MEETING NOTICE AND AGENDA

SPRINTER TOUR AND JOINT MEETING BETWEEN THE REGIONAL PLANNING TECHNICAL WORKING GROUP (TWG) AND THE SPRINTER SMART GROWTH WORKING GROUP

The Regional Planning Technical Work Group and the SPRINTER Smart Growth Working Group may take action on any item appearing on this agenda.

Thursday, April 10, 2008

7:30 - 9:30 a.m. SPRINTER Tour (Oceanside Transit Center)
9:30 - 10:30 a.m. Business Meeting

Oceanside Community Room
300 N. Coast Highway
Oceanside, CA 92054

RSVP to Carolina Gregor two days before the meeting. Please see attached itinerary for additional logistics.

Staff Contact: Carolina Gregor
(619) 699-1989
cgr@sandag.org

AGENDA HIGHLIGHTS

• SPRINTER TOUR OF WESTERN SEGMENT OF THE SPRINTER
• WALKING TOUR OF DOWNTOWN OCEANSIDE
• BUSINESS MEETING: SMART GROWTH CONCEPT MAP AND SMART GROWTH INCENTIVE PROGRAM

This meeting is accessible by public transit. Phone 1-800-COMMUTE or see www.sdcommute.com for route information.

In compliance with the Americans with Disabilities Act (ADA), SANDAG will accommodate persons who require assistance in order to participate in SANDAG meetings. If such assistance is required, please contact SANDAG at (619) 699-1900 at least 72 hours in advance of the meeting.

To request this document or related reports in an alternative format, please call (619) 699-1900, (619) 699-1904 (TTY), or fax (619) 699-1905.
<table>
<thead>
<tr>
<th>ITEM #</th>
<th>RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>+1.</td>
<td>SPRINTER TOUR AND WALKING TOUR OF DOWNTOWN OCEANSIDE</td>
</tr>
</tbody>
</table>

Lance Schulte of the North County Transit District (NCTD) and staff members from the cities of Oceanside and Vista will lead the working groups on a tour of the western segment of the SPRINTER, and on a walking tour of downtown Oceanside. The attached itinerary contains logistical details of these tours.

| 2.    | WELCOME AND INTRODUCTIONS (BUSINESS MEETING) |

Members of the Regional Planning Technical Working Group and the Sprinter Smart Growth Working Group should introduce themselves.

| 3.    | PUBLIC COMMENTS AND COMMUNICATIONS |

Members of the public will have the opportunity to address the Regional Planning Technical Working Group and the SPRINTER Smart Growth Working Group on any issue within the jurisdiction of the Working Groups. Speakers are limited to three minutes each.

**CONSENT (ITEM 4)**

| +4.    | PROPOSED LEGISLATION FOR INCREASING HOUSING PRODUCTION IN THE SAN DIEGO REGION THROUGH REGIONAL CONTRIBUTION AGREEMENTS (Susan Baldwin) |

Attached is a report presented to the Regional Planning Committee on February 8, 2008, asking the Committee to discuss a proposal for increasing housing production in the region through regional contribution agreements. The report reflects previous discussions on this topic with the TWG.
<table>
<thead>
<tr>
<th>ITEM #</th>
<th>RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REPORTS (ITEM 5-6)</strong></td>
<td></td>
</tr>
<tr>
<td>+5. REVISED DRAFT SMART GROWTH CONCEPT MAP (Carolina Gregor)</td>
<td>RECOMMEND</td>
</tr>
<tr>
<td>Attached is a report to the Regional Planning Committee on the technical update of the Smart Growth Concept Map. The most recently updated regional and sub regional maps and corresponding Site Descriptions have been posted to the SANDAG Web site at <a href="http://www.sandag.org">www.sandag.org</a>. The TWG is asked to review the revised maps and site descriptions for accuracy, discuss remaining issues, and recommend to the Regional Planning Committee that SANDAG accept the updated Smart Growth Concept Map for use in the TransNet Smart Growth Incentive Program and for ongoing planning purposes.</td>
<td></td>
</tr>
<tr>
<td>+6. TRANSNET SMART GROWTH INCENTIVE PROGRAM (Stephan Vance)</td>
<td>DISCUSSION</td>
</tr>
<tr>
<td>Attached is a report to the Regional Planning Committee on the TransNet SGIP. Staff will discuss proposed changes in the program design resulting from comments from the March TWG meeting, as well as ad hoc working group and internal staff feedback. The Working Groups are asked to provide feedback on revised program design components.</td>
<td></td>
</tr>
<tr>
<td>7. ADJOURNMENT AND NEXT MEETINGS</td>
<td></td>
</tr>
<tr>
<td>The next Regional Planning Technical Working Group meeting will be a joint meeting with the Cities/County Transportation Advisory Committee (CTAC). The joint meeting will be held on Thursday, May 22, 2008, from 8:30 a.m. – 11 a.m. in the SANDAG Board Room. The next Sprinter Smart Growth Working Group meeting will be held on Wednesday, July 9, 2008, from 1:30 -3:30 p.m.</td>
<td></td>
</tr>
<tr>
<td>8. WALKING TOUR OF DOWNTOWN OCEANSIDE (OPTIONAL)</td>
<td></td>
</tr>
<tr>
<td>Working group members are invited to participate in an optional “Part 2” walking tour of downtown Oceanside as the groups return to the Oceanside Transit Center to catch the southbound COASTER and the eastbound SPRINTER. See itinerary for additional information.</td>
<td></td>
</tr>
</tbody>
</table>

+ next to an item indicates an attachment
SANDAG is coordinating this meeting with the COASTER and SPRINTER service schedules so that those interested can travel to the meeting by rail.

MORNING TRANSIT SCHEDULE

COASTER (For additional schedules, please visit website at: http://www.gonctd.com/coaster_schedules.htm)

6:33 a.m. COASTER departs from downtown San Diego
7:33 a.m. COASTER arrives to downtown Oceanside

SPRINTER (For additional schedules, please visit website at: http://www.gonctd.com/sprinter_schedules.htm)

6:33 a.m. SPRINTER departs from Escondido Transit Center
7:26 a.m. SPRINTER arrives to downtown Oceanside

SPRINTER TOUR

7:30 a.m. Working Groups begin convening at the Oceanside Transit Center next to the bike lockers. SANDAG staff provides donuts/muffins and coffee, and Lance Schulte of NCTD provides an overview of the Oceanside Transit Center (OTC) Master Plan.

8:03 a.m. Working Groups board the SPRINTER at the OTC, and travel eastward to the Vista Transit Center. Lance Schulte, Jerry Hittleman, and Vicki Parker provide an overview of land use efforts at the Oceanside and Vista SPRINTER Stations.

8:26 a.m. SPRINTER arrives at the Vista Transit Center.

8:30 a.m. Working Groups board the westbound SPRINTER train and head back to the OTC. (Lance Schulte, Jerry Hittleman, and Vicki Parker will repeat their overviews of land use efforts at the Oceanside and Vista SPRINTER Stations.)

8:56 a.m. SPRINTER arrives back to the OTC.

WALKING TOUR OF DOWNTOWN OCEANSIDE (Part 1)

9:00 a.m. Walking Tour of Downtown Oceanside as Working Group members walk to the Oceanside Community Room. Jerry Hittleman and his planning staff will provide an overview of mixed use/smart growth projects along the way.

OFFICIAL SANDAG BUSINESS MEETING

9:30 a.m. Official SANDAG Business meeting at the Oceanside Community Room (300 N. Coast Highway, Oceanside, CA 92054, in the Oceanside City Hall Complex, next to the Main Library)
WALKING TOUR OF DOWNTOWN OCEANSIDE (Part 2- Optional)

10:30 a.m. Walking Tour of Downtown Oceanside as Working Group members walk from the Oceanside Community Room to the OTC. Jerry Hittleman and his planning staff will provide an overview of mixed use/smart growth projects along the way.

