EXECUTIVE COMMITTEE
AGENDA

Friday, September 12, 2008
→ → 8 to 9:30 a.m. ← ←
SANDAG, 7th Floor Conference Room
401 B Street
San Diego

AGENDA HIGHLIGHTS

• THE PORT OF SAN DIEGO MARINE FREIGHT PRESERVATION AND BAYFRONT REDEVELOPMENT INITIATIVE
• 2009 ANNUAL SANDAG BOARD RETREAT
• STATE LEGISLATIVE STATUS REPORT

PLEASE TURN OFF CELL PHONES DURING THE MEETING

MISSION STATEMENT
The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region’s quality of life.

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(619) 699-1900 · Fax (619) 699-1905 · www.sandag.org
Welcome to SANDAG. Members of the public may speak to the Executive 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 Executive Committee may take action on any item appearing on the agenda.

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

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ITEM # | RECOMMENDATION
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+1. | APPROVAL OF JULY 11, 2008, MEETING MINUTES 
2. | PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the Executive 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.

REPORTS (3 through 10)

+3. | THE PORT OF SAN DIEGO MARINE FREIGHT PRESERVATION AND BAYFRONT REDEVELOPMENT INITIATIVE (Dirk Mathiasen, Port of San Diego; Christina Casgar) 

Port of San Diego staff will provide a presentation on an initiative that has qualified for the November 4, 2008, ballot. The initiative, sponsored by a group of local developers, proposes redevelopment of the Tenth Avenue Marine Terminal by possibly using air space and by incorporating commercial, recreational, and nonmarine industrial uses. The Executive Committee is asked to discuss the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative in the context of SANDAG adopted plans and policies and consider action as deemed appropriate by the Committee.

+4. | RESOLUTION REGARDING KUMEYAAY MAP (Jane Clough-Riquelme, SANDAG; Louis Guassac, Kumeyaay Border Task Force) 

At the May 23, 2008, Borders Committee meeting Louis Guassac, coordinator for the Kumeyaay Border Task Force, requested that SANDAG consider signing a resolution recognizing the Kumeyaay aboriginal lands, which extend from just south of the San Luis Rey River Valley to Baja California. The Borders Committee recommended that this item be forwarded to the Executive Committee for consideration. The attached report clarifies the request and includes the map in question, and a draft resolution (as shown in Attachment 3). The Executive Committee is asked to recommend that the Board of Directors approve Resolution No. 2009-03, regarding the acknowledgement of the traditional lands of the Kumeyaay Nation.
In anticipation of transfer of audit responsibilities to the Independent Taxpayer Oversight Committee (ITOC), changes to Board Policy No. 031 are proposed in order to provide clarification to the TransNet Program of Projects and fiscal audit processes. The ITOC reviewed this item at its July 16, 2008 meeting. The Executive Committee is asked to recommend that the Board of Directors amend Board Policy No. 031, as shown in Attachment 1.

Each year, the Executive Committee serves as the working group to help develop the annual Board of Directors retreat agenda and format. The next retreat is scheduled for January 28 through January 30, 2009. The Executive Committee is asked to discuss the proposed topics, speakers, and format to help the Board of Directors and SANDAG staff develop the retreat agenda. The Committee also is asked to recommend that the Board of Directors approve the retreat agenda.

Last year, the Executive Committee appointed an ad hoc committee to review SANDAG Board policy on advisory membership. The ad hoc committee, chaired by Poway Mayor Mickey Cafagna, met on several occasions to discuss possible changes. The Executive Committee is asked to discuss the recommended amendments to the advisory membership provisions of Board Policy No. 004 (Attachment 1), and recommend that the Board of Directors approve these amendments.

In keeping with the SANDAG regional commitment to transportation demand management and in line with the Board or Directors’ strategic goals, staff is proposing modified agencywide business hours, commonly known as a 9/80 schedule. This will, in part, respond to current economic conditions (including high fuel prices), and the increased focus on greenhouse gas reduction and climate change initiatives. The Executive Committee is asked to recommend that the Board of Directors approve a modification to the agency’s business hours whereby SANDAG will be closed every other Monday starting October 6, 2008, and staff would work a 9/80 work schedule.

The Executive Committee is asked to discuss and consider a support position on SB 375 (Steinberg).

The Executive Committee is asked to discuss and consider a support position on SB 375 (Steinberg).
11. UPCOMING MEETINGS

The next meeting of the Executive Committee is scheduled for Friday, October 10, 2008, at 9 a.m.

12. ADJOURNMENT

+ next to an agenda item indicates an attachment
EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
JULY 11, 2008

First Vice Chair Lori Holt Pfeiler (North County Inland) called the Executive Committee meeting to order at 8:00 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by Mayor Ron Morrison (South County) and a second by Second Vice Chair Jerome Stocks (North County Coastal), the minutes of the June 13, 2008, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

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

3. CHAIR’S REPORT (3)

Pursuant to the employment agreement with the Executive Director, the Board of Directors shall annually review his performance. If the Executive Director’s performance is determined to be satisfactory, the Board of Directors must adjust his base salary in accordance with the employment agreement provisions.

Action: Upon a motion by Second Vice Chair Stocks, and a second by Council President Pro Tem Jim Madaffer (City of San Diego), the Executive Committee recommended that the Board of Directors approve the Executive Director’s Performance Evaluation for the period July 2007 to June 2008, including the proposed bonus award; and Performance Objectives for the period July 2008 to June 2009.

4. REPORTS (4 through 7)

Lauren Warrem, Finance Manager, reported that staff is not recommending changes to Board Policy No. 032, San Diego County Regional Transportation Commission Interest Rate Swap Policy. However, staff is recommending three changes to Policy No. 003, Investment Policy. The first change would incorporate a new section from the Government Code that
now allows local agencies to purchase municipal bonds issued by any of the other 49 states besides California. This change will allow SANDAG increased investment flexibility. The second recommended revision is a technical change to Section 7 due to the consolidation in July 2007 of the National Association of Securities Dealers (NASD) and the member regulation, enforcement, and arbitration functions of the New York Stock Exchange. The third recommendation is a technical change to Section 8 to reflect the naming of the Public Securities Association to the Securities Industry and Financial Markets Association. Following Executive Committee review, this item would be taken to the Board at its July 25 meeting for approval.

First Vice Chair Pfeiler acknowledged that the ability to buy bonds from other states adds flexibility to SANDAG investments but wondered why we couldn’t do that before. Ms. Warrem was not sure of the reason for this change.

Second Vice Chair Stocks suggested that the reason for not allowing this before was perhaps a desire by the State of California for state organizations to keep their investments within the state.

Action: Upon a motion by Second Vice Chair Stocks and second by Council Pro Tem Madaffer, the Executive Committee voted to recommend that the Board of Directors approve the proposed amendments to Board Policy No. 003: Investment Policy.

5. STATE LEGISLATIVE STATUS REPORT (DISCUSSION/POSSIBLE ACTION)

Genevieve Morelos, Senior Legislative Analyst, reported that Senate Bill (SB) 1685, which would expand SANDAG’s existing sales tax authority to allow for non-transportation expenditures, was recently signed into law by the Governor. This new law will enable SANDAG to consider a possible “quality of life” funding measure in the San Diego region.

Ms. Morelos stated that SB 1486, Otay Mesa East Toll Facility Act, was heard in the State Assembly Appropriations Committee in July, and it will be taken up by the Legislature in August.

Ms. Morelos said that SANDAG currently has an “oppose unless amended” position on SB 375 (Steinberg). This bill, as well as SB 303, would create new requirements for regional plans to reduce greenhouse gas emissions. SB 303 (Ducheny) was introduced as an alternative to SB 375. We do not currently have a position on SB 303. Both of these bills currently reside in the Assembly Appropriations Committee. Staff has prepared a side-by-side analysis of the two bills, and Ms. Morelos noted that the analysis was provided as a “blue sheet” today.

Gary Gallegos, Executive Director, mentioned that in recent discussions with Senator Ducheny, SB 303 will be used as a fallback position and a negotiating tool for amendments for agencies like SANDAG.

Ms. Morelos stated that Senator Steinberg has agreed to make amendments to SB 375, but those amendments are not yet available in print.
Mr. Gallegos stated that Senator Steinberg was not originally engaged in discussions and negotiations about his bill, SB 375. It is his understanding that the author has now gotten personally involved and is trying to determine how to make it work among local governments, regional agencies, the builders, and the environmental community. He mentioned that Senator Steinberg is destined to be the President Pro Tem of the State Senate.

Council President Pro Tem Madaffer commented that SB 375 has a lot of problems. The League of California Cities (LCC) has had discussions with the building industry, housing advocates, the California State Association of Counties (CSAC), and others and they all are in active discussions with Senator Steinberg with regard to amending this bill. The amendments should be coming out soon. One proposed amendment is that this bill would focus mainly on the four major metropolitan areas: Sacramento, Los Angeles, San Francisco Bay Area, and San Diego. That's a huge concession. It gives us a lot more flexibility as a regional government as to how these state mandates work, and this will become an incentive for cities to do the right thing. He believes that SB 303 will be nothing more than an insurance policy in negotiating amendments to SB 375.

Ms. Morelos reviewed how the various components of SB 303 compare with SB 375. She identified the initial concerns with SB 303, including the land use and transportation assumptions, public participation, consistency with AB 32, interregional commuting, additional regional infrastructure analysis, and insertion of the California Air Resources Board (CARB) into the Regional Transportation Plan (RTP) review and approval process. However, this bill does contain provisions that address certain issues raised by SANDAG, including protection funding for transportation projects, alignment of the Regional Housing Needs Assessment (RHNA) and RTP cycles, and transportation infill areas.

Ms. Morelos said that both bills are expected to remain in the Assembly Appropriations Committee until late July or early August. Staff will continue to work with both authors and stakeholder working groups, and will continue to update the Committee on any action taken on these measures.

Councilmember Matt Hall (North County Coastal) asked if these bills will impact the funding stream. Mr. Gallegos said that it will make the RTP more complicated. As the RTP gets more complicated it may take longer to get funding.

Councilmember Matt Hall asked who will benefit from SB 375. Mr. Gallegos replied that this bill is indirectly related to state funding. AB 32 is a more comprehensive way of reducing greenhouse gases through regional planning. It is targeting how regions grow and how vehicle miles traveled (VMTs) can be decreased. The mandates in this bill will require more planning for the land use and transportation.

Second Vice Chair Stocks commented that the state adopted AB 32, and now the Legislature is creating an entire maze that will require everything to be judged against this bill. He wondered why the State Legislature has never adopted an Assembly Bill that addresses the state's prosperity and how everything impacts prosperity. This bill will result in negative impacts to the economy. He agreed that we should want to improve the environment, but he questioned the social equity issue that will result from this bill’s mandates.
Mr. Gallegos agreed that is the challenge for us at the local level. AB 32 has been adopted that sets goals for reducing greenhouse gas emissions, and we are trying to figure out how to achieve those goals.

Second Vice Chair Stocks commented that will be reducing our carbon footprint by depressing the economy.

Mr. Gallegos said that from previous Executive Committee and Board direction, staff has been trying to get amendments into SB 375 that recognize the work SANDAG has already done. He thought this bill would be on the Governor’s desk for signature by the end of the legislative session.

Councilmember Hall stated that the San Diego region has already started actions to reduce greenhouse gas emissions in our region; however, the mandates in SB 375 could be very challenging for other areas.

Council President Pro Tem Madaffer said that there was an article in the Wall Street Journal last week on the urban planning efforts of the Sacramento Council of Governments (SACOG). He suggested this article be printed and distributed to Committee members. He commented that SANDAG is much further along in its urban planning than SACOG.

Mr. Gallegos mentioned that all four big urban areas have something similar to our Regional Comprehensive Plan (RCP), so they have the capacity to do the work being required by the mandates in SB 375. The amendment that focuses the bill on the four large urban areas covers about 85 percent of the state’s population.

Ms. Morelos then reviewed the pros and cons of AB 3021 (Nava). This legislation would establish the California Transportation Financing Authority to assist transportation agencies in obtaining financing, primarily through the issuance of bonds, to construct transportation projects. This bill passed out of the Senate Transportation and Housing Committee on June 24, and will move to the Senate Appropriations Committee for further action. This bill is consistent with the 2008 SANDAG Legislative Goal No. 3B, which supports financial strategies to increase revenues for transportation and transit projects in the RTP.

Ms. Morelos reviewed amendments to AB 3034, the High-Speed Rail Bond measure. The Executive Committee previously took a support position in May, because the version of the bill at that time provided flexibility for SANDAG to compete for the $9 billion in bond funding for the high-speed train system. However, recent July amendments in to this bill give funding priority to the San Francisco to Los Angeles/Anaheim corridor. The latest version of AB 3034 includes a provision that allows for funding to be provided for high-speed rail projects in other corridors, if certain conditions are met. She noted that a “blue sheet” showing the recent amendments to the bill was provided to Committee members.

Mr. Gallegos pointed out that the rail piece between Los Angeles and San Francisco will cost $20 billion-$30 billion, and there is only $9 billion available statewide in the proposed bond measure.
Ms. Morelos described the caveat that indicates if there is a finding by the Authority that bond funds for other corridors would advance the construction of the system and will not have an adverse impact on completion of Phase 1 (San Francisco to Los Angeles/Anaheim corridor), then funding could be appropriated to other corridors.

Mr. Gallegos mentioned that California Transportation Commissioner (CTC) Chair John Chalker has been frustrated by this bill. We have been working with our lobbyists on amendments.

Mayor Morrison asked if bridge construction across San Francisco Bay is included in this measure. Mr. Gallegos said he did not know if that specific project was included.

First Vice Chair Pfeiler stated that we may not be interested in supporting this bill if our region won’t benefit from it.

**Motion:** Council President Pro Tem Madaffer moved to change SANDAG’s position on AB 3034 from “support” to “oppose unless amended.” Mayor Morrison seconded the motion.

Mr. Gallegos said that a reasonable amendment to this bill, especially with limited funds, is to have projects compete for funding on a statewide level, and then award of bond funds to the best projects.

Mayor Morrison agreed that this funding should be on a “best project” basis. As it stands in the current language, the funding decision is being made up front by politicians and not awarded to the best project.

