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MEETING NOTICE AND AGENDA

ENVIRONMENTAL MITIGATION PROGRAM WORKING GROUP

The Environmental Mitigation Program Working Group may take action on any item appearing on this agenda.

March 13, 2007

1 to 3 p.m.

SANDAG, 7th Floor Conference Room
 401 B Street, Suite 800
 San Diego, CA 92101-4231

Staff Contact: Keith Greer
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AGENDA HIGHLIGHTS

- SUMMARY OF ANNUAL SANDAG RETREAT
- PRESENTATION ON *TransNet* ENVIRONMENTAL MITIGATION PROGRAM (EMP) MASTER AGREEMENT

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ENVIRONMENTAL MITIGATION PROGRAM WORKING GROUP

Tuesday, March 13, 2006

ITEM #		RECOMMENDATION
1.	WELCOME AND INTRODUCTIONS (Chair, Councilmember Carrie Downey, City of Coronado)	
+2.	SUMMARY OF JANUARY 9, 2007, MEETING Review and approve the meeting summary of the January 9, 2007, meeting.	APPROVE
3.	PUBLIC COMMENTS AND COMMUNICATIONS Members of the public will have the opportunity to address the Environmental Mitigation Program Working Group (EMPWG) on any issue within the jurisdiction of the Working Group. Speakers are limited to three minutes each.	COMMENT
4.	STATEMENT OF ECONOMIC INTERESTS (Form 700 - Deborah Gunn) Ms. Gunn, Clerk of the SANDAG Board, will provide hard-copies of Form 700 for those of you that have not submitted Economic Statements this year and answer any general questions on timing.	INFORMATION
+5.	SUMMARY OF ANNUAL SANDAG RETREAT (SANDAG STAFF) SANDAG staff will provide an overview of the discussions that took place at the SANDAG Board of Directors' Policy Meeting in January and retreat in February. Additionally, staff will provide the Working Group with information on the survey conducted late in 2006. Of specific interest to the Working Group, were discussions on what options there are for developing a regional approach to acquiring, monitoring, and maintaining open space. A summary from the annual retreat is attached, which includes survey highlights and conclusions	PRESENTATION/ DISCUSSION
6.	STATUS OF REGIONAL HABITAT CONSERVATION GRANTS (Shelby Tucker and Keith Greer) SANDAG staff will provide an update on the status of the FY 2006 and FY 2007 grants awarded under the EMP Regional Habitat Conservation Fund.	INFORMATION
7.	<i>TransNet</i> EMP MASTER AGREEMENT: STATUS AND CURRENT DISCUSSIONS (Keith Greer and Kathy Viatella) Mr. Greer and Ms. Viatella will present the status of the EMP Master Agreement with specific emphasis on options for the potential disbursement of funds under the EMP.	PRESENTATION/ DISCUSSION
8.	ADJOURN The next EMP Working Group meeting is scheduled for April 10, 2007, from 1 to 3 p.m.	INFORMATION

+ next to an item indicates an attachment

San Diego Association of Governments
ENVIRONMENTAL MITIGATION PROGRAM
(EMP) WORKING GROUP

March 13, 2007

AGENDA ITEM NO.: **2**

Action Requested: APPROVE

SUMMARY OF JANUARY 9, 2007, MEETING

File Number 3000200

Members in Attendance:

Carrie Downey, City of Coronado
Tom Oberbauer, County of San Diego
Craig Adams, San Diego Conservation Network
Matt Adams, Building Industry Association
Bruce April, Caltrans
Jeannette Baker, Army Corps of Engineers
Robert Fisher, USGS
Melanie Johnson-Rocks, City of San Diego
David Mayer, Department of Fish and Game
Marisa Lundstedt, City of Chula Vista, South County
Susan Wynn, U.S. Fish and Wildlife Service
Emily Young, The San Diego Foundation
Michael Beck, Endangered Habitat League

SANDAG Staff in Attendance:

Keith Greer
Rob Rundle
Ryan Sotirakis

Others in Attendance:

Alfredo Gonzalez, The Nature Conservancy
Jack Fancher, U.S. Fish and Wildlife Service
Mary Niez, County of San Diego
Trish Boaz, County of San Diego
Megan Johnson, SCWRP
Lenore Volturmo, PAIA Tribal EPA
Dahvia Lynch, County of San Diego
Anne Fege, San Diego Natural History Museum
Markus Spiegelberg, Center for Natural Lands Management
Kit Wilson

1. Welcome and Introductions

Mr. Tom Oberbauer as Vice-Chair welcomed the group and indicated that the Chair would be a few minutes late. Introductions were made.

2. December 12, 2006, Meeting Summary

Mr. Craig Adams motioned to approve the December 12, 2006, meeting summary. Mr. Matt Adams seconded the motion. The motion was approved unanimously.

3. Public Comments and Communications

Mr. Keith Greer indicated that on January 12, 2007, the SANDAG Policy Board would be presented with a report on the Integrated Regional Infrastructure Strategies (IRIS) and the commitments made as part of the *TransNet* Extension measure that stated that SANDAG "...will act on additional regional funding measures (a ballot measure and/or other secure funding commitments) to meet long-term requirements for implementing habitat conservation plans in the San Diego region, within the time frame necessary to allow a ballot measure to be considered by the voters no later than four years after passage of the *TransNet* Extension." The SANDAG Board of Directors are beginning to discuss this issue as well as other transportation and non-transportation (stormwater and beach sand replenishment) recommendations made in the IRIS. Mr. Greer indicated that the report was available online and would lead to more in-depth discussions at the SANDAG Board Retreat at the end of January.

No other comments were made.

4. Presentation on Proposition 84 by the Nature Conservancy (Alfredo Gonzalez)

Mr. Alfredo Gonzalez of The Nature Conservancy gave a presentation on Proposition 84 to the Working Group. In this presentation, Mr. Gonzalez stated that he believes that the San Diego region stands to receive about 10 percent of the total funds in the state. Fifty percent of the funds will be used for water-related projects, while the other 50 percent will go toward conservation projects. He explained that there will be a reinfusion of capital into the existing state funding "buckets" for various land and water projects.

Mr. Michael Beck asked if there is a clearinghouse that determines which parts of the proposition will be reviewed. Mr. Gonzalez answered no, but stated that there are some active groups around the state which are organizing to get funding, such as the Los Angeles Department of Parks & Recreation. Mr. Beck asked how the \$400 million for state parks will be divided. Mr. Gonzalez replied that someone from the State Parks Department would have to address that question.

Mr. Craig Adams, San Diego Conservation Network, asked how much money will be available in the next one-to-five years. Mr. Gonzalez stated that it is currently undefined because there are so many organizations and the funding is so broad. He explained that Proposition 84 is a way to combine funding into other existing revenue streams, not a solitary funding source. The state is looking for a "marriage" of all funding sources.

The question was raised if \$90 million for land use planning needs to be allocated by the legislature. Mr. Gonzalez answered yes. The legislature is bent towards “greening” all bond projects and the more environmentally friendly proposals are the more likely they are to receive the bond money.

Mr. Kit Wilson asked about funding for agricultural lands and preserving isolated properties. Mr. Gonzalez stated he could not specifically answer these questions.

5. Presentation on Advanced Mitigation: The Bolsa Chica Example (Jack Fancher)

Mr. Jack Fancher, U.S. Fish & Wildlife Service, gave a presentation on the advanced mitigation project at Bolsa Chica Lagoon in Orange County. In this presentation, Mr. Fancher explained how under the Bolsa Chica Wetlands Acquisition and Restoration Agreement, the Ports of Los Angeles and Long Beach both received a “pay and walk away” deal, in which they paid to restore and mitigate the lagoon but were not required to complete the projects themselves. This form of advanced mitigation may serve as a model or advancing acquisition under the *TransNet* Environmental Mitigation Program (EMP), but Mr. Fancher cautioned that he could not commit for his agency on a “pay-and-walk” approach at this time.