AFTERNOON TRANSIT SCHEDULE

COASTER (For additional schedules, please visit website at: http://www.gonctd.com/coaster_schedules.htm)

11:04 a.m. COASTER departs the OTC going southbound
12:03 p.m. COASTER arrives downtown San Diego

SPRINTER (For additional schedules, please visit website at: http://www.gonctd.com/sprinter_schedules.htm)

11:04 a.m. SPRINTER departs the OTC going eastbound
11:56 a.m. SPRINTER arrives at Escondido Transit Center

NOTES:

- Please RSVP two days before the meeting, as staff will need to know how much food to bring and how many handouts to prepare.
- Participants are responsible for their own COASTER and SPRINTER travel costs to and from the joint meeting.
- Lance Schulte of NCTD is attempting to secure a “group pass” for the SPRINTER tour; however, please bring cash in case a group pass is unavailable.
- We will all try to board one SPRINTER car together. This may require some members to stand, as there may not be enough seating for all members.
- Please wear comfortable walking shoes for the Downtown Oceanside Walking Tour.
- Should you need assistance the day of the meeting, please contact Carolina Gregor via cell phone at (858) 336-0966 or Lance Schulte via cell phone at (760) 801-0663.

Attachment: 1. SPRINTER Stations and Background
The SPRINTER light rail vehicles scheduled to begin service in December 2007 are self-propelled units that are best known for being quiet, clean, sleek and sensible. The "Desiro" brand vehicles being purchased by NCTD from Siemens AG Transportation Systems, are new generation, mid-sized, modern diesel multiple units, also known as DMUs.

These vehicles will be the second DMUs of this kind in the country, although they are widely used in Europe. The German Railway (Deutsche Bahn) alone purchased over 230 of these vehicles for use in regional and suburban operations throughout Germany. DMUs of a different design are currently running on New Jersey Transit's River LINE.

Reasons to hop aboard the SPRINTER:

- Vehicles offer a high degree of passenger comfort thanks to wide doors, level boarding and a high percentage of low-floor space (60%)
- The lightweight aluminum bodysheil is sleek and inviting
- The robust, environmentally compatible drive system features diesel engines, which comply with strict Euro III emissions standards
- Bright interiors feature wide aisles, padded seats, luggage racks, extra-large windows and generous lighting
The SPRINTeR diesel multiple units (also known as DMUs) will run on a 22-mile rail line that connects the cities of Escondido, San Marcos, Vista and Oceanside. Set to begin operations in December 2007, the SPRINTeR train will service 15 stations every half hour along North County's heavily congested Highway 78 corridor.

Exterior
The SPRINTeR vehicles feature NCTD's signature royal blue, white and teal paint scheme. The sleek bodyshell is much smaller in size than a commuter train. Vehicles feature destination indicators at the front and on each side of the unit. Its multiple-unit design allows for vehicles to be coupled together — the SPRINTeR will run in two unit sets, but more can be linked together to provide additional capacity as demand increases over time or for special events.

Interior
The SPRINTeR vehicles feature multiple seating compartments with padded seats in two levels. Four seats are in each row, arranged facing one another. Generous overhead compartments provide plenty of space for belongings. Multipurpose areas contain folding seats, fixtures for stowing bicycles, baby carriages and bulky luggage. Wide aisles with comfortable seat spacing make it easy to walk through the train.

The appealing interior is highlighted by graffiti-resistant textured paintwork, attractive upholstery and glass partitions that separate the boarding area from the rest of the passenger compartment. Boarding and exiting areas accommodate a modern passenger information system and an emergency call station with a link to the driver.

Doors
When the SPRINTeR arrives at the station, passengers are lured inside through doors with a clear opening width of approximately four feet. A deployable threshold offers 100% level boarding for ease of entry/exit and accessibility for passengers with disabilities. Passengers hear an acoustic warning when doors close. A speed-dependent door inhibiting facility prevents doors from opening when the vehicle is in motion.

Windows
Passengers are impressed with how bright and airy these vehicles are, due to extra-large, panorama windows. These windows are made

All dimensions indicated are in millimeters.
of laminated safety glass, bonded into position flush with the outer skin. Six windows are arranged in each section with a tip-down panel at the top.

**Comfort**

Riders experience low noise levels thanks to noise-attenuating insulation on the inside surfaces of the mainframe. The trains will travel on brand new continuously welded rail with concrete ties and new track bed, significantly reducing noise.

Two roof-mounted air conditioning units on each car and a warm-water recirculating air heating system ensure a pleasant climate. Static roof-mounted fans provide good ventilation.

Passengers can relax and enjoy padded seats with comfortable backrests and ample legroom.

**Safety**

Safety is the first value of the NCTD Board’s mission statement and when developing the SPRINTER, innovative and enhanced safety measures were used. All grade crossings are being upgraded with state-of-the-art signals and warning systems. The SPRINTER will operate on a dedicated right-of-way — freight trains will only use the tracks at night when the SPRINTER trains are not running.

Environmentally-friendly drive system

The SPRINTER will reach speeds of up to 55 mph thanks to modern, powerful diesel engines which comply with the limits stipulated by the strict Euro III emissions standards. The SPRINTER DMUs will be more efficient and quieter than their heavy commuter rail counterparts, such as the COASTER and Metrolink.

The first SPRINTER vehicle arrives in Escondido on August 15, 2006.
<table>
<thead>
<tr>
<th>Technical Data</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Manufacturer</strong></td>
<td>Siemens AG Transportation Systems</td>
</tr>
<tr>
<td><strong>Type of drive</strong></td>
<td>Diesel-mechanical</td>
</tr>
<tr>
<td><strong>Carbody</strong></td>
<td>Aluminum integral construction</td>
</tr>
<tr>
<td><strong>Track gauge</strong></td>
<td>Standard 4’ 8 1/2”</td>
</tr>
<tr>
<td><strong>Maximum permissible speed</strong></td>
<td>55 mph</td>
</tr>
<tr>
<td><strong>Total seats</strong></td>
<td>136</td>
</tr>
<tr>
<td><strong>Number of standing passengers</strong></td>
<td>90</td>
</tr>
<tr>
<td><strong>Length of married vehicle pair</strong></td>
<td>135’</td>
</tr>
<tr>
<td><strong>Maximum width</strong></td>
<td>9’4”</td>
</tr>
<tr>
<td><strong>Maximum height</strong></td>
<td>13’ 10 1/2”</td>
</tr>
<tr>
<td><strong>Floor height</strong></td>
<td>low-floor area 22”</td>
</tr>
<tr>
<td></td>
<td>high-floor area 49”</td>
</tr>
<tr>
<td><strong>Empty weight</strong></td>
<td>67 ton</td>
</tr>
<tr>
<td><strong>Maximum weight</strong></td>
<td>87.3 ton</td>
</tr>
<tr>
<td><strong>Fuel tank capacity</strong></td>
<td>2 x 200 gal.</td>
</tr>
<tr>
<td><strong>Wheel diameter</strong></td>
<td>new / worn 30.3” / 28.0”</td>
</tr>
<tr>
<td><strong>Type of brakes</strong></td>
<td>Hydrodynamic retarders, direct-action automatic electropneumatic brake, may also be actuated as indirect, automatic pneumatic brake, electromagnetic track brakes in the powered bogies</td>
</tr>
<tr>
<td><strong>Engines</strong></td>
<td>Two turbocharged, intercooled 6-cylinder diesel engines, each rated for 420 Hp</td>
</tr>
<tr>
<td><strong>Transmission</strong></td>
<td>5-speed automatic transmission with integrated torque converter and retarder</td>
</tr>
<tr>
<td><strong>Heating, ventilation and air conditioning</strong></td>
<td>Warm-water convection heating, pressurization, air conditioning systems in the passenger compartments and the driver’s cabs</td>
</tr>
<tr>
<td><strong>Onboard electrical equipment</strong></td>
<td>Multiple control of up to 3 units; 24 V DC electric train supply; two 24 V DC battery sets, each 225 Ah</td>
</tr>
<tr>
<td><strong>First delivery to NCTD</strong></td>
<td>August, 2006</td>
</tr>
</tbody>
</table>
PROPOSED LEGISLATION FOR INCREASING HOUSING PRODUCTION IN THE SAN DIEGO REGION THROUGH REGIONAL CONTRIBUTION AGREEMENTS

Introduction

In April 2007, the SANDAG Executive Committee asked SANDAG staff to conduct further analysis of a legislative proposal (Attachment 1) from Poway Mayor Mickey Cafagna that would allow a jurisdiction to transfer up to 20 percent of its regional housing needs assessment (RHNA) to another jurisdiction in exchange for payment in the form of redevelopment housing set aside funds, non-set aside redevelopment funds, Community Development Block Grant (CDBG) funds, or general fund monies through a regional contribution agreement. The Executive Committee also asked that staff report back to the Regional Planning Committee prior to their further discussion of the issue.