Ms. Morelos indicated that this measure is being developed for the November 2008 ballot.

Second Vice Chair Stocks agreed that we should not support a bill that arbitrarily cuts out the San Diego region.

Mr. Gallegos said that we need to communicate this position change to our San Diego legislative delegation as soon as possible. He noted that Senator Kehoe’s office wants a fact sheet related to the San Diego to Los Angeles rail corridor, which is the second highest intercity rail line in the country.

Council President Pro Tem Madaffer agreed to include in the motion direction to staff to communicate the new position on AB 3034 to the San Diego legislative delegation.

Council President Pro Tem Madaffer said that we also should inform our lobbyists. Funding should be provided in the San Diego to Los Angeles rail corridor. He agreed that we should provide factual data regarding this corridor.

**Action:** Upon the motion made by Council President Pro Tem Madaffer and seconded by Mayor Morrison, the Executive Committee voted to approve changing its position on AB 3034 from “support” to “oppose unless amended.”
Mr. Gallegos stated that Proposition 42 funds are now being considered to help balance the state budget. Proposition 42 allowed the state to borrow from transportation funds twice in a decade but required those funds to be paid back with interest within three years. Commissioner Chalker has expressed his concern about how this will impact transportation funding. This would not hurt our State Transportation Improvement Program (STIP) funded projects very much, because we have already spent the STIP money coming to the region. However, it has the potential to adversely impact public transit, our cities, and the County. Commissioner Chalker encouraged us to make our voices known to our legislative delegation. Mr. Gallegos suggested that a letter signed by all 18 cities and the County be transmitted to Sacramento as soon as possible regarding the concerns about the suspension of Proposition 42 funding.

Second Vice Chair Stocks thought that was a good suggestion and suggested discussing how the suspension would impact AB 32.

Council President Pro Tem Madaffer stated that as President of the League, he and CSAC are sending a letter to all state legislators and the media about how voters passed Proposition 42 with a high margin of support. That margin sent a signal to the state that it should balance its budget using state dollars and not local dollars. The State Legislature also is talking about borrowing Proposition 1A local government funds.

6. FEDERAL LEGISLATIVE STATUS REPORT (DISCUSSION/POSSIBLE ACTION)

Victoria Stackwick, Associate Legislative Analyst, reported that on June 11 the House of Representatives (House) passed H.R. 6003, the Passenger Rail Investment and Improvement Act of 2008. This bill authorizes more than $14.9 billion over a five-year period (FY 2009 to FY 2013) in rail programs administered by Amtrak, the states, and the U.S. Department of Transportation to reduce rail congestion. Last year the Senate passed its version of the Amtrak Reauthorization, S. 294, which is similar to the House bill, but it does not contain the provisions for the high-speed rail or rail congestion relief grants. The next step is for the House and Senate Conference Committee to come up with a compromise Amtrak reauthorization bill, for that bill to pass, and for it to be signed into law by the President before the end of the year. Congress would also need to pass appropriations legislation to fund the programs included in the measure.

Related to the FY 2009 Transportation Appropriations, the House Subcommittee passed its version on June 20, 2008. The bill provides $1.5 billion for intercity passenger rail, including $60 million for a rail funding program entitled, “Capital Assistance to States.” The full House has to take up the bill. The Senate version includes $100 million for this program. The House Subcommittee rejected the Administration’s proposal to borrow money from the Mass Transit Account of the Highway Trust Fund to make up for the FY 2009 shortfall in the Highway Account. The Senate Subcommittee did backfill the shortage. She noted that the San Diego Mid-City Rapid Bus Project was named to receive funding.

Ms. Stackwick reviewed H.R. 6052, The Saving Energy Through Public Transportation Act of 2008. This measure would authorize $1.7 billion over two years in Federal Transportation Administration (FTA) grants to transit agencies to reduce fares and expand services. San Diego could expect to receive $4-$5 million for its fair share portion. However, these...
funds will not be available unless they are included in an appropriations bill. Support is consistent with SANDAG’s 2008 Legislative Program Goal No. 3B, which supports additional transportation and transit revenues.

Ms. Stackwick noted that Senator Reid, the Senate Majority Leader, said he will hold up all appropriations in the Senate until the next president is elected.

Second Vice Chair Stocks asked why Senator Reid wants to do that. Mr. Gallegos stated that if this measure goes to the President now, he will veto it and Congress doesn’t have an overriding majority. If a Democratic president is elected Congress might have a better chance of getting this measure approved.

Mr. Gallegos noted that this is the first time the federal government is helping with funds for transit operations. We wish the number were larger; however, it pushes Congress in a good direction.

In H.R. 6003, there is funding for the coastal corridor to update bridges and double track. We can take this federal money, add it to state money, and leverage that with local money. This funding would help projects such as the platform at Del Mar, the San Dieguito Bridge as well as others. These funds would be tools for us to use to improve the coastal rail corridor.

Mr. Gallegos said that we have been more aggressive in pursuing funds for rail. We want to start having quarterly meetings at the Caltrans Headquarters level to track progress on our projects. Commissioner Chalker would like to reduce the rail travel time between San Diego and Los Angeles. Some of the improvements planned for this corridor would do that.

Ms. Stackwick asked the Committee to consider support positions for H.R. 6003 and H.R. 6052.

Action: Upon a motion by Council President Pro Tem Madaffer, and a second by Mayor Morrison, the Executive Committee voted to approve support positions for (1) H.R. 6003, Amtrak reauthorization, (2) inclusion of the Capital Assistance to States funding program in the FY 2009 federal transportation appropriations, and (3) H.R. 6052, the Saving Energy Through Public Transportation Act of 2008.

7. REVIEW OF JULY 25, 2008, DRAFT BOARD AGENDA (APPROVE)

Chief Deputy Executive Director Diane Eidam reviewed the draft agenda for the July 25, 2008, Board meeting. The following changes were agreed to by the Committee: move Items Nos. 13, 14, and 21 to the Consent Calendar; remove item No. 16, add an item under Reports, “Memorandum of Understanding between SANDAG and La Mesa Regarding the Use of SANDAG’s Commercial Paper Program”; and split agenda Item No. 19 into three sections: (a) an update on the I-15 Managed Lanes project corridor, (b) SR 78/Nordahl Bridge replacement, and (3) a FasTrak update.

Related to Agenda Item No. 6, Council President Pro Tem Madaffer asked if SANDAG has a role in regional waste management, or if there is a solid waste management strategy for
the region. Mr. Gallegos responded that our planning department has been struggling with whether this is a relevant role for SANDAG.

Council President Pro Tem Madaffer asked if we should talk about updating the regional waste management strategy. He asked for a determination on where we sit from a legal standpoint, a status report to give us an understanding of SANDAG’s history on this topic, where we could be, and if we as a regional government should develop a solid waste management task force. He also asked SANDAG to consider the most appropriate entity to take the lead on this matter.

Second Vice Chair Stocks noted that the County of San Diego sold off the landfill system. Mayor Morrison commented that there was a regional waste management strategy in the mid-1990s and then the County stopped it. There has not been an effective strategy since that time. The Integrated Waste Management Board doesn’t have a plan, and its membership is not countywide.

Mr. Gallegos asked about the timing of this particular Board item. Ms. Eidam said that it has to be acted on in July.

Mr. Gallegos said that staff will bring back a history, where we are at, and what our current role is.

Ms. Eidam noted that in accordance with a 2004 agreement with the North County Transit District, SANDAG agreed to transfer NCTD SPRINTER employees to SANDAG once the operations of the SPRINTER commenced. This transfer will occur on September 1.

Ms. Eidam stated that there will be two closed session items: one related to anticipated litigation, and a conference with real property negotiators. She estimated that the closed session would last 30 minutes.

Action: Upon a motion by Mayor Morrison, and a second by Council President Pro Tem Madaffer, the Executive Committee voted to approve the agenda for the July 25, 2008, Board meeting, as revised.

8. UPCOMING MEETINGS

The August 8, 2008, meeting of the Executive Committee has been cancelled. The next meeting of the Executive Committee is scheduled for Friday, September 12, 2008, at 9 a.m.

9. ADJOURNMENT

First Vice Chair Pfeiler adjourned the meeting at 9:05 a.m.

Attachment: Attendance Sheet
## CONFIRMED ATTENDANCE
### SANDAG EXECUTIVE COMMITTEE MEETING
### JULY 11, 2008

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THE PORT OF SAN DIEGO MARINE FREIGHT PRESERVATION AND BAYFRONT REDEVELOPMENT INITIATIVE

Introduction

A ballot initiative called the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative (Initiative) has been submitted to the Unified Port of San Diego by San Diego Community Solutions LLC. This initiative, if approved by voters, would amend the Port of San Diego master plan by allowing commercial uses, such as hotels, restaurants, and a sports venue at the Tenth Avenue Marine Terminal (TAMT). Currently, only freight and maritime uses are permitted by the Port of San Diego at that location in an effort to minimize conflicting land uses and promote maritime trade.

In May, the Board of Port Commissioners voted unanimously to oppose the Initiative because it would threaten the viability and security of the TAMT. Subsequently, on August 5, 2008, the Port of San Diego filed a lawsuit challenging the legality of the measure, particularly the Initiative’s use of language that is inconsistent with the Port’s 1962 state mandate and master plan.

SANDAG and the Port of San Diego have been developing a strong working relationship and share planning objectives of mutual interest. The SANDAG 2007 Legislative Program includes as one of the highest priority goals the implementation of the Regional Comprehensive Plan (RCP) and Regional Transportation Plan (RTP), both of which call for improvements to infrastructure and include policies supporting maritime trade at the TAMT as part of the Goods Movement Action Plan (GMAP). Any proposed redevelopment of the TAMT to include uses other than freight could impact the implementation of the goods movement strategies. Additionally, subsequent to inclusion of the TAMT project in the GMAP, SANDAG and the Port of San Diego successfully secured more than $82 million in funding from the Proposition 1B Trade Corridor Improvement Fund (TCIF) program for access improvements to the TAMT. Passage of the Initiative will likely impact the future of these TCIF funds for the access improvement project.

Discussion

The SANDAG 2007 Legislative Program designates as one of the highest priorities to: “participate in development of guidelines and other activities to maximize the availability and flexibility of funding for the San Diego region to support the Regional Transportation Plan (RTP) and the Regional Comprehensive Plan (RCP) implementation.” (Legislative Goal No. 1A) Both the RTP and RCP include policies relating to the TAMT as part of the GMAP as well as a list of prioritized projects to improve freight mobility in the region. The GMAP, which was approved by the SANDAG Board of Directors as part of the 2030 RTP on November 30, 2007, ranks 59 projects according to specified criteria, and lists access improvements at the TAMT as the fourth priority project out of 59.
A recent $82.9 million allocation of Proposition 1B TCIF funds will be used to implement Port access improvements specified in the GMAP, including grade separations and other enhancements to improve truck flows and to divert truck traffic away from the Barrio Logan community. Redevelopment of the TAMT and expansion of commercial (hotel and retail operations) and recreation activities are deemed by the Board of Port Commissioners to be wholly incompatible with a working seaport operation for logistical, environmental, and safety reasons. Additionally, the Initiative would impact the recently launched TCIF Port access improvement projects, as any changes to land uses at the terminal would require re-evaluation and redesign.

Additionally, the TAMT as a maritime cargo facility is a link in the goods movement network and contributes to the regional economy by directly providing middle-income jobs and by influencing some 14,000 additional jobs related to secondary impacts of trade. The San Diego Regional Economic Prosperity Strategy, accepted by the SANDAG Board of Directors in 2007, calls for preservation of these higher paying jobs and specifically recommends that the GMAP be integrated and adopted as part of the RTP.

The TAMT is both a strategic military asset and a commercial asset to the region. The Port of San Diego’s TAMT includes 96 acres just east of the San Diego Convention Center. It not only handles fruit, cement, aggregate, building materials, structural steel, fertilizer, industrial components, and other noncontainerized cargo, but also it is designated as Strategic Military Port. Military cargo needs can materialize on a moment’s notice and immediate port capacity is needed to serve national security interests. The Port of San Diego has worked diligently to earn its Strategic Military Port designation, and handles hundreds of tons on military cargo each year. The Strategic Port designation is likely to be at risk from the Initiative as well.

A hearing on the Port of San Diego lawsuit challenging the legality of the Initiative is scheduled for September 4 at the Superior Court of San Diego to hear arguments on both sides. The court decision could result in action either to allow or prohibit placement of the Initiative on the November 4 ballot. If placed on the ballot, passage will require a majority vote by residents of the five Port cities (San Diego, Coronado, Imperial Beach, National City, and Chula Vista).

Board Policy No. 010 provides criteria for use by the Executive Committee to determine if SANDAG should take a position on a ballot measure. The following criteria are to be applied to ballot measures under consideration by the Executive Committee: The proposition should be on the statewide or countywide ballot; the proposition should not result in usurpation of the authority of any member agency, unless such member agency is on record in support of the proposition; the subject matter of the proposition should be within SANDAG’s purview; and the subject matter of the proposition should have potential for substantial regional impact. If these criteria are satisfied, the Executive Committee may consider whether a position should be taken.

BOB LEITER
Director of Land Use and Transportation Planning

Attachment: 1. Full text of the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative

Key Staff Contact: Christina Casgar, (619) 699-1982, cca@sandag.org
INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

To the Honorable Board of Commissioners of the San Diego Unified Port District:

We, the undersigned and qualified voters of the San Diego Unified Port District, hereby propose an initiative measure as set forth below to amend the Port Master Plan and to provide for the redevelopment of the Tenth Avenue Marine Terminal and surrounding area. We request that the proposed measure immediately be adopted by the Board of Port Commissioners without change, or that it be submitted to the voters of the San Diego Unified Port District at the earliest regular or special election for which this petition qualifies pursuant to the California Elections Code and other applicable laws.

The text of the proposed measure is set forth below and on subsequent pages.

THE PORT OF SAN DIEGO MARINE FREIGHT PRESERVATION AND BAYFRONT REDEVELOPMENT INITIATIVE

The People of the San Diego Unified Port District do ordain as follows:

Section 1. Title

This initiative shall be known and may be cited as “The Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative.”