Mr. Oberbauer, County of San Diego, raised a concern that any modifications to sensitive lagoons could convert existing sensitive habitats such as open ponds used for foraging. Mr. Fancher stated that the restoration proposal could change some things, but the Bolsa Chica plan looked at a comprehensive approach and made an informed approach on what was needed to restore and enhance the lagoon system.

Keith Greer, SANDAG, asked what the results and current status are of the Army Corps of Engineers (ACOE) project at San Elijo Lagoon. Mr. Fancher explained that the ACOE ran out of money and did not complete the study. Bruce April, Caltrans, stated that the ACOE is attempting to finish the study now.

Michael Beck asked how many of the eight agencies that signed the Bolsa Chica Agreement were regulatory permitting agencies. Mr. Fancher explained that only the ACOE was a regulatory agency. He stated that the ACOE and the Environmental Protection Agency published the Federal Mitigation Banking Guidelines which could eventually lead to rules regarding mitigation projects. In the Bolsa Chica example, the mitigation was determined by the signatories. The ACOE had to regulate because they were the planning agency.

Michael Beck asked if there was a cost-estimate for projects in San Diego. Mr. Fancher stated they might have a very rough-estimate but it is only preliminary.

Bruce April stated that Bolsa Chica is a great example of putting together a written agreement for mitigation projects.

Craig Adams asked if all four projects discussed in San Diego could be covered by the EMP. Mr. Fancher answered that no proposal has yet been made, but it will be for the entire *TransNet* EMP [coastal transportation projects]. A regional wetland restoration package could be used to offset the 40 years of transportation projects, but no proposal has been made. Mr. Fancher explained that the purpose of this meeting was to explain the Bolsa Chica agreement and gain support or feedback. Susan Wynn, U.S. Fish & Wildlife Service, stated that the idea would be to create a regional project-specific agreement laying out phasing, funding, etc.

Matt Adams, Building Industry Association, asked why the “pay and walk away” system was not favorable. Mr. Fancher explained that the agreement was based on conceptual cost estimates only and the signatories agreed that the ports were freed from all responsibility after paying the fee.

6. Continued Discussion on Criteria and Process for Acquisition Opportunities (Vice-Chair Tom Oberbauer)

Chair Carrie Downey, City of Coronado, stated that the Working Group needs to push to get a final proposal for land acquisition.

Tom Oberbauer gave a brief synopsis of where the Working Group stands with different options for dealing with land acquisition. The Working Group needs to more clearly understand land acquisition needs, criteria, and opportunities. Mr. Oberbauer explained four potential options to address land acquisition needs:

- 1) Creating a map and list regarding acquisition and opportunities,
- 2) Creating eligibility and prioritization criteria,
- 3) Creating an acquisition strategy using broad categories revised every few years, and
- 4) Computer modeling of acquisition opportunities the Natural Communities Conservation Program's (NCCP's) plans have already used this technique to identify the core habitat areas).

The conclusion reached by the subcommittee was that there needs to be the creation of a strategy-defining overall “goals and actionable items” consisting of projects. The goals could be considered “buckets.” Within each bucket were projects related to that goal. For example, there could be goals (buckets) related to coastal wetlands, wildlife corridors, vernal pools, etc. Projects could be included in these buckets and prioritized. Available funding would lead to a subjective discussion of which projects in which buckets were funded. Attachment 1 summarizes the current status of these discussions and was sent to the Working Group members on January 12, 2007.

Ms. Carrie Downey stated her support for a strategy that consisted of goals and projects that supported those goals. She stated the need to refine the wording of the strategy and the need to start acting on this strategy. Susan Wynn responded that there are more pressing issues right now related to the EMP Master Agreement which would need to be resolved first before any acquisition funding would be available. Craig Adams explained that the Working Group needs to decide about timing issues and asked if Bolsa Chica is the only available model to use as an example.

Keith Greer recommended that the Working Group should take a month hiatus to allow the discussions on the Master Agreement to become more solidified. The Working Group agreed to have their next meeting in March.

7. Adjourn

The meeting was adjourned at 3 p.m. The next EMP Working Group meeting is scheduled for March 13, 2007.

Attachment: 1. Acquisition Opportunities Area Subgroup Summary and Current Status

ATTACHMENT 1
Acquisition Opportunities Area Subgroup
Summary and Current Status

[The following was sent to the Working Group on January 12, 2007]

The Regional Preserve Implementation Assessment (Needs Assessment) was approved by the EMP Working Group on November 8, 2005. Task VI (Land Acquisition Program), requires (1) the determination of land acquisition needs, (2) development of land acquisition priority criteria, and (3) identification of available acquisition opportunities. On May 9, 2006 the Working Group formed a subcommittee to create an "Opportunity/Constraints Map" which would include opportunities for conservation. EMP Working Group Vice-chair, Tom Oberbauer was the chair for this effort. The following summarizes the four basic proposals that have resulted to date.

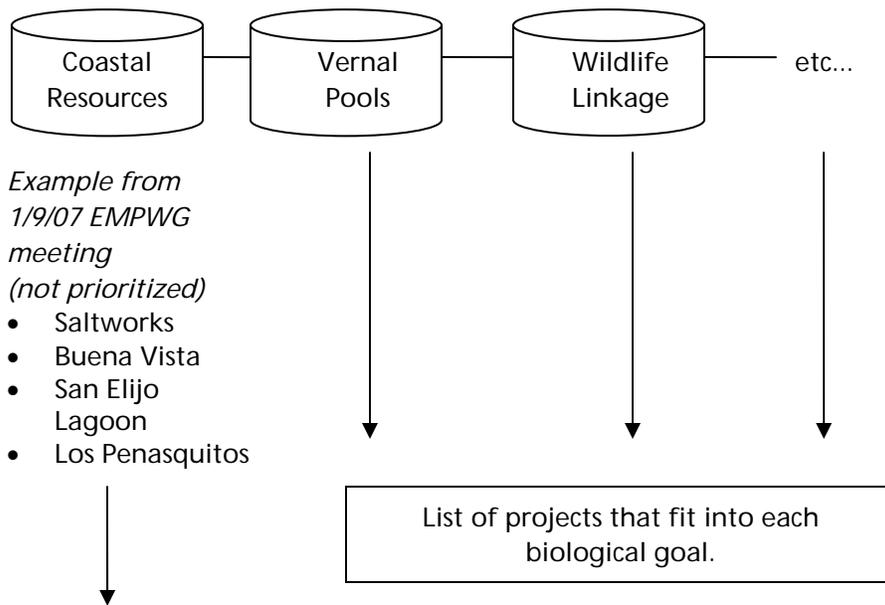
- 1. Acquisition Opportunities Map** – The Subcommittee identified general areas on a map which could be considered for acquisition. This proposal resulted in a map with polygons drawn around areas that the subcommittees thought were key for acquisition. The effort drew criticism from some members of the Working Group due the perception that areas were identified completely subjectively based upon individual's experiences with pending development proposals. The Working Group also requested prioritization criteria.
- 2. Eligibility and Prioritization Criteria** - Drawing from the FY 2006 EMP competitive grant process, the subcommittee identified a set of four criteria for which all projects must meet to be considered eligible for Regional Habitat Conservation Funds, and a set of eight criteria for projects to be evaluated into one of three categories (e.g., urgent, critical, needed). Due to the dynamic nature of acquisition opportunities an emergency process and a quarterly prioritization cycle was discussed by the entire Working Group. On October 10, 2006, the Working Group expressed an interest in seeing how the proposed criteria fit into an overall acquisition strategy. The Working Group also expressed an interest in seeing weighting of the proposed criteria.
- 3. Acquisition Strategy** – The subcommittee discussed the idea that acquisitions should be consistent with an overall strategy; such as focusing acquisition on lands with vernal pools, large intact native habitats, and coastal resources. SANDAG staff drafted an Acquisition Area Strategy for discussion purposes. A series of seven fundamental acquisition tenant (based largely on the NCCP scientific review panel's recommendation for reserve design) was recommended for all future acquisitions, and a set seven specific objectives to implement the current needs of the regional preserves were identified. The tenants were not intended to change over time, but the specific objectives would change on the evolving needs of the preserve. The Strategy was intended to set the direction of acquisitions, with the Criteria to setting the prioritization of the projects that met the Strategy. The subcommittee found the Strategy combined with the Criteria too complex and in some case duplicative. The amount of available funding and the timing of the funding were to key factors that the group believed needed to be worked out prior to completion of any process for acquisition.
- 4. Modeling Acquisition Opportunities** - A fourth alternative was discussed which involved using a GIS model to objectively model the opportunities for acquisition based upon specific criteria (not discussed). This approach would be similar to the Habitat Evaluation Models that were developed as the basis for the regional preserve systems. This approach was considered to be very labor intensive, duplicative of past effort and result in the same areas as those in the MHPA and PAMAs.