A legislative approach to this proposal would likely require that two state laws be changed:

- Community Redevelopment Law (CRL) would need to be changed to allow the use of housing set aside funds (also known as Low and Moderate Income Housing Funds) and other tax increment funds outside the jurisdiction in which they were generated; and
- Housing Element Law would need to be changed to allow the transfer of a portion of a jurisdiction’s RHNA numbers to another jurisdiction.

A non-legislative approach to this proposal would be to address the concept as part of the upcoming RHNA process for the 2010-2015 housing element cycle. State law gives SANDAG a large degree of latitude in how the RHNA numbers are allocated, and this approach could result in the elimination of the need to transfer housing needs and/or funds between jurisdictions. The formal RHNA process is scheduled to occur between July 1, 2008, and June 30, 2009. If needed to address specific geographic allocation issues and/or the pooling of redevelopment (or other) funds for affordable housing and/or infrastructure, follow-up legislation could be proposed for the next two-year legislative session (which begins in January 2009). Poway staff has discussed the non-legislative approach and are in agreement with it.
Discussion

Potential Advantages and Disadvantages of the Proposal and Other Relevant Issues

Below are some of the potential advantages and disadvantages of pursuing this proposal from a legislative standpoint that were discussed at several TWG meetings, and in committee consultant reports to the state legislature on similar recent legislative proposals. (For more detailed information contained in state legislative committee consultant reports see Attachment 2.)

Advantages

• RHNA goals could be transferred to help the region achieve its smart growth goals, i.e., locating more housing near public transit.
• Jurisdictions taking additional units could receive funds to help defray the cost of providing lower income housing.
• Affordable housing funds could be used more efficiently by allowing them to be pooled and/or spent in lower cost areas.
• The geographic proximity of transferring jurisdictions should be considered in relation to traffic impacts. Transfers within subregions could mitigate potential traffic impacts, and help provide a better jobs/housing balance and create more economically balanced communities.

Disadvantages

• The proposal may be inconsistent with environmental justice and fair housing goals.
• The costs associated with the accommodation of additional lower income housing may go beyond infrastructure and housing subsidies; they could result in ongoing operational costs associated with city/county services and could also impact public transit.
• Jobs/housing imbalances and traffic congestion could be exacerbated if lower income housing is concentrated in certain areas.
• The proposal may make it difficult to determine which jurisdiction would receive credit for providing the lower income housing units.
• The proposal raises issues regarding whether tax increment funds can be spent outside the jurisdiction from which it originated. Although the state legislature has determined that housing fund expenditures outside a project area, but within the jurisdiction can be a benefit to the project area and are therefore permissible, authority to make expenditures outside the jurisdiction has not been granted by the legislature. Legal analysis would need to be done to determine if use of these revenues outside the jurisdiction in which they were generated is permissible under Section 16 of Article XVI of the California Constitution.

Next Steps

The Regional Planning Committee recommendation will be forwarded to the Executive Committee for consideration next month.

BOB LEITER
Director of Land Use and Transportation Planning

Attachments:
1. Memo from Mayor Mickey Cafagna dated March 6, 2007, Proposed Legislation for Increasing Housing Production
2. Description of Proposal in Relation to State Law and Other Past Similar Legislation

Key Staff Contact: Susan Baldwin, (619) 699-1943, sba@sandag.org
CITY OF POWAY
MEMORANDUM

To: SANDAG Executive Committee

From: Mickey Cafagna, SANDAG Boardmember and Mayor of Poway

Date: March 6, 2007

Subject: Proposed Legislation for Increasing Housing Production in SANDAG Region Through Regional Contribution Agreements

At our retreat last month, I broached the idea of SANDAG sponsoring legislation that would provide more flexibility for cities in the County to meet regional housing requirements under State law. I have been asked to provide you with a written summary of my thinking for your consideration and ultimately the Board of Directors. Here are my thoughts.

Judging by its population and dramatic job growth in the last 30 years, California is generally perceived as producing less housing than would be expected or desired. The housing element is the State’s major tool to ensure that local land use regulators are planning appropriately for new housing development. Since 1969, the State has required cities and counties to include housing elements in their general plans in order to ensure detailed planning for residential needs, including identifying land sites for housing, and other policies that would make it easier or less expensive to build new housing units. This is the only part of local general plans that is subject to substantial oversight by the State.

The housing element requirement is often called a “fair share” housing law, referring to a regional process by which each local community works to accommodate a fair proportion of the region’s housing needs. SANDAG, like other regional council of governments, works from State estimates of regional housing needs and assigns a housing unit-planning goal or allocation to each city and unincorporated area in our region. Cities and counties are then expected to update their housing elements, and other parts of the General Plan or their zoning to accommodate the planned number of housing units over the next five years.
Once an update has been drafted, HCD reviews it to gauge whether the plan can enable the targeted number of units — including specific amounts of housing for households of very low, low, moderate, and "above moderate" incomes. If so, HCD certifies the housing element. If not, the jurisdiction may change its plan to incorporate HCD’s suggestions. If the element is adopted without satisfying HCD — or fails to be updated at all — the city or county is regarded as noncompliant. That judgment limits its eligibility for certain State and federal funds for affordable housing and renders it more vulnerable to lawsuits that can halt all development in the community.

A fundamental tension in the housing element law is the equal emphasis given to housing production and geographic distribution of housing for lower income families. Specifically, California’s housing element law attempts to tackle the problems of overall housing underproduction with a process-oriented approach developed to prod cities and counties into planning for their fair share of affordable units. Most observers feel that this dual approach is failing.

First, there is a high degree of local noncompliance with the law. At any given time, between thirty and forty percent of cities are out of compliance, as well as over a fifth of counties. More importantly, there seems to be no correlation between compliance with housing element law and production of housing units.

A comprehensive study done by the Public Policy Institute in 2003 by Paul G. Lewis, found no detectable relationship between compliance and the percentage increase in housing units. Furthermore, noncompliance was not a significant predictor of the rate of multi-family development once other relevant factors were held constant.

The State’s most recent statewide housing plan finds that developers will need to produce an average of 220,000 housing units per year through 2020, to meet projected demand. Yet, even in recent boom years only 150,000 or so new units received building permits in California. HCD predicts a continuum of the current trend will lead to underproduction of needed housing by approximately sixty percent. This will exacerbate the increase in home prices and rents, while lowering homeownership rates. The lack of housing supply particularly hurts the poor. Two of three low-income renter households in California pay more than half their income to put a roof over their heads.

I would like to see SANDAG propose legislation that would allow the ability for cities to "trade" or transfer portions of their allocations with each other in exchange for payments or other considerations. Housing may be accommodated more easily or economically in some jurisdictions than others. Allowing transfers would enable more flexibility for localities in meeting their housing obligations. I can think of a number of jurisdictions with available land along transit corridors that would welcome quality affordable housing as part of their smart growth plans. But they lack the resources to provide sufficient amenities and infrastructure to properly serve the new housing developments. On the other hand, there are a number of communities in San Diego where vacant land is very
rare and prices are extremely high. These communities struggle to meet their housing element obligations, but are well aware of the need to increase housing in the region.

State law enables transfers among jurisdictions under certain circumstances. Nevertheless, the provisions for transfer are quite strict and constrained. They represent a compromise between stakeholder groups who feel that transfers violate the spirit of fair share housing policy by allowing wealthy communities to forego low cost housing by buying their way out of their responsibilities to their regions.

Other states, including some with equally strong traditions of home rule as California, have also wrestled with issues of inadequate housing production, mandated fair shares for jurisdictions, and State oversight of local planning. In New Jersey, municipalities are allowed to "trade" up to half their obligated number of affordable housing units to another jurisdiction that agrees to build the units, or more commonly, to renovate dilapidated units (under so-called Regional Contribution Agreements). The “sending” jurisdiction, generally a suburb, must pay the “receiving” jurisdiction, usually an older central city. The trading system has fiscal benefits for distressed central cities and has resulted in higher levels of building production. This approach has produced far more housing units than would have otherwise been allowed under local zoning.