Section 2. Findings and Purposes

The People of the San Diego Unified Port District find and declare:

A. Summary of Measure. The San Diego Bay tidelands under the jurisdiction of the San Diego Unified Port District constitute a unique and valuable resource for the citizens of our community. The approximately 100-acre Tenth Avenue Marine Terminal and the surrounding area are currently aging and underutilized, threatening the long-term survival of maritime freight activities. In order to preserve the marine freight facilities and related employment opportunities, as well as to maximize the commercial, recreational, environmental, and financial benefits of this property for residents, businesses, and visitors, this initiative amends the Port Master Plan to establish maritime freight as a priority use on the site, permits other uses that support marine freight activities, and establishes a framework for the redevelopment of this area through a cooperative partnership of public and private entities affected by the project.

B. No New Taxes. This initiative prohibits the use of any existing general tax revenues and the imposition of any new taxes upon the general public.

C. Increase Public Access. This initiative will significantly increase public access to the Port and to the San Diego bayfront for residents and visitors.

D. Protect Environmental Quality, Promote Sustainable Design. This initiative requires that redevelopment of the Tenth Avenue Marine Terminal will incorporate renewable and sustainable designs, will provide environmental safeguards, and will protect air and water quality.

E. Create New Jobs and Tax Revenues. The redevelopment project will create thousands of new jobs and generate millions of dollars in new tax revenues. The measure will encourage new investment in the modernization of marine freight facilities and the development of new marine freight business, and will provide new recreational and visitor-serving activities that will transform this underutilized site into a commercial and public attraction.

F. Increase Parking and Improve Traffic Circulation. The redevelopment project will add acres of new parking and will include improvements to the existing road and highway infrastructure, easing traffic congestion in the area. It will provide parking for the new activities at the Tenth Avenue Marine Terminal and provide additional parking for nearby activity centers such as the San Diego Convention Center.
G. Permit New Recreational and Cultural Attractions. Uses supportive of the priority marine freight operations may include, but would not be limited to, recreational and visitor-serving facilities. Supported uses under the measure could include an aquarium, a cruise ship terminal, parks and other open-space facilities -- including bike paths and pedestrian walkways -- an amphitheater or arena for large meetings, concerts and sports events, and other entertainment and visitor-serving accommodations such as hotels, restaurants, and specialty shopping areas.

H. Advance Port Safety and Security. The safety and security of the Port and its users will be a paramount consideration in the redevelopment of the Tenth Avenue Marine Terminal. The initiative mandates that the project be designed in consultation with federal, state, and local law enforcement authorities and that it comply with all applicable maritime security requirements.

Section 3. Amendment of Port Master Plan

The Unified Port of San Diego Port Master Plan is hereby amended as described below. Added language is underscored; deleted language is in strikeout; no changes are made to language that is in regular typeface or is not set forth in the text below.

1. Amendments to Section III, Master Plan Interpretation

a. Table 4, titled "Port Master Plan Land and Water Use Allocation Summary," found on page 12 of the Port Master Plan, is amended to add "Multi-Use Maritime District" as a distinct "Industrial" land use classification and to make the corresponding acreage adjustments in the land use allocation summary, as shown in the amended Table 4 attached hereto as Exhibit 1.

b. The "Master Plan Interpretation" subsection of the "Commercial Uses" section, found on page 17 of the Port Master Plan, is amended to read as follows:

Commercial areas, occupying approximately 360 acres of land and 415 acres of water, have been designated in the Land and Water Use Master Plan Map in a total of seven major land and water use classifications. These classifications and map delineations include land area for airport oriented commercial activities; land areas for commercial fishery operations along with commercial fishing fleet berthing in water areas; land based commercial-recreation areas; water areas for sportfishing berthing and recreational marinas including boat repair facilities. Existing and proposed commercial areas are delineated on the Map to define the general location of commercial areas. More definitive delineations of the exact limits of commercial areas are provided on Planning District maps. Although not formally designated and delineated as a commercial area, the Tenth Avenue Marine Terminal Multi-Use Maritime District also permits and encourages commercial-recreational activities as supportive uses to the priority marine related industrial uses authorized for that area.

c. The "Master Plan Interpretation" subsection of the "Industrial Uses" section, found on page 23 of the Port Master Plan, is amended to read as follows:

Industrial areas have been designated on the overall Master Plan Land and Water Use Element Map in four classifications: land area for Marine Related Industry, and corresponding water areas for Specialized Berthing; land areas for Aviation Related Industrial activities; and land area for Industrial-Business Park development. Marine Terminals, as a distinct use classification, have been delineated in the Precise Plans; however, in the overall plan, terminals are grouped into the Marine Related Industry category. Similarly, the Tenth Avenue Marine Terminal Multi-Use Maritime District has been delineated as a distinct use classification in the Precise Plan for Planning District 4, but is included within the Marine Related Industry category in the overall plan. The Land and Water Use Element Map illustrates the allocation of industrial areas consisting of approximately 186 acres of water and 1,181 acres of land.

d. The "Marine Related Industry" subsection of the "Industrial Uses" section, found on pages 23-24 of the Port Master Plan, is amended to read as follows:

Marine Related Industry requires sites within close proximity to water bodies due to functional dependencies on the industrial activity for direct access or for linkages to waterborne products, processes, raw materials or large volumes of water. Prime waterfront industrial sites are in relatively short supply and it is the intent of this Plan to reserve these sites for Marine Related Industry.

The primary users of marine related industrial areas are dependent upon large ships, deep water and
specialized loading and unloading facilities, typically associated with shipbuilding and repair, processing plants and marine terminal operations. Industries linked to these primary industrial activities can be clustered together to capitalize on the benefits of reduced material handling costs, reduced onsite storage requirements, faster deliveries, and a reduction of industrial traffic on public roads.

Existing, established marine-oriented industrial areas that have been devoted to transportation, commerce, industry and manufacturing are encouraged to modernize and to construct necessary facilities within these established areas in order to minimize or eliminate the necessity for future dredging and filling in new areas. However, expansion into new areas can be accommodated if existing sites are pre-empted by other uses, alternative locations are infeasible, and a curtailment of the project would adversely affect the public welfare.

Activities suitable for the marine related industrial area include, but are not limited to, marine terminals; passenger terminals; railroad switching and spur tracks; cargo handling equipment such as bulk loaders and container cranes; berthing facilities; warehouses, silos, fueling facilities; bulk liquid storage tanks and pipelines; shipping offices and customs facilities; power generation plants; ship building, repair and conversion yards; marine rails, lifts and graving docks; steel fabrication and foundry; storage, repair and maintenance of marine machinery and construction equipment; kelp and seafood processing, canning and packaging; aquaculture; and marine related support and transportation facilities.

Although commercial mariculture uses relating to seafood production are not presently established on the bay, research and experimentation, which has been conducted in the region as well as on the bay, indicates that warm water stimulates the growth rate of certain marine organisms, such as shrimp and lobster. Assuming that economic viability of mariculture will be achieved, future sites for mariculture activities could be located within close proximity to the existing thermal discharge areas of power generation plants to take advantage of the available warm water. There seems to be some likelihood that future aquaculture activities could be conducted in man-made tanks located in enclosed buildings and in converted salt ponds. Areas of the bay designated on the Master Plan Map as Estuary and Salt Ponds also include aquaculture and resource-dependent uses.

Due to the fact that public access to the bay is necessarily limited in established industrial sectors, it is the intent of this Plan that, whenever feasible, industrial land and water users are encouraged to invite the public to view their operations and to share with the public that shoreline area not actually used for industrial purposes by permitting visual access to the bay. The development and redevelopment of marine related industrial areas requires careful consideration involving a balancing of the peculiar needs of the development with the concurrent need for shoreline access.

The Tenth Avenue Marine Terminal Multi-Use Maritime District is included within the Marine Related Industry use classification in order to reflect the priority that must be given within that district to the preservation, modernization and expansion of marine-related industrial uses, including the existing marine freight and storage activities at and around the Tenth Avenue Marine Terminal. All uses that would otherwise be permitted in the Marine Related Industry land use classification are likewise permitted in the Multi-Use Maritime District. In addition, by authorizing the development of the air rights over the marine terminal facility and the adjacent grounds, the Multi-Use Maritime District also permits and supports a variety of public and commercial recreational uses that are compatible with the priority marine-related industrial activities. The Multi-Use Maritime District further contemplates the incorporation of an off-street parking facility to serve the existing marine terminal, any new public and commercial recreational activities, and other visitor-serving attractions in the area. The specific uses that are permitted and contemplated in the Tenth Avenue Marine Terminal Multi-Use Maritime District are detailed in the Precise Plan for Planning District 4.

c. The “Master Plan Interpretation” subsection of the “Public Recreation Uses” section, found on page 27 of the Port Master Plan, is amended to read as follows:

A growing population, greater discretionary incomes and more leisure time all contribute significantly to the increasing demand for both active and passive outdoor recreational opportunities. The public recreation opportunities developed on tidelands by the Port District along with the commercial recreation opportunities developed by private investment provide a balanced recreation resource for San Diego Bay. When thoughtfully planned, both public recreational developments and commercial recreational developments benefit from each other as off-site improvements, although as a matter of planning policy, commercial activities within public recreation areas will be limited. Recreational areas must be of the
appropriate type and size to be efficiently developed, administered and maintained by the Port District at a reasonable cost. This Plan places primary emphasis on the development of public facilities for marine oriented recreational activities for the purposes of fishing, boating, beach use, walking and driving for pleasure, nature observation, picnicking, children's playing, bicycling and viewing.

Recreation Area/Open Space is a category illustrated on the Land and Water Use Element Map to portray a wide array of active and passive recreational areas allocated around the bay. In addition to those areas specifically allocated and delineated for Public Recreation, public recreational uses are also permitted and encouraged in the Tenth Avenue Marine Terminal Multi-Use Maritime District. More specific information on public recreational areas is provided at the Planning District level under the following use categories.

2. Amendments to Section IV, Precise Plans

a. The Precise Plan for the Tenth Avenue Marine Terminal: Planning District 4, found in Section IV, pages 70-75, of the Port Master Plan, is amended to read as follows. Table 12 and Figures 13 and 14 therein are also amended to reflect the reclassification of the Tenth Avenue Marine Terminal and the adjacent grounds as the Tenth Avenue Multi-Use Maritime District, the renaming and redrawing of the planning district subarea boundaries, and the corresponding acreage adjustments that have been made in the land use allocation summary, as shown in the attached Exhibits 2, 3, and 4. No amendments are made to the subsections of the Precise Plan addressing the Belt Street Industrial and Harbor Drive Industrial Planning District Subareas.

TENTH AVENUE MARINE TERMINAL:
Planning District 4

Introduction

The Tenth Avenue Marine Terminal Planning District is a developed, marine-related industrial area of great importance to the region’s economic base. Currently over 50,000 jobs are provided on the tidelands and uplands of this industrial area. More important, this is the only area in the entire San Diego region providing established waterfront industrial sites with railroad service, close freeway access, commercial port-related support functions, and deep water berthing. With a water depth alongside the berths ranging from 30 to 42 feet of 40 feet near the marine terminal and 35 feet in the industrial area, the Tenth Avenue Marine Terminal can accommodate a wide array of maritime vessels, standard cargo ships. Such deep water berthing cannot easily be created or replaced, so the value of this waterfront industrial land is inestimable.

In 2008, the voters enacted the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative, adopting a comprehensive plan to create a multi-use maritime district that includes both modernized and improved industrial marine freight facilities and new commercial and public recreational opportunities at the Tenth Avenue Marine Terminal. The most important element of the redevelopment plan is its incorporation of a creative architectural and engineering design for the Tenth Avenue Marine Terminal that allows for the development of approximately 96 acres of air rights above the marine terminal and the adjacent grounds in order to accommodate port-related industrial and commercial uses, while simultaneously permitting new public recreational, cultural, and visitor-serving commercial uses.

Policies of the nearby Barrio Logan Community Plan and 1.C.P. threaten the port-related tideland uses with encroachment of residential, public park and commercial uses in an area almost totally industrial. The basic incompatibility of these uses places more of a burden on the industrial uses to reduce potential environmental impacts. The Port Master Plan seeks to preserve and protect this unique coastal resource by limiting uses to strictly marine oriented industrial ones.

Precise Plan Concept

The area adjacent to the Port tidelands has been zoned for manufacturing since the 1930’s and older industrial activities now dominate. On the tidelands, the identifiable land use problems stem from a critical shortage of space into which existing port-related industries can expand and new marine-related industries can be accommodated, a need for more automobile parking areas, demands by upland residents for replacing port-related industrial sites with park use, and complications arising from efforts to clear and redevelop incompatible uses.
The Precise Plan, as modified by the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative, continues the existing marine-oriented industrial uses and supports the development of available vacant lands with similar uses, in order to provide a homogenous industrial climate with an assured, reasonable long-term growth potential creates new open space, recreational, cultural, and waterfront-related commercial opportunities. Preservation of the existing marine freight activities remains the highest priority for this Planning District through the implementation of policies that expand and improve marine freight facilities both to handle existing tenants and to attract additional activities and tenants, including new and expanded cruise ship activities. The Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative is also intended to be in compliance with the Goods Movement Action Plan, an initiative of the Schwarzenegger Administration to improve and expand California’s goods movement industry and infrastructure in a manner that will generate jobs, increase mobility and relieve traffic congestion, improve air quality and protect public health, enhance public and port safety, and improve California’s quality of life.

Infrastructure improvements are called for to facilitate the movement of vehicles entering and exiting the Terminal and to increase parking. Renewable and sustainable design measures will be implemented to reduce air, noise, and water pollution impacts at or related to the Terminal.

At the same time, the Marine Freight Preservation and Bayfront Redevelopment Initiative proposes to revitalize the Planning District by supporting substantial new public access opportunities and waterfront-dependent recreational and commercial uses for this area by authorizing the development of the air rights above the existing marine terminal facility and its adjacent grounds. A new public promenade will extend public access to the San Diego Bay. Other specific project components could include open-space and designated commercial recreational activities, new restaurants, lodging and retail shopping establishments, and cultural and entertainment facilities, such as a downtown aquarium or professional sports venue. Additional parking and transportation improvements will both facilitate access to the new commercial and recreational activities, as well as provide relief for other nearby activity centers, including the San Diego Convention Center.

