EXECUTIVE COMMITTEE

June 8, 2007

AGENDA ITEM NO.: 1

Action Requested: APPROVE

EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
MAY 11, 2007

Chair Mary Sessom (East County) called the Executive Committee meeting to order at 8:37 a.m. The attendance sheet for the meeting is attached.

Chair Sessom announced that the order of the agenda would be revised as follows: Item No. 8, No. 6, No. 7, No. 4, No. 5, and then No. 9.

1. APPROVAL OF MINUTES

Upon a motion by First Vice Chair Lori Pfeiler (North County Inland) and a second by Second Vice Chair Jerome Stocks (North County Coastal), the minutes of the April 13, 2007, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

There were no public comments, communications, or member comments.

CONSENT (Item 3)

3. SERVICE BUREAU: WESTERN SALT WORKS SITE ASSESSMENT AND SOUTH SAN DIEGO BAY TRAIL LINKAGES (APPROVE)

On November 9, 2006, the California Coastal Conservancy authorized an amount not to exceed $125,000 to the SANDAG Service Bureau to conduct an access study of the area south of San Diego Bay near the mouth of the Otay River Valley. The purpose of the study is to determine the optimal alignments of public trails and the feasibility of possible future uses of the Western Salt Building for interpretive facilities. The Coastal Conservancy’s contract requires authorization from SANDAG to enter into the contract. The Executive Committee is asked to authorize the Executive Director to enter into a revenue contract with the California Coastal Conservancy in the amount of $125,000.

Action: Upon a motion by First Vice Chair Pfeiler and second by Second Vice Chair Stocks, the Executive Committee voted to approve Consent Item No. 3.
8. SENATE BILL 10: AIRPORT AUTHORITY REFORM ACT OF 2007 (DISCUSSION/POSSIBLE ACTION)

Kim Kawada, Policy and Legislative Affairs Program Manager, reported that we have continued working with Senator Kehoe and others on proposed amendments to Senate Bill (SB) 10. The proposed amendments, however, are not yet in print from the Legislative Counsel. The bill’s main provisions are summarized on pages 2 and 3 of the agenda report. There have been several discussions between SANDAG and San Diego County Regional Airport Authority staff regarding the airport land use compatibility planning responsibility, and we are proposing that this responsibility remain with the Airport Authority. However, if the proposed amendments to SB 10 are approved, future updates to the airport land use compatibility plans would come to SANDAG for a compatibility review prior to their adoption.

Ms. Kawada then summarized the aviation and ground access planning responsibilities, as proposed. The Airport Authority would be responsible for preparing a regional aviation strategic plan, which would identify the aviation needs for the San Diego region and how it fits with air/rail planning in bordering areas. The aviation plan would be integrated into an “airports multimodal accessibility plan” prepared by SANDAG and approved by the SANDAG Board. This would be a collaborative, cooperative process between agencies and the general public. How the planning responsibilities would be funded and other specific details would be incorporated into a Memorandum of Understanding between the Airport Authority and SANDAG, rather than codified in the law.

With regard to the governance structure, Senator Kehoe has agreed to a structure that ensures the four subregions are represented on the revised Airport Authority Board. As proposed, these subregional representatives could either be elected officials or residents of their areas. She also has agreed to increase the county’s representation on the Airport Authority Board from one to two members.

Ms. Kawada noted that the Airport Authority Board recently adopted a resolution supporting many of these same proposed amendments to SB 10. There are still ongoing discussions on the governance aspect of the SB 10 among members of the SANDAG and Authority Boards and the City and County of San Diego.

Chair Sessom said that at the May SANDAG Board meeting, we will receive an up-to-date status report on all the discussions. She thought it would be prudent to bring it here first before going to the full Board. SANDAG has clear direction from the Board to look at land use-transportation issues and the governance structure. In terms of SANDAG concerns identified earlier by the Board, the subregional representation has been agreed to by Senator Kehoe. SANDAG continues to be invited to sit in on meetings between the Airport Authority and the City and County of San Diego to give input on various aspects of the governance structure. We had two meetings with Mayor Sanders last week. The meetings also included Supervisor Ron Roberts, and Alan Bersin and Bob Watkins from the Airport Authority Board. Senator Kehoe attended a meeting on Friday, May 4.
Mayor Jerry Sanders (City of San Diego) noted that we are getting close to agreement. He talked with the Senator yesterday, and will be sending out a letter indicating that we are working with the author of the bill and are pleased with the progress being made. The bill might make it out of the Senate next week, depending on the Senate’s schedule.

