**Members**
Jerry Jones, Chair
Councilmember, Lemon Grove
(Representing East County)
Jim Janney, Vice Chair
Mayor, Imperial Beach
(Representing South County)
Toni Atkins
Councilmember, City of San Diego
Jerry Kern
Councilmember, Oceanside
(Representing North County Coastal)
Lori Holt Pfeiler
Mayor, Escondido
(Representing North County Inland)
Pam Sater-Price
Chair Pro Tem, County of San Diego

**Alternates**
Jerry Selby
Councilmember, Lemon Grove
(Representing East County)
Al Ovrom
Councilmember, Coronado
(Representing South County)
Jerry Sanders
Mayor, City of San Diego
Ben Hueso
Councilmember, City of San Diego
Lesa Heebner
Councilmember, Solana Beach
(Representing North County Coastal)
Steve Gronke
Councilmember, Vista
(Representing North County Inland)
Bill Horn
Supervisor, County of San Diego

**Advisory Members**
Susannah Aguilera
U.S. Department of Defense
Harry Mathis
Chairman, Metropolitan Transit System
Dave Druker/Ed Gallo
North County Transit District
Howard Williams
San Diego County Water Authority
Laurie Black/Michael Najera
San Diego Unified Port District
Pedro Orso-Delgado
District 11 Director, Caltrans
Bill Anderson
Regional Planning Technical Working Group
Johnny Hernandez (Santa Ysabel)/
Allen Lawson (San Pasqual)
Southern California Tribal Chairman’s Association
Environmental Mitigation Program
Advisory Members
Susan Wynn
U.S. Fish & Wildlife Service
Steve Juarez
California Department of Fish & Game
Vacant
U.S. Army Corps of Engineers
John Donnelly
Wildlife Conservation Board
Gary L. Gallegos
Executive Director, SANDAG

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**REGIONAL PLANNING COMMITTEE**

Friday, November 7, 2008
12 noon to 2 p.m.
SANDAG Board Room
401 B Street, 7th Floor
San Diego

**AGENDA HIGHLIGHT**

- ANNUAL REVIEW OF BOARD POLICY NO. 033

**PLEASE TURN OFF CELL PHONES DURING THE MEETING**

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

**MISSION STATEMENT**

The Regional Planning Committee provides oversight for the preparation and implementation of the Regional Comprehensive Plan that is based on the local general plans and regional plans and addresses interregional issues with surrounding counties and Mexico. The components of the plan include: transportation, housing, environment (shoreline, air quality, water quality, habitat), economy, borders, regional infrastructure needs and financing, and land use and design.

San Diego Association of Governments · 401 B Street, Suite 800, San Diego, CA 92101-4231
(619) 699-1900 · Fax (619) 699-1905 · www.sandag.org
Welcome to SANDAG. Members of the public may speak to the Regional Planning Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip, which is located in the rear of the room, and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Speakers are limited to three minutes. The Regional Planning Committee may take action on any item appearing on the agenda.

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

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.

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REGIONAL PLANNING COMMITTEE
November 7, 2008

ITEM #  RECOMMENDATION

+1. APPROVAL OF THE OCTOBER 3, 2008, MEETING MINUTES  APPROVE

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

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

CONSENT ITEM (#3)

3. AFFORDABLE HOMES IN OUR NEIGHBORHOOD PUBLICATION (Susan Baldwin)  INFORMATION

SANDAG staff recently worked with the San Diego Housing Federation to prepare the attached publication Affordable Homes in our Neighborhood, which illustrates the types of affordable homes being built in neighborhoods throughout the San Diego region by for-profit and non-profit developers and how they are financed. This publication is being provided to the Regional Planning Committee for information.

REPORT ITEMS (#4 thru #6)

+4. ANNUAL REVIEW OF AND PROPOSED AMENDMENTS TO BOARD POLICY NO. 033: GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT MEMORANDUM (Susan Baldwin)  RECOMMEND

SANDAG staff has prepared an annual review of Board Policy No. 033 and discussed several amendments with the Regional Planning Committee at the October meeting. Since the October meeting, SANDAG staff has worked with the Regional Planning Technical Working Group to develop a recommended set of amendments. The Regional Planning Committee is asked to recommend that the SANDAG Board of Directors approve the recommended amendments to Board Policy No. 033.

3
5. HOUSING AND SMART GROWTH FUNDING UPDATE (Susan Baldwin)  INFORMATION

In addition to the local Smart Growth Incentive Program funding, there are other state programs that provide funding for housing and smart growth development.

(A) PROPOSITION 1C FUNDING UPDATE (Susan Baldwin). Staff will update the Regional Planning Committee on the Proposition 1C Transit-Oriented Development (TOD) Housing Program, Infill Infrastructure Grant Program, and Multifamily Housing Program awards, and next Notices Of Funding Availability (NOFA).

(B) SUPPORTIVE HOUSING IN THE SAN DIEGO REGION (Jonathan Hunter, Corporation for Supportive Housing). Jonathan Hunter, Managing Director, Western Region of the Corporation for Supportive Housing, will present information on opportunities to create permanent supportive housing in the San Diego region, including an update on the implementation of the San Diego Mental Health Services Act Housing Plan and the funds available through Proposition 1C.

(C) PERMANENT SOURCE FUNDING (Susan Baldwin). The Department of Housing and Community Development (HCD) is working on a report regarding a permanent source of funding for affordable housing and smart growth. Staff will report on this effort to the Regional Planning Committee.

6. NATIONAL CITY STREETSCAPE ENHANCEMENTS: A PILOT SMART GROWTH INCENTIVE PROGRAM PROJECT (Stephan Vance and Brad Raulston, City of National City)  INFORMATION

In 2005, the Board of Directors awarded $19.1 million to 14 smart growth projects through the Pilot Smart Growth Incentive Program. The National City Boulevard Streetscape Enhancement project received $2 million toward a $5.2 million project to construct sidewalk and lighting improvements, and a plaza/promenade. These improvements support the National City Downtown Specific Plan, which envisions a mix of uses and building types that will provide approximately 4,000 housing units. Brad Raulston, Redevelopment Director for National City, will show how the project has changed National City Boulevard, and will discuss ongoing smart growth development efforts in National City.

7. UPCOMING MEETINGS  INFORMATION

The next Regional Planning Committee meeting is scheduled for December 5, 2008, at 12 noon.

8. ADJOURNMENT

+ next to an agenda item indicates an attachment
San Diego Association of Governments

REGIONAL PLANNING COMMITTEE

November 7, 2008

AGENDA ITEM NO.: 1

Action Requested: APPROVE

REGIONAL PLANNING COMMITTEE DISCUSSION AND ACTIONS
MEETING OF OCTOBER 3, 2008

The meeting of the Regional Planning Committee was called to order by Chair Pro Tem Lori Holt Pfeiler (North County Inland) at 12 noon. See the attached attendance sheet for Regional Planning Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Councilmember Toni Atkins (City of San Diego) and a second by Councilmember Jerry Kern (North County Coastal), the Regional Planning Committee unanimously approved the minutes from the August 1, 2008, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Councilmember Lesa Heebner (North County Coastal) requested to speak briefly about Item No. 4.

CONSENT ITEMS (#3 and #4)

3. DISTRIBUTION OF FUNDS FROM CALIFORNIA COASTAL COMMISSION BEACH SAND MITIGATION FUND (RECOMMEND)

Action: Upon a motion by Councilmember Al Ovrom (South County) and a second by Councilmember Atkins, the Regional Planning Committee recommended that the Board approve the allocation of funds from the Beach Sand Mitigation Fund and direct SANDAG staff to submit the proposal to the Executive Director of the Commission for review and approval.

4. FOLLOW-UP TO REGIONAL PLANNING COMMITTEE COMMENTS REGARDING THE SANDAG SMART GROWTH TRIP GENERATION AND PARKING DEMAND GUIDELINES (INFORMATION)

Councilmember Heebner stated what prompted the memo was her question whether the Smart Growth Trip Generation and Parking Demand Study would study the trips and parking demand generated from mixed-use portions and transit users. She did not agree that the policy on transit parking demand should include the cost of land or parking. She suggested the Committee discuss a formal policy for evaluating the parking demand at mixed-use Smart Growth sites generated by transit users.
affordable homes in our neighborhoods

A SNAPSHOT OF THE SAN DIEGO REGION
Regardless of their income, people throughout the San Diego region should be able to afford a place to live—
» a place where children can make friends and expect them to live nearby for years to come,
» a place where young people can come “home” without moving back home,
» a place where grandparents can treasure and be treasured by their grandchildren,
» a place where parents can work close enough to their homes to participate in school and community activities instead of spending hours commuting,
» a place where homeless veterans and families can settle in and begin anew.

As new federal, state, and local programs place a priority on increasing the supply and variety of housing in all jurisdictions, the “face” of homes affordable to those at the lower end of the income spectrum is changing.

This report illustrates the types of affordable homes being built in neighborhoods throughout the San Diego region by for-profit and nonprofit developers, and how they are financed. These well-designed and maintained rental and for-sale homes for low and moderate income workers and families, senior citizens, and residents with special needs and disabilities blend in with local communities and are indistinguishable from new market rate homes.

The photos of affordable communities in 17 of the region’s 18 cities and in the unincorporated area of the County of San Diego are organized geographically. (No affordable communities have been built in Del Mar; the city, however, provides rental subsidies to a number of families and individuals on an ongoing basis.)

**a broken housing market:**

**mismatched incomes and housing costs**

Although the San Diego region has made progress in providing a variety of housing choices, we need to continue to increase the supply of houses and apartments that are affordable to our residents at all income levels and stages of life. Homes for working families, senior citizens, the homeless, single parents, returning veterans, and other vulnerable households are in the shortest supply.
Unfortunately, the housing market — the system for people finding places to live — is not working in the San Diego region and, indeed, throughout California. Even with recent downturns in home prices, the cost to purchase or rent a home is well beyond what most residents earn — or what they can expect to earn in the foreseeable future. Since 1990, the region has been adding eight low-paying jobs (median annual income of $24,500) for every one high paying job (median annual income of $79,800). During this time too much of the region’s housing has been built for higher income earners and too little for everyone else.

- Families making $72,100 a year — the 2008 annual median income for a family of four — can only afford a home costing about $220,000. The median price in mid-2008 is about $350,000 and requires an annual income of about $114,000.
- Renters need an annual household income of $54,200 or $26 per hour to afford a modest two-bedroom apartment. The average hourly wage for renters in San Diego County is $15.64, but many workers earn the minimum wage of $8 an hour.
- In San Diego County, 53 percent of all renters in the region and 35 percent of all homeowners have housing problems (cost burden greater than 30 percent of income, overcrowding, or lacking complete kitchen or plumbing facilities).

- Forty-nine percent of all very low income households in San Diego County spend more than 50 percent of their income on housing costs causing them to cut back on or do without basic necessities such as food, health care, and transportation.

**a good place to call home**

Through federal, state, and local programs, approximately 35,000 homes affordable to lower and moderate income residents are available in the San Diego region. They include some for-sale, but mostly rental, homes for income-qualified individuals and families.

All affordable housing communities have in common a complex array of funding sources that leverage local funds with state bond programs or federal sources such as tax credits. Local redevelopment agencies provide funding through their affordable housing set-aside funds. Jurisdictions also add funds from
their Community Development Block Grant (CDBG) and HOME programs (federal money), or other sources, such as housing trust funds, to close the gap between project costs and the outside funds that can be leveraged. Often developers provide land or contributions to ensure that their new community has a good mix of housing types and homes for residents of every income level.