Land and Water Use Allocations

The Planning District consists of approximately 250 257-acres of land and 114 acres of submerged land for an overall total of 364 374-acres. The thrust of the use allocations is to retain and continue marine related, water dependent industrial uses as the prior use for this Planning District, while simultaneously creating new supportive public access and commercial recreational opportunities in the Tenth Avenue Marine Terminal Multi-Use Maritime District planning subarea. Use allocations are listed in Table 12, graphically shown on the Precise Plan Map (Figure 13), and discussed in the text. The acreage allocations are approximate, and the figures are for illustrative purposes only and are subject to change. The land area acreage totals and allocations listed in Table 12 also do not include the additional acreage that is effectively created in the Multi-Use Maritime District by authorizing the development of the air rights over the Tenth Avenue Marine Terminal and adjacent grounds.

Tenth Avenue Marine Terminal Planning District Subareas

To facilitate description of the existing and proposed uses, the Planning District has been divided into planning subareas (see Figure 14).

Railroad Yard

This small planning subarea, to the north and east of the Tenth Avenue Multi-Use Maritime District and adjacent to the existing marine terminal facility, is restricted to marine-related industrial uses that are supportive of the Port’s activities. The principal uses of this subarea are predominately heavy-rail related. For example, Burlington Northern Santa Fe Railway (BNSF) utilizes this area for passenger and freight car marshalling, storage, and right-of-way activities for freight trains serving the Port’s two marine terminals.
Tenth Avenue Marine Terminal Multi-Use Maritime District

This subarea contains the various industries that relate to the marine terminal. As described in the April 2007 San Diego Unified Port District Maritime Business Plan Update submitted by TEC, Inc., the Tenth Avenue Marine Terminal ("TAMT") is an approximately 96-acre maritime cargo complex located near downtown San Diego, south of the Convention Center and north of the San Diego-Coronado Bay Bridge. Tenants at the TAMT, which opened in 1938, handle containerized and breakbulk fruit, dry bulk cargos including sand and cement, petroleum products, and various breakbulk and project cargos. TAMT presently has 8 operating berths totaling some 4,620 feet on three separate waterfronts.

The Tenth Avenue Marine Terminal has roughly one million total square feet (sf) of warehouse space and transit sheds, which includes nearly 300,000 sf of refrigeration and cold storage facilities. The covered storage is used for newspapers, dry bulk cement, and breakbulk cargos requiring covered storage. The terminal offers dry bulk storage in a 32,000 metric ton storage complex consisting of 12 concrete silos and two large steel 'Butler' tanks. An open storage area, of roughly 1.3 acres, adjacent to the storage complex is used to store dry bulk sand. Additionally, dry bulk cargos were once stored in railcars and the terminal has 8,536 linear feet (lf) of track (space for roughly 196 railcars) for this purpose.

The largest open storage area at TAMT is a 20.5 acre container facility for Dole Fresh Fruit Company. There are roughly 10 to 12 additional acres available at TAMT for open-air storage, most of which are fully occupied at one time or another. Open storage areas at TAMT are also used for temporary lay-down of cargo that is offloaded but not stored at the terminal.

There are two separate liquid bulk storage facilities on the terminal, one active and one inactive. The total storage capacity of the operating tanks is between 161,000 and 211,000 barrels (bbls). The tanks are used for storing jet fuel, diesel fuel, and fuel oil. The tanks on the inactive tank farm site are no longer useful, and Valley Minerals Operations, Inc., which holds the lease on the storage complex, has an option to lease the land currently occupied by this inactive tank farm.

In accordance with the Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative, a modernized and expanded Tenth Avenue Marine Terminal facility will be the central component of the new Multi-Use Maritime District created by the Initiative, as shown on Figure 13. Redevelopment of the Tenth Avenue Marine Terminal shall give priority to the following marine-related industrial uses: preserving existing marine freight activities and employment; attracting new marine freight by modernizing or constructing new marine freight and storage facilities; developing a new cruise ship terminal to replace or supplement existing facilities; and implementing infrastructure improvements to ameliorate access to the terminal and the waterfront.

Priority shall also be given to the following uses in the Multi-Use Maritime District: creation of a new off-street parking facility to serve the marine terminal, the cruise ship terminal, and the nearby Convention Center; and establishing additional public recreational facilities, including pedestrian walkways, bicycle paths, parks, and other open space adjacent to the waterfront.

In order to provide the revenues to support the implementation of these priority uses, as well as to allow the public to take full advantage of the waterfront and its benefits, the Multi-Use Maritime District also permits and encourages the development of the air rights above the marine terminal and its adjacent grounds for various visitor-serving commercial recreational supportive uses that are compatible with the priority uses designated for this area. Among the supportive uses contemplated for the Multi-Use Maritime District are: a downtown aquarium; an amphitheater, arena, or other venue for large meetings, concerts and sports events; hotels, restaurants, and specialty retail establishments to accommodate convention visitors and cruise ship passengers; and other entertainment, community, and commercial activities consistent with the maritime character of the area.

The intent of the redevelopment plan for the Multi-Use Maritime District is to retain flexibility for consideration of a wide array of development options consistent with the above principles. Although it is anticipated that the new public and commercial recreational supportive uses, as well as the additional parking facility, will be located primarily in the new development that is authorized for the air rights above the marine terminal facility and its adjacent grounds, the grade-level acreage need not be used exclusively for the existing marine related industrial activities, as any such uses are subject to approval in the overall design and allocation of spaces in the redeveloped district. The specific priority
and support services selected for inclusion in the redevelopment project, and their respective locations, will be determined through a collaborative and consultative process that includes participation by public and private entities affected by redevelopment of the Tenth Avenue Marine Terminal, including existing and prospective port tenants, labor organizations, environmental and local community groups, business representatives, and visitor or convention groups.

It also is the location of a large amount of transportation related uses such as streets and railroad switching yards. The Master Plan calls for continuing the marine oriented industrial activities, including railroads. The Harbor Services maintenance yard will be removed and the remaining acreage in Planning District 4 will revert to Marine Related Industrial Use.

The Tenth Avenue Marine Terminal, completed in 1959, is a paved landfill with concrete bulkheads and rubber or timber fenders along each berth face. There are 4,348 feet of lighted usable berthing space at the terminal, 387,528 square feet of cargo space in two transit sheds, and 475,000 square feet of storage space in one warehouse and ancillary sheds. Access to the terminal is from Harbor Drive onto a newly constructed entry road called Crosby Road. Railroad tracks provide access on Berths 2 through 8, all transit sheds, and the warehouses. Stevedore equipment is available as needed.

Berths 1 and 2, located on the north side of the complex, contain 1,118 feet of usable berthing space alongside a water depth of 30 feet MLLW. Fuel, water, and electricity are available. These berths are used only for general trade items but also for cargoes of fish, molasses in steel storage tanks having a 2,740,000,000 gallon capacity, and the receipt of petroleum products. Oil handling and oil bunkering storage tanks have a capacity of 15,000 barrels.

Berths 3, 4, 4A, 5 and 6, located on the west side of the terminal, provide 2,580 feet of usable berthing space at an alongside water depth of 36 feet MLLW. These berths are used for general cargo. A chemical-fertilizer bulk storage and bagging plant occupies the north section shed adjacent to Berth 3.

Berths 7 and 8, located on the south side of the terminal, provide 650 feet of usable berthing space with an alongside water depth in some areas of 36 feet MLLW. Berths 7 and 8 are used primarily for the loading of bulk export cargoes utilizing the Port's bulkloader. This elevated conveyor system extends from a rail car unloading building which houses rail car bottom dump and rotary dump facilities. Also connected to the bulkloader is a 15,000 short ton bulk storage silo complex, completely automated, for the storage and handling of either grains or chemicals. It is provided with an inert gas explosion protection system. A bagging plant equipped with an under-track railroad car pit and two bagging machines is used for bagging chemicals and other commodities. In this vicinity, a second privately owned molasses handling and storage facility is located close to Berths 7 and 8.

Rail facilities serving the Tenth Avenue Marine Terminal will be expanded to meet current operation needs. The Santa Fe rail storage yard adjacent to the terminal is capable of storing a total of 285 rail cars, adequate to service the loading and unloading of shipments up to 18,000 tons per vessel. Depending on operational considerations, the Santa Fe Railroad utilizes storage yards in other locations to handle shipments up to at least 30,000 tons per vessel. The rail car capacities of these yards are: Carlsbad (160), Oceanside (120), Sorrento Valley (80), and National City (189). All transit sheds and warehouses at the Tenth Avenue Marine Terminal are served by rail spur.

The present bulk loading facility was constructed in 1962. It consists of a rail car unloading building, 42-inch wide belt conveyors, a shiploader alongside the southeast face of the terminal, a rail car marshalling yard, and miscellaneous ancillary structures and equipment. Use of the bulkloader is still increasing. Waterfront cargo equipment such as this has a high maintenance factor; also, it appears likely that periodic modifications must be made to comply with changing air quality regulations.

Bulk cargo, particularly fertilizer and other chemicals, constitutes the largest export item of the Port of San Diego. In recent years, increasingly larger bulk vessels with drafts greater than 36 feet have made appearances at the port and there is every indication that the trend toward greater capacity in bulk vessels will continue. Similarly, greater depth will become necessary at some of the general cargo berths.

The Master Plan foresees continuation and intensification of the cargo operations at the Tenth Avenue Marine Terminal. Expansion of land area is not considered imminent but may be accommodated in the future by utilizing nearby leased parcels. Physical improvements to the terminal are detailed in the Project List.
Crosby-Street-Corridor

To provide for public access to the waterfront, the development concept proposes to redivide a 5.4 acre site to facilitate the construction of a 3.2 acre public recreational area adjacent to the bay and a 2.2 acre deepwater channel related industrial facility.

The public area will offer active and passive recreational opportunities in a landscaped setting. Proposed facilities may include a kiosk, entry arbor, restrooms, concession stand, benches, picnic tables and barbecues, lawn expance, and a recreational pier. On site parking for the area is proposed. The public area will be shielded from the adjacent industrial site by landscaping and a masonry wall, and from the street by landscaping and fencing.

The marine related industrial portion of the site will be preserved to take advantage of adjacent deepwater access for a multi-purpose facility for repair, servicing, berthing, and cargo handling of fishing, commercial and military vessels. It is advantageous for Navy security reasons that this facility is north of the San Diego-Coronado Bay-Bridge, that it is available to the majority of deep draft vessels using the Bay’s main channel, that the site has superior truck and rail access, and that it is well located with respect to a multitude of industrial and commercial support facilities in the near vicinity.

Among the facilities which may be provided for at the marine industrial site may be a pier to allow maritime servicing and repair. The pier may have boat feeder, fresh water, and security lighting. No marine railways or other devices to lift boats from the water are planned. Remedial dredging to minus 30 feet MLLW will allow adequate water depth for the above variety of uses, including ship repair.

Ship repairing and repair work will be performed while the boats are tied to the pier and all exterior work will be performed above the water line in accordance with the air and water quality standards. Support activities and on site parking will be located on the land portion of the site. Space for storage of construction material and equipment is provided in some buildings and on the land. Specific implementation proposals will be evaluated by the San Diego Air Pollution Control District, the San Diego Water Quality Control Board, and the San Diego Noise Abatement Office for compliance with all applicable regulations.

Section 4. Coastal Commission Certification

Upon the adoption of this measure, the amendment of the Unified Port of San Diego Port Master Plan set forth in Section 3 shall be submitted to the California Coastal Commission for certification in accordance with Chapter 8 of Division 20 of the California Public Resources Code (commencing with Section 30700). The Board of Port Commissioners is authorized and directed to take all actions necessary to secure the certification of the Port Master Plan amendment by the Coastal Commission, including making any revisions or alterations to the Port Master Plan amendment that may be required by the Coastal Commission in order to obtain certification, provided that any such revision or alteration must be consistent with the purposes and intent of this measure.

Section 5. Redevelopment Project for Tenth Avenue Marine Terminal

In order to implement the policies adopted in Section 3 of this measure, the Board of Port Commissioners of the San Diego Unified Port District, no later than 60 days after the effective date of this measure, shall enter into an Exclusive Negotiating Agreement (ENA) with a private development entity for the purpose of negotiating the terms and conditions of a comprehensive Master Cooperative Development Agreement for the redevelopment of the Tenth Avenue Marine Terminal Multi-Use Maritime District in accordance with the priority and supportive policies and uses set forth in the Port Master Plan, as amended by this measure. The ENA shall require that within 180 days of the execution of the ENA, unless that time period is further extended by the mutual agreement of both the Port District and the selected private development entity, the Port District and the selected private development entity shall prepare a redevelopment plan for the Tenth Avenue Marine Terminal Multi-Use Maritime District, including design themes, building footprints, elevations, location of parking facilities, vehicular and pedestrian access ways, and other factors fully descriptive of the proposed redevelopment project. The purpose of the ENA is to allow the Port District to work with the selected private development entity to finalize the terms of a Master Cooperative Development Agreement, conditional upon the Coastal Commission's certification of the Port Master Plan's amendment, that addresses, among other matters: (1) a specific site design and plan for the redevelopment of the Tenth Avenue Marine Terminal Multi-Use Maritime District, (2) the preparation and processing of the environmental documentation necessary for the redevelopment project, (3) a financing mechanism for the redevelopment project, and (4) the terms and conditions of an option and lease agreement with the selected private
development entity for redevelopment of the site.

A. **Participation By Cooperative Agreements and Joint Development Agreements.** In order to ensure that the concerns of marine freight tenants and employees are incorporated into the redevelopment plan and its implementation, the development entity selected by the Port District for the ENA and Master Cooperative Development Agreement shall have entered into cooperative agreements, joint development agreements, non-disclosure and non-circumvention agreements, or similar agreements with existing tenants of the Tenth Avenue Marine Terminal and with a labor organization or organizations representing a majority of the employees handling marine freight on the site. Prior to its entry into the ENA or Master Cooperative Development Agreement with the Port District, the development entity selected by the Port District shall also have offered to enter into cooperative agreements or joint development agreements with representatives of the other major tenants or establishments proposed for inclusion in the redevelopment plan.