SANDAG should sponsor a legislative proposal to allow additional flexibility for local governments to transfer up to twenty percent of their regional housing needs allocations to other jurisdictions in exchange for payment in the form of redevelopment set aside funds, non-set aside redevelopment funding, CDBG grant funds, or general fund monies. State law would have to be altered to allow the spending of redevelopment dollars outside of one’s jurisdiction for housing production. This makes sense for both sub-regions and regions, though.

Perhaps the transfers could be tied to smart growth principles, as has been advanced by SANDAG in many forums in recent years. The contribution should allow localities to use the contributed funds for a wide range of infrastructure amenities and even social services to serve the new housing developments. However, redevelopment set aside funds must only be used for brick and mortar and/or infrastructure directly related to the new housing development, as is currently the law in California. The contributing jurisdiction should be allowed to take “credit” for housing units based on a formula. The bill should require HCD to recognize and accept such regional and sub-regional agreements toward compliance with housing element law.

I think this approach would benefit the San Diego region by allowing us to build on our long history of cooperative regional planning and investment. The goal would be to increase the production of affordable housing in the San Diego region, as well as compliance with State housing element law.
SANDAG Memo
March 6, 2007
Page 4

Due to its voluntary nature, the added flexibility provided by such legislation would not seek to resolve the tension between the multiple goals of housing production and equitable distribution of affordable housing bound up in housing element law in California. Instead it would offer another tool to jurisdictions in our region to actually get needed housing built.

I would propose this law be characterized as a ten-year experiment, which would expire at the end of that term, unless reauthorized. Assemblymember George Plescica and State Senator Christine Kehoe have expressed interest in carrying such a bill for SANDAG. If the Executive Committee concurs, I would suggest that the Legal Department analyze this proposal to assist the full Board of Directors in considering this proposed legislation. Please let me know if you seek further clarification of this proposal. I thank you for your consideration.
Description of Proposal in Relation to State Law and Other Similar Recent Legislation

As discussed below, Mayor Cafagna’s proposal is similar to past legislative proposals (some of which have failed) and bills that have been signed into law, albeit with many conditions.

Redevelopment Law

Community Redevelopment Law (CRL) requires redevelopment agencies to set aside 20 percent of their annual property tax increment revenues in a Low and Moderate Income Housing Fund (L&M Fund) to increase, improve, and preserve affordable housing. These funds can be used to buy land, build on-site or off-site improvements, build structures, buy buildings, rehabilitate buildings, subsidize housing, pay bonds or other indebtedness, maintain mobile homes, preserve subsidized units, replace destroyed housing units, and other related uses.

Article XVI, Section 16 of the California Constitution provides that tax increment which accrues to a redevelopment agency must be used to pay indebtedness to finance the “redevelopment project.” As a general rule, this is interpreted to mean that the use of tax increment must benefit the project area. However, state law allows for L&M funds to be spent inside or outside a project area but within the territorial jurisdiction of the agency, upon a finding that the use will be of benefit to the project.

Current law also contains a number of exceptions to the rule that L&M funds must be spent within the jurisdiction as follows:

- There is a general statute that allowed, until January 1, 2008, contiguous redevelopment agencies located within adjoining cities within a single Metropolitan Statistical Area (MSA) to participate in a joint powers authority (JPA) for the purpose of pooling their L&M funds for affordable housing uses.
- The Contra Costa County Redevelopment Agency may use its L&M funds within the incorporated limits of the City of Walnut Creek on sites contiguous to the Pleasant Hill BART Station Area Redevelopment Project Area.
- The Orange County Development Agency may use its L&M funds within the incorporated limits of any city within the County of Orange.
- The County of Solano and the cities of Fairfield, Suisun City, and Vacaville may create a joint powers agency for the purpose of pooling L&M funds in order to provide housing for the retention of Travis Air Force Base.

Each of these exceptions is subject to a number of conditions that ensure the efficient and beneficial use of the funds and that the expenditure outside the jurisdiction will not result in racial or economic segregation. Some of the conditions common to two or more of the exceptions that a jurisdiction must have met are:

- Completion of an up-to-date housing element approved by HCD;
- Fifty percent of its share of the regional housing need for very low and low income households must have been met;
• The redevelopment agency must have met or encumbered and contractually committed sufficient funds to meet its replacement housing need;
• Fund may only be used to pay for the direct costs of constructing, substantially rehabilitating, or preserving the affordability of housing units;
• The funds may not be spent in an area that has more than 50 percent minority or low income households;
• The development to be funded shall not result in any residential displacement from the site where the development is to be built;
• If less than all the units in the development are affordable to, and occupied by, low- or moderate-income persons, any agency assistance may not exceed the amount needed to make the housing affordable to, and occupied by, low or moderate income persons; and
• HCD shall review each use of funds for compliance.

Conditions applied to individual exceptions include:

• The agency is not subject to sanctions for failure to spend or encumber a housing fund excess surplus;
• The city in which the development will occur has approved the agency’s use of funds;
• The aggregate number of units assisted shall include at least 10 percent that are affordable to extremely low income households and 40 percent that are affordable to very low income households;
• The agency must make a finding that no other reasonable means of financing the housing is available in sufficient amount; and
• The agency shall transfer more than 50 percent of its low and moderate income housing funds.

In a July 7, 2003, Committee Consultant report on AB 1358 (Simitian) that would have given authority to a redevelopment agency in a city of less than 100,000 in San Mateo, Santa Clara, or Santa Cruz counties to spend low and moderate income housing set-aside funds outside a project area, but within five miles of the exterior boundary of the project area and in the same county, it was noted that similar pooling authority permitted by state law in the 1990s was not used and that most communities "want to use the scarce resources to benefit their own jurisdictions." Also, the conditions that the Legislature applied to pooling, transfers, or expenditures outside an agency's jurisdiction to guard against racial or economic segregation are difficult to meet, which may be another reason for the lack of interest in using the authority.

Housing Element Law - Regional Housing Needs Assessment (RHNA)

Current law requires that HCD calculate the statewide housing need and assign each council of governments (COG) its share. Each COG then distributes that state identified regional housing need to each of its jurisdictions in four income categories: very low, low, moderate and above moderate. Each jurisdiction is then required to identify sites for these housing needs in its housing element.
Until January 1, 2000, state law (Section 65584.5 of housing element law) authorized a city or county to transfer not more than 15 percent of its share of the regional housing needs to another city or county if the transferring jurisdiction had first met (in the current or previous housing element cycle) at least 15 percent of its existing share of the region's affordable housing needs in the very low and lower income categories, but prohibited a jurisdiction from transferring more than 500 units in a housing element cycle. Transfers also were subject to numerous additional conditions, which essentially prohibited the use of the transfer authority.

According to a May 3, 2006, Committee Consultant report on AB 3042 (Evans) (a bill that had proposed to allow more liberalized RHNA transfers), the conditions contained in state law (but have since been repealed) were intended to guard against "more affluent cities and counties with strong NIMBY forces to get out from under their responsibilities to house moderate and low income households by transferring these housing needs to jurisdictions that may already have more than their share of such households, thereby exacerbating economic segregation, and indirectly contributing to racial discrimination and segregation as well."
Introduction

Over the past few months, the Regional Planning Technical Working Group (TWG) has been participating in the technical update of the Smart Growth Concept Map. Attached is a status report submitted to the Regional Planning Committee on April 4, 2008, describing the process, status, and remaining issues for evaluation. The most recently updated regional and sub regional maps and corresponding Site Descriptions have been posted to the SANDAG Web site at www.sandag.org.

Recommendation

The TWG is asked to review the revised maps and site descriptions for accuracy, discuss the remaining issues listed below, and recommend to the Regional Planning Committee that SANDAG accept the updated Smart Growth Concept Map for use in the TransNet Smart Growth Incentive Program and for ongoing planning purposes.

Discussion

Areas of Interest for the TWG

As part of the technical update, and in response to the recent update of the 2030 Regional Transportation Plan (RTP), SANDAG staff has added a column to the Site Descriptions providing information on transit services in each smart growth area. This new transit column compliments the land use descriptions, and provides information on existing and/or planned transit services (including Rail, Bus Rapid Transit (BRT), Rapid Bus, and Local High Frequency Bus) identified in the Reasonably Expected Revenue Scenario of the 2030 RTP.

In addition, SANDAG has added military employment areas to the map as “major employment areas.” As part of this process, staff has attempted to identify the major employment areas on the map by name for better reference. TWG members are asked to review the names assigned to the major employment areas in their sub region, and provide staff with any corrections or clarifications. If staff missed any major employment areas that need to be added to the map, this information should be communicated as soon as possible.