Most of these affordable homes are located near transit, some are in buildings with ground floor retail stores, and some are in areas where only homeowners with above moderate incomes can otherwise afford to live. Many are in communities where children walk to schools and play in nearby parks. They provide safe, stable places to live in neighborhoods that are also close to jobs and services, and in locations where children, families, seniors and the disabled can have the opportunities that come with having a good place to call “home.”
County of San Diego

Fallbrook View
901 Alturas Road, Fallbrook, CA 92028

80 units (1, 2, and 3 bedrooms) – 60 units affordable to low-income households employed year-round in agriculture and 20 units for low-income families; On-site Head Start Center | Developer: Community HousingWorks | Financing: Low Income Investment Fund | County of San Diego Housing & Community Development | Joe Serna Farmworker Housing Grant Program | The Rural Community Assistance Corporation | Federal Low Income Housing Tax Credits – MMA Financial | Bank of America

San Martin de Porres
9119 Jamacha Road, Spring Valley, CA 91977

115 units (1, 2, 3, and 4 bedrooms) affordable to families earning less than 35% or 45% AMI; On-site Head Start Center | Developer: Metropolitan Area Advisory Committee (MAAC Project) | Financing: Land Donated by Diocese of San Diego | Low Income Investment Fund | Federal Low Income Housing Tax Credits – Edison Capital Investments | San Diego County HOME/CDBG | Federal Home Loan Bank Affordable Housing Program | Bank of America
city of san diego

17,565 Affordable Homes

**lillian place**

14th and J Streets, San Diego, CA 92101

59 units (1, 2, and 3 bedrooms) affordable to families at 30% to 110% AMI | Developer: Wakeland Housing and Development Corporation and San Diego Interfaith Foundation

**Financing:** Centre City Development Corporation | Federal Low Income Housing Tax Credits – National Equity Fund | Affordable Housing Program – Bank of the West | San Diego Housing Commission | Tax-Exempt Bonds | California Community Reinvestment Corporation | Deferred Developer Fee

left: lillian place
above: vista terraza
**vista terraza**
7735 Via Solare, San Diego, CA 92129

122 units (1, 2, and 3 bedrooms) affordable to families earning up to 35% and 60% AMI | Developer: National Community Renaissance | Financing: California Department of Housing and Community Development | Multifamily Housing Program | State Low Income Housing Tax Credits – Hudson Capital | Tax-Exempt Bonds – California Communities | Developer Equity

**fairbanks ridge at del sur**
Paseo del Sur and Babcock Street, San Diego, CA 92127

204 units (1, 2, and 3 bedrooms) affordable to families at 60% AMI or less | Developer: Chelsea Investment Corporation | Financing: Black Mountain Ranch LLC | State Low Income Housing Tax Credits – The Richman Group | California Department of Housing and Community Development | Multifamily Housing Program | Tax-Exempt Bonds | U.S. Bank
creekside trails | 2129 Coronado Avenue, San Diego, CA 92154
49 units (1, 2, and 3 bedrooms) affordable to families earning between 30% and 60% AMI | Developer: Affirmed Housing Group | Financing: Federal Low Income Housing Tax Credits – Boston Capital | Bank of America | San Diego Housing Commission | Deferred Developer Fee

villa harvey mandel | 72 17th Street, San Diego, CA 92101
90 units (SROs and 1 bedroom) affordable to special needs individuals earning between 40% and 50% AMI | Developer: St. Vincent de Paul Villages, Chelsea Investment Corporation | Financing: San Diego Housing Commission | Centre City Development Corporation | Affordable Housing Program – Federal Home Loan Bank | St. Vincent de Paul Loan and Deferred Developer Fee | Federal Low Income Housing Tax Credits – Richmond Capital
Jean C. McKinney Manor | 5641 Imperial Avenue, San Diego, CA 92114

49 units (1 bedroom) affordable to seniors age 55 and older earning 30% to 50% of AMI | Developer: Street Stephen’s Housing Partners | Financing: Street Stephen’s Cathedral, Church of God in Christ | Related of California | Wells Fargo Bank | Federal Low Income Housing Tax Credits – Related Capital | San Diego Housing Commission | California Community Reinvestment Corporation
631 Affordable Homes

santee

laurel park apartments | 10122 Buena Vista Avenue, Santee, CA 92071

133 units (1 bedroom) for seniors 55 and over earning between 27% and 60% AMI

Developer: MW Development | Financing: California Department of Housing and Community Development Multifamily Housing Program | Municipal Bonds | Affordable Housing Program – Federal Home Loan Bank | Deferred Developer Fee | State Low Income Housing Tax Credits – MCA Housing Partners LLC
citron court (under development)
7385 Broadway, Lemon Grove, CA 91945

36 units (Studios, 1, 2, and 3 bedrooms) affordable to low-income families;
first-floor retail

Developer: Community Collective, LLC

Financing: Federal Low Income Housing Tax Credits | City of Lemon Grove Redevelopment Agency
cornerstone court
1958 East Main Street, El Cajon, CA 92021
8 single-family homes (3 bedrooms) affordable for sale to families earning less than 80% AMI
Developer: San Diego Interfaith Housing Foundation
Financing: Bank of America | City of El Cajon | City of El Cajon: Silent Seconds to Buyers

wisconsin cottages
407–431 Wisconsin Lane, El Cajon, CA 92020
7 single-family homes (2 and 3 bedrooms) affordable for sale to first-time low and moderate income homebuyers
Developer: El Cajon Community Development Corporation
Financing: El Cajon Redevelopment Agency | Community HousingWorks First Trust Deeds
Campina Court Apartments
9000 Campina Drive, La Mesa, CA 91942

59 units (2 and 3 bedrooms) affordable to families earning less than 50% or 60% of AMI

Developer: Barone Galasso and Associates, Inc

Financing: Wells Fargo Bank | La Mesa Community Redevelopment Agency | Federal Low Income Housing Tax Credits | Boston Capital Tax Credit Fund II | SAMCO
chula vista

2,982 Affordable Homes

left: seniors on broadway
right: rancho buena vista
**Seniors on Broadway**
825 Broadway, Chula Vista, CA 91911

41 units (1 bedroom) over first-floor retail space; homes affordable to seniors earning 30% to 50% AMI

*Developer:* MAAC Project

*Financing:* Local Initiatives Support Corporation | LaRaza Development Fund | Federal Low Income Housing Tax Credits – Red Capital | Affordable Housing Program | City of Chula Vista – HOME | Chula Vista Elementary School District | U.S. Bank | Deferred Developer Fee

**Rancho Buena Vista**
2155 Corte Vista, Chula Vista, CA 91915

150 units (2, 3, and 4 bedrooms) affordable to families earning up to 50% or 60% of AMI

*Developer:* Chelsea Investment Corporation

*Financing:* Federal Low Income Housing Tax Credits – Red Capital | Red Capital Mortgage | City of Chula Vista Redevelopment Authority | EastLake Development – land and direct subsidy

**Summercrest**
2721 E. Plaza Boulevard, National City, CA 91950

372 units (Studio, 1, 2, and 3 bedrooms)
Tower: 140 senior units; Garden apartments: 232 family units for households earning less than 60% AMI

*Developer:* Las Palmas Foundation

*Financing:* Federal Low Income Housing Tax Credits – Related Capital Company | California Housing Finance Agency | City of National City | U.S. Department of Housing and Urban Development – Project-based Section 8
coronado

177 Affordable Homes

coronado senior housing | 550 Orange Avenue, Coronado, CA 92118

30 units (1 bedroom) affordable to seniors aged 55 and over | Developer: San Diego Interfaith Housing Foundation | Financing: City of Coronado Redevelopment Agency | Red Mortgage Capital | Federal Low Income Housing Tax Credits – Red Capital
imperial beach

104 Affordable Homes

Casa Estable I, II

1360 Hemlock Avenue and 1260 Calla Avenue, Imperial Beach, CA 91932

15 units (2 bedrooms) affordable to families earning less than 50% AMI

Developer: South Bay Community Services

Financing: County of San Diego

City of Imperial Beach
escondido

1,366 Affordable Homes

above: serenity village
right: via roble
**solutions family center** | 722 W. California, Vista, CA 92083

32 units of transitional housing for the homeless | Developer: Community HousingWorks | Operator: Solutions Family Center | Financing: Cities of Carlsbad, Encinitas, Escondido, Oceanside, San Marcos, and Vista | County of San Diego California Department of Housing and Community Development: Multifamily Housing Program, Supportive Housing Program, Emergency Housing and Assistance Program | Affordable Housing Program | U.S. Department of Housing and Urban Development | Bank of America

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**serynity village** | 619–643 E. 2nd Avenue, Escondido, CA 92025

8 group homes (3 bedrooms) for transitional housing affordable to women graduates of a drug and alcohol program who earn less than 30% of AMI | Developer: North County Serenity House | Financing: City of Escondido – HOME | County of San Diego – HOME | State of California – Emergency Housing and Assistance Program | City of Escondido Community Development Corporation | The California Endowment | Parker Foundation | Ben and Darlene Fauber Family Foundation | Lawrence Welk Foundation | Weingart-Price Fund | San Diego County Supervisors, Pam Slater-Price and Bill Horn | Union Bank of California | Legoland | Stater Brothers

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**via roble** | 1565 South Escondido Boulevard, Escondido, CA 92025

72 apartments (1, 2, and 3 bedrooms) affordable to families earning no more than 30% to 80% AMI and 10 single family row homes | Developer: Trinity Housing Group and Wakeland Housing and Development Corporation | Financing: Community Capital Company | California Housing Finance Agency | Provident Bank | State Low Income Housing Tax Credits – Capmark | Tax-Exempt Bonds | City of Escondido Redevelopment
san marcos

1,769 Affordable Homes

**copper creek**
1730 Elfin Forest Road, San Marcos, CA 92078
202 units (1, 2, and 3 bedrooms) affordable to families earning less than 60% AMI
Developer: Bridge Housing
Financing:
Land donated by San Elijo Hills | State and Federal Low Income Housing Tax Credits |
City of San Marcos Redevelopment Agency |
County of San Diego Department of Housing and Community Development | CalHFA |
State of California Department of Housing and Community Development Multifamily Housing Program | Union Bank of California |
Wells Fargo Bank | World Savings | Federal Home Loan Bank of San Francisco

**rancho santa fe village** | 500 S. Rancho Santa Fe, San Marcos, CA 92078
120 units (1 and 2 bedrooms) affordable to seniors aged 55 and over earning less than 60% AMI; mixed use
Developer: Enhanced Affordable Housing
Financing: State Low Income Housing Tax Credits – Richman Group | Tax-Exempt Bonds | City of San Marcos Subordinate Loan

left: rancho santa fe village
above: copper creek
solara | 13414 Community Road, Poway, CA 92064

55 units (1, 2, and 3 bedrooms) affordable to families earning less than 60% of AMI | Developer: Community HousingWorks | Financing: Poway Redevelopment Agency | County of San Diego HOME | Union Bank of California | California Energy Commission PV rebates | Deferred Developer Fee | Federal Tax Credits – National Equity Fund | Federal Investment Tax Credits – National Equity Fund

brookview village senior apartments
13120 and 13510 Pomerado Road, Poway, CA 92064

102 units (1 and 2 bedrooms) affordable to low-income seniors age 55 and over | Developer: San Diego Interfaith Housing Foundation | Financing: Federal Low Income Housing Tax Credits – National Equity Fund | Poway Redevelopment Agency | San Diego County HOME | Affordable Housing Program: Bank of America | Bank of America

579 Affordable Homes
1,668 Affordable Homes

carlsbad

**Cassia Heights**

2029 Cassia Way, Carlsbad, CA 92011

56 units (1, 2, and 3 bedrooms) affordable to families earning 30% to 60% AMI

**Developer:** Affirmed Housing Group

**Financing:**
- Federal Low Income Housing Tax Credits – Boston Capital
- City of Carlsbad – HOME
- City of Carlsbad Redevelopment Agency
- Citibank

**Poinsettia Station**

6811 Embarcadero Lane, Carlsbad, CA 92011

92 units (1, 2, and 3 bedrooms) affordable to families earning less than 60% of AMI

**Developer:** Bridge Housing Corporation

**Financing:**
- City of Carlsbad Housing Trust Fund
- Land Donated by Benchmark Pacific
- State Low Income Housing Tax Credits – Edison Capital
- Tax-Exempt Bonds
- Bank of America
cantebría senior apartments

645 Cantebría, Encinitas, CA 92024

44 units (1 bedroom) affordable to low income seniors 60 and over | Developer: Mercy Housing | Financing: Carltas Company | Affordable Housing Program – Citibank | City of Encinitas Community Development Block Grant | U.S. Department of Housing and Urban Development – Section 202 Housing for the Elderly
oceanside