B. **Consultation and Public Participation.** In addition to establishing cooperative agreements and joint development agreements as set forth above, in order to ensure, to the maximum extent feasible, that the concerns of entities affected by the redevelopment of the Tenth Avenue Marine Terminal have been incorporated into the proposed redevelopment plan, the private development entity selected by the Port District for the ENA and Master Cooperative Development Agreement shall demonstrate that it has consulted with and encouraged participation in the planning process by public and private entities affected by the proposed redevelopment plan, including but not limited to labor and environmental organizations, interested community groups and individuals, waterfront-related businesses and community-improvement organizations, and the San Diego Convention Center and the San Diego Sports Arena.

C. **Preserving Maritime Security.** In order to ensure the safety and security of the Port and its users, in preparing the redevelopment plan for the Tenth Avenue Marine Terminal Multi-Use Maritime District, the selected private development entity shall consult with the United States Coast Guard and other law enforcement agencies with jurisdiction over the facility. The Master Cooperative Development Agreement shall provide that the final redevelopment project must incorporate necessary and appropriate security measures and must comply with all applicable maritime security requirements.

D. **Prohibition on Use of Existing General Fund Revenues.** The Master Cooperative Development Agreement shall provide that redevelopment of the Tenth Avenue Marine Terminal shall be privately financed, without the use of any existing general fund or tax revenues of the Port or of any of the constituent Port Cities. However, any new incremental tax revenues generated by the implementation of the redevelopment activities may be dedicated to the implementation of the master plan.

**Section 6.** Effective Date

In accordance with California Elections Code section 9320, this initiative shall be considered as adopted upon the date that the vote is declared by the Board of Port Commissioners, and it shall go into effect ten (10) days thereafter. Upon the effective date of this initiative, the amendments made in Section Three are hereby inserted into the Unified Port of San Diego Port Master Plan, and all actions of the Board of Port Commissioners shall be consistent with the policies and provisions of this initiative.

**Section 7.** Interim Amendments to Port Master Plan

The Unified Port of San Diego Port Master Plan in effect at the time the Notice of Intention to propose this initiative measure was filed with the Port of San Diego constitutes an integrated, internally consistent and compatible statement of policies and implementation provisions for the Port of San Diego. In order to ensure that the Port Master Plan, as amended by the provisions of this initiative, remains an integrated, internally consistent, and compatible statement of policies and implementation provisions for the Port, the provisions adopted by this initiative shall prevail over any conflicting revisions to the Port Master Plan that may have been adopted or implemented between the date of the Notice of Intention and the date the amendments adopted by this initiative measure are inserted into the Port Master Plan. To this end, any conflicting revisions to the Port Master Plan adopted between the date of the Notice of Intention and the date the amendments adopted by this initiative measure are inserted into the Port Master Plan shall be null and void in their entirety and without any legal effect.
Section 8. Construction

To the maximum extent authorized by law, this initiative shall be interpreted in a manner consistent with the right of initiative reserved to the people by the California Constitution. Without limiting the generality of the foregoing, nothing in this initiative is intended to diminish or otherwise alter applicable requirements of any state or federal law.

Section 9. Severability

This initiative shall be liberally and broadly construed to achieve the purposes stated in the initiative. If any provision or portion of this initiative is for any reason declared to be invalid by a court, the remaining provisions and portions shall be deemed severable and shall nonetheless remain in full force and be given full effect to the extent that they can be made applicable, and the People hereby direct and authorize the court to correct, interpret, and add words to this initiative as necessary to effectuate the intent of the remaining provisions or portions of this initiative.

Section 10. Enforcement

A. This initiative is intended to impose a mandatory duty upon the Board of Port Commissioners of the San Diego Unified Port District to redevelop the Tenth Avenue Marine Terminal Multi-Use Maritime District in accordance with the terms and conditions of this initiative and applicable state law. To that end, the duties imposed upon the Board of Port Commissioners pursuant to Sections 4 and 5 herein shall be enforceable by an action for writ of mandate filed in the Superior Court of the County of San Diego by any qualified elector of the Port District or by any other aggrieved party.

B. Time is of the essence in the implementation of this initiative. Unless specifically enjoined from proceeding with the implementation of this initiative by a court of competent jurisdiction, the Board of Port Commissioners shall comply with the terms and conditions of this initiative notwithstanding any threatened or existing legal challenge to the validity of this initiative or to any portion thereof.

Section 11. Conflict with Other Measures

If a conflict exists between this initiative and any other measure approved by the voters at the same election, the provisions of this initiative shall take effect except to the extent that they are in direct conflict with the provisions of such other measure and the other measure receives a greater number of affirmative votes.

Section 12. Corrections and Implementing Actions

The Board of Port Commissioners of the Unified Port of San Diego is hereby directed to reprint the Port Master Plan and all corresponding figures and tables to reflect the adoption of this initiative. The Board is hereby authorized and directed to make any corrections in the language, pagination, paragraph numbering, tables, maps, figures and other aspects of the Port Master Plan as may be necessary to ensure that the Port Master Plan, as amended by this initiative, accurately and completely reflects the amendments adopted by this initiative. The Board is further authorized and directed to take any and all actions that may be deemed necessary to implement and give effect to the amendments of the Port Master Plan adopted by this initiative, including such actions as may be necessary to provide consistency between these amendments and other Port planning documents. Notwithstanding Section 13 of this initiative, the Board of Port Commissioners is specifically authorized to amend the Port Master Plan by updating the Project List for the Tenth Avenue Marine Terminal: Planning District 4 (Table 13) to incorporate therein the specific redevelopment projects selected for the Tenth Avenue Marine Terminal Multi-Use Maritime District and to make any other Port Master Plan amendments necessary to implement the Master Cooperative Development Agreement adopted pursuant to Section 5 of this initiative.

Section 13. Amendment

Except as provided in Section 12 herein, this initiative may be amended only by a vote of the people at a regular or special election held in accordance with the requirements of the California Elections Code.
# EXHIBIT 1

## TABLE 4: Port Master Plan Land and Water Use Allocation Summary

<table>
<thead>
<tr>
<th>LAND USE</th>
<th>ACRES</th>
<th>WATER USE</th>
<th>ACRES</th>
<th>% of TOTAL</th>
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</tr>
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<td>Ship Navigation Corridor</td>
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<td></td>
<td>Ship Anchorage</td>
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<td>MASTER PLAN LAND AND WATER ACREAGE TOTAL</td>
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</table>


### EXHIBIT 2

**TABLE 12: Precise Plan Land and Water Use Allocation**

| TENTH AVENUE MARINE TERMINAL – PLANNING DISTRICT 4 |

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<tr>
<th>LAND USE</th>
<th>ACRES</th>
<th>WATER USE</th>
<th>ACRES</th>
<th>TOTAL ACRES</th>
<th>% of TOTAL</th>
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<td>PUBLIC FACILITIES</td>
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<td></td>
<td></td>
<td>363.7</td>
<td>100%</td>
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</tbody>
</table>
Notice of Intention to Circulate Initiative Petition

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the San Diego Unified Port District for the purpose of amending the Port Master Plan in order to preserve and modernize the marine freight facilities at the Tenth Avenue Marine Terminal. A statement of the reasons for the proposed action as contemplated in the petition is as follows.

The Tenth Avenue Marine Terminal is one of two marine freight terminals owned and operated by the San Diego Unified Port District. The Tenth Avenue Marine Terminal consists of approximately 100 acres located on San Diego Bay tidelands between the San Diego Convention Center and the Coronado Bridge. It has and has been a marine-related industrial area of great importance to the region’s economic base. Many jobs are provided both at the Terminal itself and on the tidelands and uplands of this industrial area. The Tenth Avenue Marine Terminal is the only area in the San Diego region providing established waterfront industrial and warehouse sites with railroad service, close freeway access, commercial port-related support functions, and deepwater berthing. With a water depth of 40 feet or more alongside its berths, the Terminal can accommodate a wide array of maritime vessels.

In recent years there have been various proposals to eliminate marine freight activities at the Tenth Avenue Marine Terminal in order to develop more hotels, retail shopping malls, or major sports facilities, such as a new stadium or arena. These proposals have been rejected to date by the Board of Port Commissioners because they were not deemed to be consistent with the Port's mission, which includes managing the scarce tidelands resource in order to preserve a balance between recreational, tourism, marine freight and other activities, and because of the opposition of existing Port tenants, their employees, and others.

Due to the uncertainties created by such proposals, investment in the modernization of marine freight facilities and the development of new marine freight business has been inhibited. Both private and public entities are discouraged from making such investments because they do not have sufficient assurances that marine freight will not be displaced by other activities.

The Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative would amend the Port Master Plan to require the participation of marine freight tenants and marine freight labor organizations in the process of preparing and implementing a redevelopment plan for the Tenth Avenue Marine Terminal that establishes maritime freight as the priority use on the site, while simultaneously permitting other uses that will support marine freight activities. Because the initiative can only be amended by a further vote of the people, it will provide the assurances necessary to encourage new investment in the modernization of the existing marine freight facilities and the development of new marine freight business, generating thousands of jobs and millions of dollars in new revenues. Redevelopment of the Tenth Avenue Marine Terminal in accordance with the initiative will also create new recreational and visitor-serving activities that will significantly increase public access to the San Diego Bayfront and will transform this underutilized site into a valuable commercial and public attraction.

Frank E. Gallagher III
5290 Vallery Court
San Diego, Ca 92130
<table>
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<tr>
<th>VOTER:</th>
<th>NOTICE TO THE PUBLIC: THIS PETITION MAY BE CIRCULATED BY A PAID SIGNATURE GATHERER OR A VOLUNTEER. YOU HAVE THE RIGHT TO ASK.</th>
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</thead>
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<tr>
<td></td>
<td>All signers of this petition must be registered to vote in the San Diego Unified Port District</td>
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<td>PRINT</td>
<td>Your Name</td>
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<td>SIGNATURE</td>
<td>Residence</td>
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<td>as Registered To Vote</td>
<td>City/Zip:</td>
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<tr>
<td>PRINT</td>
<td>Your Name</td>
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<th>New Registration</th>
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<tbody>
<tr>
<td>SIGNATURE</td>
<td>Residence</td>
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<td>as Registered To Vote</td>
<td>City/Zip:</td>
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<td>PRINT</td>
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<td>SIGNATURE</td>
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<td>as Registered To Vote</td>
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<td>NO PO Boxes, NO routes, NO abbreviations, NO ditto marks</td>
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</tbody>
</table>

Declaration of Circulator  
URGENT: You must sign here as circulator, after the above signatures have been obtained.  
Port of San Diego  
STATE OF CALIFORNIA ss.  
I, ____________________________, am a voter or am qualified to register to vote in the San Diego Unified Port District. My residence address is _________________________________.  
I circulated this section of the petition and witnessed each of the appended signatures being written. Each signature on this petition is, to the best of my information and belief, the genuine signature of the person whose name it purports to be. All signatures on this document were obtained between the dates of _______ and _______.  
(month, day, year) (month, day, year)  
I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  
Executed on _______ at _______.  
(month, day, year)  
(complete signature indicating full name of circulator)
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

CASES ASSIGNED TO THE PROBATE DIVISION ARE NOT REQUIRED TO COMPLY WITH THE CIVIL REQUIREMENTS LISTED BELOW

IT IS THE DUTY OF EACH PLAINTIFF (AND CROSS-COMPLAINANT) TO SERVE A COPY OF THIS NOTICE WITH THE COMPLAINT (AND CROSS-COMPLAINT).

ALL COUNSEL WILL BE EXPECTED TO BE FAMILIAR WITH SUPERIOR COURT RULES WHICH HAVE BEEN PUBLISHED AS DIVISION II, AND WILL BE STRICTLY ENFORCED.

TIME STANDARDS: The following timeframes apply to general civil cases and must be adhered to unless you have requested and been granted an extension of time. General civil consists of all cases except: Small claims appeals, petitions, and unlawful detainers.

COMPLAINTS: Complaints must be served on all named defendants, and a CERTIFICATE OF SERVICE (SDSC CIV-345) filed within 60 days of filing. This is a mandatory document and may not be substituted by the filing of any other document.

DEFENDANT’S APPEARANCE: Defendant must generally appear within 30 days of service of the complaint. (Plaintiff may stipulate to no more than a 15 day extension which must be in writing and filed with the Court.)

DEFAULT: If the defendant has not generally appeared and no extension has been granted, the plaintiff must request default within 45 days of the filing of the Certificate of Service.

THE COURT ENCOURAGES YOU TO CONSIDER UTILIZING VARIOUS ALTERNATIVES TO LITIGATION, INCLUDING MEDIATION AND ARBITRATION, PRIOR TO THE CASE MANAGEMENT CONFERENCE. MEDIATION SERVICES ARE AVAILABLE UNDER THE DISPUTE RESOLUTION PROGRAMS ACT AND OTHER PROVIDERS. SEE ADR INFORMATION PACKET AND STIPULATION.

YOU MAY ALSO BE ORDERED TO PARTICIPATE IN ARBITRATION PURSUANT TO CCP 1141.10 AT THE CASE MANAGEMENT CONFERENCE. THE FEE FOR THESE SERVICES WILL BE PAID BY THE COURT IF ALL PARTIES HAVE APPEARED IN THE CASE AND THE COURT ORDERS THE CASE TO ARBITRATION PURSUANT TO CCP 1141.10. THE CASE MANAGEMENT CONFERENCE WILL BE CANCELLED IF YOU FILE FORM SDSC CIV-359 PRIOR TO THAT HEARING.
RESOLUTION REGARDING KUMEYAAAY MAP

Introduction

In May 2008 a joint meeting was held between the Borders Committee and the Southern California Tribal Chairmen’s Association (SCTCA) to discuss various tribal policy issues. During the discussion portion of one of the items, Louis Guassac, a representative of the Kumeyaay Border Task Force (KBTF), requested that SANDAG create a resolution acknowledging the historic aboriginal boundaries of the Kumeyaay Nation based on a map. The map has been approved by the U.S. Department of the Interior and the State of California. The Borders Committee requested that staff develop a draft resolution in collaboration with tribal leaders and submit it for consideration to the Executive Committee. Attached is a letter from the Sycuan Band of the Kumeyaay Nation on behalf of the Kumeyaay/Diegueno Unity (Attachment 1), a map of Kumeyaay lands from 1769 (Attachment 2), and a draft resolution (Attachment 3) for Executive Committee consideration.