Councilmember Matt Hall (Carlsbad) pointed out that there are other jurisdictions that have airports in their communities, and we all fall under the same airport land use compatibility planning guidelines. We have a lot of concerns about how this will shake out, and there are serious consequences with regard to land use. He suggested that when the details become available, they be sent to the communities so the appropriate people in those areas can analyze them.

Mayor Sanders stated that we have tried to be open about these discussions. We want to wrap this up next month. He will invite Councilmember Hall to attend any future meetings. Mayor Sanders said that the City agrees with SANDAG where the airport land use and transportation responsibilities should lie. What we are discussing now is the governance structure.

Gary Gallegos, Executive Director, suggested that SANDAG and Airport Authority staffs could meet with Carlsbad in the future to go through the details of SB 10 when the new amendments are included.

Councilmember Madaffer expressed his appreciation to Mayor Sanders and the SANDAG Chair and Vice Chairs working together on this issue. Next week the Transportation Committee will talk about the Regional Transportation Plan (RTP) where there have been some active discussions with Airport Authority Board members and senior staff. We actually had an item on the agenda at last week’s meeting, and the report was pulled as it did not mesh with these discussions. He was encouraged to hear that Airport Authority and SANDAG staffs are talking and are working together. This bill is moving in the right direction to make the region a better place.

Mayor Mickey Cafagna (North County Inland) said that Senator Kehoe has asked for letters of support. He would like to send one to her. He thought that everyone on the Board should send letters of support—not representing SANDAG but themselves. He does not want to send mixed messages. We are doing a good job at coming to consensus.

Mr. Gallegos asked Deanna Spehn, Policy Director for Senator Kehoe’s office, if she would like the letters now or wait for a SANDAG Board position. Ms. Spehn replied that she would like them sooner rather than later. She suggested that the letters indicate that you are working on the bill’s provisions, and it is heading in the right direction.

Mayor Cafagna said it is important that the City of San Diego and those jurisdictions with airports are happy with this bill.

Action: This item was presented for information only.
6. LEGISLATIVE STATUS REPORT – STATE HOUSING AND SMART GROWTH LEGISLATION (DISCUSSION/POSSIBLE ACTION)

Susan Baldwin, Senior Planner, informed the Committee about key bills associated with housing and smart growth that are being considered by the State Legislature during this session. She noted that SANDAG's legislative program contains goals for these two issues, and they fall into the highest priority category. She provided a summary of the bills to implement Proposition 1C (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). There are a number of bills (implementing legislation) associated with the Propositions 1C and 84 infrastructure bills, and many of the program goals are similar.

Ms. Baldwin said that the infrastructure funds will be spent to provide incentives for transit-oriented and infill development projects. SANDAG and other organizations in our region have been working on developing criteria and guidelines. The focus is to get San Diego’s fair share of bond funds. Proposed criteria/guidelines include: the monies should be allocated on a 40/60 northern/southern California split; ranking versus threshold criteria should be used; consistent criteria should be used for Proposition 1C and smart growth-related projects in Proposition 84; project readiness should be considered; and the ability to leverage other funds should be considered. The next step is to get the Executive Committee’s comments. We would then communicate our regional consensus to our legislative delegation and at the League of California Cities meeting in June. We will continue to monitor bills for consistency with our criteria.

Chair Sessom indicated that the City of Lemon Grove sent a letter with a number of detailed suggestions regarding the draft Propositions 1C/84 criteria. The comments are generally supportive of the direction of the stakeholders’ consensus document; however, there are concerns that some of the proposals would preclude smaller cities from getting their fair share. The City of Lemon Grove will continue to work with the stakeholders group.

Chair Sessom noted there were two requests to speak on this item.

Tom Scott, Executive Director, San Diego Housing Federation, and President of Housing California, said he submitted a letter on the Propositions 1C/84 Sustainable Communities Stakeholders Criteria. SANDAG hosted a stakeholders meeting where we agreed to develop some regional criteria, and the result is included in the staff report. He discussed the issue of whether to have ranking/scoring criteria as opposed to threshold/minimum criteria. By having a point-scoring criteria, our county can still compete well against other parts of the state. Senator Perata’s bill and environmental groups are using certain minimum densities as thresholds. We will seek to get those changed to be more consistent with what these criteria say and how the Regional Comprehensive Plan (RCP) is structured.