1,228 Affordable Homes

cape cod senior cottages
1710 Maxson Street, Oceanside, CA 92054

36 units (1 bedroom) affordable to seniors at 45% to 60% AMI

Developer: National Community Renaissance

Financing: 30-year Tax-Exempt Bonds – Washington Mutual | State Low Income Housing Tax Credits – MMA Financial | City of Oceanside Redevelopment Authority Loan

la mission village
3220 Mission Avenue, Oceanside, CA 92054

80 units (1, 2, and 3 bedrooms) affordable to families earning less than 60% AMI; mixed use

Developer: National Community Renaissance

Financing: Land – Ground Lease Agreement | California Department of Housing and Community Development Multifamily Housing Program | City of Oceanside Redevelopment Authority Loan | State Low Income Housing Tax Credits – MMA Financial | 40-Year Tax-Exempt Loan – MMA Financial | Tax-Exempt Bonds purchased by MMA Financial
solana highlands
701 S. Nardo Avenue, Solana Beach, CA 92075

39 units (1, 2, and 3 bedrooms) sharing a 194-unit market-rate apartment community; rents are affordable in designated apartment homes to those earning no more than 50% of AMI

Developer: H.G. Fenton Company

Financing: Tax-Free Municipal Bonds
Developer Financing

solana beach
50 Affordable Homes
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<td>$16.7</td>
<td>91</td>
</tr>
<tr>
<td>6/30/2006</td>
<td>Springbrook Grove</td>
<td>SADI, LLC</td>
<td>Fallbrook</td>
<td>$4.0</td>
<td>$11.1</td>
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</tr>
<tr>
<td>3/9/2007</td>
<td>Alabama Manor Apartments *</td>
<td>Community HousingWorks</td>
<td>San Diego</td>
<td>$2.7</td>
<td>$8.1</td>
<td>67</td>
</tr>
<tr>
<td>4/26/2007</td>
<td>1501 Imperial Improvement Project</td>
<td>St. Vincent de Paul Management, Inc.</td>
<td>San Diego</td>
<td>$7.0</td>
<td>$36.9</td>
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<td>6/26/2007</td>
<td>Glen Ridge Apartments.</td>
<td>Chelsea Investment Corporation</td>
<td>Carlsbad</td>
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<td>$21.6</td>
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</tr>
<tr>
<td>6/29/2007</td>
<td>The Landings</td>
<td>Chelsea Investment Corporation</td>
<td>Chula Vista</td>
<td>$6.9</td>
<td>$29.9</td>
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<tr>
<td>2/21/2008</td>
<td>Ten Fifty B Apartments</td>
<td>Affirmed Housing Group</td>
<td>San Diego</td>
<td>$10.0</td>
<td>$33.3</td>
<td>118</td>
</tr>
<tr>
<td><strong>Regional Total</strong></td>
<td><strong>$117.9</strong></td>
<td><strong>$483.3</strong></td>
<td><strong>1,911</strong></td>
<td>**</td>
<td>**</td>
<td>**</td>
</tr>
</tbody>
</table>

*Acquisition/Rehabilitation projects. All others New Construction. Source: California Department of Housing and Community Development*
### Low Income Housing Tax Credits by Jurisdiction 1987 – 2006

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Tax Credit Awards (in millions)</th>
<th>Total Units Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>$94.6</td>
<td>255</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>$51.2</td>
<td>750</td>
</tr>
<tr>
<td>Coronado</td>
<td>$3.2</td>
<td>30</td>
</tr>
<tr>
<td>El Cajon</td>
<td>$3</td>
<td>243</td>
</tr>
<tr>
<td>Encinitas</td>
<td>$1.1</td>
<td>10</td>
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<tr>
<td>Escondido</td>
<td>$74.2</td>
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</tr>
<tr>
<td>La Mesa</td>
<td>$6.4</td>
<td>28</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td>$8.9</td>
<td>16</td>
</tr>
<tr>
<td>National City</td>
<td>$27.9</td>
<td>287</td>
</tr>
<tr>
<td>Oceanside</td>
<td>$27.7</td>
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<tr>
<td>Poway</td>
<td>$41</td>
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<tr>
<td>San Diego</td>
<td>$512.8</td>
<td>11,650</td>
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<td>San Marcos</td>
<td>$106.3</td>
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<td>Santee</td>
<td>$14</td>
<td>384</td>
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<tr>
<td>Vista</td>
<td>$7.2</td>
<td>50</td>
</tr>
<tr>
<td>Unincorporated Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fallbrook</td>
<td>$13.7</td>
<td>164</td>
</tr>
<tr>
<td>Lakeside</td>
<td>$1.6</td>
<td>168</td>
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<tr>
<td>Spring Valley</td>
<td>$25.8</td>
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<tr>
<td><strong>Regional Total</strong></td>
<td><strong>$1,020.6</strong></td>
<td><strong>17,817</strong></td>
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</table>

Source: California State Treasurer’s Office, California Tax Credit Allocation Committee

### Income ranges for family of four, 2008

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Low</td>
<td>$0 – $23,700</td>
</tr>
<tr>
<td>Very Low</td>
<td>$23,701 – $39,500</td>
</tr>
<tr>
<td>Low</td>
<td>$39,501 – $63,200</td>
</tr>
<tr>
<td>Moderate</td>
<td>$63,201 – $86,500</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>$86,501 +</td>
</tr>
</tbody>
</table>

**Area Median Income (AMI)** $72,100

Source: California Department of Housing and Community Development, 2008 State Income Limits

### Income needed to meet basic living expenses in San Diego County, 2008

<table>
<thead>
<tr>
<th>Family Type</th>
<th>Hourly Wage</th>
<th>Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Adult</td>
<td>$13.71</td>
<td>$28,510</td>
</tr>
<tr>
<td>Single-Parent Family</td>
<td>$28.49</td>
<td>$59,269</td>
</tr>
<tr>
<td>Two-Parent Family (One working)</td>
<td>$23.80</td>
<td>$49,514</td>
</tr>
<tr>
<td>Two-Parent Family (Two working)</td>
<td>$17.16 each</td>
<td>$71,385</td>
</tr>
</tbody>
</table>

Hourly wages are based on annual income needed, and assume 40 hours/week and 52 weeks/year of work. Family costs are calculated for families with two children.

Source: Making Ends Meet 2008 in San Diego County, Center on Policy Initiatives and California Budget Project
Chair Pro Tem Pfeiler said as those issues are dealt with, it needs to be a piece of it.

Councilmember Heebner stated it should be a piece of it or a separate policy. Presently, the studies are of the mixed-use portion of Smart Growth, not the transit portion.

Councilmember Kern asked if a parking study was performed along the SPRINTER line on what transit would generate as far as parking for the SPRINTER.

Mr. Dave Druker (North County Transit District) responded they only looked at the amount of parking that would be needed at each SPRINTER station. He said the present amount of parking at each SPRINTER station is more than would ever be needed.

Councilmember Kern asked what the numbers were based upon.

Mr. Druker said they were based upon numbers provided by SANDAG.

Councilmember Heebner stated SANDAG numbers are good; however, she hoped it would be formalized because it was backed in to instead of studied in their particular project, and 100 new parking spaces over 20 years is not going to be adequate.

Chair Pro Tem Pfeiler said they would move on to the regular items and reports as this was an information item.

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

### REPORT ITEMS (#5 through #8)

5. **AMENDMENTS TO THE CITY OF SAN DIEGO NON-DISPOSAL FACILITIES ELEMENT (RECOMMEND)**

Rob Rundle, Principal Planner (SANDAG), explained that each local jurisdiction in the county is required by state law to prepare a Non-Disposal Facilities Element (NDFE) to identify facilities which are needed to meet source reduction and recycling requirements. The SANDAG Board of Directors acts as the County of San Diego’s Integrated Waste Management Local Task Force. They hear the recommendations on the amendments and forward the recommendations to the local jurisdiction proposing the amendments and the Integrated Waste Management Board. He introduced Elisa Wood from the City of San Diego to describe the City of San Diego’s amendments.

Ms. Wood said the Committee is asked to make a recommendation to the City of San Diego City Council about whether they should approve the amended NDFE. An amended Element is necessary to include the expanded Allen Company facility on Consolidated Way, which collects recyclable materials.

Councilmember Atkins asked what will go before the City Council.
Ms. Wood explained that in this particular case, it went through preliminary review with the Development Services Department and they decided that the extent of the alteration requested did not require a land use permit. The only item that will go before the Council is the amendment of the NDFE. The City’s local enforcement agency will then process the permit, which must be approved by the California Integrated Waste Management Board.

Councilmember Atkins asked if there was any discretionary action that would go either before a Planning Commission or the City Council related to the project.

Ms. Wood replied that other than the NDFE amendment, the City Council has the ability to refuse to amend the NDFE.

Councilmember Atkins clarified she was trying to determine whether there was a conflict.

Julia Coleman, Associate Legal Counsel (SANDAG), stated for the record that she did not see a conflict based on what was shared with the group today.

Chair Pro Tem Pfeiler stated it was only a state requirement.

**Action:** Upon a motion by Chair Pro Tem Pam Slater-Price (County of San Diego) and a second by Councilmember Kern, the Regional Planning Committee unanimously recommended that the Board of Directors, which serves as the Countywide Integrated Waste Management Task Force, recommend that the San Diego City Council approve the amendments to the City of San Diego NDFE.

6. REGIONAL COMPREHENSIVE PLAN 2008 ANNUAL PERFORMANCE MONITORING REPORT (ACCEPT)

Christine Eary, Project Manager for RCP Monitoring (SANDAG), introduced Beth Jarosz, SANDAG demographer. She informed that the RCP Performance Monitoring Report has received recognition throughout the state as a model for performance monitoring. Assembly Bill 361 mandated preparation of the SANDAG Regional Comprehensive Plan (RCP) and required monitoring of the progress toward implementing the RCP through realistic and measurable standards and criteria. Ms. Eary said this annual report provides information that the share of new housing units built in Smart Growth opportunity areas increased; annual hours of traffic delay per traveler decreased; transit rider ship continues to increase; the regional crime rate continues to decrease; the percent of recycled solid waste is close to achieving the state mandated target; and recycled water use continued to increase substantially. Areas for improvement include: the Regional Housing Needs Assessment (RHNA); housing production in the very low, low, and moderate income categories; the share of transit commutes by transit, walking, bicycling, and carpool/vanpool; declining beach widths; increased unemployment; increased per capita energy usage; and the region will reach physical landfill capacity in 2016, unless proposed permit changes are implemented.

Ms. Eary stated that upon the Committee’s approval, the report will be released for a 30-day public comment period. The draft report will be presented to the Regional Planning Technical Working Group at its October meeting. At the end of the public comment period,
comments will be addressed, and the final report will be presented to the RPC and Board of Directors.

Mr. Druker said there is a lot of work still to be done in terms of housing and Smart Growth, especially when housing not in Smart Growth is over two-thirds. It seemed the statistic regarding transit versus walk/bike/other seemed low.

Chair Pro Tem Pfeiler asked what page the information was on.

Mr. Druker replied it was on page 7. He commented this is October 2008, and we are just receiving the statistics for 2007. The statistics should be coming a lot quicker.

Ms. Eary said this indicator looks at transit at a regional level and in future years we should be able to have transit information on a corridor level, which will allow for more recent data.

Mr. Druker asked if the data from transit is region-wide, but is supposed to be commute. He asked if we are saying that we don’t know what the commute numbers are.

Ms. Jarosz stated the data for this report is from the Census Bureau’s American Communities Survey, which asks a sample of the population every year what their primary mode of commute to work is. Problems have been found with that over time for exactly the reasons pointed out. However, in walk/bike/other, it also includes motorcycle commute, which is why it comes up as being a higher share than transit.

Mr. Druker said that since we know how many people are actually getting on the bus to commute to work, and we know how many people are actually going to work, we should be able to give a much better percentage and not use this type of number.