Recommendation

The Executive Committee is asked to recommend that the Board of Directors approve Resolution No. 2009-03, regarding the acknowledgement of the aboriginal lands of the Kumeyaay Nation.

BOB LEITER
Director of Land Use and Transportation Planning


Key Staff Contact: Jane Clough-Riquelme, (619) 699-1909, jcl@sandag.org
Daniel J. Tucker  
Chairman  

Ricci LaBrake  
Vice Chairman  

Jane Clough-Riquelme, Ph.D.  
Tribal Liaison  
San Diego Association of Governments (SANDAG)  
401 B Street, Suite 800  
San Diego, CA 92101  

Candelita Billingsley  
Secretary  

Cody J. Martinez  
Treasurer  

Pilar T.A. Pettiford  
Council Member  

Orlando Sandoval  
Council Member  

Deedra Tucker  
Council Member  

Date: August 18, 2008  

Dear Ms. Clough-Riquelme:

This letter serves to inform you of the support for recognition of the aboriginal territory of the Kumeyaay/Diegueno Bands. The request was made by Louis Guassac, Executive Director of the Kumeyaay Border Task Force (KBTF) and the Kumeyaay/Diegueno Land Conservancy (KDLC), and has been sanctioned by tribal leaders of the Kumeyaay/Diegueno Unity meeting which was held at Sycuan Resort & Casino last Friday, August 15, 2008.

Please be notified that Louis Guassac is your point of contact for any clarifications in order to support our requests to receive official support for the Kumeyaay/Diegueno Resolution through the SANDAG organization.

Sincerely,

Ricci LaBrake, Vice Chairman  
Sycuan Band of the Kumeyaay Nation  

Cc: Kumeyaay/Diegueno Bands
Aboriginal Territory
of the
Kumeyaay / Diegueño Nation

Kumeyaay/Diegueño Nation 2006

Kumeyaay/Diegueño Nation 1775

Kumeyaay/Diegueño Nation 1822

Kumeyaay/Diegueño Nation 1850

Kumeyaay / Diegueño Nation 1775

Kumeyaay / Diegueño Nation 1822

Kumeyaay / Diegueño Nation 1850

Legend:

- Immigrant Trail
- Kumeyaay Lands
- Mexican Control
- U.S. Control
- Spanish Control
RESOLUTION NO. 2009-03

ACKNOWLEDGEMENT OF KUMEYAAY ABORIGINAL TERRITORIES IN 1769

WHEREAS, SANDAG is a regional government agency with a Board of Directors consisting of representatives from local governments in the greater San Diego region; and

WHEREAS, the aboriginal territory of the Kumeyaay / Diegueno Nation is comprised of twelve federally recognized Bands that are culturally affiliated by language and lifestyle, and claim the cultural affiliation of Kumeyaay / Diegueno; and

WHEREAS, there are numerous records and documents that validate the existence of the Kumeyaay / Diegueno aboriginal territory; and

WHEREAS, SANDAG supports the recognition and acknowledgement of the Kumeyaay / Diegueno aboriginal territory as represented in the attached map, which is recognized by the Department of the Interior, Bureau of Indian Affairs;

NOW THEREFORE

BE IT RESOLVED that SANDAG acknowledges that the map attached to this resolution represents the Kumeyaay/Diegueno aboriginal territory as documented in 1769, and that the territory encompasses land in San Diego County and Mexico.

PASSED AND ADOPTED this 26th of September 2008.

____________________________                ______________________________
CHAIRPERSON                      SECRETARY

MEMBER AGENCIES: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

ADVISORY MEMBERS: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, San Diego Unified Port District, San Diego County Water Authority, Southern California Tribal Chairmen’s Association, and Mexico.
PROPOSED AMENDMENT TO SANDAG BOARD POLICY NO. 031:
TransNet ORDINANCE AND EXPENDITURE PLAN RULES

Introduction

SANDAG Board Policy No. 031 provides administrative guidance for implementing the TransNet Ordinance, including guidance for conducting the annual fiscal audit for all TransNet recipients. Pursuant to the TransNet Ordinance, the Independent Taxpayer Oversight Committee (ITOC) has the overall responsibility to conduct annual fiscal audits beginning with FY 2009. In anticipation of this transition, a proposed amendment to Board Policy No. 031 would revise sections of the policy to reflect the change of responsibility as well as to provide additional clarification for various practices.

Discussion

The TransNet Ordinance states that:

ITOC shall prepare an annual report to the SANDAG Board of Directors presenting the results of the annual audit process. The report should include an assessment of the consistency of the expenditures of TransNet funds with the Ordinance and Expenditure Plan and any recommendations for improving the financial operation and integrity of the program for consideration by the SANDAG Board of Directors. This consistency evaluation will include a review of expenditures by project type for each local jurisdiction. The ITOC shall share the initial findings of the independent fiscal audits and its recommendations with the SANDAG Transportation Committee 60 days prior to their release to resolve inconsistencies and technical issues related to the ITOC’s draft report and recommendations. Once this review has taken place, the ITOC shall make any final amendments it deems appropriate to its report and recommendations, and adopt its report for submission directly to the SANDAG Board of Directors and the public. The ITOC shall strive to be as objective and accurate as possible in whatever final report it adopts. Upon completion by the ITOC, the report shall be presented to the SANDAG Board of Directors at its next regular meeting and shall be made available to the public.

At its July 16, 2008, meeting, the ITOC reviewed the proposed changes to Board Policy No. 031. The ITOC had minor comments to the proposed changes and recommended approval by the Executive Committee and the Board of Directors. Upon approval by the Board of Directors, scheduled for the
September 26, 2008, meeting, the amended policy will be used to conduct the FY 2008 audit. It is anticipated that the ITOC will be involved with the FY 2008 audit process in order to provide the necessary transition.

RENEE WASMUND
Director of Finance

Attachment: 1. Proposed Amendments to SANDAG Board Policy No. 031

Key Staff Contact: Sookyung Kim, (619) 699-6909, ski@sandag.org
TRANSNET ORDINANCE AND EXPENDITURE PLAN RULES

The following rules have been adopted and amended by the SANDAG Board of Directors in its role as the San Diego County Regional Transportation Commission (RTC). The purpose of these rules is to implement the provisions of the original TransNet Ordinance (87-1) and the TransNet Extension Ordinance (04-01).

Rule #1: Procedure for Distribution of Revenues for Transportation Services for Seniors and the Disabled

Adoption Date: February 26, 1988 (Resolution RC88-2)

Amendment: Repealed at November 18, 2005, Board Meeting. This rule was superseded by Rule No. 11.

Rule #2: Loan of Funds for Privately Funded Projects

Adoption Date: April 22, 1988 (Resolution RC88-5)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: The Commission may approve a loan of sales tax funds to a city or county from its formula-based share of Local Street and Road funds to finance a project which is prohibited from receiving funding under Section 9 of Commission Ordinance 87-1 or Section 8 of Ordinance 04-01 if the following terms and conditions are met.

1. A finding is made by the Commission that absent private sector funding, the project would be an eligible street and road project.

2. The City or County agrees to enter into an agreement to repay the loan plus interest (at a rate determined by the Commission) prior to the termination of the sales tax in accordance with Section 3 of Commission Ordinance 87-1 or Section 3 of Ordinance 04-01.

3. That the City or County agrees to guarantee repayment of the loan if private developer funding is determined to be inadequate to repay the loan prior to termination of the sales tax.

Rule #3: Reimbursement of Local Funds to Advance Approved Projects

Adoption Date: May 27, 1988 (Resolution RC88-6)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: A city or county may advance improvements on a project(s) which is included in the approved transportation sales tax Program of Projects with local agency funds (other than private developer funds as set forth in Section 9 of Ordinance 87-1 or
Section 8 of Ordinance 04-01) prior to sales tax funds being available and receive reimbursement including interest from sales tax funds if it is determined by the Commission that the following terms and conditions are met.

1. The project(s) is included in the approved transportation sales tax Program of Projects, and no other financing technique is found to be more desirable or cost effective to utilize in order to advance the improvement.

2. The city or county shall be reimbursed for the local funds expended as soon as sales tax funds become available, or on a schedule agreed to between the local agency and the Commission.

3. That no more than 30 percent of the funds will be used for maintenance projects if the funds are borrowed from TransNet revenues pursuant to Section 2(C)(1) of Ordinance 04-01.

Rule #4: SR 78 Corridor Reserve Fund Allocation Policies

Adoption Date: Originally Adopted May 26, 1989 (Resolution R-89-82)

Wording changed December 14, 1990 (Resolution RC91-10)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: For purposes of allocating funds under Section 2(a)(3) in Ordinance 87-1:

1. Only those projects designated as "funded" on the SR 78 Corridor project list approved on December 13, 1990 by the SR 78 Corridor Policy Committee are eligible to receive SR 78 Corridor Reserve Funds.

2. The list of SR 78 Corridor projects and their priority and funding eligibility may be revised by a majority vote of the SR 78 Corridor Policy Committee and the approval of the Board of Directors.

3. The basic contribution for a non-Caltrans project on the SR 78 Corridor Reserve funded list is 50 percent of the estimated right-of-way, engineering, and construction costs. However, the total amount of Corridor Reserve Funds designated for projects within one jurisdiction may be allocated to vary from the basic 50 percent for any given project as long as the cumulative total for programmed projects at any point in time does not exceed 50 percent.

4. The basic contribution for a Caltrans project on the SR 78 Corridor Reserve funded list is 100 percent of the estimated right-of-way, engineering, and construction costs.

5. Contributions from the SR 78 Corridor Reserve Fund to any one jurisdiction cannot exceed 50 percent (100 percent for Caltrans) of the project cost estimates shown on the approved funded list of December 13, 1990. If actual project costs are less than estimated, a maximum contribution of 50 percent (100 percent for Caltrans) of the new costs shall be in effect.
6. A project that for any reason is removed from the funded list can only be replaced by the next highest ranked unfunded project (or projects), regardless of jurisdiction and only if the funded list of projects does not exceed the total Corridor Reserve dollars available. As with other funded projects, Corridor Reserve funds can only be used to improve the replacement project(s) to minimal four-lane standards (six lanes at freeway interchanges).

Added June 22, 1990 (Resolution RC90-40):

7. SR 78 Corridor Reserve funds for right-of-way will not be encumbered until a project has environmental clearance and the first 25 percent of the total value of the right-of-way is acquired. When a total of 75 percent of the right-of-way has been acquired, the construction funds will be encumbered at the request of the agency.

Added December 14, 1990 (Resolution RC91-10):

8. All agencies submitting projects from the SR 78 Corridor Funded Project List for programming are encouraged to pursue matching funds from the state's SB 300 program.

Added February 22, 1991 (Resolution RC91-13):

9. Any new source of state highway funds for the San Diego region should be considered for allocation to the TransNet SR 78 Corridor Reserve to offset local funds which were used for projects which are normally the responsibility of the State, such as freeway-freeway interchange improvements and ramp metering systems.

Rule #5: Use of Local Street and Road TransNet Funds for the Development of Transportation Demand Management Programs

Adoption Date: August 25, 1989 (Resolution RC90-23)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: The development and implementation of a Transportation Demand Management Program shall be an eligible use of Local Street and Road funds pursuant to Section 19(E) of Ordinance 87-1 and Section 21(c) of Ordinance 04-01. Transportation Demand Management shall mean a comprehensive set of strategies designed to influence travel behavior with respect to mode, time, frequency, route, or distance in order to improve the efficiency and effectiveness of local streets and roads. Principal strategy measures involve, but are not limited to, ridesharing, alternative work hours, and parking management.

Rule #6: Fund Accounting and Interest Allocation

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: For the purposes of determining compliance with Section 12 of Ordinance 87-1 and Section 13 of Ordinance 04-01, each agency shall maintain a separate fund (fund
accounting) for TransNet revenues, if possible. Where the creation of a separate fund is not possible due to accounting methodology used by the agency, an alternative approach to maintaining separate accountability for TransNet revenue and expenditures must be developed and submitted to the Commission staff for concurrence. Interest earned on TransNet revenues received by the agency must be allocated to the TransNet fund and used only for projects approved by the Commission in the Program of Projects. For accounting purposes, the interest earnings shall be considered to be expended first. Further, the Ordinances allow the agencies to retain any unused TransNet funds. Interest accrued should be applied to each active project that carries an outstanding balance. The agency can determine the method of the interest distribution to be validated by the audit.

**Rule #7: Program of Projects Approval Process and Amendments**

**Adoption Date:** March 23, 1990 (Resolution RC90-35)

**Amendments:** Amended at November 18, 2005, December 15, 2006, and December 21, 2007, September 26, 2008, Board Meetings.

**Text:** Each local agency shall develop a five-year list of projects to be funded with TransNet revenues under Section 2D of Ordinance 87-1 and Section 4D of Ordinance 04-01 in accordance with the Regional Transportation Improvement Program (RTIP) update schedule. All projects a local agency wishes to include in its Program of Projects (POP) must be consistent with the long-range Regional Transportation Plan and approved by the Commission for inclusion in the RTIP. A local agency’s projects shall not receive Commission approval until the Commission receives a resolution from the local agency that documents that the local agency held a clearly noticed public meeting regarding with an agenda item that clearly identified the proposed list of projects prior to approval by the local agency’s legislative body of the projects. The language that must be included in the resolution and the deadlines for submission shall be prescribed by the Commission. The resolution shall contain the provisions set forth in Rule #15.

A Program of Projects POP amendment shall be initiated when a local agency desires to revise the approved POP, which includes but is not limited to, adding a new project, to the approved Program of Projects, to delete deleting an approved existing project, in its entirety, or to revising the project scope, or otherwise change changing the TransNet funds programmed, for a project by $2 million or 20 percent of total project, whichever is less. A TransNet POP amendment must be consistent with the requirements outlined in the RTIP. Projects proposed in the amendment must have been first be approved by the governing body of the local agency within the preceding 12 months. The local agency shall initiate the amendment process by holding a clearly noticed public meeting hearing with an agenda item that clearly identifies the proposed project amendments—and submitting a resolution using the language and deadlines prescribed by the Commission as documentation of governing body approval. The amendment must be approved by the Commission prior to the expenditure of funds on the new or amended projects.
Rule #8: Determination of New Transit Services

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: For the purpose of determining compliance with Section 4(B)(2)(c) of Ordinance 87-1, the level of service provided in FY 1988 shall be considered at the base level of service in existence prior to the availability of TransNet revenues which must be maintained through other funding sources. Compliance with the “new” service requirement shall be determined using the following procedure:

1. Determine the number of vehicle service miles operated during the fiscal year using TransNet revenues for any given operator by dividing the TransNet revenues for operations by the total systemwide operating cost for that operator and multiplying the total vehicle service miles operated by the quotient.