Current Status

The subcommittee has not met since the last EMP Working Group. Additional discussion and direction is needed; possible from the Working Group itself. The subcommittee concluded that there should be a strategy consists of overall goals, followed by actionable items (specific projects). The strategy should establish the acquisition goals (biological goals for the region). Each goal could be considered a bucket (e.g., vernal pool conservation, wildlife linkages, and large intact wildlands) with a list of specific land acquisition projects as actionable items in each bucket. Projects could be prioritized within the buckets. Available funding and willing sellers would drive which projects in which bucket are selected at anytime.

The identification of the “buckets” and the prioritization criteria within the buckets has not yet been discussed.

Illustrative Example of Goals (Buckets) and Actionable Items (projects):





**BOARD OF DIRECTORS
FEBRUARY 23, 2007**

**AGENDA ITEM NO. 07-02-9
ACTION REQUESTED – INFORMATION/
POSSIBLE ACTION**

SUMMARY OF ANNUAL SANDAG RETREAT

Introduction

More than 50 Board and Alternate SANDAG Directors and member agency officials participated in the annual retreat, which was held January 31 - February 2, 2007, in the community of Borrego Springs.

For new participants, the initial retreat session covered the basics of SANDAG – the agency’s primary responsibilities, its major functions, voting procedures, and how the agency overall work program and budget are developed. The basics session also covered the roles and responsibilities of Board members, alternates, and policy advisory committee members.

Retreat topics included: (1) SANDAG role in addressing regional infrastructure needs; (2) overview of survey research and policy discussions on infrastructure needs for the San Diego region; (3) public policy and funding considerations for addressing regional infrastructure needs; (4) regional energy planning; and (5) a dialogue with California Senator Christine Kehoe and Assemblymember George Plescia on the legislative year ahead. The last session of the retreat was an evaluation of agency accomplishments during calendar year 2006 and priority setting for 2007. This report summarizes the topics discussed as well as the key action items from the retreat.

Addressing Regional Infrastructure Needs

Retreat participants discussed infrastructure priorities identified in the Regional Comprehensive Plan (RCP) and the plan’s Integrated Regional Infrastructure Strategy (IRIS) component. The discussion focused on water supply, water conservation, stormwater management, open space, beach sand replenishment, and environmental management. Participants discussed opportunities for developing solutions/policies that address these needs without a funding source, such as: implement solutions at the source of pollution (i.e., for stormwater management, correct how vehicle brake pads contribute to stormwater pollution), make better land use decisions, and implement education programs for water conservation.

Participants then discussed whether open space preservation efforts are adequate. How should management and monitoring efforts be implemented. What are options for developing a regional approach to acquiring, monitoring, and maintaining open space.

Next Steps

- SANDAG should convene a series of policy meetings to consider if/how SANDAG can facilitate the process of addressing stormwater management and water quality, open space, and beach sand replenishment issues.

Survey says: Keep our water clean; improve our roads

At the retreat, staff presented preliminary findings from survey research. At its October 20, 2006, meeting, the Board directed staff to conduct research to determine residents' priorities about regional infrastructure improvements and funding sources. In November and December 2006, two regionwide telephone surveys were conducted. One focused on transportation infrastructure needs and priorities. The other survey was similar but addressed issues related to nontransportation infrastructure (habitat preservation, beach sand replenishment, and stormwater management).

The surveys were designed to determine what the region's residents consider to be the most-needed infrastructure improvements. The survey also asked respondents which among a variety of potential funding mechanisms they are willing to support to secure the revenue needed to make infrastructure improvements. At the retreat, the following preliminary findings were highlighted.

Transportation Infrastructure

Fifteen transportation projects were presented to respondents, who were asked to give each a priority rating using a scale of 1 (low priority) to 5 (high priority). The highest-priority projects identified by respondents are maintaining and improving local streets and roads, introducing new technologies to improve the efficiency of the transportation system, and completing the local road network to improve connectivity and traffic flow.

Nontransportation Infrastructure

Fourteen environmental and recreation projects were listed. Respondents were asked to give each one a priority rating, using a scale of 1 (low priority) to 5 (high priority). The highest-priority projects identified by respondents are to protect drinking water from contamination and pollution; keep trash and pollution out of rivers, streams, lagoons, and lakes; keep trash out of bays and off local beaches; remove chemicals and bacteria from water sources and stormwater runoff; and protect land around rivers, lakes, streams and lagoons to preserve water quality.

Survey highlights and conclusions are presented in Attachment 1. The full report will be posted to www.sandag.org by the end of February. The survey results and analyses provide information that can be used to help make strategic public policy decisions to address the region's infrastructure gaps.

Next Steps

- Use survey results to stimulate public policy discussions and as background for follow-on research regarding the 2007 Regional Transportation Plan update and funding priorities and to identify options for infrastructure strategies.

Filling Regional Infrastructure Gaps: Public Policy Options

This session of the retreat focused on an interactive polling exercise to help prioritize major transportation infrastructure projects; prioritize nontransportation infrastructure needs; and gauge support and policy direction for various funding and nonfunding actions for transportation and nontransportation infrastructure projects.

Next Steps

- Include results in future public policy discussions about transportation and nontransportation regional infrastructure needs.

Do we have the Energy?

Staff presented an update of the work on the SANDAG Regional Energy Program. Much of the energy planning program activities are coordinated through the Energy Working Group (EWG). The EWG advises the Regional Planning Committee on issues related to the coordination and implementation of the Regional Energy Strategy (RES) adopted by the SANDAG Board of Directors in July 2003. EWG members have been pursuing various outside funding sources to support Regional Energy Strategy program activities. One of the most promising opportunities appears to be a collaborative effort between SANDAG and the California Energy Commission (CEC).

SANDAG is pursuing options to secure CEC funding to update the Regional Energy Strategy, with a specific focus on the relationship between regional energy planning and smart growth land use/ transportation planning as set forth in the RCP. SANDAG would update its RES, using the PLACE³S computer model as a tool for evaluating the energy use and greenhouse gas emission impacts of alternative land use/transportation scenarios. The results of this analysis and planning would then be incorporated into future updates of the RCP and Regional Transportation Plan. SANDAG would share its methodology and results with the CEC and with other Metropolitan Planning Organizations in California. In addition, the updated RES and PLACE³S model would be available to local governments in the San Diego region to be used in the updates of their general plans and implementing programs.

This discussion followed the Thursday luncheon keynote speech from CEC Chair, Jackalynne Pfannenstiel, who discussed new energy policies that will affect cities, counties, and other regional agencies. She emphasized new greenhouse gas policies that will affect the development of the Regional Transportation Plan.

Next Steps

- Continue efforts to work with the California Energy Commission and other agencies to update the Regional Energy Strategy.
- As required by federal law, address how the 2007 Regional Transportation Plan update will reduce greenhouse gases generated in our region.