Finally, staff is working on determining the status of a modified Town Center in Carlsbad and a modified Urban Center in San Marcos. The City of Carlsbad has requested the expansion of the boundaries for CB-3 (Carlsbad Village Coaster Station) to include the Barrio area immediately south,
and the City of San Marcos has requested a decrease to its northern boundary for SM-3 (University Mixed Use Area). SANDAG staff needs to run the numbers for these areas to determine whether their current designations will change. Carlsbad is also still considering whether to add one or two more areas to the map. Carlsbad and SANDAG staff will conduct additional analysis, and make a determination before the map is presented to the Regional Planning Committee next month.

**Remaining Issues for Evaluation**

As outlined in the attached report to the Regional Planning Committee, staff has identified three issue areas which need further evaluation or clarification as part of the technical update of the map. These include determining the status of the Rural Villages in the County of San Diego; resolving an issue related to transit service for Community Centers; and making a recommendation on whether to remove “Potential” areas from the map that fail to meet both the land use and transit targets identified in the RCP.

Related to the County’s Rural Village areas, SANDAG and County staff are working together to acquire the necessary information from SANGIS to make the appropriate determinations based on the County’s existing general plan. These determinations are expected to be made before the map is presented to the Regional Planning Committee next month. Related to the third issue, based on discussion by the TWG at its last meeting, and based on the bottom-up, cooperative approach taken to formulate the map, staff recommends retaining the Potential areas on the map that currently do not meet either the land use or the transit targets.

Staff, however, would like to draw the group’s attention to the second issue, which pertains to the transit service requirements for “Community Centers.” While the RCP calls for this place type to be served by regional or commuter transit service, during the formulation of the original Smart Growth Concept Map, it was decided that high-frequency local bus service could provide a sufficient level of transit service for this place type. Subsequently, the recently updated RTP has further refined the types of transit service that are included in the Transit Network plan, to include both “Arterial Rapid Bus” service and high-frequency local bus service. Staff has evaluated the applicability of these service types to the “Community Center” place type.

Based on coordination with the transit operating agencies during the preparation of the 2030 RTP and on RTP policies to prioritize local transit services in urbanized areas, staff is recommending that the local high frequency transit routes in the core urban areas identified in the Coordinated Transit Plan qualify as an appropriate minimum transit service level for Community Centers.

The Metropolitan Transit System (MTS) first defined the Urban Boundary as an exercise for its Comprehensive Operational Analysis (COA). This was developed using a combination of demographics and market research that identified geographic areas that would generate high transit ridership (see Attachment 2). The factors used to determine the urban area included poverty, auto-deficiency, “Easy Goer” & “Flexible Flyer” demand, and employment densities. This methodology was adapted for the whole region to be used in the Coordinated Plan (see Attachment 3). The urban boundary lines were used as key inputs in prioritizing high frequency local transit service in the region in the 2030 RTP.

As a result, staff is recommending that the high frequency transit service in these core areas qualify as Existing/Planned transit service for the Community Center place type. This means that planned high frequency transit service provided outside of these urban core areas will not qualify for
Community Centers. Staff analysis indicates that only seven Community Centers with 15-minute local service are not in the transit service urban areas. None of these seven areas (CV-8, CB-4, DM-2, SM-7, SD MM-4, SD-MM-5, SD-CMR-1) meet the land use targets, and as such, are already designated as Potential areas.

Staff requests the Working Group to discuss this issue and consider this information in its recommendation to the Regional Planning Committee on the Smart Growth Concept Map.

Attachments: 1. April 4, 2008, report to the Regional Planning Committee
2. MTS Urban Network Boundary Map
3. Coordinated Transit Plan Service Zones/Urban Boundaries

Key Staff Contact: Carolina Gregor, (619) 699-1989; cgr@sandag.org
STATUS REPORT ON THE TECHNICAL UPDATE OF THE
SMART GROWTH CONCEPT MAP

Introduction

In June 2006, the SANDAG Board of Directors accepted the Smart Growth Concept Map for planning purposes for the 2030 Regional Transportation Plan (RTP). Now that the SANDAG Board has adopted the Final 2030 RTP and in anticipation of a call for projects for the TransNet Smart Growth Incentive Program (SGIP), SANDAG has initiated the process for technical updates to the Smart Growth Concept Map.

Over the past two months, SANDAG staff and members of the Regional Planning Technical Working Group (TWG) have been working together to incorporate land use and transit changes to the Smart Growth Concept Map resulting from recent updates to local land use plans and the 2030 RTP. This report summarizes the changes made to the map to date and lists issues that need further evaluation. The TWG will review the draft map once again at its next meeting for final accuracy, and make a formal recommendation to the RPC at that time. Next month, the Regional Planning Committee will be asked to recommend that the SANDAG Board of Directors accept the map for use in the Smart Growth Incentive Program and for ongoing planning purposes.

Discussion

The Smart Growth Concept Map played an important role in the preparation of the 2030 RTP. The current map identifies two types of designations for smart growth areas: “Existing/Planned,” or “Potential.” These designations are based on whether the areas meet certain housing, employment, and transportation targets identified in the Regional Comprehensive Plan (RCP).

Several smart growth areas had previously been designated as “Potential” areas based on their lack of existing or planned high-frequency local or regional transit service, even though they met the land use targets identified in the RCP. During the preparation of the 2030 RTP, SANDAG used the map to prioritize the placement of regional transit and high-frequency local transit in these areas. As a result, the status of most of these areas has changed from “Potential” to “Existing/Planned.” These areas are listed further below in this report.

In addition, SANDAG staff has been working with TWG members to identify any additions, deletions, and/or boundary changes to areas in their jurisdictions, and to incorporate any recent
updates to local land use plans. The boundary changes requested by member agencies are also listed below.

The technical update of the Smart Growth Concept Map is important because the updated map will be used as a basis for determining local jurisdictions’ eligibility to compete for smart growth incentives from the upcoming TransNet SGIP. While the criteria for the SGIP are still being developed, it is likely that “Existing/Planned” smart growth areas may qualify to compete for both capital infrastructure and planning grants, while “Potential” smart growth areas may be limited to competing for planning grants only.

**Summary of Changes to the Smart Growth Concept Map**

**Areas that have changed from “Potential” to “Existing/Planned” due to the addition of planned transit service in the 2030 RTP**

The new transit networks included in the Reasonably Expected scenario of the 2030 RTP have been added to the Smart Growth Concept Map. Previously, several smart growth areas had been designated as “Potential” areas based on their lack of existing or planned transit service, even though they met the land use targets identified in the RCP. Due to the addition of planned transit to these areas, the designation of the following “Potential” areas has changed to “Existing/Planned,” since these areas now meet both the land use and transit targets in the RCP.

- PW-2 – Poway – Pomerado Hospital
- SD-MM-6 – San Diego – Mira Mesa – Camino Santa Fe and Carroll Canyon Road
- SD-OB-1 – San Diego – Ocean Beach Commercial Core – Between Niagara Ave. and Santa Monica Ave.
- SD-OM-3 – San Diego – Otay Mesa – Southwest corner of State Route 905
- SD-PA-1 – San Diego – Peninsula – Rosecrans Street from Talbot Street to Laning Road/Russell Street
- SD-PA-2 – San Diego – Peninsula – Voltaire Street from Chatsworth Blvd. to Catalina Blvd.
- SD-SM-1 – San Diego – Serra Mesa – Gramercy Drive, Ruffin Road, Village Glen Drive, and Glencolum Drive

**Areas where boundaries have changed (no change in status)**

None of the jurisdictions requested the addition of new areas or the deletion of existing areas on the map. However, several jurisdictions requested boundary changes, as listed below. These requests did not result in changes of status from Existing/Planned to Potential, or vice versa.