Matt Adams, Building Industry Association (BIA), expressed support for the point system rather than the threshold criteria; however, they feel that the point system is not flexible enough. BIA would have serious concerns with the threshold system. He asked that the Committee consider being more flexible on the affordable housing language.
Chair Sessom indicated that the BIA’s comments are in the package of materials distributed at the meeting.

Mayor Sanders said that the City of San Diego has worked with SANDAG staff on this. We would like to see two sets of criteria; one for Proposition 1C and one for Proposition 84. Jurisdictions are looking for two different kinds of projects that would be funded by the two propositions. The point system gives San Diego County a better shot at a fairly small pool of money.

First Vice Chair Pfeiler asked if the stakeholders group discussed the separate criteria for Propositions 1C and 84. Ms. Baldwin replied that that was not brought up. Proposition 84 has $400 million for park funds. In another category, there is $90 million for regional and local plan changes and specific plans, and $90 million for urban greening projects. The issue is dividing out the $400 million dedicated specifically for parks.

Councilmember Madaffer said that SANDAG, because of its RCP, is better poised in our region than most other areas of the state. Whatever we do, we should be cognizant and put that message out. The League of California Cities also created some criteria so you can see what the statewide League Board was thinking. It is important that we try not to be all things to all people. This funding opportunity was created as a smart growth incentive.

Bob Leiter, Director of Land Use and Transportation Planning, said that the stakeholders group will continue to meet to discuss refinements or qualifications for separate criteria. We will discuss the results with our legislative delegation on May 16.

Chair Sessom asked about Assembly Bill (AB) 842. Ms. Kawada replied that there are two relevant bills. AB 842 (Jones) would give preference for the $300 million in transit-oriented development (TOD) funds in Proposition 1C to local jurisdictions that have a general plan that reduces vehicle miles traveled (VMT) by at least 10 percent. The RCP has other performance goals besides VMT reduction, and the priority for funding should reflect these goals, not just VMT reductions. There also is some ambiguity about how to calculate the VMT reduction. We have been conveying our concerns to our lobbyists and delegation staffs.

Ms. Kawada said that SB 375 (Steinberg), is making its way through the Senate. There are four major components to the bill, including requiring agencies like SANDAG to adopt a preferred growth scenario; that certain regional transportation planning and programming activities be consistent with a preferred growth scenario; that the California Transportation Commission (CTC) adopts guidelines for travel demand models, including specific requirements for those models. It also includes various forms of relief in communities that conform their General Plans to the preferred growth scenario. We have some concerns related to the definition of the preferred growth scenario from the California Environmental Quality Act (CEQA). Our regional forecasts are based on the adopted plans of the local jurisdictions, and language in SB 375 indicates that the preferred growth scenario would not be tied to adopted land use plans.

Mr. Gallegos said the key issue is that the state says it is not getting into land use, but the bill requires integration with land use plans. There could be a big disconnect. This bill forces
regions to have a preferred regional growth plan up front and tie local land use plans to that plan. Our approach with the RCP and RTP has been more of a bottoms-up approach.

Ms. Kawada stated that we are working with members of our delegation and the California Association of Councils of Governments (CALCOG) on amendments to SB 375. Depending on Executive Committee direction, we could take a formal position on this bill, or allow staff to continue to work through current channels to address our concerns.

Councilmember Madaffer recommended not taking a position at this point. He has been involved in this through the League of California Cities. What we need to keep in mind is that you have incentives or disincentives when it comes to smart growth. We have the RCP, and when you plan things right, it works. We need CEQA reforms and to eliminate the VMT requirement out of AB 375. We are making progress on this bill. We should continue to monitor the bill and allow staff to work with the League and other involved parties.

Second Vice Chair Stocks asked Mr. Adams if he is supportive of the concept of scoring criteria, rather than threshold criteria. Mr. Adams said his point on the affordable housing criteria is that it is too specific; if you hit the affordable housing percentage, you get all the points, but if you don’t hit it, you get zero points. He felt that you should get credit if you are meeting a portion of the affordable housing requirement. He supported the scoring system approach so that the San Diego region gets as much money as possible.

Ms. Baldwin noted that all the criteria listed will be ranking criteria.