A Look at the California Legislative Year Ahead: Hon. Christine Kehoe and Hon. George Plescia

During this session, Senator Christine Kehoe and Assemblymember George Plescia discussed Senate Bill 10: The San Diego County Regional Airport Authority Reform Act of 2007 with retreat participants. As initially drafted, this bill would change the current role and configuration of the San Diego Regional Airport Authority Board to include elected mayors, councilmembers, or a supervisor from San Diego County jurisdictions. The bill also would return the Airport Land Use Commission responsibility for determining compatible land uses surrounding airports to SANDAG. Assemblymember Plescia is the Principal Co-Author and Senator Denise Ducheny, and Assemblymembers Mary Salas and Lori Saldana are co-authors. The bill is moving through the committee process.

In addition, during this session, participants discussed the likely timeline and outcomes regarding the \$19.9 billion California transportation infrastructure bonds. Both SANDAG and Caltrans have submitted transportation projects to the California Transportation Commission for bond funding.

Next Steps

- Monitor the Senate Bill 10 and bring an item to the SANDAG Board for possible position. (See Agenda Item No. 11 for further discussion.)
- Provide regular reports to the Board and its policy advisory committees regarding the bond funding packages and timelines.

SANDAG Evaluation and Priorities

As part of the retreat, participants reviewed and confirmed proposed strategic goals and priorities for FY 2008:

- IMPROVE MOBILITY by providing better public transportation services and implementing *TransNet* Early Action Projects, transportation demand management, and traveler information Services.
- ENCOURAGE QUALITY OF LIFE IMPROVEMENTS, as characterized by a strong economy, healthy environment, more housing, and more housing choices; and consistent with the Regional Comprehensive Plan Strategic Initiatives.
- ENSURE PUBLIC SAFETY through the continued efforts of Automated Regional Justice Information System and Criminal Justice research.
- ENHANCE ORGANIZATIONAL EFFECTIVENESS, Information Services, and technical capabilities.

Retreat participants also reviewed and discussed what the Executive Committee has set as SANDAG Priorities during FY 2008:

- Deliver Projects — Use *TransNet* and California Infrastructure Bonds for early delivery of transportation improvements

- RCP — Implement the Regional Comprehensive Plan with member agencies, and monitor and report on the plan's progress
- RTP — Update the MOBILITY 2030 Regional Transportation Plan by the end of 2007
- Technology — Use research, information, state-of-the-art technologies, and planning to improve mobility, interoperability, public safety, and communications
- Goods Movement — Advance mobility and goods movement infrastructure within San Diego and among neighboring counties and Mexico
- Business Decisions — Optimize and continually evaluate agency business decisions and internal practices for transit station joint developments, FasTrak, 511, Compass Card, RideLink, Freeway Service Patrol, and our Service Bureau
- Accountability — Support initiatives that improve services to member agencies and enhance accountability for regional public policy decisions

Summary

As in past years, the SANDAG Executive Committee continually refines the way the retreat is structured. Participants agreed to continue to encourage their colleagues to participate in the annual retreat because of the inherent value this type of interaction fosters among local leaders. Next year's retreat is tentatively scheduled for January 30, 31, and February 1, 2008.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Survey Highlights and Conclusions

Key Staff Contact: Anne Steinberger, (619) 699-1937, ast@sandag.org

Funds are budgeted in Overall Work Element #9000100 - Board Expenses



INTRODUCTION

In the past two decades, the San Diego region has struggled with how to accommodate a growing population while maintaining the overall quality of life for residents. Between 1980 and 2000, the region grew by nearly one million residents. By 2030, the population is expected to grow by an additional one million residents—reaching approximately four million total.¹ Developing strategies to effectively deal with a growing population is chief among all of the long-term challenges to the region’s quality of life and sustainability because of the direct and indirect impacts growth has on many other factors that shape how people live, work and play—including housing availability, cost of living, employment opportunities, adequacy of transportation infrastructure, traffic congestion and mobility, air quality, and conservation.

In the Regional Comprehensive Plan (RCP), SANDAG set forth both a vision and an integrated plan for better addressing many of the growth-related issues that affect the region. The RCP emphasizes the importance of considering regional infrastructure needs as an *integrated* system, as well as recognizing the relationship between land use planning, transportation planning, and associated infrastructure investments. Consistent with this philosophy, the RCP includes an Integrated Regional Infrastructure Strategy (IRIS) that focuses on eight areas of regional infrastructure: transportation, parks and open space, stormwater management, education, energy supply and delivery systems, water supply and delivery systems, wastewater, and solid waste, recycling, and disposal.

Although many of the aforementioned infrastructure areas have access to annual funding, the amount of funding available through existing revenue streams is in most cases insufficient to meet the growing needs of the region. Moreover, several key infrastructure areas lack a dedicated funding source altogether: habitat preservation, sand replenishment, and stormwater management. The fact that the infrastructure needs of the region exceed the available revenue underscores the importance of prioritizing investments, leveraging state, federal and private funds where possible, and identifying opportunities to secure additional local funding sources in the future.

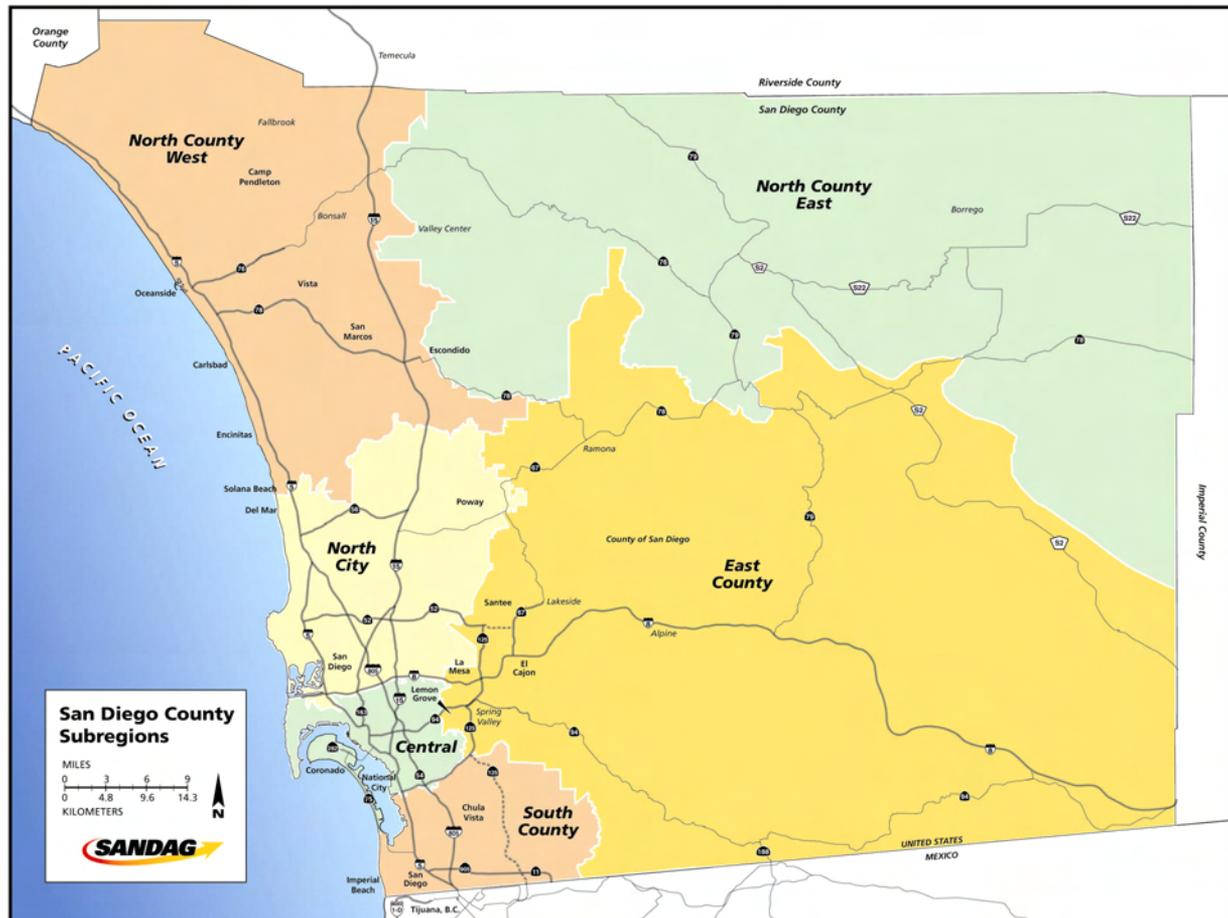
MOTIVATION FOR SURVEY The primary objective of the study described in this report was to engage the public in the process of prioritizing regional infrastructure improvements and identifying potentially viable funding solutions. In short, what do residents of the San Diego region consider to be the most-needed infrastructure improvements? And, given the limited funding currently available, which (if any) among a variety of potential new funding mechanisms are they willing to support in order secure the revenue needed to make select infrastructure improvements? Ultimately, the survey results and analyses presented in this report will provide the SANDAG Board of Directors and staff with information that can be used to make sound, strategic decisions with respect to addressing the region’s infrastructure gaps—now and in the future.