- ES-1 – Downtown Escondido: Expanded boundaries of Downtown Specific Plan to the west, north, and east
- LG-3 – Downtown Lemon Grove: Expanded boundaries westward
- NC-1 – Downtown National City: Expanded boundaries westward
• NC-2 – National City: Replaced previous potential Filipino Village Community Center with a new potential Mixed Use Transit Corridor along Plaza Boulevard from D Avenue to Euclid Avenue
• NC-3 – National City: Extended Highland Avenue Mixed Use Transit Corridor to include Highland Avenue and the Sweetwater Road Transit Corridor
• PW-1 – Poway: Expanded boundaries of Town Center area in various directions to better reflect local planning efforts
• ST-2 – Santee: Moved this potential Community Center eastward
• VS-5 – Vista: Replaced VS-5 potential Community Center at North Santa Fe Avenue and Bobier Avenue with a potential Mixed Use Transit Corridor along North Santa Fe Avenue from Orange Street to Weston Street

**Addition of military employment areas**

Based on previous direction from the Regional Planning Committee, staff has incorporated the urbanized areas of the region’s military facilities onto the map as “major employment areas.”

**Areas for further evaluation**

As part of the technical update of the map, staff has identified three issue areas which need further evaluation or clarification.

The first pertains to the status of the “Rural Villages” in the County of San Diego. Most of the Rural Villages on the current map (the map that was accepted for planning purposes by the SANDAG Board in 2006) are shown as “Existing/Planned” based on an assumption made at that time that the County Board of Supervisors was nearing adoption of General Plan 2020 (GP2020), and that the rural core areas in GP2020 contained moderate densities supportive of smart growth principles, as identified in the RCP. Based on delays to the adoption of the County General Plan Update, SANDAG may need to change the “Existing/Planned” Rural Villages to “Potential” areas as part of the technical update of the Concept Map. Staff is working with County planning staff regarding this issue, and expects to gather enough information to resolve this issue before the map is presented to the Regional Planning Committee next month.

The second issue pertains to the transit service requirements for “Community Centers.” While the RCP calls for this place type to be served by regional or commuter transit service, during the formulation of the Smart Growth Concept Map it was decided that high-frequency local bus service could, in certain cases, provide a sufficient level of transit service for this place type. Subsequently, the recently updated RTP has further refined the types of transit service that are included in the Transit Network plan, to include both “Arterial Rapid Bus” service and high-frequency local bus service. Staff is currently evaluating the applicability of these service types to the “Community Center” place type, and will bring forward recommendations to the TWG and the RPC on this issue at future meetings. This issue affects two areas listed above as areas that have changed from Potential to Existing/Planned due to the addition of transit service in the 2030 RTP. (One is in Ocean Beach and the other is in Serra Mesa.)

The third issue pertains to discussion regarding whether to remove “Potential” areas from the map that fail to meet both the land use and transit targets identified in the RCP. During the preparation
of the 2030 RTP, SANDAG used the map to prioritize the placement of regional transit and high-frequency local transit to as many smart growth areas as possible. However, about a dozen areas did not receive transit service and do not meet the land use targets. At its last meeting, the TWG discussed this issue, and many TWG members recommended against removing these Potential smart growth areas from the map as part of the technical update, citing the resulting disincentive to plan for smarter growth in these areas if they are removed from the map, and the inability to receive SGIP planning grants to pursue planning efforts in these areas. TWG members also pointed out the importance of keeping these areas on the map so that future transit service could be directed toward these areas once local jurisdictions change the land use plans to allow smarter growth.

Based on discussion by the TWG, and based on the bottom-up, cooperative approach taken to formulate the map, staff recommends retaining these Potential areas on the map.

**Conclusion**

The draft Smart Growth Concept Map and updated site descriptions were distributed at the March 2008 TWG meeting for TWG review, and are currently posted on the SANDAG Web site. TWG members confirmed that the staff report captured most of the changes, although several jurisdictions indicated that they are considering a few additional boundary changes that they will forward to staff. A revised draft map and corresponding site descriptions will be presented to the TWG at its April 10, 2008, meeting for a formal recommendation. The updated map will then be presented to the Regional Planning Committee and SANDAG Board of Directors in May 2008 for formal action, in advance of the call for projects for the TransNet SGIP.

Once the SANDAG Board accepts the updated Smart Growth Concept Map, the revised map and corresponding site descriptions will be used in the TransNet SGIP, and will be posted to the SANDAG Web site in an “interactive” format, as currently available on-line. In an effort to promote smart growth opportunities and incentives in these areas, local jurisdictions will be encouraged to provide this information on their local Web sites and through their local planning documents.

In addition, once the 2-D and 3-D visual simulations and the smart growth photos being developed as part of the Smart Growth Tool Kit become available, they will be linked to the updated on-line Interactive Smart Growth Concept Map.

**BOB LEITER**
Director, Land Use and Transportation Planning

Key Staff Contact: Carolina Gregor, (619) 699-1989, cgr@sandag.org
Urban Network Boundary
Poverty, Auto-deficit, Easy Goer & Flexible Flyer Demand, & Employment Densities
Figure 4.2 – Service Zones
STATUS REPORT ON THE TransNet SMART GROWTH INCENTIVE PROGRAM
File Number 3002600

Introduction

Work is well underway to develop program guidelines and project selection criteria for the competitive TransNet-funded Smart Growth Incentive Program that will begin earning revenue under the TransNet Extension Ordinance in July 2008. Last December, staff provided a preliminary report to the Regional Planning Committee (RPC) so that the committee could provide early input into the program development process. Since then, an ad hoc working group, which includes members from the Regional Planning Technical Working Group (TWG) and the Cities/County Transportation Advisory Committee (CTAC), has been meeting to develop recommendations for how the program should be structured and administered. To date, the group has discussed the program objectives, grant size and funding cycles, the types of projects that should be funded, and the criteria that could be used to select capital projects for funding. Their discussions have been informed by the Pilot Smart Growth Incentive Program, input from the Independent Transit Peer Review Panel Report (ITPR), the 2030 Regional Transportation Plan, and by what has been learned from similar programs conducted by other regional agencies in the state.

This report presents preliminary information about the program features and suggestions from the ad hoc working group. A more detailed report will be brought to the RPC for feedback in May including suggested project evaluation criteria.

Discussion

Developing the TransNet Smart Growth Incentive Program (TSGIP) began from the base of experience gained with the 2005 Pilot Smart Growth Incentive Program, which was funded through the federal Transportation Enhancements (TE) program. Because this new program is funded with local TransNet funds, there is an opportunity to reshape the program to take advantage of the flexibility and local control that the TransNet program offers. With this in mind, the ad hoc working group started its work with a review of the program objectives, as articulated by the RPC last December, and has been working its way through the details of the program. Those program objectives may be summarized as follows:
- Fund projects that are “ready-to-go” to put good examples of smart growth development on the ground as catalysts for further development.
- The projects should influence land development by improving the public realm and encouraging private smart growth projects that, in combination, create great places.
- The projects should contribute to the reduction of greenhouse gases by encouraging travel by means other than private automobile. In particular, the projects should support public transit usage by being within areas served by transit, and by improving access to transit.
- The projects should support housing development at densities appropriate for its place type.
- The projects should provide good examples of smart growth in a variety of settings in the region.

**Progress to Date**

The issues that the working group has been discussing include funding levels, funding cycles, project types, screening and eligibility criteria, project evaluation criteria, and the project evaluation process. Each of these areas is discussed briefly below. The program development process has been dynamic, so it is anticipated that the program will continue to evolve as the process continues.

**Funding Levels and Funding Cycles.** SANDAG currently estimates the funding available for the first year of the program will be approximately $5 million. The Pilot Smart Growth Incentive Program was able to award $23.5 million to 14 projects by combining six years of federal TE funds. The working group agreed that the TransNet program would have more impact if each call for projects combined two years of funding. This will make approximately $10.2 million available for the first funding cycle. The working group has also discussed establishing a cap on individual grant amounts as a means of ensuring a minimum quantity of projects are selected in each cycle, providing an opportunity to fund a variety of projects in a variety of areas around the region. Funding caps for individual capital project grants ranging from $1 million to $2 million have been discussed, but developing a consensus on this question remains a challenge. A cap on planning grants on the order of $200,000 is being considered.

**Project Types.** The TransNet Ordinance authorizes expenditures for both capital improvements and planning projects. The RPC expressed a clear preference for “bricks and mortar” projects, so the working group has been discussing how the program could focus on capital improvements, while also allowing for some planning activities. The working group expressed strong support for including planning grants in the program because the planning process is often the time when the community develops consensus about smart growth development. At the same time, local agencies often find it difficult to identify funding for this kind of planning activity. The working group has discussed a program structure where planning projects compete with capital projects for funds, but planning grants are capped at ten percent of the total available funds for each cycle.