Mr. Gallegos mentioned that the ability to develop consensus criteria will help us. When regions are united we have a better chance of amending provisions in the various bills under consideration.

Councilmember Madaffer stated that some of us will be in Sacramento next week, so he asked that we provide this information to the legislative delegation staffs so we can include them in the discussions.

Mr. Gallegos said that this is on the agenda for the May 16 delegation meeting. We will make sure you get copies ahead of time.

**Action:** This item was presented for information only.

7. REVIEW OF LEGISLATION RELATED TO PROPOSITION 1B (DISCUSSION/POSSIBLE ACTION)

Ms. Kawada reported that there are about 20 bills related to the implementation of Proposition 1B. Recently, staff has been meeting with stakeholder groups to flesh out a consensus regarding the Trade Corridors Improvement Fund (TCIF) in Proposition 1B. TCIF is a $2 billion program to be allocated by the CTC for improvements along trade corridors of national significance.

SB 9 (Lowenthal) includes provisions that align with priorities in the San Diego region. Because the current concept for implementation of State Route (SR) 11/East Otay Mesa Port
of Entry is as a toll facility, staff recommends the addition of language in the bill that allows the leveraging of tolls and other nontraditional funding sources for project implementation.

Mr. Gallegos mentioned that later this afternoon, he and Supervisor Roberts are meeting with staff from the California Air Resources Board (CARB). We are trying to figure out what CARB is looking for and make our projects attractive both from the trade infrastructure and air quality perspectives.

Mayor Sanders said he hopes we aren’t getting penalized because we have been making progress on reducing air quality emissions.

Supervisor Roberts indicated the biggest problem was that San Diego was not on the map. It wasn’t even acknowledged that we have a land port of entry. We should have a good chance to get some dollars.

Pedro Orso-Delgado, Caltrans District 11 Director, received a call from Janet Dawson from the Senate Transportation Committee. She would like to come to San Diego for a tour. Mr. Orso-Delgado said he will be working with SANDAG on this request.

Ms. Kawada stated that SB 9 includes provisions requiring that projects receiving TCIF allocations be fully funded and ready for construction, and that the funds are only to be used for construction costs. We need to make sure that funds are available for the capital portions of the SR 11 project.

Ms. Kawada said that the Trade Corridor Emissions Reduction program is a $1 billion program to be allocated by CARB for emissions reductions from activities related to the movement of freight along trade corridors. She reiterated that Supervisor Roberts is assisting us with that program.

Mr. Gallegos noted that there is one big concern that we should be watching for, i.e., there is interest in leveraging the Proposition 1B dollars by requiring a high matching fund requirement. The caution is that Los Angeles and Long Beach can levy a container fee for their match. While leveraging matching funds is a good idea, we don’t want the match amount to be so high that we are priced out of the game.

Councilmember Hal Ryan (East County) asked how we would address the inequity in the ability of Los Angeles/Long Beach to come up with larger matching funds.

Mr. Gallegos said that we need to make sure the leverage amount is not so high that we can’t be competitive. The good news is that this will go through the Senate Budget Committee, which Senator Ducheney chairs. She is very in tune to this, and she works well with the Los Angeles delegation.

Councilmember Ryan asked if we are going to have language specifically dealing with this inequity. Mr. Gallegos said that Los Angeles will be asking for a match and to look for it to be quite big.
Ms. Kawada noted that Proposition 1B already requires a dollar-for-dollar match for TCIF projects, with the exception of border-related projects.

Ms. Kawada reported that the State-Local Partnership Program is a $1 billion program to be allocated by the CTC for projects nominated by regional transportation planning agencies (RTPAs). The program requires a dollar-for-dollar match of local funds, and the original intent was to provide funding to agencies that have developed local sales tax measures. Several bills have been introduced for this program. She felt that we will compete well under most of these measures, but that AB 1351 (Levine) was the bill most consistent with San Diego region priorities. Because of her role in the state budget process, we have been working with Senator Ducheny and her staff on many of these bills. Staff recommends that the eligible projects under this program be defined at a much higher threshold (e.g., $10 million to $20 million, rather than $1 million as currently proposed).