METHODOLOGY OVERVIEW A full description of the methodology used for this study is included later in this report (see *Methodology* on page 45). In brief, a total of 2,000 people who reside in the San Diego region were selected using stratified random sampling.

1. Source: SANDAG 2007.

To accommodate SANDAG's interest in obtaining reliable parameter estimates for the region as a whole, as well as within the six planning areas identified in Figure 1, the study employed a strategic oversample by planning area to balance the statistical margins of error associated with estimates at the planning area level. To adjust for the oversampling, the raw data were then weighted according to likely voter population estimates prior to analyses and presentation. The results presented in this report are the weighted results, which are representative at the region-wide level, as well as within the six planning areas.

FIGURE 1 SURVEY UNIVERSE AND PLANNING AREAS



ORGANIZATION OF REPORT This report is designed to meet the needs of readers who prefer a summary of the findings as well as those who are interested in the details of the results. For those who seek an overview of the findings, the sections titled *Just the Facts* and *Conclusions* are for you. They provide a summary of the most important factual findings of the survey in bullet-point format and a discussion of their implications. For the interested reader, this section is followed by a more detailed question-by-question discussion of the results from the survey by topic area (see *Table of Contents*), as well as a description of the methodology employed for collecting and analyzing the data. And, for the truly ambitious reader, the questionnaires used for the interviews are contained at the back of this report and a complete set of crosstabulations for the study results is contained in Appendix A.

ACKNOWLEDGEMENTS True North would like to thank the staff at SANDAG who participated in the design of this study. Their expertise and insight improved the overall quality of the research presented here.

DISCLAIMER The statements and conclusions in this report are those of the authors (Dr. Timothy McLarney and Richard Sarles) at True North Research, Inc. and not necessarily those of SANDAG. Any errors and omissions are the responsibility of the authors.

ABOUT TRUE NORTH True North is a full-service survey research firm that is dedicated to providing public agencies with a clear understanding of the values, perceptions, priorities and concerns of their residents and customers. Through designing and implementing scientific surveys, focus groups and one-on-one interviews, as well as expert interpretation of the findings, True North helps its clients to move with confidence when making strategic decisions in a variety of areas—such as planning, policy evaluation, performance management, organizational development, establishing fiscal priorities, and developing effective public information campaigns. During their careers, Dr. McLarney (President) and Mr. Sarles (Principal Researcher) have designed and conducted over 400 survey research studies for public agencies, including more than 200 studies for councils of government, municipalities and special districts.



JUST THE FACTS

The following is an outline of the main factual findings from the survey. For the reader's convenience, we have organized the findings according to the section titles used in the body of this report. Thus, if you would like to learn more about a particular finding, simply turn to the appropriate report section.

GENERAL PERCEPTIONS OF REGION

- The overwhelming majority of respondents shared very favorable opinions of the quality of life in the San Diego region, with 35% reporting it is excellent and 51% stating it is good. Just 12% of residents indicated that the quality of life in the region is fair, and only 2% of residents used 'poor' or 'very poor' to describe the quality of life in the San Diego region.
- Approximately 43% of residents anticipated that the quality of life in the San Diego region will remain about the same in the future, 18% were optimistic and expected that it will improve, whereas just over one-third (35%) of residents anticipated that the livability in the region will decline in the future. An additional 4% of residents were unsure or unwilling to share their opinion.
- When provided an open-ended opportunity to list the change that they would most like local and regional governments to address so as to improve the quality of life in the region, the most commonly suggested changes centered on reducing traffic congestion and improving the transportation and transit systems, followed by making housing more affordable and available, improving infrastructure, improving the government process/leadership, and limiting growth/overcrowding.

RATING LOCAL ISSUES

- From a list of 15 regional issues, residents rated protecting water quality as the most important issue, followed by reducing traffic congestion, maintaining and repairing transportation infrastructure like roads and highways, improving public education, and protecting the environment.
- With respect to the same list of 15 issues, residents were most satisfied with current efforts to increase fire services, followed by efforts to preserve parks, open space and natural habitats, improve air quality, improve the local economy, and protect water quality. They were least satisfied with current efforts to reduce traffic congestion, manage growth and development, improve public education, and maintain and repair transportation infrastructure like roads and highways.

REGIONAL PRIORITIES

- When a subsample of 1,000 residents were asked to prioritize a list of specific transportation infrastructure improvements, they assigned the highest priority to maintaining and improving local streets and roads, followed closely by introducing new technologies to improve the efficiency of the transportation system and traffic flow, completing the local road network to improve connectivity and traffic flow, and adding lanes to existing freeways.

- At the other end of the spectrum, these same residents assigned comparatively lower priority ratings to expanding and improving the network of bike paths and facilities, building new rail lines, providing more frequent local bus service, and expanding high-speed express bus service on freeways and major streets.
- When a separate subsample of 1,000 residents were asked to prioritize a list of specific non-transportation infrastructure improvements, they assigned the highest priority to a variety of water quality protection efforts, including protecting sources of drinking water from contamination and pollution, keeping trash and pollution out of rivers, streams, lagoons, and lakes, keeping trash and pollution out of the bays and off local beaches, removing chemicals and bacteria from water sources and stormwater runoff, and protecting land around rivers, lakes, streams and lagoons to preserve water quality.

FUNDING ALTERNATIVES

Residents' baseline willingness to fund priority infrastructure improvements through new financing mechanisms varied considerably depending on the type of mechanism and the rate.

- With respect to priority **transportation** infrastructure improvements, several mechanisms garnered majority support, including increasing the county-wide sales tax by one-quarter cent (62%) and one-half cent (59%), allowing solo drivers to use carpool lanes for a fee (52%), increasing the annual vehicle registration fee by \$4 (51%) and \$2 (62%), charging a fee of \$2 per day on rental cars (55%), and increasing the fee on new commercial developments (58%). It is also worth noting that a majority (52%) of residents stated that they would support a property tax of \$15 per year if the money would be dedicated to improving the public transit system in their community.
- With respect to priority **non-transportation** infrastructure improvements, funding solutions that garnered majority baseline support included increasing the county-wide sales tax by one-eighth (61%), one-quarter (56%), and one-half cent (50%), increasing property taxes by \$15 per year (55%), increasing the transit occupancy tax (53%), charging a fee on rental cars of \$4 (51%) or \$2 (64%) per day, and increasing the developer fees on a new home (56%) and new commercial developments (67%).

RELEVANT ATTITUDES

- Traffic congestion was cited by 85% of residents as at least a moderate problem in their area.
- Water pollution was cited by 57% of residents as at least a moderate problem in their area.
- Air pollution was cited by 52% of residents as at least a moderate problem in their area.
- Lack of open space for habitat preservation was cited by 44% of residents as at least a moderate problem in their area.
- Lack of open space for recreation was cited by 38% of residents as at least a moderate problem in their area.