2. Subtract the number of miles determined in Step 1 from the total system vehicle service miles operated during the year.

3. If the adjusted number of miles from Step 2 is greater than or equal to they FY 1988 base level, then the compliance test is met.

4. The attached table of base statistics from FY 1988 (Attachment 1) will be used to determine compliance. These figures reflect all publicly funded operators within the MTDB (MTS) and North County Transit District (NCTD) service areas (Articles 4, 4.5, and 8) because TransNet revenues could potentially be used by the operators to fund service improvements on any of these systems.

Rule #9: Use of TransNet Revenue for Bus Purchases

Adoption Date: March 23, 1990 (Resolution RC90-35)

Amendment: Amended at November 18, 2005, Board Meeting.

Text: TransNet revenues may be used to support the purchase of buses required to operate new services funded with TransNet revenues. The number of buses which can be purchased with TransNet revenues shall be determined using the following procedures.

1. Determine the number of annual new vehicle service miles service being operated in accordance with Rule Number 8 – Determination of New Transit Services.

2. Divide the number of new miles of service by the systemwide average annual vehicle services miles per bus for a given operator to determine the equivalent number of buses required to operate the new service. Round up to the nearest whole number of bus equivalents.

The TransNet revenues used for bus purchases shall come out of the revenues available under Section 4(B)(2)(c) of Ordinance 87-1. The use of TransNet revenues
for bus purchases shall be used to the maximum extent possible as matching funds for available state and federal capital funds. If, at some point in the future, the number of buses purchased with TransNet revenues cannot be justified based on the number of new miles being operated with TransNet revenues, then a pro-rated reimbursement to the TransNet fund will be required based on the remaining useful life of the vehicles. TransNet revenues may not be used to support the purchase of replacement buses for the “existing” (FY 1988) level of service. Any buses purchased with TransNet revenues will remain under the ownership of MTDB (MTS) or NCTD and be made available to the operator chosen to operate the new services.

**Rule #10: Use of TransNet Revenues to Replace Reduced State and Federal Operating Support**

**Adoption Date:** March 23, 1990 (Resolution RC90-35)

**Amendment:** Amended at November 18, 2005, Board Meeting.

**Text:** For purposes of determining compliance with Section 4(B)(2)(c) of Ordinance 87-1, the maximum amount of TransNet funds that MTDB (MTS) or NCTD are eligible to use to replace federal funds in a given year is equal to the FY 1987 base year levels of federal and state operating support ($6,113,307 for MTS and $2,511,816 for NCTD) less the amount of state and federal operating support available in that year. The priority on the use of funds under this section is to provide new service improvements. MTS and NCTD are encouraged to use other available revenues, such as Transportation Development Act (TDA) funds, to offset reductions in state and federal funds, if possible, and to use TransNet funds under these sections for new service improvements.

**Rule #11: Use of TransNet Revenues for Transportation Services for Seniors and the Disabled**

**Adoption Date:** March 23, 1990 (Resolution RC90-35)

**Amendment:** Amended at the November 18, 2005, and December 21, 2007, Board Meetings.

**Text:** The funds made available under Section 4(B)(1) of Ordinance 87-1 or Section 4(c)(1) of Ordinance 04-01 for improved transportation services for seniors and the disabled shall be used to augment the revenues made available under the Transportation Development Act (TDA) Article 4.5 program for the same purposes. These TransNet funds shall be allocated to eligible service providers using the fund distribution formula approved by the SANDAG Board of Directors for use in distributing the TDA Article 4.5 funds. For accounting purposes, following the expenditure of fare revenues and other local and other local operating revenues, the interest earnings on the TransNet and TDA funds shall be considered to be spent first, followed by the TDA funds, then the TransNet funds.

**Rule #12: Use of TransNet Revenues for Accessibility Improvements**

**Adoption Date:** March 23, 1990 (Resolution RC90-35)
Text: In the development of TransNet-funded local street and road projects, local jurisdictions may include, within the street right-of-way, improvements to enhance accessibility to the transportation system, including, but not limited to, accessibility improvements to bus stop areas.

Rule #13: Investments

Adoption Date: July 27, 1990 (Resolution RC91-2)

Amendment: Repealed at November 18, 2005, Board Meeting. This rule has been superseded by the Annual Investment Policy Update (see Resolution No. 2006-06 approved at the September 23, 2005, SANDAG Board of Directors meeting).

Rule #14: Capital Equipment Acquisition Loans to SANDAG

Adoption Date: November 16, 1990 (Resolution RC91-6)

Text: The loan of unused administrative allocations from TransNet funds to SANDAG for the purpose of acquiring office and computer equipment is authorized when lower cost financing is not available. The repayment schedule shall be based upon funding authorized in the SANDAG-approved budget and will include interest at a rate equal to the interest earning rate of the San Diego County Pooled Money Fund.

Rule #15: Local Agency Hold Harmless Agreements

Adoption Date: October 25, 1992 (Resolution RC92-7)

Text: Each local agency shall be required to hold harmless and defend the Commission against challenges related to local TransNet projects. This rule is to be implemented by requiring that each local agency agree in its resolution approving its projects for TransNet funding to hold the Commission harmless.

Rule #16: Repayment of Commercial Paper Program Proceeds

Adoption Date: September 23, 2005

Amendment: Amended at November 18, 2005, Board Meeting.

Text: Each agency receiving proceeds from the TransNet Commercial Paper Program shall be responsible for its proportionate share of the ongoing interest and related administrative costs from the date the proceeds are received until the principal amount of the loan is fully repaid. Repayment of the principal amount shall commence within three years of the agency’s receipt of the proceeds and shall be completed within five years of the agency’s receipt of the proceeds. Repayment of the proceeds may be accomplished by rolling the outstanding amount into a long-term bond issue during the five-year repayment period. In such cases, the agency would then be responsible for its proportionate share of the bond issuance costs and annual debt service costs. The repayment of debt, in all cases, is the first priority on the use of the agency’s share of annual TransNet revenues.
I. Fiscal and Compliance Audit Procedures

The fiscal and compliance audit is an essential tool to determine that TransNet funds are being used for the intended purposes. The Commission has the fiduciary responsibility to ensure that the public funds are used in accordance with the TransNet Ordinance and Expenditure Plans (87-01 and 04-01).

Pursuant to the TransNet Extension Ordinance (04-01), the Independent Taxpayer Oversight Committee (ITOC) is responsible for the conduct of an annual fiscal audit and compliance of all TransNet-funded activities beginning with the FY 2009 audit. In order to complete the audits in a timely manner, SANDAG proposes the following estimated audit schedule is set forth:

A. July/August: SANDAG–ITOC designee meets with the auditors to review the audits required for the year and provide all necessary documentation/information for the auditors to begin work.

B. September to November: Auditors schedule site visits. Recipient agencies must be ready and available to meet with the auditors and provide requested financial schedules and other information necessary for the completion of the audit.

C. November/December: Auditors issue preliminary draft reports to both SANDAG and the agencies. The agencies must be available to review and comment on the draft report in a timely manner. All outstanding issues should be resolved within four weeks.

D. February: Auditors issue the draft audits to ITOC.

E. March: Auditors issue final reports

F. April: ITOC presents initial finding(s) of the audit and its recommendations to the Transportation Committee.

G. December/January/June: Auditors issue the final reports. If there are outstanding issues, those should be resolved so that the audit is completed no later than March. June: ITOC presents an annual report to the SANDAG Board with the results of the annual audit and its process.

SANDAG Responsibility: SANDAG will provide all information necessary to complete the audit.

Agency Responsibility: All agencies must be ready for the site visit, provide requested information, and review and comment on the draft reports in a timely manner.

If the auditor is unable to complete the audit because an agency was not ready or did not provide the required information or reviews in a timely manner, then the
agency will be deemed in noncompliance of the Ordinance. SANDAG will withhold future TransNet payments (except for required debt service payments) until the audit is completed.

II. Ordinance Requirements

Section 4(C)(5) of the TransNet Extension Ordinance contains the fiscal and compliance audit requirements applicable beginning in FY 2009.

Section 8 of the Ordinances contains the Maintenance of Effort requirements for the local agencies.

The Ordinance states that the Commission:

[S]hall not allocate any revenues...to any eligible local agency in any fiscal year until that local agency has certified to the Commission that it will include in its budget for that fiscal year an amount of local discretionary funding for street and roads purposes at least equal to the minimum maintenance of effort requirement. An annual independent audit shall be conducted to verify that the Maintenance of Effort requirements were met. Any local agency which does not meet its Maintenance of Effort requirement in any given year shall have its funding reduced in the following year by the amount by which the agency did not meet its required Maintenance of Effort level. Any local street and road revenues not allocated pursuant to the Maintenance of Effort requirement shall be redistributed to the remaining eligible agencies according to the formula described in [the Ordinance].

Although there are no specific MOE requirements for the highway, transit, or other discretionary programs, the verification of fund usage is essential. Therefore, the withholding of TransNet fund payments applies to all agencies that do not have a completed audit.

III. Exceptions

SANDAG acknowledges the existence of unforeseen circumstances which may prevent an audit from completion. Should situations warrant an extension, the agencies must submit a written request for an extension to be reviewed by ITOC and considered by the SANDAG Transportation Committee, including an explanation of the situation and specific timelines for completion of the audit.

IV. Audit Adjustments

Specific Project Funding/Discretionary Programs

This section applies to funding allocated for the specified projects under the Highway and Transit Programs under Ordinance 87-1, including funding allocated for bicycle facility improvements. Under the TransNet Extension (Ordinance 04-01), this section applies to the Major Corridor funding – Section 4(A) and (B) and the four discretionary programs: (1) Transit Senior program – Section 4(C)(2); (2) Local Environmental Mitigation program – Section 4(D)(2); (3) Local Smart Growth Incentive program – Section 4(D)(3); and (4) Bicycle, Pedestrian, and Neighborhood Safety Program – Section 2(E).

After the projects are completed and there are funds remaining, the agency is required to return the money back to the program. After the fiscal audit determines that the project has been completed, SANDAG will transmit a letter to the agency to return the funds to the Commission. The agency must remit the balance within 60 days of the letter. Should an agency fail to respond in a timely manner, all future TransNet payments (including funds from the other programs) to that agency will be suspended until the funds are returned.
Local Street and Road Formula Program (Section 4(C) of Ordinance 87-1 and Section 4(D)(1) of Ordinance 04-01) and Transit Funding (Section 4(B) of Ordinance 87-1 and Sections 4(C)(1), 4(C)(3), and 4(C)(4) of Ordinance 04-01).

The audit identifies the status of each project funded with TransNet funds – i.e., completed projects, projects that have negative balances, inactive projects, and ongoing projects. The agencies are responsible to work with the auditors to make proper adjustments as follows:

Completed projects: once a project is identified as completed and there are TransNet funds remaining with that project, the agency is required to transfer the balance to another TransNet-eligible project (any project included in the approved Program of Projects). The audit should make note to which project the funds will be transferred. Completed projects should no longer show in the following year’s audit.

Projects with negative balances: if a project ending balance is negative, then a footnote should be provided detailing the subsequent year’s intended action an ongoing project or a completed project may have expended all the TransNet funds but the agency decided to augment with other funds. In this case, the project should show zero balance for the amount of TransNet expended rather than showing a negative balance. If the project is completed, then it should no longer show in the following year’s audit. If the project is ongoing and the agency intends to backfill the project with the following year’s TransNet funds, then it should be noted in the audit. However, this practice is discouraged as it will throw off the MOE calculation.

Inactive projects: if a project has had no activity over a period of two audits, the agency must either close out the project or note when the project will be completed. These projects should no longer show in the following year’s audit. Any remaining TransNet funds must be transferred to another TransNet-eligible project.

Transfer of funds: any transfer of TransNet funds from one project to another requires the local agency to provide documentation that its governing body consents to the transfer proposed prior to or concurrent with the final issuance of the fiscal year audit. Such documentation shall consist of a signed staff report or resolution. Transfers that require an amendment to the RTIP must follow the amendment process outlined in Rule #7.

IV. Local Agency Balance Limitations

Based on the audit, an agency that maintains a balance of more than 30 percent of its annual apportionment (after debt service payments) must use the remaining balance to fund projects. SANDAG will defer payment until the unused balances fall below the 30 percent threshold.

VI. Annual Fiscal Audit Report to the Board

Pursuant to the TransNet Extension Ordinance, beginning with the FY 2009 audits, ITOC is responsible for the annual fiscal and compliance audit of all TransNet-funded activities.
**Rule #18:**

**Adoption Date:** June 23, 2006

**Amended:** December 21, 2007

**Text:** As specified in Section 2(C)(1) of the Ordinance 04-01, at least 70 percent of the revenues provided for local street and road purposes should be used for congestion relief purposes and no more than 30 percent for maintenance purposes. Grade separation projects are identified in Section 2(C)(1) of Ordinance 04-01 as projects that qualify as congestion relief projects. Attachment 2 provides a set of guidelines to be used in the implementation of this 30 percent maintenance limitation beginning with the 2006 Regional Transportation Improvement Program (RTIP) update. These guidelines apply to the programming of all available local TransNet funding (annual formula funds and prior year carry-over balances) beginning with July 1, 2008 (Fiscal Year 2008-09).

**Rule #19: Conflict of Interest for ITOC Representatives**

**Adoption Date:** December 15, 2006

**Text:** The Board intends to make every effort to ensure the representatives selected to serve on the Independent Taxpayers Oversight Committee (ITOC) are free from any bias that would interfere with objective decision making by the ITOC. The Conflict of Interest section of the “Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the TransNet Program,” which is part of the TransNet Extension Ordinance, states in part: “ITOC members shall not have direct commercial interest or employment with any public or private entity, which receives TransNet sales tax funds authorized by this Ordinance.” The Board interprets this language to impose the same level of restrictions on the ITOC representatives as those that apply to SANDAG Board members pursuant to California state law found at Government Code sections 87100 et seq. and 1090 et seq.

