market From Becoming an Endangered Species

Inventory
Inventory Levels Increase Markedly in 2005 & 2006

Conversions Weigh Heavily in Countywide Inventory
Conversions Represent Half of Countywide Inventory

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<td>56.04%</td>
<td>32.50%</td>
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<td>60.55%</td>
<td>56.04%</td>
<td>32.50%</td>
<td>23.13%</td>
<td>19.31%</td>
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<tr>
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<td>25.75%</td>
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<td>29.89%</td>
<td>19.67%</td>
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Conventional Attached & Detached Inventory Represents Less Than 25% of Supply

www.marketpointe.com
The Pipeline

70% of Units in the Entitlement Process are Attached

<table>
<thead>
<tr>
<th>Sub Area</th>
<th>Acres</th>
<th>Attached</th>
<th>Condo</th>
<th>High-Density</th>
<th>Detached</th>
<th>Total</th>
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<tr>
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<td>13,542</td>
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<tr>
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<td>16,544</td>
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<td>956</td>
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<tr>
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<td>1,739</td>
<td>17,844</td>
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<td>127,805</td>
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<tr>
<td>Total</td>
<td>11,657</td>
<td>44,091</td>
<td>14,734</td>
<td>17,844</td>
<td>39,479</td>
<td>127,805</td>
</tr>
</tbody>
</table>

- 26% South County
- 13% San Diego Central
- 12% Downtown
- 11% I-15 Corridor
- 13% N C Coastal
- 8% Hwy 78 Corridor

- 12% Downtown
- 26% South County
- 11% I-15 Corridor
- 13% N C Coastal
- 8% Hwy 78 Corridor
- 13% San Diego Central

Downtown San Diego: 14,789 units
East County: 10,315 units
Highway 78 Corridor: 22,168 units
Interstate 15 Corridor: 13,614 units
North County Coastal: 13,868 units
San Diego Central: 16,544 units
South County: 127,805 units
17% of Units in the Entitlement Process are Attached

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<th>Area</th>
<th>Tab APT</th>
<th>SFA</th>
<th>SFD</th>
<th>Grand Total</th>
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<tbody>
<tr>
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The Resale Market
Active Resale Listings Declining

Stubborn Sellers Keep Value in Resale Market

www.marketpointe.com
2006 Resale Market Showing Signs of 27% Slowdown

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<td>39,266</td>
<td>37,573</td>
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