- Two-thirds (67%) of residents indicated that the pace of growth in the San Diego region during the past five years has been too fast, whereas 28% stated that it has been about right and just 3% indicated that it has been too slow. An additional 3% were unsure or unwilling to share their opinion on this issue.

AWARENESS OF SANDAG & TRANSNET

- One-third (33%) of residents indicated that they had heard of *TransNet* prior to participating in the survey.
- When provided an open-ended opportunity to describe what they had heard about *TransNet*, 38% of respondents provided a transportation-related comment, 36% were unsure or could not recall what they had heard, 7% mentioned sales tax, 6% provided a general positive comment, 4% provided a negative comment, and 3% mentioned SANDAG.
- Although more than two-thirds (70%) of residents had heard of SANDAG prior to participating in the survey, many respondents who had heard the name were either not sure what it meant (37%) or were unable to describe SANDAG in a way that demonstrated that they had a full and accurate understanding of the agency. Overall, approximately 10% described SANDAG as a government or political Board, 8% recognized the agency's role with respect to the environment, a similar percentage (8%) mentioned regional planning issues and solutions, 7% mentioned transportation in general, and 5% cited the agency's role with respect to infrastructure.



CONCLUSIONS

As noted in the *Introduction*, this study was designed to engage the public in the process of prioritizing regional infrastructure improvements and identifying potentially viable funding solutions. Whereas subsequent sections of this report are devoted to conveying the detailed results of the survey, in this section we attempt to “see the forest through the trees” by noting how the collective results of the survey answer some of the key questions that motivated the research.

The following conclusions are based on True North’s interpretations of the results, as well as the firm’s experience conducting similar surveys for government agencies throughout the State.

What do residents perceive as being the keys to maintaining the quality of life in the San Diego region?

One of the more striking patterns to emerge from the survey is that although residents generally share a positive view of the current quality of life in the San Diego region, many are also concerned about the effects that growth and growth-related issues are likely to have on the livability of the region in the future. The vast majority (87%) of residents rated the current quality of life in the San Diego region as excellent or good, yet more than one-third (35%) also anticipated that the livability of the region will decline in the next ten years due in large part to population increases.

The public’s concern about the future livability of the region translates into a sense of urgency for developing strategies to effectively manage growth and development, reduce traffic congestion, maintain and repair regional infrastructure, and improve the availability and affordability of housing. These issues are not only widely perceived as being the keys to maintaining the quality of life in the San Diego region, they are also the areas in which residents identified the greatest need for positive change from their local and regional governments.

What do residents of the San Diego region consider to be the most-needed infrastructure improvements?

Although residents clearly recognize the value of maintaining and improving *all* types of infrastructure in the region, some improvements are viewed as higher priorities than others. With respect to *transportation* infrastructure, residents ranked maintaining and improving local streets and roads, introducing new technologies to improve the transportation system and traffic flow, and completing the local road network to improve connectivity and traffic flow as the top three regional priorities. Other top priorities included adding lanes to existing freeways, replacing out-dated transit vehicles and equipment with modern, energy efficient vehicles and equipment, and building intermodal hubs that improve the connectivity of the bus, train and bike networks.

With respect to *non-transportation* infrastructure improvements, residents consistently rated water-related improvements at the top of the priority scale. Of the 14 non-transportation infrastructure improvements tested, the top five priorities were protecting sources of drinking water from contamination and pollution, keeping trash and pollution out of riv-

ers, streams, lagoons, and lakes, keeping trash and pollution out of the bays and off local beaches, removing chemicals and bacteria from water sources and stormwater runoff, and protecting land around rivers, lakes, streams and lagoons to preserve water quality.

Which potential new funding mechanisms are residents willing to support to make select infrastructure improvements?

Identifying specific infrastructure improvements as priorities for the San Diego region is one thing; a willingness to fund these improvements through additional fees, taxes and other financing mechanisms is quite another. Accordingly, one of the primary goals of this study was to profile how resident support for funding priority infrastructure improvements is contingent on the type of financing mechanism and the associated rate, where applicable.

Using a conservative method for estimating baseline support for different financing mechanisms, the study found reasonably strong levels of support for several different financing mechanisms. With respect to priority *transportation* infrastructure improvements, mechanisms that garnered majority support included increasing the county-wide sales tax by one-quarter cent (62%) and one-half cent (59%), allowing solo drivers to use carpool lanes for a fee (52%), increasing the annual vehicle registration fee by \$4 (51%) and \$2 (62%), charging a fee of \$2 per day on rental cars (55%), and increasing the fee on new commercial developments (58%). A majority (52%) of residents also stated that they would support a property tax increase of \$15 per year if the money would be dedicated to improving the public transit system in their community.

Similar patterns were found with respect to funding priority *non-transportation* infrastructure improvements. Approximately half of the funding solutions tested received majority support, including increasing the county-wide sales tax by one-eighth (61%), one-quarter (56%), and one-half cent (50%), increasing property taxes by \$15 per year (55%), increasing the transit occupancy tax (53%), charging a fee on rental cars of \$4 (51%) or \$2 (64%) per day, and increasing the developer fees on a new home (56%) and new commercial developments (67%).