Ms. Jarosz clarified we know how many people are getting on the bus, but not the purpose of their bus trip. We are working on including information in those major commute corridors, comparing the transit share with the auto share.

Mr. Druker commented it is known that 20–25% are commuting to downtown and that number is not being reflected here. This is continuing the myth that transit is approximately 2% of all the rides, and it would be nice to not continue that myth.

Executive Director Gary Gallegos (SANDAG) stated this is reflecting the region as a whole, and in the future it will get broken down by corridor to provide a better chance to see how the different corridors operate.

Mr. Druker asked if it could be noted in the final report that there are other numbers that make transit look a whole lot better.

Chair Pro Tem Pfeiler remarked the report isn’t getting the story out as to the impact transit has in dealing with congestion and providing transportation to everybody.
Bob Emery (MTS) said he agreed with Mr. Druker. The information does not relay the truth; however, when it is done by corridor, it will correct many of the misrepresentations.

Councilmember Kern asked why on page 3, number 22, “index” was crossed out under “air quality.”

Ms. Eary clarified that on page 2 there is an explanation about what is actually being used. Air quality index data is no longer available, so now we are looking at 8-hour ozone standards.

**Action:** Upon a motion by County Chair Pro Tem Slater-Price and a second by Councilmember Atkins, the Regional Planning Committee unanimously accepted and authorized release of the draft 2008 Annual RCP Performance Monitoring Report for a 30-day public review and comment period.

**7. TransNet SMART GROWTH INCENTIVE PROGRAM AND AMENDMENTS TO BOARD POLICY NO. 001 (RECOMMEND)**

Stephan Vance, Senior Planner (SANDAG), provided detailed information regarding the three items before the Committee. He informed at the August meeting that the Committee recommended the project selection criterion; however, asked that the Regional Planning Technical Working Group (TWG) review the matching fund criterion again in order to develop a methodology for scoring the criterion in a way which took into account what the effect might be on jurisdictions of different sizes and their ability to provide matching funds. An alternative approach was developed and the TWG recommended the original criterion shown in Attachment 1 be maintained. Their reasons for making that recommendation include: (1) Local jurisdictions have not identified the local matching fund as an issue in other competitive grant programs, and (2) Local agencies have a variety of funding sources available to qualify for the matching funds. The TWG took into account that the first cycle will be reviewed and, should a problem with the criterion be identified, there will be an opportunity to re-evaluate it and make changes to future cycles. Mr. Vance said that should the Committee recommend approval of all three items, and with the Board’s action, a call for projects would be issued in the fall and a recommendation for projects from the first funding cycle would be presented to the Committee in April.

Mr. Vance reported on the two blue sheets. One related to the amendment to Policy 001, which would give the Regional Planning Committee the authority to administer the “use it or lose it” policy; and the other addresses the appeals process and what happens if an extension is denied and the local jurisdiction is required to return the funds. He said before going to the Board, the program would be submitted to the Independent Taxpayer Oversight Committee for discussion, review, and comment, as they have responsibility for overseeing the program.

Chair Pro Tem Pfeiler called the first speaker, Mel Vernon.

Commissioner Mel Vernon, San Luis Rey Band of Mission Indians, commented that upon reading the notes from the last meeting, he wanted to clarify that he was talking about Highway 78 and College; not Highway 76 and College. He said he was not sure how effective his speech was addressing cultural issues, or whether the issues will ever be
addressed, as he did not see anything changing. He was glad to see things moving forward, however, and asked that the cultural issues not be forgotten. He expressed his desire to participate in the process to make sure preserving and acknowledging culture, a non-renewable resource, was not lost to these projects.

Coleen Clementson, Committee Coordinator (SANDAG), concurred with Commissioner Vernon that it is difficult to follow some of the criterion because of the small writing; however, there were some specific amendments in light of the testimony at the last RPC meeting which did address his concerns. One of the criteria in 2D, “Cultural Resources in the Project Area,” was incorporated as an item to be considered. They are also developing additional detailed guidelines requiring identification of projects that have significant environmental impacts.

Commissioner Vernon appreciated the effort.

Michele Fahley, attorney with the California Indian Legal Services representing the San Luis Rey Band of Mission Indians, said her understanding from the last meeting was there would be something added into the Planning Project Evaluation Criteria, specifically either on E or F. She expressed concern there had been no change to these items. She said the significant historical, cultural, and environmental issues regarding the site in the Oceanside/Carlsbad area (presented at the last meeting) remain, and the area does not lend itself to Smart Growth funding. At the last meeting some of the Committee members were in agreement that when projects have serious environmental, cultural, or historical issues raised, it doesn’t make sense to have money funneled to them as a Smart Growth Project. She said what they are saying is that there are some project areas that are on the Smart Growth Map that should not receive Smart Growth funding, and those considerations should be spelled out at the front of the document and not buried somewhere else.

County Chair Pro Tem Slater-Price asked if there was any prepared language which could be used should the Board wish to amend the policy.

Ms. Fahley said it could be provided fairly quickly. She thought Ms. Clementson had offered some possible suggestions from the meeting on August 1, as well, and that’s what she expected to see incorporated into either E or F of the planning criteria.

County Chair Pro Tem Slater-Price stated she would make certain that her language would be received through her Board.

Ms. Fahley said she could do that.

County Chair Pro Tem Slater-Price commented if Smart Growth money is used in such a way that actually promotes more sprawl or resource insensitive development, then the money is being ill-spent. She asked if staff has looked at the documentation that was presented on August 1.

Mr. Vance said language was included in the project evaluation guidelines. The thing to bear in mind regarding criteria for planning grants is this is the step in the process where those issues are identified. The whole planning grant process will be an open process, with a lot of community input. This kind of approach is encouraged so the planning grants don’t
result in any substantive change to local land uses without thorough public input and a decision at the local level. What’s being done here is the initial public planning process to identify what projects might be funded; we’re not funding any projects, and, if there were significant environmental or cultural resources identified, they would be vetted through the planning grant process. In an effort to allow for a variety of projects in a variety of areas, we’re not precluding anything from happening at this stage in the process.

Chair Pro Tem Pfeiler commented we have to look at our role with the criteria and understand the criteria we’ve set is going to impact the projects coming forward and the discussions that we’ll have.

County Chair Pro Tem Slater-Price stated we need to make certain that we’re not leaving the door open for projects that would have a negative impact and are not consistent with what we believe to be intelligent planning decisions.

Councilmember Heebner agreed with County Chair Pro Tem Slater-Price. She recalled the discussion from the previous meeting and thought the Committee had come to consensus that Smart Growth Incentive money would be for funded projects that were ready to go and were good examples. She said if something depends on double tracking, which may not occur for 20 years, she did not think it should be considered for the Smart Growth Incentive Program.

Mr. Druker asked if there were two different incentive programs being presented, the capital and planning grants.

Mr. Vance stated criteria for both aspects of the program are before you today.

Mr. Druker remarked he thought it had been agreed upon that SANDAG would not give money to potential controversial projects and would remain as neutral as possible.

County Chair Pro Tem Slater-Price asked Mr. Druker if the 241 was part of a SANDAG grant.

Mr. Druker replied she knew it was in the Regional Transit Plan.

Mr. Vance said the process would provide information to the Committee and evaluation panel that demonstrates evidence of community support for the planning projects. The resulting recommendation will be for projects they feel are not controversial, can be under contract within a year, completed within the time frame discussed in the “use it or lose it” policy, and completed within two years. Therefore, it is unlikely controversial projects will be recommended for funding; in any case, that would be your decision to make.

Chair Pro Tem Pfeiler remarked it is necessary to make sure that the criterion provides a process to vet all projects clearly.

Mr. Gallegos added controversy is always relative. One person may think a project is good and another may think it is bad. The discipline of the SANDAG process is a way of ranking so that if a controversial project comes up, it will not receive the points it needs and it will fall where it should, and this is because you have established a clear process.
Councilmember Heebner asked how it is reflected in the document.

Mr. Gallegos said every one of these criterion, such as points, will not be given to projects that are not close to a transit center or have employment numbers. The point system will allow only the good projects—the cream of the crop—to rise to the top.

Councilmember Heebner asked about the projects which were not funded.

Mr. Gallegos requested clarification regarding not funded.

Councilmember Heebner stated many projects are in the RTP and not in the EAP; therefore, they are not yet funded. She asked where the criterion was for these projects.

Mr. Vance pointed out the first footnote in the points matrix for capital projects regarding transit. He said only existing transit projects or those funded in the Regional Transportation Improvement Program would be counted.

Mr. Gallegos pointed out the difference between the RTP, the long-range 25-year plan, and the RTIP, which includes projects programmed to begin within five years.

Councilmember Heebner said it seems we would want this to say RTIP.

Mr. Vance replied that it does.

Councilmember Kern reiterated Mr. Vernon was talking about having the cultural aspect in the scoring system because it is not being addressed.

Mr. Vance said it would be addressed principally for capital projects. The independent panel of experts would score portions cited in section II, “The Quality of Proposed Capital Improvement Project,” item D. This section addresses project area issues such as whether the project addresses specific issues that the area needs to develop in a Smart Growth fashion and whether it appropriately addresses cultural and environmental resource issues, incorporates them into the project where appropriate, and avoids or not. It does not in itself preclude a project from otherwise receiving points but it is a significant part of the scoring system. Later, the project will come to the Committee to make recommendations, and then you will make the final recommendation to the Board of Directors if it is an appropriate project for SANDAG to be funding.

Councilmember Kern mentioned everything his city does now will have some level of controversy.

Bob Leiter, Director of the Department of Land Use and Transportation Planning (SANDAG), pointed out another criterion which addresses the question cited in section III. “Proposed Capital Improvement Project Readiness,” item B. “Evidence of Local Commitment,” defined as “demonstrated community support.” The footnote says, “Support is defined as endorsement of community planning groups, business associations, and community development corporations in the project area.”
Mr. Gallegos added that the criterion above that one requires the project to also have environmental clearance.

Chairman Johnny Hernandez (Santa Ysabel) said he thought the state had just passed a law regarding cultural issues whereby either the County or City becomes directly involved with the tribe. He asked what SANDAG’s role would be in this case.

Chair Pro Tem Pfeiler commented SANDAG is funneling money so communities have a planning process. It is important to make sure our criterion meets all the constraints we want it to so this discussion happens at a City or County specifically.

Chairman Hernandez agreed because there are only 30 days, and if you miss that meeting then you can’t respond to that issue.

Chair Pro Tem Pfeiler stated most of the discussion would occur at the City and County levels.

Mr. Gallegos added that is where the sponsors and actual project proponents are, not SANDAG.

Chairman Hernandez agreed and asked why Smart money would be put into projects that are not Smart planning.

Chair Pro Tem Pfeiler remarked we believe it will be vetted out through the process, so a project like that would not receive Smart money. That’s why we need to make sure this criterion will fund the projects we want to fund.

Ms. Clementson stated something to keep in mind are the key objectives of this program, which include projects that are ready to go, that will increase transit ridership, and will reduce vehicle miles traveled. She introduced Ad Hoc Working Group member John Brindle, representing the planning directors, who assisted in the development of the criterion. Ms. Clementson said she expects a lot of competition for funds as many have indicated interest in applying. Only $10 million is available, with a cap of $2 million per capital project and up to $400,000 for planning projects.

Mr. Gallegos clarified only $10 million per year is available to spend on projects that promote Smart Growth in areas already linked to transit. It was never intended to fund 241, which requires several hundred million dollars to complete.

Councilmember Heebner relayed her support and commented she thought this had been a healthy discussion in which all concerns had been addressed.

Action: Upon a motion by County Chair Pro Tem Slater-Price and a second by Councilmember Kern, the Regional Planning Committee unanimously recommended that the SANDAG Board of Directors: (1) Approve the project selection criteria for capital and planning grants (Attachment 1) for use in the first two-year funding cycle of the TransNet Smart Growth Incentive Program (TSGIP); (2) Authorize a call for projects for the TSGIP.
based upon the recommended eligibility and project selection criteria; and (3) Revise Board Policy No. 001 to give the Regional Planning Committee authority to recommend projects for funding and to implement the “use it or lose it” provisions for the TSGIP.