For capital projects, the working group is recommending that the TSGIP fund the same type of transportation-related improvements as the Pilot Program (streetscape enhancements, bicycle and pedestrian access improvements, and transit access improvements, for example), with some additions that take advantage of the flexibility in using local TransNet funds. This flexibility could make funding available for projects that create public spaces such as public plazas and common neighborhood green space that are important components of good smart growth places.
Capital projects, including preliminary plans and studies leading to capital projects, would be eligible only in areas designated as Existing/Planned on the Smart Growth Concept Map. Projects in Potential smart growth areas would only be eligible for funding to support planning activities to build local consensus for smart growth and make any necessary changes to local plans and zoning. The working group has focused a great deal of its effort on the project screening and evaluation criteria for capital projects. Criteria for planning projects have yet to be developed.

Project Eligibility Criteria. Screening criteria are needed to ensure the projects considered for funding meet the basic objectives of the program. The working group has developed screening criteria to identify projects that are fully eligible under the program, and that demonstrate a level of commitment on the local level that indicates the project’s viability. Proposed criteria include:

- Eligibility under the TransNet Ordinance
- Projects must be located within an appropriate Smart Growth Opportunity Area
- Applicants must be eligible under SANDAG Policy No. 33, Regional Housing Needs Assessment (RHNA) Compliance
- Local commitment to allocate the resources necessary to implement and complete the proposed activities and outcomes within the schedule identified in the project application
- Project Readiness, as evidenced by the completion of a project feasibility study that demonstrates the project can be started during the period for which funding is being requested, and there is a sound basis for the project cost estimate.

Project Evaluation Criteria. As with the Pilot Program, the working group is developing project evaluation criteria that address the multifaceted nature of smart growth development. They will be recommending criteria that evaluate the setting of the proposed project as an appropriate place for smart growth investment, the project’s relation to existing and planned public transit investments, the degree to which it supports existing and proposed smart growth land development within the vicinity of the proposed project, and the quality of the proposed capital improvement itself. As much as possible, the criteria utilize objective measures of smart growth such as intensity of development (relative to place type), proximity to transit, and walkability measured in terms of the connectivity of the walking network. Finding objective criteria for evaluating the quality of project design is proving to be a challenge, however. The solution to that problem may lie in developing a project selection process that utilizes an independent review panel with the specialized knowledge needed to evaluate the projects.

Project Selection Process. The working group has considered several alternatives for how the evaluation criteria should be used to score the grant applications. They reviewed the processes used by the Metropolitan Transportation Commission in the Bay Area for its Transportation for Livable Communities program, and the Sacramento Area Council of Governments’ Community Design program. The process initially developed by the working group would involve establishing a review panel consisting of staff from SANDAG and local agencies. Consideration is also being given to include experts in planning and design from local universities on the selection panel. The working group has also suggested that the project rankings should be reviewed by the TWG and CTAC prior to consideration by the RPC and final action by the SANDAG Board of Directors.
Next Steps

The ad hoc working group will continue to work through April to complete recommendations for the project selection criteria and selection process. As they develop consensus on the details of the program, SANDAG staff will be preparing guidelines to govern the administration of the program. The results of this work will be brought back to the RPC at its May meeting for review and comment. A report on the program also will be made to the Independent Taxpayer Oversight Committee for its review and comment, and to the Transportation Committee for its information. Based on comments received through this review process, final draft program guidelines and project evaluation process will be prepared for the RPC’s consideration in June. The RPC will be asked to recommend to the Board that it approve the guidelines and evaluation process and authorize SANDAG to issue the first call for projects. Once approved, the call for projects could be issued this summer, and a recommended list of projects for funding could be ready for RPC consideration in the fall.

BOB LEITER
Director, Land Use and Transportation Planning

Key Staff Contact: Stephan Vance, (619) 699-1924, sva@sandag.org
San Diego Association of Governments
REGIONAL PLANNING TECHNICAL WORKING GROUP

April 10, 2008

AGENDA ITEM NO.: 5

Action Requested: RECOMMENDATION

REVISED DRAFT SMART GROWTH CONCEPT MAP - ADDENDUM/CORRECTIONS, File Number 3000200

Introduction

Over the past few months, the Regional Planning Technical Working Group (TWG) has been participating in the technical update of the Smart Growth Concept Map. Attached is a status report submitted to the Regional Planning Committee on April 4, 2008, describing the process, status, and remaining issues for evaluation. The most recently updated regional and sub regional maps and corresponding Site Descriptions have been posted to the SANDAG Web site at www.sandag.org.

In order to facilitate discussion at the meeting and due to the need to add several issues, staff has numbered the issues in this report.

Recommendation

The TWG is asked to review the revised maps and site descriptions for accuracy, discuss the remaining issues listed below, and recommend to the Regional Planning Committee that SANDAG accept the updated Smart Growth Concept Map for use in the TransNet Smart Growth Incentive Program and for ongoing planning purposes.

Discussion

Areas of Interest for the TWG

1. Addition of Transit Descriptions: As part of the technical update, and in response to the recent update of the 2030 Regional Transportation Plan (RTP), SANDAG staff has added a column to the Site Descriptions providing information on transit services in each smart growth area. This new transit column compliments the land use descriptions, and provides information on existing and/or planned transit services (including Rail, Bus Rapid Transit (BRT), Rapid Bus, and Local High Frequency Bus) identified in the Reasonably Expected Revenue Scenario of the 2030 RTP.

2. Major Employment Areas: In addition, SANDAG has added military employment areas to the map as “major employment areas.” As part of this process, staff has attempted to identify the major employment areas on the map by name for better reference. TWG members are asked to review the names assigned to the major employment areas in their sub region, and provide staff with any corrections or clarifications. If staff missed any major employment areas that need to be added to the map, this information should be communicated as soon as possible.
3. **Status of Areas in Carlsbad and San Marcos:** Finally, staff is working on determining the status of a modified Town Center in Carlsbad and a modified Urban Center in San Marcos. The City of Carlsbad has requested the expansion of the boundaries for CB-3 (Carlsbad Village Coaster Station) to include the Barrio area immediately south, and the City of San Marcos has requested a decrease to its northern boundary for SM-3 (University Mixed Use Area). SANDAG staff needs to run the numbers for these areas to determine whether their current designations will change. Carlsbad is also still considering whether to add one or two more areas to the map. Carlsbad and SANDAG staff will conduct additional analysis, and make a determination before the map is presented to the Regional Planning Committee next month.

**Remaining Issues for Evaluation**

As outlined in the attached report to the Regional Planning Committee, staff has identified three issue areas which need further evaluation or clarification as part of the technical update of the map. These include determining the status of the Rural Villages in the County of San Diego; resolving an issue related to transit service for Community Centers; and making a recommendation on whether to remove “Potential” areas from the map that fail to meet both the land use and transit targets identified in the RCP.

4. **Status of County Rural Villages:** Related to the County’s Rural Village areas, SANDAG and County staff are working together to acquire the necessary information from SANGIS to make the appropriate determinations based on the County’s existing general plan. These determinations are expected to be made before the map is presented to the Regional Planning Committee next month.

5. **Retention of Potential Areas that Do Not Meet Both Land Use and Transit Targets:** Related to the third issue, based on discussion by the TWG at its last meeting, and based on the bottom-up, cooperative approach taken to formulate the map, staff recommends retaining the Potential areas on the map that currently do not meet either the land use or the transit targets.

6. **Transit Service Requirements for Community Centers:** Staff, however, would like to draw the group’s attention to the second issue, which pertains to the transit service requirements for “Community Centers.” While the RCP calls for this place type to be served by regional or commuter transit service, during the formulation of the original Smart Growth Concept Map, it was decided that high-frequency local bus service could provide a sufficient level of transit service for this place type. Subsequently, the recently updated RTP has further refined the types of transit service that are included in the Transit Network plan, to include both “Arterial Rapid Bus” service and high-frequency local bus service. Staff has evaluated the applicability of these service types to the “Community Center” place type.

Based on coordination with the transit operating agencies during the preparation of the 2030 RTP and on RTP policies to prioritize local transit services in urbanized areas, staff is recommending that the local high frequency transit routes in the core urban areas identified in the Coordinated Transit Plan qualify as an appropriate minimum transit service level for Community Centers.