Ms. Kawada said that AB 901 (Nuñez) is an important bill for transit operators as it supports allocation of the Public Transportation Modernization, Improvement, and Service Enhancement Account on a formula basis with Caltrans oversight. Funded projects would need to be consistent with adopted short-range transit plans. Senator Perata and Assemblymember Nuñez each have introduced their own bills with two different allocation approaches to the transit funding. She reviewed those differences. No position is necessary at this time. We will continue to monitor the bills and work with the California Transit Association (CTA) and delegation staffs on both bills.

Ms. Kawada stated that the Local Street and Road Improvement, Congestion Relief, and Traffic Safety program is a $2 billion program to be allocated by the State Controller to cities and counties throughout the state in accordance with formulas in Proposition 1B. AB 286 (Lowenthal) is sponsored by the League of California Cities and the California State Association of Counties (CSAC) and would provide funding to fill the Proposition 42 “gap” year (FY 2007-08).

**Action:** This item was presented for information only.

4. PROPOSED AMENDMENTS TO BYLAWS AND BOARD POLICIES (DISCUSSION)

Julie Wiley, General Counsel, reviewed proposed changes to various Board Policies.

Councilmember Madaffer stated that on page 10 in the Bylaws under Article V, Officers and their Duties, Section 3b, related to the Nominating Committee, he didn’t see a prohibition for Board alternates to serve on that committee. Ms. Wiley agreed that was correct. The idea is that the alternate might be from a different city in the subregion.

Mayor Cafagna said that it is difficult to get members for a Nominating Committee so we should keep the language flexible.

Ms. Wiley agreed to leave the language as is.

Ms. Wiley continued her review of proposed policy changes.
Councilmember Madaffer suggested that in Policy No. 2, Section 7, Attendance, language should be inserted to encourage an alternate serving as a Policy Advisory Committee (PAC) chair to attend Board meetings for consistency purposes. This should be incumbent on any PAC chair that is not a primary Board member. Ms. Wiley agreed to add language regarding participation when the PAC chair is not a primary Board member.

Ms. Wiley continued her review of proposed policy changes.

Renée Wasmund, Director of Finance, reviewed proposed changes to Policy No. 031. Eliminate Section 4 as it requires that an agency with more than a balance of 30 percent would have to use that balance. The purpose of this section was to limit the amount of inactive projects where there is remaining money. We found that Section 3 really accomplishes that goal. We took this proposed change to the Independent Taxpayers Oversight Committee (ITOC), and it supported the elimination of Section 4, but thought that the language in Section 3 should be strengthened as shown in the proposed amendments.

Councilmember Madaffer asked if these rules can be waived by the Board in a particular instance. Ms. Wasmund replied affirmatively.

Ms. Wiley said that these proposed changes will be brought back to the next Executive Committee meeting.

**Action:** This item was presented for information only.

5. **ANNUAL REVIEW OF BOARD POLICY NO. 033: IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT MEMORANDUM (DISCUSSION)**

Chair Sessom said that this item would be deferred to the next Executive Committee meeting.


Diane Eidam, Chief Deputy Executive Director, reviewed the proposed agenda for the May 25 Board meeting. The action on Item No. 4 will be changed from “approve” to “information.” Item No. 11 would be moved from the Chair’s Report to Consent.

Chair Sessom noted that a written report on meetings and events attended by Board members would be provided each month, rather than oral reports.

Ms. Eidam said that Item No. 12 would be moved to the last item under Reports. Item No. 17 would be deleted from this agenda and moved to the June 22 meeting. Item No. 18 would be pulled since it has been deferred to the June Executive Committee meeting. Item No. 19 would be deleted from this agenda and moved to a joint Transportation Committee/Regional Planning Committee meeting on June 1. We will add an item related to the agreement with Save Our Forests and Ranchlands (SOFAR) to analyze an alternative to be studied in the 2007 RTP Environmental Impact Report. We will need to amend the current settlement agreement to add that alternative.
Action: Upon a motion by Mayor Sanders and a second by Second Vice Chair Stocks, the Executive Committee unanimously voted to approve the agenda for the May 25, 2007, SANDAG Board meeting, as amended.

10. UPCOMING MEETINGS

The next meeting of the Executive Committee is scheduled for June 8, 2007, at 9 a.m.

11. ADJOURNMENT

Chair Sessom adjourned the meeting at 9:58 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG EXECUTIVE COMMITTEE MEETING
### MAY 11, 2007

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<td>Lori Holt Pfeiler, 1st Vice Chair</td>
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