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

Susan Baldwin, Senior Planner (SANDAG), presented an overview of the agenda report.

Chair Pro Tem Pfeiler asked John Brindle to speak about the discussion the Technical Working Group had about some of these items.

Mr. Brindle said the biggest issue dealt with the HCD’s plans. There was a three-tier example and the feeling was to reward jurisdictions that had gone through the HCD process. There was also a desire to not eliminate those that may be in some stage of progress, but the incentive would be that there would be additional bonus points for those that had gone through the HCD review. There was some concern about developing non-standardized reporting periods and criterion. There was more desire to rely on the standard HCD time frames and criterion. There was an overall feeling also that there might be too much emphasis on Policy 033. The biggest issue was eligibility, because currently, the jurisdictions that did not have a certified element would not be able to file. That had been sorted out, however, and they would be eligible.

Chair Pro Tem Pfeiler asked if the consensus of the Technical Working Group was that a certified housing element was necessary.

Mr. Brindle replied it would be necessary to get bonus points for affordable housing. Other jurisdictions would still be able to apply, they just wouldn’t get the bonus points or potential base for production.

Chair Pro Tem Pfeiler asked if that was the compromise.

Mr. Brindle answered it was.

Chair Pro Tem Pfeiler mentioned the letter from the City of Imperial Beach requesting the ability to compete.

Ms. Clementson informed that the Regional Housing Working Group discussed the issue of units that are acquired and rehabilitated. The City of Imperial Beach and other jurisdictions would like to use those units towards their contribution in meeting the low- and very low-income calculations in the RHNA. She asked Councilmember Atkins, Chair of the Regional Housing Working Group, to present her perspective.

Councilmember Atkins commented there is a valid discussion that needs to be considered. This is about production and low-income housing. It is about having existing stock that is not low income, but by rehabilitation, new affordable units are created. It is also about if you create new low-income housing out of acquisition rehab, whether you shouldn’t have some formula or get some credit for it.
Ms. Baldwin stated the HCD annual report forms only ask jurisdictions to report on new construction with respect to meeting their RHNA goals. There is a section in the housing element annual report where jurisdictions are able to report on any acquisition rehab programs they may have.

Chair Pro Tem Pfeiler said education would be needed while going through the RHNA process to come to a better understanding and then have the ability to figure out how to count the acquisition and rehab units.

Mr. Gallegos added he thinks this becomes an even bigger issue as more communities get built out and there is less opportunity to build new units; however, there may be opportunities for rehab units to increase the stock of low- and very low-income housing.

Councilmember Heebner commented she was glad he brought it up as it is the situation with many who are in very small cities with limited area. She said she hoped that the rehab and acquisition would include granny flats so they could be counted toward the low- and very low-income housing. She asked Councilmember Atkins if granny flats were part of the discussion.

Councilmember Atkins responded that granny flats did not come up in the discussion.

Ms. Baldwin informed that the County brought granny flats up at the Technical Working Group meeting; however, they discussed if it’s a new granny flat, then it would be counted because it would be a new unit. Ms. Baldwin said another issue which needs to be addressed is whether only deed-restricted units should be counted toward lower income, or could non-deed-restricted granny flats be counted also. She commented that there are a lot of layers of complexity when sorting through all of this.

Councilmember Heebner said she hopes it is included in the discussion, as many granny flats are not being utilized and, if they were, they could count for something and cities could offer owners some sort of incentive that would get them into the population.

Chair Pro Tem Pfeiler commented the RHNA will provoke much discussion.

Councilmember Jerry Selby (East County) stated regarding granny flats, if it’s not covenant it’s not deed-restricted. Regarding the market, many have more than enough market-rate affordable housing. He pointed out Imperial Beach and Lemon Grove’s ability to produce affordable housing is probably only by acquisition rehab, as is the case for almost all jurisdictions, as they are not able to build their way out of affordable units. In the case of Imperial Beach, acquisition rehab is one of the few ways to meet production through RHNA as parcels are not large enough; projects require a lot of money, paperwork, and staff time; deals are complex; and the City is unable to properly afford to put in the gap money. Acquisition rehab provides the opportunity to create upgraded affordable housing and supply proper management to problem projects also. He cited a recent 15-unit project in which half of the residents could qualify and half were relocated, and the new residents were able to count on the fact that their rent was going to be affordable for 55 years.
Mr. Selby also commented that it would be nice to have the same format for all reports as Ms. Baldwin had suggested.

Councilmember Al Ovrum (South Bay) expressed his support for Imperial Beach as it represents small beach towns that have filled out and have small lots. He pointed out that one size does not fit all. What might work for San Diego or a bigger city may not work for smaller cities.

Mr. Emery commented their problems are with huge lots and half of the city being located in a multiple species habitat conservation plan. They have been very active in the “SHOP” program in which they purchase, rehabilitate, and sell the property with a covenant on it to make sure it stays low-income. He cited a recently purchased apartment complex that will become low- or moderate-income. He stated to have that provision and have it count is very important because in essence it is a new unit and it should count as a new unit.

Chair Pro Tem Pfeiler reiterated this is an information item, which will return next month as a recommendation. She asked that discussion be directed toward some of the policy issues.

Councilmember Atkins stated her opinion is that if a new affordable unit resulted from an acquisition rehab, there should be some counting of it somehow. Representing the City of San Diego, they want credit for production, and there has to be some way to recognize that some jurisdictions are able to and are going to produce more and it should not be a negative. The whole point to the memo was that there are larger jurisdictions that naturally should agree to do more of the production because they are larger cities with available land and other things. She said she did not know where the balance comes in and perhaps that is the reason there was an attempt to strike a balance before; however, as a large jurisdiction, she wanted credit for the production because it is not easy for the large jurisdictions either. Chair Pro Tem Pfeiler informed that when Policy 033 was put together, one of the guiding principles was to reward production. At that time they did not know how that would play out. They recognized eventually there would be a difference between the large and small cities; however, they did not know how to fix it as they did not have enough information at the time. She asked that discussion continue so perhaps jurisdictions can be recognized for high production.

Mr. Brindle said other topics were discussed at the last TWG meeting; however, it will be discussed at another meeting before the upcoming TWG meeting.

Chair Pro Tem Pfeiler stated that it would be best to give direction to the TWG that the Committee wants to do something different and discuss ways to recognize jurisdictions with high production.

Ms. Baldwin informed that a number of different ways were discussed, and TWG members will be examining different ideas on how to approach rewarding that production.

Chair Pro Tem Pfeiler responded details do not have to be discussed at this time; however, she hoped the sense of the Committee will be to assist with this in the future.

Ms. Baldwin said they are open to something different than what was done in the past.
Councilmember Heebner inquired about the current scoring system.

Ms. Clementson informed that the way the policy is currently written, every jurisdiction has its own goal for low- and very low-income units, and each jurisdiction is compared only against its goal. However, cities varied when it came to production of affordable housing and its goals. This issue came up when looking at the Smart Growth Incentive Program because it is a fair amount of points. We are currently trying to figure out some way of how to weight the different situations of the cities. An idea was that jurisdictions could choose whether they want to be compared against their own RHNA goal or compared on their regional production. The TWG is working on trying to find the best way to strike a balance.

Mr. Brindle said he believed the goal was to reward the level of effort and adjust for jurisdictional size.

Chair Pro Tem Pfeiler reiterated that is why we didn’t have a conclusion when we put Policy 033 in place, because we didn’t know how it would play out and what would happen.

Mr. Druker reported the City of Del Mar gets HCD approval based upon rent subsidies as they will not have any low-income housing. He said there needs to be some type of balance between numbers and hitting the goal, and hitting the goal for small cities may not necessarily mean actual physical building.

Chair Pro Tem Pfeiler responded this turns the conversation into the housing element compliance, in which you can’t even compete unless you have housing element compliance. Mr. Druker said they have housing element compliance.

Mr. Brindle informed one of the alternatives provided for 50% credit, which the TWG did not go along with. It was either 100% credit for production, however it’s calculated, and then the jurisdictions with housing elements in progress could then compete. But the 50% figure, which was cited in the Imperial Beach letter, was something the TWG did not approve on Tuesday.

Chair Pro Tem Pfeiler asked for further clarification as she was unable to read the Imperial Beach letter.

Mr. Brindle said there were three alternatives. The first was that those jurisdictions that have received HCD approval would not only be eligible to apply, but then they would get 100% credit for their housing production. The second option was that those jurisdictions that had adopted their element and sent it on to HCD would get 50% credit, in addition to being eligible. The third criterion was those cities that had submitted a housing element and were pursuing rezoning. They would be eligible to apply, but would not get any credit for housing production. The TWG reviewed the three alternatives and blended 2 and 3 together; that they would both be eligible to apply, but they would not be getting the extra bonus points as would the jurisdictions that got HCD approval. The thought being that the cities with HCD approval warranted some extra recognition.

Chair Pro Tem Pfeiler commented the foundation principles of Policy 033 are to reward housing element compliance and production, and it would be a stiff competition. Without housing element compliance you can’t even compete; however, the change here would be
that you can compete, you just won't get the bonus points. The bonus points are actually pretty significant.

Ms. Baldwin said they are 25% of the points of any of the programs with funds available.

Mr. Brindle relayed there is also some concern about having to monitor what jurisdictions are doing and looking at subjective criterion in terms of the reporting materials, so there was a desire to break it down into two categories.

Chair Pro Tem Pfeiler added that because we don't want to get too involved in the details, you tell us if you have a certified housing, and you either get points or not.

Councilmember Kern said it goes back to rewarding the level of effort of those people that develop those creative ideas to come up with those numbers and how you do that.

Chair Pro Tem Pfeiler reiterated this is why we need to adjust this policy, so credit is given when you do produce.

Councilmember Kern said it came up before and it’s something we need to work through.

Mr. Gallegos asked to plant a seed with the Committee to be thinking beyond the policy and looking at the RHNA in general. He said as we figure out how to comply with AB 32 and SB 375, we may have to create a Sustainable Community Plan. There may be some opportunity to develop legislative ideas to reform the RHNA process that would allow it to be a more effective tool than it is. AB 32 will require quite a bit of different thinking in terms of achieving the goal to reduce greenhouse gases to 1990 levels by 2020. I think if we know what we want and are united, then we could be effective at trying to influence or drive the State policy when it comes to how we deal with RHNA.

Councilmember Atkins asked what happens to the plans when we move into a cycle like we’re in now, where there’s going to be a lot less production. How does the reality match the projected policy? What do we do?

Gary Gallegos responded if the economy slows down and conditions change drastically, Sacramento is likely to adjust the numbers to reflect the reality of the time. However, if jurisdictions don’t have their approved housing elements, you’re subject to legal challenges on your ability to move forward in terms of development.

Mr. Leiter added State law only requires that a city have adequate zoning to be able to provide the amount of housing that you have in your RHNA. It does not require that you produce that amount of housing or that the development community produce that amount of housing. The projections are made and monitored, and the cities are required to submit the housing element to HCD. What they’re looking for is adequate provisions for zoning and they’re basically tracking how housing is being produced. The annual reports aren’t monitoring compliance with the housing element per se, they’re just monitoring the results. The idea that there’s an imbalance really has to do with a regional policy that says over time we’d like to produce housing that keeps up with the amount of job growth so that there aren’t lot of people commuting from outside the region to jobs inside the region. That’s more of an environmental concern and not a state legal requirement.
Ms. Baldwin reported it would be beneficial to think about the Smart Growth Concept Map, which identifies sites throughout the region where there are opportunities for additional multifamily zoning to occur when doing the process.

Chair Pro Tem Pfeiler stated it would be good to have workshops on this subject to enable participation in the legislative changes we might suggest for SB 375. She said the item will return as a recommendation next month.

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

9. **UPCOMING MEETINGS**

The next meeting of the Regional Planning Committee is scheduled for November 7, 2008, at 12 noon.

10. **ADJOURNMENT**

Lori Holt Pfeiler adjourned the meeting at 1:42 p.m.

Attachment: Attendance Sheet
CONFIRMED ATTENDANCE
SANDAG REGIONAL PLANNING COMMITTEE MEETING
OCTOBER 3, 2008
12:00 p.m. to 2:00 p.m.