Environmental Mitigation Program

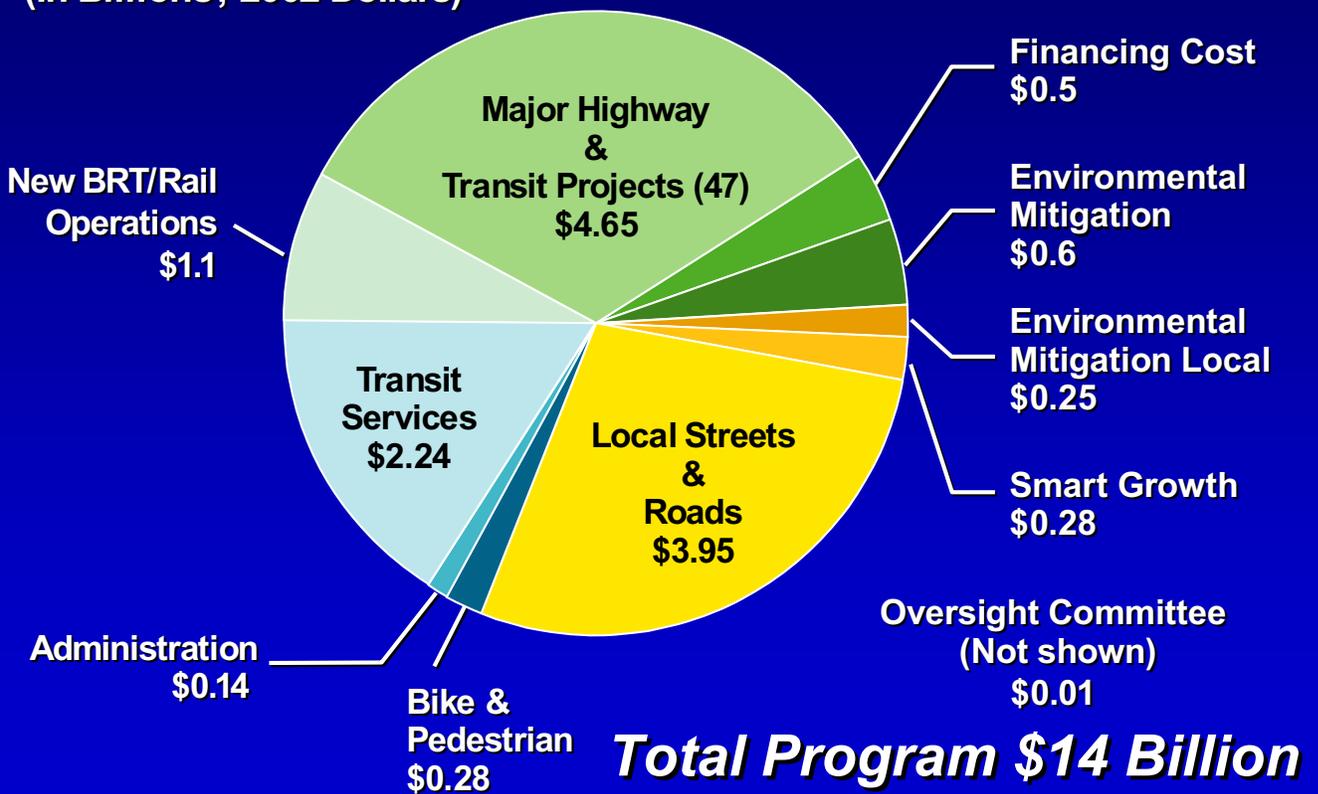
Master Agreement Status

March 13, 2007



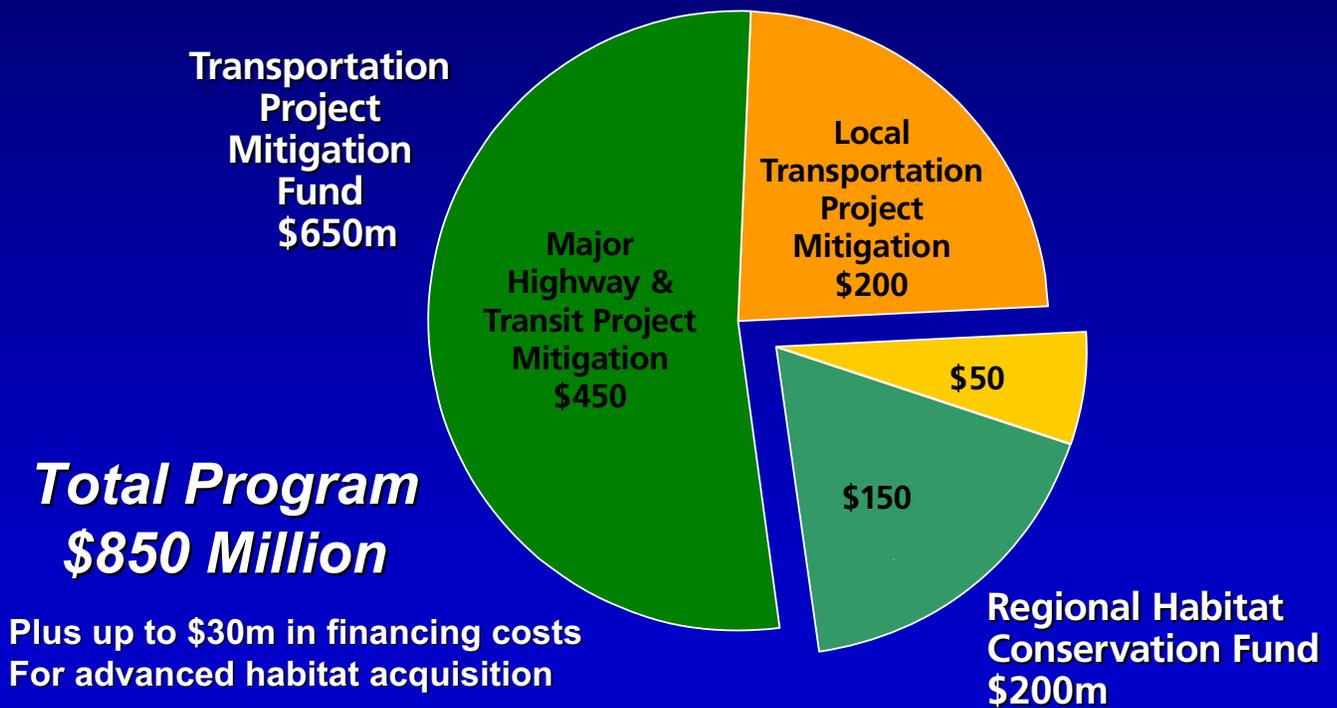
40 Year Expenditure Plan

(In Billions, 2002 Dollars)



Environmental Mitigation Program Costs

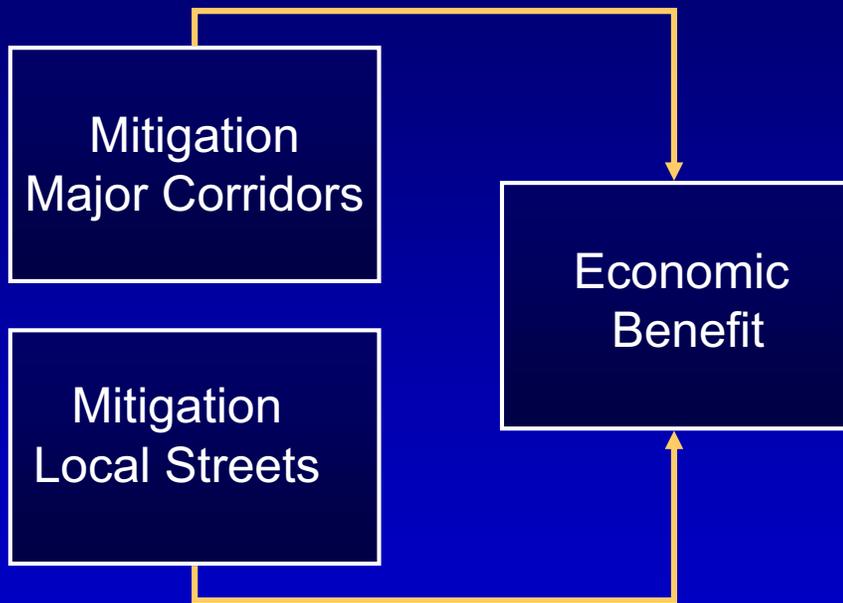
(In Millions, 2002 Dollars)



Environmental Mitigation Program

- The intent is to establish a program to provide for large-scale acquisition and management of critical habitat areas and to create a reliable approach for funding required mitigation for future transportation improvements thereby reducing future costs and accelerating project delivery. This approach would be implemented by obtaining coverage for transportation projects through existing and proposed multiple species conservation plans. (Section 2D)

EMP Funds



Transportation
Mitigation Fund

Regional Habitat
Conservation Fund

Approved EMP Guidelines

- Approved by Board of Directors Sept. 24, 2004
- Clarified EMP Program and Principles
- Acquisition of \$290 M 15 years for Advance Mitigation
- Management and Monitoring: \$1, \$2, \$4, \$5 M (to FY48)
- Habitat Restoration \$5 M/yr (FY 14 - 23)
- Debt Service not to exceed \$230 M, and intra-program transfer up to \$82 M that can not impact Transportation Projects

EMP Guidelines

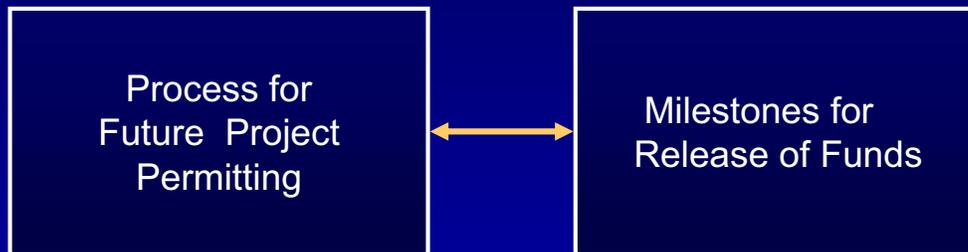
“ These guidelines assume the early implementation of the EMP program. The acceleration of the EMP program is important in order to provide for the required mitigation of key projects in advance so that transportation project implementation can be accelerated as well.