The Metropolitan Transit System (MTS) first defined the Urban Boundary as an exercise for its Comprehensive Operational Analysis (COA). This was developed using a combination of demographics and market research that identified geographic areas that would generate high transit ridership (see Attachment 2). The factors used to determine the urban area included poverty, auto-deficiency, “Easy Goer” & “Flexible Flyer” demand, and employment densities. This methodology was adapted for the whole region to be used in the Coordinated Plan (see...
Attachment 3). The urban boundary lines were used as key inputs in prioritizing high frequency local transit service in the region in the 2030 RTP.

As a result, staff is recommending that the high frequency transit service in these core areas qualify as Existing/Planned transit service for the Community Center place type. This means that planned high frequency transit service provided outside of these urban core areas will not qualify for Community Centers. Staff analysis indicates that only seven Community Centers with 15-minute local service are not in the transit service urban areas. None of these seven areas (CV-8, CB-4, DM-2, SM-7, SD-MM-4, SD-MM-5, SD-CMR-1) meet the land use targets, and as such, are already designated as Potential areas.

### Additional Issues/Corrections

Following the mail-out, staff began considering how to incorporate the new transit service characteristics included in the 2030 RTP into the table of Land Use and Transportation Targets for the Smart Growth Concept Map (Attachment 4). This generated additional issues/corrections, as follows:

**7. Transit Service Requirements for Town Centers:** The minimum level of transit service for Town Centers is corridor or regional transit service, or less than 5 minute shuttle distance from corridor/regional stations. Staff realized that a mistake had been made in the new transit designation applied to PW-1 (Poway Road and Community Road). Through the RTP process, high frequency transit service was added to this area, and staff indicated that this service qualified for the transit requirement. Staff will need to correct this transit designation on the Site Descriptions due to the area’s lack of a regional/corridor service. The other area impacted by this requirement is Downtown Coronado. MOBILITY 2030, the previous RTP, included regional transit service over the Coronado Bay Bridge connecting 3rd and 4th Streets in Coronado to the City of San Diego. This regional service was connected to the Downtown Coronado “Town Center” by a local transit connection within five minutes, allowing the Downtown Town Center to qualify as Existing/Planned. However, the regional transit service connecting these communities is not included in the new 2030 RTP, therefore affecting the status of the Coronado Town Center and resulting in a need to re-designate the area from Existing/Planned to Potential, unless Coronado would like to consider alternative options, such as transitioning the Town Center to a Community Center. SANDAG staff will work with Coronado planning staff to attempt to resolve this issue.

**8. Transit Service Requirements for Special Use Centers:** The last area for correction pertains to the transit service requirements for Special Use Centers. The RCP calls for Special Use Centers to be served by one or more corridor/regional lines. Upon further review, staff has realized that five Special Use Centers were marked as having qualifying transit, when they only have existing or planned high frequency transit service. These include three Potential areas (including CV-15 (Southwestern College in Chula Vista), DM-1 (New Coaster at Fairgrounds), and EC-4 (Grossmont Community College)); and two areas mistakenly designated as Existing/Planned (including PW-2 (Pomerado Hospital) and SD-OM-3 (Southwestern College in Otay Mesa)). The designations of PW-2 and SD-OM-3 will need to be corrected and shown as “Potential” smart growth areas versus Existing/Planned, due to the lack of regional/corridor transit service.

Staff requests that the Working Group discuss these issues [presented in this report](#) and consider this information in its recommendation to the Regional Planning Committee on the Smart Growth Concept Map.
Attachments:
1. April 4, 2008, report to the Regional Planning Committee*
2. MTS Urban Network Boundary Map*
3. Coordinated Transit Plan Service Zones/Urban Boundaries*
4. Land Use and Transportation Targets for the Smart Growth Concept Map

Key Staff Contact: Carolina Gregor, (619) 699-1989; cgr@sandag.org

*Attachments 1 - 3 can be found in the original report.
Land Use and Transportation Targets for the Smart Growth Concept Map

The Regional Comprehensive Plan (RCP) recognizes that smart growth is not a "one-size-fits-all" proposition in the San Diego region, and defines seven categories of smart growth place types. The place types include: the Metropolitan Center, Urban Centers, Town Centers, Community Centers, Rural Villages, Mixed-Use Transit Corridors, and Special Use Centers. The RCP recommends that these smart growth areas be planned near existing and future transit stations identified in the adopted Regional Transportation Plan (RTP), as well as other appropriate locations such as rural community village cores that can provide a focal point for commercial and civic uses that serve surrounding rural areas.

Land Use and Transportation Targets

Each smart growth place type is associated with certain housing and employment density targets and transit service thresholds, and can qualify as either "Existing/Planned" or "Potential," depending upon whether it meets the thresholds specified in the RCP. The minimum land use and transit targets are listed below.

<table>
<thead>
<tr>
<th>Smart Growth Place Type</th>
<th>Minimum Residential Target</th>
<th>Minimum Employment Target</th>
<th>Minimum Transit Service Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan Center</td>
<td>75 du/ac</td>
<td>80 emp/ac</td>
<td>Regional Services</td>
</tr>
<tr>
<td>Urban Center</td>
<td>40 du/ac</td>
<td>50 emp/ac</td>
<td>Light Rail/Rapid Bus</td>
</tr>
<tr>
<td>Town Center</td>
<td>20 du/ac</td>
<td>30 emp/ac</td>
<td>Light Rail/Rapid Bus*</td>
</tr>
<tr>
<td>Community Center</td>
<td>20 du/ac</td>
<td>N/A</td>
<td>High Frequency Local Bus within the Urban Service Boundary in the 2007 Coordinated Transit Plan</td>
</tr>
<tr>
<td>Rural Village</td>
<td>10.9 du/ac</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Special Use Center</td>
<td>Optional</td>
<td>45 emp/ac</td>
<td>Light Rail/Rapid Bus</td>
</tr>
<tr>
<td>Mixed Use Transit Corridor</td>
<td>25 du/ac</td>
<td>N/A</td>
<td>High Frequency Local Bus</td>
</tr>
</tbody>
</table>

Public Transit Service Characteristics:

Public transit service characteristics as described in the 2030 Regional Transportation Plan: Pathways to the Future. (More information is available in Chapter 6 of the 2030 RTP.)

- **Regional Services** – Designed for longer distance trips with stations spacing every 4-5 miles on average (e.g. COASTER, future freeway-based Bus Rapid Transit (BRT) routes).
- **Light Rail and Rapid Bus Services** – Designed for medium distance trips with station spacing about every mile on average (e.g. trolley services, future arterial based “rapid bus” routes). (*In Town Centers, areas can be connected to light rail and rapid bus services by a five minute local transit connection.)*
- **High Frequency Local Bus Services** – Designed for shorter-distance trips with frequent stops (e.g. current local bus services).

Acronyms:

- du/ac = dwelling units per acre; emp/ac = employees per acre; N/A = Not applicable
Existing/Planned smart growth areas are locations that either contain existing smart growth development or allow planned smart growth in accordance with RCP land use targets, and are accompanied by existing or planned transit services included in the 2030 RTP. Potential smart growth areas are locations where smart growth development could occur if local plans are changed and/or if the 2030 RTP is modified to provide adequate levels of transit service.

**Updates to the Concept Map**

The Smart Growth Concept Map will be updated periodically in response to local General Plan updates and amendments, in anticipation of the call for projects for the TransNet Smart Growth Incentive Program (SGIP), and through comprehensive reviews in conjunction with periodic updates of the Regional Comprehensive Plan and Regional Transportation Plan.

Because the map has been developed through a collaborative approach with the local planning staffs and because land use authority rests with the local jurisdictions, each jurisdiction is responsible for making recommendations on any future updates to the Concept Map. Updates to the map could include the addition of smart growth areas, the removal of smart growth areas, boundary changes to identified areas, or changes in the designated status of areas.

As related to changes in designation, Potential areas can be re-designated to Existing/Planned status if jurisdictions have updated their local plans to be consistent with the land use intensity thresholds in the RCP, SANDAG and the transit agencies have added the appropriate level of transit services specified in the RCP to smart growth areas and incorporated them into the RTP, or both land use and transit changes have been made and incorporated into the appropriate documents.

The Smart Growth Concept Map is dynamic. As local general and community plans evolve and transit plans and services are updated, the map will be flexible to reflect changing conditions.