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SAN DIEGO ASSOCIATION OF GOVERNMENTS

REGIONAL PLANNING COMMITTEE

November 7, 2008

AGENDA ITEM NO.: 4

Action Requested: RECOMMEND

ANNUAL REVIEW OF AND PROPOSED AMENDMENTS TO
BOARD POLICY NO. 033: GUIDELINES FOR SANDAG
REGIONAL HOUSING NEEDS ASSESSMENT MEMORANDUM

File Number 3002600

Introduction


Policy 33 sets forth guidelines for incentives related to the RHNA for the 2005-2010 housing element cycle for the San Diego region. As part of the approval of the final RHNA, on February 25, 2005, the Board also approved a memorandum (RHNA memorandum) that included certain financial incentives to jurisdictions based on housing element compliance and lower-income housing production.

Policy 33 requires that a review be performed annually. This review is being undertaken in anticipation of the TransNet Smart Growth Incentive Program. A call for projects for this program is scheduled to be issued in November or December of 2008.

As part of the 2008 annual review of Policy 33, several amendments are being proposed. This report describes the proposed amendments and a strike-out/underlined version of Policy 33 is attached. The Regional Planning Technical Working Group (TWG) and Regional Housing Working Group (RHWG) discussed amendments to Policy 33 during several meetings in September and October 2008. Also, an information report on the annual review of Policy 33 and the associated technical and policy issues was presented to the Regional Planning Committee (RPC) on October 3, 2008.

Discussion

At its October 3, 2008, meeting, staff presented an information report to the RPC that provided an overview of how Policy 33 has been implemented since its adoption, the key principles expressed in the RHNA memorandum, and the policy and technical issues associated with the annual review. The proposed amendments to Policy 33 are described below and shown in the attached strike-out/underlined version of the policy.
Policy 33 Policy Issues - Proposed Amendments

Award of Incentive Points

After discussing a number of ways to award the incentive points included in the original RHNA memorandum (25 percent of the total points for each program subject to the policy), the TWG recommends that a significant change be made to how these points are awarded. Instead of calculating lower-income housing production based only on one factor (affordable housing produced in relation to RHNA Alternative 3 as the policy calls for now), the TWG proposes that affordable housing performance be assessed using five factors. Each factor, described below, would be worth one-fifth of the total points. (The Proposed Amendments to Board Policy No. 033 attached to this report includes a new Attachment 5, Description of How to Calculate the Board Policy No. 033 Incentive Points, which describes the five factors and replaces the original Attachment 5, Hypothetical Allocation of Incentive Points.)

1. **Housing Element Compliance**: One-fifth of the total Policy 33 points associated with a funding program would be awarded to projects located in jurisdictions with a housing element found in compliance with state housing element law by HCD at the time of the funding program’s application deadline. No points would be awarded to projects in jurisdictions that have not received a letter of compliance from HCD. (Note: Jurisdictions without completed housing elements would, however, be eligible to apply for funding subject to the proposed amendments to Policy 33.)

2. **Greater RHNA Share Taken**: One-fifth of the total Policy 33 points would be awarded to projects located in jurisdictions that accepted a greater share of the lower-income RHNA goals in the adopted RHNA (Modified Alternative 1) as compared to Alternative 3. Jurisdictions whose lower-income RHNA goals were the same in Modified Alternative 1 and Alternative 3 would receive half of the points, and jurisdictions that received a lesser share of the lower-income RHNA goals in the adopted RHNA would receive no points associated with this factor.

3. **Regional Share of Cumulative Total of Lower-Income Units Produced**: One-fifth of the total Policy 33 points would be awarded based on each jurisdiction’s share of the total number of lower-income units produced. For example, if a jurisdiction produced 20 percent of the affordable lower-income units produced in the region during the time frame assessed, the points would be calculated as follows: \(0.2 \times \left(\frac{1}{5} \times \text{total Policy 33 points}\right) = X \text{ points}\).

The TWG also recommended that units that are acquired/rehabilitated and rent restricted at affordable levels for lower-income households for a period of 30 years or longer receive 50 percent credit (one half a unit). These units also would be counted in the same way in calculating the fourth factor described below. Units that are acquired/rehabilitated/rent restricted that were counted in a housing element to meet the site identification requirements of a jurisdiction’s lower-income RHNA goals per housing element law would be counted as a full unit.

4. **Percent of Cumulative Alternative 3 Lower-Income RHNA Goal Met**: One-fifth of the total Policy 33 points would be awarded based on the percentage of affordable lower-income housing produced in each jurisdiction as compared to the Cumulative Alternative 3 RHNA Lower-Income Goal (Alternative 3 lower-income goal divided by the time frame – months/years-
For example, if a jurisdiction produced 100 percent of its cumulative Alternative 3 goal it would receive the total points associated with this factor, and if a jurisdiction produced 20 percent of its Alternative 3 goal the points would be calculated as follows: \(0.2 \times (\frac{1}{5} \times \text{total Policy 33 points}) = X \text{ points}\).

5. **Percent of Lower-Income Households**: One-fifth of the total Policy 33 points would be awarded based on the percent of lower-income households residing in each jurisdiction. For example, if 27 percent of the jurisdiction’s households are in the lower-income category a project would receive 27 percent of the total Policy 33 points associated with this factor \((0.27 \times \frac{1}{5} \times \text{Policy 33 points} = X \text{ points})\), and if 61 percent of the jurisdiction’s households are in the lower-income category it would receive 61 percent of the total Policy 33 points associated with this factor \((0.61 \times \frac{1}{5} \times \text{Policy 33 points} = X \text{ points})\).

To calculate the points associated with factors three and four, above, jurisdictions will need to provide SANDAG with the number of units that were acquired/rehabilitated and rent restricted during the current housing element cycle, as this data was not previously collected.

Also, jurisdictions will need to provide SANDAG with new residential building permits and permits for units that were acquired/rehabilitated between January 1, 2003, and June 30, 2005, to correctly assess the progress made during the 2005–2010 housing element cycle to date. This 2½-year period of time is included in each jurisdiction’s RHNA goals, which covers a 7½-year period.

**Housing Element Compliance**

Currently, Policy 33 requires that jurisdictions have a housing element that has been found in compliance with state law by HCD to be eligible to apply for funding. Eleven jurisdictions are now in compliance; eight have submitted draft housing elements to HCD for review but have not yet been found in compliance.

The TWG recommends that housing element compliance be eliminated as an eligibility requirement, but that as shown in the first factor above, jurisdictions with a housing element in compliance by the application deadline for the funding program receive the full number of points associated with this factor; jurisdictions without a letter of compliance from HCD would receive no points.

**Progress Toward Rezoning Actions**

Policy 33 refers to the requirement in housing element law that a jurisdiction unable to identify adequate sites to meet its lower-income RHNA goals shall include a rezoning program in its housing element to identify additional multifamily sites, and requires those jurisdictions to demonstrate progress toward implementing the rezoning program in compliance with the housing element program schedule. The TWG recommends eliminating this requirement due to the subjectivity in evaluating compliance.
Policy 33 Technical Issues - Proposed Amendments

Changes in Reporting

The TWG recommends that jurisdictions report the number of new residential units produced based on the number of building permits issued, not certificates of occupancy or final inspections as the policy originally required. This change would make the reporting consistent with the information that jurisdictions are required to submit to HCD in their Annual Housing Element Progress Reports on April 1 each year for the preceding calendar year. Jurisdictions also must report to SANDAG the number of additional acquired/rehabilitated/rent restricted units that have been provided during the same time period. The proposed amendment also specifies that this information must be submitted to SANDAG on HCD’s forms at the same time it is submitted to HCD as an eligibility requirement for funding programs subject to Policy 33.

Update of SANDAG Funding Sources Affected by Board Policy No. 033 (Attachments 2 and 3)

The TWG recommends updating Attachments 2 and 3 of Policy 33 to reflect current information about the funding sources it affects. In addition, as reported in the previous RPC report, an amendment is proposed to eliminate an inconsistency between two sections of the policy with respect to the Senior Transportation Mini-Grant Program, resulting in its removal from the list of projects subject to the policy. Additionally, as new funding sources become available, it is proposed that the RPC be authorized to review and make recommendations to the Board of Directors regarding whether the new funding sources should be subject to Policy 33.

Time Period for Evaluation of Lower-Income Housing Production

The TWG recommends amending Policy 33 to provide flexibility in the time period for evaluating lower-income housing production as proposed by the City of Lemon Grove. Unless requested otherwise, SANDAG would use the most recent Annual Housing Element Progress Report for the preceding calendar year to award points for responding to a call for projects. A jurisdiction could, however, alternatively, submit the latest building permit data up to the date of a call for projects for use in calculating incentive points. Jurisdictions choosing this option would be evaluated based on the percentage of new lower-income residential units permitted from the beginning of the housing element cycle through the date of the call for projects (a longer time period than covered by the annual report).

Other Technical Edits

SANDAG staff also is proposing other technical edits to simplify the policy. These technical edits include removing criteria for the completed Pilot Smart Growth Incentive Program and the verbatim text from the RHNA Memorandum.

Next Steps

The purpose of Board Policy No. 033 is to incentivize housing element compliance and reward jurisdictions for the production of affordable lower-income housing units. The next program that this Policy will affect is the TransNet Smart Growth Incentive Program (SGIP).
Following the November 7, 2008, RPC meeting, the proposed amendments to Policy 33 will be presented to the Executive Committee, which will meet on November 14, 2008. The Board will be asked to take action on the annual review of and proposed amendments to Policy 33 at its November 21 meeting.

BOB LEITER
Director of Land Use and Transportation Planning

Attachment: Proposed Amendments to Board Policy No. 033 – 11/7/08

Key Staff Contact: Susan Baldwin, (619) 699-1943, sba@sandag.org
Proposed Amendments to Board Policy No. 033

11/7/08

IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT MEMORANDUM

Purpose

The purpose of this policy is to provide guidelines on the implementation of the memorandum adopted by the SANDAG Board of Directors on February 25, 2005, in association with the adoption of the 2005–2010 Regional Housing Needs Assessment (RHNA) (Attachment 1.1, referred to herein as the "Memorandum"). The Memorandum laid out specific provisions regarding SANDAG's allocation of discretionary funding to local agency projects in relation to local jurisdiction housing element compliance and lower income housing production.

These implementation guidelines restate the provisions of the Memorandum and define how they will be implemented. The numbered italicized wording in this Policy is taken verbatim from the Memorandum; the implementation guidelines are contained in the text that follows. This policy shall be reviewed and evaluated annually to determine whether changes to the guidelines are needed. Issues to be considered during the annual review include, but are not limited to: lessons learned during the prior year, the relationship between the RHNA memorandum and SANDAG's smart growth goals, and new funding sources proposed to be subject to the memorandum.

This policy was first approved by the SANDAG Board in April 2006. In November 2008, as part of the annual review of this policy, several amendments were made to refine the implementation of the Memorandum. These amendments removed the section of the original policy that referred to the Pilot Smart Growth Incentive Program and the verbatim sections of the Memorandum.

Pilot Smart Growth Implementation Program

1. Jurisdictions whose 1999 lower income households as a percentage of total households is estimated to be greater than the regional average shall receive 15 bonus points (out of 100 possible) for projects requesting funding through the Pilot Smart Growth Incentive Program. (This would include National City, El Cajon, Imperial Beach, Lemon Grove, La Mesa, Escondido, Vista, Chula Vista, San Diego, and San Marcos.)

1.1 This provision of the Memorandum has been implemented. The Pilot Smart Growth Incentive Program criteria, which were approved by the SANDAG Board on April 22, 2005, included the required bonus points for the cities noted above (22 points out of 147 points – 15 percent of the total points awarded).