These early actions would require restructuring the financial plans for the current program or borrowing against future funding from the new program beginning in FY 2009. **This advance funding would be one of many issues to be resolved in a detailed financial planning analysis to be undertaken following passage of Proposition A. ”**

Recommendation

It is recommended that the Board of Directors concur with the implementation guidelines, as outlined in this report, to be used as a basis for the agreements with state and federal wildlife agencies that will be required to implement the Environmental Mitigation Program (EMP) consistent with the passage of Proposition A.

Draft EMP Master Agreement



Subsequent Agreement specify details on Projects and Mitigation

- Mitigation could included a variety of “tools”; including
- Mitigation Banks for uplands and/or wetlands,
- Habitat restoration, creation and enhancement,
- Direct purchase of land,
- Implementing regional restoration plans (e.g., coastal wetland plan)

IN CONTEXT OF ADVANCE MITIGATION FOR *TRANSNET* PROJECTS

EMP Master Agreement Status

Two Fundamental Issues Remain:

- 1) Timeline for release of EMP funding; and**
- 2) Assurances for early release of mitigation funding**

-
- December Proposal was presented to the Wildlife Agencies based upon the EMP Guidelines and a Cashflow and Plan of Finance Model of a subset of TransNet projects (Early Action Projects)
 - January a technical meeting was held to go over the assumptions in the December Proposal
 - February an alternative proposal was presented by the Nature Conservancy and a group of Stakeholders including the Wildlife Agencies

EMP Master Agreement

Goals of February Funding Proposal

- Meet SANDAG's mitigation needs for first 10 years of the EAP
- Front load as much funding for advanced, landscape-scale mitigation acquisitions/creation
- Create a guaranteed funding source for acquisition/creation and management and monitoring
- Provide flexibility to acquire mitigation opportunities beyond the 10-year EAP
- Maximize cost savings
- Create an incentive for wildlife agencies to provide adequate upfront assurances for *TransNet* projects

Next Steps

- Evaluate how much early acquisition and M&M could occur under the EMP Program
- Determine what level of assurances can be provided by the Wildlife Agencies
- Determine the legally binding mechanism for establishing the early mitigation and assurances
- Bring back to Board for Approval through the appropriate subcommittees

Questions?



Environmental Mitigation Program

Master Agreement Status

March 13, 2007





REVISED

**BOARD OF DIRECTORS
SEPTEMBER 24, 2004**

**AGENDA ITEM NO. 04-09- 15
ACTION REQUESTED - APPROVE**

***TransNet Extension*
ENVIRONMENTAL MITIGATION
PROGRAM IMPLEMENTATION
GUIDELINES**

Recommendation

It is recommended that the Board of Directors concur with the implementation guidelines, as outlined in this report, to be used as the basis for the agreements with state and federal wildlife agencies that will be required to implement the Environmental Mitigation Program (EMP) consistent with the passage of Proposition A.

Introduction

The *TransNet Extension* Ordinance and Expenditure Plan, as adopted by the Board on May 28, 2004, includes an attachment containing a set of principles ([Attachment 1](#)) that further defines the major elements of the EMP and a process for how the EMP will be implemented if Proposition A is approved by the voters on November 2, 2004. These principles refer to the establishment of a regional entity to be responsible for the allocation of funds available under the EMP and the development of implementing agreements needed to provide coverage for the projects in the Regional Transportation Plan (RTP) under the adopted habitat conservation plans.

Following the adoption of the Ordinance, a series of meetings related to the EMP has taken place including representatives of environmental organizations, officials from

the state and federal wildlife agencies (California Fish & Game and U.S. Fish & Wildlife Service), SANDAG Board members and staff. These discussions have been focused on developing guidelines for the implementation of the EMP which will serve as the initial steps in the process for preparing the required implementing agreements and establishing the regional entity. The purpose of this item is to provide a statement of intent from the Board regarding the implementation of the EMP, as summarized in the implementation guidelines outlined in the Discussion section.

Discussion

Based on the results of these discussions related to the EMP, and building upon the numerous EMP requirements contained in the adopted Ordinance and its attachments, a summary of the implementation guidelines representing areas of agreement on specified issues is provided below. These implementation guidelines provide a statement of intent regarding how the EMP will be implemented if Proposition A is approved by the voters in November. These guidelines assume the early implementation of the EMP program. The acceleration of the EMP program is important in order to provide for the required mitigation of key projects in advance so that transportation project implementation can be accelerated as well. These early actions would require restructuring the financial plans for the current program or borrowing against future funding from the new program beginning in FY 2009. This advance funding would be one of many issues to be resolved in a detailed financial planning analysis to be undertaken following passage of Proposition A. The

implementation guidelines are as follows (all dollars shown are in 2002 dollars consistent with the *TransNet Extension Ordinance* and Expenditure Plan):

1. Funding for "management and monitoring implementation" activities would be allocated based on the targets set forth in the following schedule: \$1 million in FY 05-06; \$2 million in FY 06-07; \$4 million in FY 07-08; and \$5 million in each year thereafter. Funding for this category may be reduced due to restrictions on borrowing of such funds for management purposes.
2. Funding for "habitat restoration activities" would be allocated based on the targets set forth in the following schedule: \$5 million per year beginning in FY 14-15 and continuing through FY 22-23. These are estimated costs. Actual expenditures for restoration activities would be based on requirements for mitigation of upland and wetland habitat impacts of transportation projects, and may exceed the targets set forth above.
3. A line of credit, or similar flexible financing mechanism, would be established in order to allow acquisition of habitat land to meet mitigation requirements for transportation projects, while at the same time meeting acquisition priorities established in the adopted regional habitat management programs. This will include early acquisition of properties that are at risk of conversion to agricultural or urban uses, or other critical habitat lands that would satisfy the mitigation requirements for transportation projects covered by this program. Acquisitions outside approved sub-area plans of the adopted regional habitat management programs also must meet wildlife agency approved state Natural Community Conservation Program (NCCP) criteria.

The total financing costs for early land acquisitions under this line of credit, including any subsequent debt financing that may be used to retire the line of credit, would not exceed \$230 million, which would be paid from the "Regional Habitat Conservation Fund" (up to \$200 million) and a portion of total financing costs allocated in the Expenditure Plan (up to \$30 million).

Total costs for the EMP are not to exceed \$880 million, of which \$650 is allocated for direct mitigation of transportation projects, up to \$200 million for allowable activities under the Regional Habitat Conservation Fund, and up to \$30 million for additional financing costs.

In addition, to the degree needed, up to \$82 million in "intra-program fund transfers" (interest-free fund transfers from transportation project categories) would be allowed beginning in FY 08-09. Such intra-program transfers would be distributed over the early years of the program in such a way that transportation projects are not delayed. Such transferred funds would be returned for use on transportation projects by end of the program.

4. Funding for advanced land acquisitions under this program would be made available beginning July 1, 2006, with approximately \$290 million of habitat land to be purchased over no more than a fifteen year period.

~~5. The SANDAG Board of Directors would be designated as the regional entity responsible for the allocation of funding under this program. The Board of Directors would be advised by a policy committee that includes a limited number of elected officials representing SANDAG member agencies, as well as non-voting members representing the wildlife agencies, U.S. Army Corps of~~

~~Engineers, and other entities responsible for issuing permits and entitlements for transportation projects.~~

~~6.5.~~ The ~~policy committee~~ regional entity described in ~~Section 5 above Principle 5~~ would be advised by a technical working group that includes staff members representing the entities described above, as well as representation from a consortium of habitat preserve land managers who are active within the county.

These guidelines provide the initial steps toward development of the agreements with the wildlife agencies required to implement the EMP and to ensure that the intent of the EMP is carried out. In addition to being used in the development of these required agreements, the guidelines also will be used in other actions related to the implementation of the EMP as they are presented to the SANDAG Board of Directors in the future should Proposition A be successful this November.

GARY L. GALLEGOS
Executive Director

[Attachment](#)

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No Budget Impact