Future Discretionary Funding Criteria
2. In addition to the current Pilot Smart Growth Incentive Program, for all future discretionary funding allocated to local agency projects by SANDAG (following the adoption by jurisdictions of housing elements for 2005-2010), the following criteria shall apply:

a. In order to qualify for such funding, a jurisdiction will be required to demonstrate that it is in compliance with provisions of its adopted housing element which set forth their commitment to providing adequate multi-family zoned land or other actions necessary to accommodate their share of lower income housing under the adopted RHNA.

b. Incentive points (a minimum of 25 points out of 100 possible) will be given to projects in jurisdictions in which lower income housing units are being produced in accordance with the housing unit figures contained in Alternative 3.

c. In order to verify compliance with these provisions, each jurisdiction shall annually submit a report to SANDAG indicating its progress in complying with requirements of its housing element, as well as actual production of housing units within its jurisdiction by income category, during the preceding year.

2.1 To implement Items 2.a – 2.c The section of the Memorandum, "discretionary funding allocated to local agency projects by SANDAG" shall be defined as: funds allocated by SANDAG only to local jurisdictions (the cities or County) through a competitive process. These funds are listed in Attachment 1.2 and include the TransNet Smart Growth Incentive Program, Transportation Development Act (TDA) Non-motorized Program, and TransNet Bicycle Program, among others.

2.2 The following types of funding shall not be subject to the provisions of the Memorandum:

   2.2.1 Formula funds allocated by population or number of miles, because they are not allocated on a competitive basis.

   2.2.2 Discretionary funds allocated to Caltrans, the two transit agencies, and SANDAG because they are not local agencies.

   2.2.3 Funds allocated directly by Caltrans to local jurisdictions because SANDAG is not involved in their allocation.

   2.2.4 Funds which can be allocated to entities other than local jurisdictions (e.g., TransNet Environmental Mitigation Program Regional Habitat Conservation Fund and the Senior Transportation Mini-grant Program).

Attachment 1.3 provides a more detailed list of funding sources/programs that shall not be subject to the Memorandum.

2.3 As new funding sources become available, the Regional Planning Committee (RPC) shall review and make a recommendation to the Board of Directors shall decide regarding whether they should be subject to the Memorandum and this Policy shall be amended.

2.4 To be eligible to apply for future discretionary funding allocated by SANDAG to local agency projects, local jurisdictions shall do the following:
2.4.1 During the first year of the housing element cycle (July 1, 2005 – June 30, 2006), a jurisdiction shall have submitted a draft of its housing element to HCD or have self-certified its housing element in compliance with state law by the due date for the grant application. This screening criterion shall apply for any discretionary funding programs subject to the Memorandum whose application due date is between July 1, 2005, and December 31, 2006.

2.4.2 Starting January 1, 2007, jurisdictions shall be required to have adopted housing elements (which have been found in compliance with state law by HCD or self-certified). Also, those jurisdictions that were not able to identify adequate sites to meet their RHNA goals and were required to include a program in their housing elements to identify additional sites by rezoning must be able to demonstrate that they are making progress toward implementing the rezoning program in conformance with the schedule contained in their housing elements. “Making progress” toward implementing the rezoning program is defined as having demonstrated a good faith effort in undertaking the rezoning program described in the housing element.

4.1 2.4.3 Starting in 2006, jurisdictions shall be required to submit an annual report with the information described in Section 2.2.3.1 below in order to be eligible for funding programs for the following calendar or fiscal year, whichever is applicable. This annual report shall include the same information that HCD requests in the Annual Housing Element Progress reports required by housing element law, as well as the information described below, and shall be submitted to SANDAG by the deadline in state law. The report must be have been submitted to SANDAG prior to the application due date for the funding source. The first annual reports are due on October 1, 2006, and cover the first year of the 2005-2010 housing element cycle (July 1, 2005 – June 30, 2006). Starting in 2007, the reports will be due on April 1 per Senate Bill 253 (Torlakson), which changed the state’s reporting time frame to the calendar year and the reporting due date to April 1 of each following year. SANDAG will prepare a report with this information for review by the Regional Planning Technical Working Group, Regional Housing Working Group, and Regional Planning Committee each year. Funding applications subject to this policy shall be evaluated based on the annual report for the preceding year that was submitted to SANDAG and HCD. If a jurisdiction wishes to submit data through the date of the call for projects at the time of the application due date (i.e., covering a time period beyond the previous calendar year) it may do so and will be evaluated based on the time period for which the data was submitted.

4.2 2.4.3.1 The annual report shall provide information regarding the number of building permits issued for new residential construction actual production of housing units by all four income categories (very low, low, moderate, and above moderate) using the forms provided by HCD for its Annual Housing Element Progress Report. If the report is submitted for the first time in years two, three, four, or five of the housing element cycle, it shall include the total number of building permits issued for new residential construction by income category during each year of the housing element cycle (including the two and a half years preceding the housing element due date). The annual report also shall indicate how many acquired/rehabilitated/rent restricted units were permitted during each year. (If relevant) progress toward complying with any rezoning programs
2.5 The Memorandum Item 2.b. ties the allocation of funding to the local jurisdiction progress toward the production of lower income housing through the award of incentive points (a minimum of 25 points out of 100 or 25 percent of the total points in a funding program) based on the number of lower income housing units produced in accordance with RHNA Alternative 3. During the 2008 annual review of this policy, the award of incentive points was expanded to include five factors, each of which was assigned a value of one-fifth of the total points including: 1) Housing Element Compliance, 2) Greater RHNA Share Taken, 3) Regional Share of Cumulative Total of Lower-Income Units Produced, 4) Percent of Cumulative Alternative 3 Lower Income RHNA Goal Met (Attachment 4), and 5) Percent of Lower-Income Households the number of lower income housing units produced in accordance with RHNA Alternative 3 (Attachment 1.4).

2.5.1 Production of lower income housing units will be evaluated and points awarded for each application for discretionary funds based on the percentage of lower income (total very low and low combined) units that were produced in the jurisdiction. The number of lower income units will be calculated for each year on a cumulative basis, and compared to annualized RHNA Alternative 3 numbers. An example of the methodology used to calculate the incentive points is shown in Attachment 1.5. Units shall be counted based on certificates of occupancy or final inspection. Lower income units that were acquired and rehabilitated may only count toward the RHNA Alternative 3 goals when this type of unit was used to meet the site identification requirements for the RHNA numbers as permitted in state law. Attachment 5 provides a detailed description of how the incentive points will be calculated for each of the five factors.

Attachments: 1. February 25, 2005, RHNA Memorandum to SANDAG Board of Directors
2. Discretionary Funding Programs Subject to Board RHNA Memorandum
3. Funding Programs Not Subject to Board RHNA Memorandum
4. Final Regional Housing Needs Assessment Modified Alternative 1 (Adopted RHNA) and Alternative 3
5. Example – Hypothetical Allocation of Incentive Points Description of How to Calculate the Board Policy No. 033 Incentive Points
February 25, 2005

TO: SANDAG Board of Directors
FROM: Mayor Lori Pheifer, Mayor Steve Padilla, and Councilmember Jim Madaffer
SUBJECT: Agenda Item No. 12 – Final Regional Housing Needs Assessment (RHNA)

Our regional housing needs are significant – both now and in the future. Addressing these needs is often a complex process when dealing with the varied interests of the cities in our region. We are committed to doing everything we can to address our regional housing needs. Recognizing the differences between the cities, we are proposing an incentive-based compromise to the RHNA Modified Alternative 1. Simply put, for those cities that are willing and able to accommodate additional housing, those cities should be compensated through incentives that would help improve existing as well as future infrastructure.

We recommend the Board approve Modified Alternative 1, with the following provisions:

1. Jurisdictions whose 1999 lower income households as a percentage of total households is estimated to be greater than the regional average (Attachment 2, Column 1) shall receive 15 bonus points (out of 100 possible) for projects requesting funding through the Pilot Smart Growth Incentive Program. (This would include National City, El Cajon, Imperial Beach, Lemon Grove, La Mesa, Escondido, Vista, Chula Vista, San Diego, and San Marcos.)

2. In addition to the current Pilot Smart Growth Incentive Program, for all future discretionary funding allocated to local agency projects by SANDAG (following the adoption by jurisdictions of housing elements for 2005-2010), the following criteria shall apply:

   a. In order to qualify for such funding, a jurisdiction will be required to demonstrate that they are in compliance with provisions of their adopted housing element which set forth their commitment to providing adequate multi-family zoned land or other actions necessary to accommodate their share of lower income housing under the adopted RHNA.

   b. Incentive points (a minimum of 25 points out of 100 possible) will be given to projects in jurisdictions in which lower income housing units are being produced in accordance with the housing unit figures contained in Alternative 3 (Attachment 2, Column 13).

   c. In order to verify compliance with these provisions, each jurisdiction shall annually submit a report to SANDAG indicating their progress in complying with requirements of their housing element, as well as actual production of housing units within their jurisdiction by income category, during the preceding year.
## DISCRETIONARY FUNDING PROGRAMS
### SUBJECT TO BOARD RHNA MEMORANDUM
#### (LOCAL JURISDICTION PROJECTS)

<table>
<thead>
<tr>
<th>Funding Programs</th>
<th>Total Funding</th>
<th>Timeframe Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Transportation Enhancements (TE) Program – Pilot Smart Growth Incentive Program</td>
<td>TBD</td>
<td>FY 2006 to FY 2010</td>
</tr>
<tr>
<td></td>
<td>$19.1 M</td>
<td>FY 2010 to FY 2011</td>
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<tr>
<td></td>
<td>$6.4 M</td>
<td></td>
</tr>
<tr>
<td>State</td>
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<td></td>
</tr>
<tr>
<td>• Transportation Development Act (TDA) Article 3 – Non-motorized Program</td>
<td>$2.4 M (FY 2006 allocation)</td>
<td>Annual apportionments</td>
</tr>
<tr>
<td></td>
<td>$2.5 M (FY 2007 allocation)</td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• TransNet Bicycle, Pedestrian and Neighborhood Safety Program</td>
<td>$280 M*</td>
<td>2009 to 2048</td>
</tr>
<tr>
<td>• TransNet Smart Growth Incentive Program</td>
<td>$285 M*</td>
<td></td>
</tr>
<tr>
<td>• TransNet Bicycle Program</td>
<td>$3 M</td>
<td>$1 M annually from 2006 to 2008</td>
</tr>
<tr>
<td><strong>Future</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• To be determined (TBD)</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>State*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Local</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• TransNet Bicycle, Pedestrian and Neighborhood Safety Program</td>
<td>$280 M*</td>
<td>2009 to 2048</td>
</tr>
<tr>
<td>• TransNet Smart Growth Incentive Program</td>
<td>$285 M*</td>
<td></td>
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<tr>
<td>• TransNet Senior Transportation Mini-grant Program</td>
<td>$73 M*</td>
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</tr>
<tr>
<td>Regional Rail Grade Separation Program (Funding source TBD)</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td></td>
<td></td>
<td>•$100 M in Revenue Constrained</td>
</tr>
<tr>
<td></td>
<td></td>
<td>•$200 M in MOBILITY 2030 Plan</td>
</tr>
</tbody>
</table>

* In 2002 dollars

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1 In prior funding cycles, the SANDAG Board of Directors has allocated funding to local jurisdictions through a competitive process for Regional Arterial System, Traffic Signal Optimization, Highway Noise Barrier, Regional Bikeway, and Transportation Enhancements programs. To the extent that such competitive funding programs are made available in the future, they would be subject to the Board RHNA memorandum.
### Current Funding Programs

#### Federal
- Regional Surface Transportation Program (RSTP)
- Congestion Mitigation & Air Quality (CMAQ)
- Transportation Enhancement (TE) Program
- Federal Transit Administration (FTA) Urbanized Area Formula Program (Section 5307)
- FTA Fixed Guideway Modernization Program (Section 5309 Rail Mod)
- FTA Section 5310 Elderly & Disabled Program
- [FTA New Freedom Program](#)
- [FTA Job Access and Reverse Commute (JARC) Program](#)

#### State
- State Transportation Improvement Program (STIP) – Regional Improvement Program (RIP)
- STIP - Interregional Improvement Program (IIP)
- State Highway Operation and Protection Program (SHOPP)
- TDA Article 4 - General Public Transit Services (Fixed Transit Route Services)
- TDA Article 4.5 – Community Transit Service (Accessible Service for the Disabled)
- TDA Article 8 – Special Provisions (Express Bus and Ferry Services)
- TDA Planning and Administration
- State Transit Assistance (STA)

#### Local
- TransNet Highway Program
- TransNet Transit Program
- TransNet Local Streets & Roads Program
- [TransNet Senior Transportation Mini-grant Program](#)
- TransNet Congestion Relief Program – Major Transportation Corridor Improvements
  - Highway & transit capital projects
  - Operating support for bus rapid transit (BRT) & rail transit capital improvements
- TransNet Congestion Relief Program – Transit System Services Improvements & Related Programs
- TransNet Congestion Relief Program – Local System Improvements & Related Programs
  - Local Street & Road Program
- Environmental Mitigation Program (EMP)
- TransNet Administration and Independent Taxpayer Oversight Committee (ITOC)

### Future Funding Programs

**Federal** – same as current programs above

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1. There are a variety of federal and state discretionary funding programs allocated directly by Caltrans that provide funding to local jurisdictions (e.g., Highway Bridge Repair & Replacement [HBRR], Safe Routes to School, etc.). Because SANDAG does not have decision-making authority over these funding programs, they would not be subject to the Board RHNA memorandum.

2. With the exception of the EMP funds, these funds (STIP-RIP, RSTP, CMAQ, TE) are being used to match the TransNet Early Action Program (EAP) and other high priority regional projects. If, however, some portion of these funds were allocated by the SANDAG Board of Directors to local jurisdictions through a competitive process, they would be subject to the Board RHNA memorandum and this policy.
<table>
<thead>
<tr>
<th>Current Funding Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>State – same as current programs above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TransNet Congestion Relief Program – Major Transportation Corridor Improvements</td>
</tr>
<tr>
<td>a. Highway &amp; transit capital projects</td>
</tr>
<tr>
<td>b. Operating support for bus rapid transit (BRT) &amp; rail transit capital improvements</td>
</tr>
<tr>
<td>2. TransNet Congestion Relief Program – Transit System Services Improvements &amp; Related Programs</td>
</tr>
<tr>
<td>3. TransNet Congestion Relief Program – Local System Improvements &amp; Related Programs</td>
</tr>
<tr>
<td>a. Local Street &amp; Road Program</td>
</tr>
<tr>
<td>4. Environmental Mitigation Program (EMP)²</td>
</tr>
<tr>
<td>5. TransNet Administration and Independent Taxpayer Oversight Committee (ITOC)</td>
</tr>
<tr>
<td>1.</td>
</tr>
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</table>
## Final Regional Housing Needs Assessment
### Modified Alternative 1 (Adopted RHNA) and Alternative 3

<table>
<thead>
<tr>
<th>Regional Share</th>
<th>Very Low</th>
<th>Low</th>
<th>Moderate</th>
<th>Above Moderate</th>
<th>Very Low</th>
<th>Low</th>
<th>Moderate</th>
<th>Above Moderate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>8,376</td>
<td>1,922</td>
<td>1,460</td>
<td>1,583</td>
<td>3,411</td>
<td>2,506</td>
<td>1,816</td>
<td>1,583</td>
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<tr>
<td>Chula Vista</td>
<td>17,224</td>
<td>3,875</td>
<td>2,945</td>
<td>3,255</td>
<td>7,148</td>
<td>3,730</td>
<td>2,592</td>
<td>3,255</td>
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<td>Coronado</td>
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<td>14</td>
<td>11</td>
<td>12</td>
<td>27</td>
<td>20</td>
<td>14</td>
<td>12</td>
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<tr>
<td>Del Mar</td>
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<td>6</td>
<td>4</td>
<td>5</td>
<td>10</td>
<td>7</td>
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<tr>
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<td>86</td>
<td>75</td>
<td>117</td>
<td>343</td>
<td>86</td>
<td>75</td>
<td>117</td>
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<tr>
<td>Encinitas</td>
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<td>392</td>
<td>299</td>
<td>324</td>
<td>697</td>
<td>502</td>
<td>373</td>
<td>324</td>
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<tr>
<td>Escondido</td>
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<td>548</td>
<td>417</td>
<td>461</td>
<td>1,011</td>
<td>486</td>
<td>359</td>
<td>461</td>
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<tr>
<td>Imperial Beach</td>
<td>87</td>
<td>13</td>
<td>9</td>
<td>16</td>
<td>49</td>
<td>13</td>
<td>9</td>
<td>16</td>
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<tr>
<td>La Mesa</td>
<td>396</td>
<td>89</td>
<td>68</td>
<td>75</td>
<td>164</td>
<td>79</td>
<td>56</td>
<td>75</td>
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<tr>
<td>Lemon Grove</td>
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<td>46</td>
<td>32</td>
<td>46</td>
<td>118</td>
<td>46</td>
<td>32</td>
<td>46</td>
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<tr>
<td>National City</td>
<td>319</td>
<td>18</td>
<td>39</td>
<td>60</td>
<td>202</td>
<td>18</td>
<td>39</td>
<td>60</td>
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<td>Oceanside</td>
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<td>1,098</td>
<td>1,214</td>
<td>2,666</td>
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<td>235</td>
<td>505</td>
<td>419</td>
<td>288</td>
<td>235</td>
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<tr>
<td>San Diego - Original</td>
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<td>10,292</td>
<td>7,822</td>
<td>8,645</td>
<td>18,983</td>
<td>9,195</td>
<td>7,834</td>
<td>8,645</td>
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</table>

<table>
<thead>
<tr>
<th>Units to/from Unincorporated Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego - Revised*</td>
</tr>
<tr>
<td>San Diego - Original</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regional Share</th>
<th>Very Low</th>
<th>Low</th>
<th>Moderate</th>
<th>Above Moderate</th>
<th>Very Low</th>
<th>Low</th>
<th>Moderate</th>
<th>Above Moderate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unincorporated Area - Original</td>
<td>12,358</td>
<td>2,781</td>
<td>2,113</td>
<td>2,336</td>
<td>5,129</td>
<td>3,217</td>
<td>2,251</td>
<td>2,336</td>
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<tr>
<td>Units to/from Unincorporated Area</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unincorporated Area - Revised*</td>
<td>12,358</td>
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<tr>
<td>San Diego Region</td>
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</tbody>
</table>

Note: Some jurisdiction allocations by income category were adjusted slightly to ensure that regional income category percentages provided by the California Department of Housing and Community Development (HCD) -- 22.5 percent very low income, 17.1 percent low income, 18.9 percent moderate income, and 41.5 percent above moderate income -- were met.

*Adjusted to reflect transfer of lower income units from Unincorporated Area to City of San Diego.

**Modified Alternative 1 was approved by the SANDAG Board on February 25, 2005.

***Alternative 3 is referenced in the memorandum approved by the SANDAG Board in conjunction with the approval of the Final RHNA.

Totals may be affected by rounding.

March 18, 2005
Description of How to Calculate the Board Policy No. 033 Incentive Points

The following five factors, weighted equally, will be used to calculate the incentive points (25 percent of the total points for each program subject to Board Policy No. 033).

1. Housing Element Compliance: One-fifth of the total Policy 33 points would be awarded to projects located in jurisdictions with a housing element found in compliance with state housing element law by HCD at the time of the funding program’s application deadline. No points would be awarded to projects in jurisdictions that have not received a letter of compliance from HCD. (Note: Jurisdictions without completed housing elements would, however, be eligible to apply for funding subject to Policy 33 and could receive points based on factors two through five.)

2. Greater RHNA Share Taken: One-fifth of the total Policy 33 points would be awarded to projects located in jurisdictions that accepted a greater share of the lower income RHNA goals in the adopted RHNA (Modified Alternative 1) as compared to Alternative 3. Jurisdictions whose lower income RHNA goals were the same in Modified Alternative 1 and Alternative 3 would receive half of the points, and jurisdictions that received a lesser share of the lower income RHNA goals in the adopted RHNA would receive no points associated with this factor.

3. Regional Share of Cumulative Total of Lower-Income Units Produced: One-fifth of the total Policy 33 points would be awarded based on each jurisdiction’s share of the total number of lower-income units produced. For example, if a jurisdiction produced 20 percent of the affordable lower income units produced in the region during the timeframe assessed, the points would be calculated as follows: \(0.2 \times \frac{1}{5} \times \text{total Policy 33 points} = X \text{ points}\).

Units that are acquired/rehabilitated and rent restricted at affordable levels for lower income households for a period of 30 years or longer shall receive 50 percent credit (one half a unit). These units also would be counted in the same way in calculating the fourth factor described below. Units that are acquired/rehabilitated/rent restricted that were counted in a housing element to meet the site identification requirements of a jurisdiction’s lower-income RHNA goals per housing element law would be counted as a full unit.

4. Percent of Cumulative Alternative 3 Lower Income RHNA Goal Met: One-fifth of the total Policy 33 points would be awarded based on the percentage of affordable lower-income housing produced in each jurisdiction as compared to the Cumulative Alternative 3 RHNA Lower-Income Goal (Alternative 3 lower-income goal divided by the timeframe – months/years -- covered). For example, if a jurisdiction produced 100 percent of its cumulative Alternative 3 goal, it would receive the total points associated with this factor, and if a jurisdiction produced 20 percent of its Alternative 3 goal, the points would be calculated as follows: \(0.2 \times \frac{1}{5} \times \text{total Policy 33 points} = X \text{ points}\).

5. Percent of Lower-Income Households: One-fifth of the total Policy 33 points would be awarded based on the percent of lower-income households residing in each jurisdiction. For example, if 27 percent of the jurisdiction’s households are in the lower-income category a project would receive 27 percent of the total Policy 33 points associated with this factor \((0.27 \times \frac{1}{5} \times \text{Policy 33 points} = X \text{ points})\), and if 61 percent of the jurisdictions households are in the lower-income category it would receive 61 percent of the total Policy 33 points associated with this factor \((0.61 \times \frac{1}{5} \times \text{Policy 33 points} = X \text{ points})\).
## Example
### Hypothetical Allocation of Incentive Points

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Alt.3—Low/Very Low Income Units&lt;sup&gt;*&lt;/sup&gt;</th>
<th>Annual Number Year 1</th>
<th>Number Produced Year 1**</th>
<th>Percentage of Alt. 3 Year 1**</th>
<th>Incentive Points**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>4,322</td>
<td>864</td>
<td>300</td>
<td>35%</td>
<td>9</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>6,322</td>
<td>1,264</td>
<td>632</td>
<td>50%</td>
<td>13</td>
</tr>
<tr>
<td>Escondido</td>
<td>845</td>
<td>169</td>
<td>127</td>
<td>75%</td>
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<td>4</td>
<td>100%</td>
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</tr>
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<td>San-Diego</td>
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<tr>
<td>Unincorporated County</td>
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<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Alt.3—Cum. Annual Number Year 2</th>
<th>Cum. Number Produced Year 2**</th>
<th>Percentage of Alt. 3 Cum. Year 2**</th>
<th>Incentive Points Year 2**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>1,728</td>
<td>400</td>
<td>23%</td>
<td>6</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>2,528</td>
<td>832</td>
<td>33%</td>
<td>8</td>
</tr>
<tr>
<td>Escondido</td>
<td>338</td>
<td>253</td>
<td>75%</td>
<td>19</td>
</tr>
<tr>
<td>Imperial Beach</td>
<td>8</td>
<td>22</td>
<td>275%</td>
<td>25</td>
</tr>
<tr>
<td>San-Diego</td>
<td>7,096</td>
<td>3,500</td>
<td>49%</td>
<td>12</td>
</tr>
<tr>
<td>San-Marcos</td>
<td>960</td>
<td>960</td>
<td>100%</td>
<td>25</td>
</tr>
<tr>
<td>Unincorporated County</td>
<td>1,904</td>
<td>500</td>
<td>28%</td>
<td>7</td>
</tr>
</tbody>
</table>

<sup>*</sup> 7.5 year number in RHNA Alternative 3 may be modified based on 5-year number included in local housing elements.

<sup>**</sup> These percentages and numbers are hypothetical for the purpose of explaining the methodology.