**Rule #20: Selection Procedures for ITOC Representatives**

**Adoption Date:** December 21, 2007

**Text:** The “Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the TransNet Program,” which is part of the TransNet Extension Ordinance, Section 3 under the heading “Membership and Selection Process” of that document states that a Selection Committee shall be established to select the ITOC members from the list of qualified candidates recommended by the technical screening committee. The Selection Committee is to consist of two members of the County of San Diego Board of Supervisors; the Mayor of the City of San Diego; and a mayor from each of the four subregions. It is the mayors from each of the subregions that are to select from among themselves to sit on the Selection Committee, not the representatives who sit on the Board who may or may not be a mayor. The members of the Selection Committee who are mayors from the subregions shall serve for a period of two years or until the designee no longer holds the office of mayor. At the end of this term, the mayors from the affected subregion(s) shall...
either inform the Clerk of the SANDAG Board that the same representative is being redesignated or identify the new mayor who they have selected to represent their subregion on the Selection Committee.

**Rule #21: Accommodation of Bicyclists and Pedestrians**

**Adoption Date:** February 22, 2008

**Text:** Adequate provisions for bicycle and pedestrian travel is determined within the context of the roadway type, its existing and planned surrounding land uses, existing bicycle and pedestrian plans, and current or planned public transit service. When addressing the access needs dictated by land use, the responsible agency must consider demand created by current and expected land uses (as determined by the local general plan) within the useful life of the TransNet project. The table Appropriate Bicycle and Pedestrian Accommodation Measures provides a guide to appropriate accommodation measures for each transportation facility type and land use context. In the table, “urban” means within the urbanized area as defined by U.S. Census Bureau.

<table>
<thead>
<tr>
<th>Appropriate Bicycle and Pedestrian Accommodation Measures¹</th>
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<tbody>
<tr>
<td><strong>Context/Facility Type</strong></td>
<td><strong>Bicycle Measures</strong></td>
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<tr>
<td><strong>Urban Highway</strong></td>
<td>• Required facility type will be based on the recommendations for any regional bikeway corridors in urban highway alignments developed through the 2007 Regional Bicycle Plan. Pending completion of this plan, appropriate bicycle accommodation will be developed on a project by project basis by local and regional authorities in consultation with appropriate stakeholders.</td>
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<td>• Freeways and freeway interchanges may not eliminate existing bikeways or preclude planned bikeways on local streets and roads.</td>
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<tr>
<td><strong>Transit Project</strong></td>
<td>• Bicycle lockers and racks at stations sufficient to meet normal expected demand</td>
</tr>
<tr>
<td>Context/Facility Type</td>
<td>Bicycle Measures</td>
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<tr>
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<tr>
<td>Major Urban Street</td>
<td>• Class 2 bike lanes.</td>
</tr>
<tr>
<td>Urban Collector Street (design speed &gt;35 mph)</td>
<td>• Class 2 bike lanes</td>
</tr>
<tr>
<td>Urban Collector Street (design speed ≤ 35 mph)</td>
<td>• Shared roadway. Where planned average daily motor vehicle traffic exceeds 6,500, the outside travel lane should be at least 14 feet wide.</td>
</tr>
<tr>
<td>Urban Local Street</td>
<td>• Shared roadway</td>
</tr>
<tr>
<td>Rural Highway</td>
<td>• Minimum 8-foot paved shoulder</td>
</tr>
<tr>
<td>Rural Collector Road</td>
<td>• Minimum 8-foot paved shoulder</td>
</tr>
</tbody>
</table>
### Appropriate Bicycle and Pedestrian Accommodation Measures

<table>
<thead>
<tr>
<th>Context/Facility Type</th>
<th>Bicycle Measures</th>
<th>Pedestrian Measures</th>
</tr>
</thead>
</table>
| Rural Local Road      | • Minimum 6-foot paved shoulder | • Not required with 85th percentile speeds ≤ 25 mph  
• Paved or graded walkway consistent with community character on streets with fronting uses and 85th percentile speeds > 25 mph.  
• ADA compliant bus stop landings for existing bus stops. |

1. Application of these accommodation measures is subject to sound planning and engineering judgment to ensure the facility is reasonable and appropriate within the land use and transportation context of the overall project.
2. Unpaved pathways of decomposed granite or other suitable material that are set back from the roadway where feasible would be considered appropriate only on roads serving areas that are rural in nature.

Where a local jurisdiction has a bicycle or pedestrian master plan adopted by the city council or Board of Supervisors and approved by SANDAG, the local agency may use that plan to determine the appropriate means of accommodating bicyclists and pedestrians in a given project and at a minimum provide the facilities called for in the plan. These plans must be updated and approved no less than every five years to qualify as a means of satisfying this provision.

**Best Available Standards.** All bicycle facilities must be designed to the standards established in the California Highway Design Manual, Chapter 1000. Bicycle parking facilities should conform to the guidelines established in the Regional Bicycle Plan adopted by SANDAG. Shared roadways on collector streets should have a curb lane or curb lane plus shoulder that measures at least 14 feet. Where parallel parking is in place, consideration should be given to installing the shared lane pavement marker. All sidewalks must be designed consistent with the design standards established in the AASHTO Guide for the Planning, Design, and Operation of Pedestrian Facilities, the Department of State Architect’s California Access Compliance Reference Manual, and the U.S. Department of Transportation’s ADA Accessibility Guidelines for Buildings and Facilities (ADAAG). Consistency with the design recommendations in SANDAG’s Planning and Designing for Pedestrians is encouraged.

**Bicycle and Pedestrian Accommodation in Reconstruction Projects.** Street and road reconstruction is the time to re-evaluate the function of a road and its context, and to reallocate the right-of-way if appropriate to meet the needs of bicyclists and pedestrians. An agency is not required to acquire additional right of way to improve bicycle and pedestrian access. However, the agency should consider reduced motor vehicle lanes and lane widths, and reduced median widths as a means of providing the appropriate bicycle or pedestrian facility. While such an evaluation is recommended for reconstruction projects of any size, compliance with these guidelines is required for “major” reconstruction projects meeting the definitions established under Rule 18 of SANDAG Board Policy No. 031 regarding the guidelines for implementing the “70/30” requirement.

**When Provisions for Bicyclists and Pedestrians Accommodation May Be Excluded.** Section 4(E)(3) is based on the premise that pedestrians and bicyclists need safe and convenient
access to the same destinations as other users of the public right of way. Consequently, those portions of the transportation network where pedestrians and bicyclists need not be accommodated are the exception, and the decision not to provide for them in a construction or major reconstruction project must be made by the responsible agency for good cause such as severe topographic or biological constraints. Any impacts on the roadway's motor vehicle capacity that result from providing for pedestrian and bicycle access would not, in themselves, justify excluding bicycle and pedestrian facilities. However, these impacts and their mitigation costs should be considered in determining if the cost of providing the facilities is disproportionate to the probable use.

This provision only requires an agency to provide appropriate bicycle or pedestrian facilities that are within the construction or reconstruction area of the project. Consideration of the provision of sidewalks as part of major rehabilitation roadway projects involving only new pavement overlays of 1-inch thickness or greater (see Rule 18 under Board Policy 031) on streets where sidewalks do not currently exist would only be required if curb, gutter, and related drainage facilities were already in place.

The cost of providing for bicycle and pedestrian access can vary significantly relative to the overall project cost. For this reason, specifying a proportional or absolute limit on spending for bicycle or pedestrian improvements relative to probable use would not allow the kind of discretion necessary to make a significant investment in facilities when necessary, or to withhold an investment when the benefits are marginal. Therefore, the decision to exclude accommodations for bicyclist and pedestrians must be a policy-level decision made by the Board or city council based on the body of information about context, cost, and probable use available at the time. Such a decision must be made in the public hearing required by Section 5(A) of the Ordinance.

Pedestrian Access. Sidewalks or other walkways may be excluded from a project when it can be demonstrated that there are no uses (including bus stops) that would create demand for pedestrian access. In making this determination, the agency must consider the potential for future demand within the useful life of the project. Access to and from public transit, including crossing improvements, also must be considered and accommodated where there is existing or planned transit service.

Bicycle Access. A new project or major reconstruction project may not include the expected bikeway treatment when a suitable parallel route with the appropriate accommodations exists that would require no more than ¼-mile total out of direction travel.

Procedures for Excluding Accommodations for Pedestrians and Bicyclists from Projects.

When an agency determines not to include bicycle or pedestrian accommodations in a project because the cost of doing so would be excessively disproportionate to the need or probable use, the agency must include a notice of that decision in the notice of the public hearing required by Sections 5(A) and Section 6 of the Ordinance. In submitting the project to SANDAG for inclusion in the TransNet Program of Projects as part of the Regional Transportation Improvement Program (RTIP) process, the agency must notify SANDAG that bicycle and/or pedestrian facilities, as described in Table 1 or in its bicycle or pedestrian master plan, will not be included in the project along with written justification for that decision. The decision and justification is subject to review and comment by SANDAG through the Bicycle-Pedestrian Working Group, which would forward its comments to the SANDAG Transportation Committee. The Independent Taxpayer Oversight Committee also would review and comment on such projects as part of its role in the RTIP process. The Transportation Committee in approving the TransNet Program of Projects must make a finding that the local decision not to provide bicycle or pedestrian facilities is consistent with the provisions
of this Ordinance prior to approving the project for funding under the TransNet Program. If this consistency finding is not made, the agency would have the opportunity to revise its fund programming request for consideration in a future RTIP amendment.

**Effective Implementation.** This rule will be effective for projects added to the TransNet Program of Projects subsequent to their adoption by the SANDAG Board of Directors. Within three years of their adoption, the rule will be re-evaluated by SANDAG to ensure they are effectively encouraging provision of a balance transportation network without imposing an excessive cost burden on projects funded under the program.

**Rule #22: TransNet Extension Ordinance Maintenance of Effort (MOE) base level implementation guidelines**

**Adoption Date:** March 28, 2008

**Text:**
Section 8 of the Extension Ordinance provides guidelines regarding the MOE base level calculation and implementation.

Section 8 of the Extension Ordinance states the intended purpose of the MOE requirement is to ensure that revenues provided from TransNet be used to augment, not supplant, existing local revenue. Some flexibility in accounting for spikes in expenditures would be consistent with the intent of ensuring that the local agencies do not supplant local funds with TransNet funds. Therefore, one-time expenditures that were a result of “banking” general fund monies and subsequently expending those funds during the base period Fiscal Years 2001 – 2003 may be isolated and removed so that the MOE is representative of a normal annual spending level, subject to review by the ITOC and approval by the Board of Directors.

In addition, the language in Section 8 of the Extension Ordinance states the MOE will be determined on the basis of “discretionary funds expended for street and road purposes...as was reported in the State Controller’s Annual Report of Financial Transactions for Streets and Roads.” The Extension Ordinance also states “the MOE also shall apply to any local agency discretionary funds being used for the other purposes specified under Section 4.” Based on this language, the MOE levels are to be established separately for each category in Section 4 of the Ordinance: major highway and transit congestion relief projects; transit programs to support seniors and disabled persons; specialized transportation services for seniors; monthly transit passes for seniors, disabled, and youth riders; transit operations; local streets and roads; habitat-related mitigation costs of local transportation projects; and the smart growth incentive program. The annual audits of the MOE expenditure requirement will report the expenditures for each of these separate categories.

Adopted: February, April, and May 1988; August 1989; March, July, and November 1990; October 1992; September and November 2005

Amended: June and December 1990; February 1991; November 2005; December 2006; December 2007; February 2008; March 2008; September 2008
Attachment 1  
FY 1988 Base Year Statistics  
(for use in TransNet Ordinance Rule #8)  
Metropolitan Transit Development Board (MTS) Area

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Operator/Service</th>
<th>Vehicle Service Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4.0</td>
<td>Chula Vista Transit</td>
<td>559,734</td>
</tr>
<tr>
<td></td>
<td>National City Transit</td>
<td>276,303</td>
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<tr>
<td></td>
<td>County Transit System:</td>
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<tr>
<td></td>
<td>Suburban Service</td>
<td>646,904</td>
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<tr>
<td></td>
<td>Rural Bus</td>
<td>170,953</td>
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<tr>
<td></td>
<td>Poway Fixed Route</td>
<td>313,425</td>
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<td></td>
<td>San Diego Transit</td>
<td>10,473,323</td>
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<tr>
<td></td>
<td>San Diego Trolley</td>
<td>1,033,084</td>
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<tr>
<td></td>
<td>Strand Express Agency</td>
<td>400,738</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>13,874,464</strong></td>
</tr>
<tr>
<td>Article 8</td>
<td>County Transit System:</td>
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</tr>
<tr>
<td></td>
<td>Express Bus</td>
<td>189,276</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>189,276</strong></td>
</tr>
<tr>
<td>Article 4.0 Dial-A-Ride</td>
<td>El Cajon Express</td>
<td>308,331</td>
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<td></td>
<td>La Mesa Dial-A-Ride</td>
<td>251,516</td>
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<tr>
<td></td>
<td>Lemon Grove Dial-A-Ride</td>
<td>62,090</td>
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<tr>
<td></td>
<td>County Transit System:</td>
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<tr>
<td></td>
<td>Poway Dial-A-Ride</td>
<td>23,030</td>
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<tr>
<td></td>
<td>Poway Airporter</td>
<td>103,925</td>
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<td></td>
<td>Spring Valley Dial-A-Ride</td>
<td>73,298</td>
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<tr>
<td></td>
<td>San Diego Transit DART</td>
<td>309,370</td>
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<td><strong>Total</strong></td>
<td><strong>1,131,560</strong></td>
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<tr>
<td>Article 4.5</td>
<td>Chula Vista Handytrans</td>
<td>128,807</td>
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<td></td>
<td>County Transit System - WHEELS</td>
<td>219,906</td>
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<td></td>
<td>National City Wheels</td>
<td>15,159</td>
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<td></td>
<td>Poway Call-A-Ride</td>
<td>60,156</td>
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<tr>
<td></td>
<td>San Diego Dial-A-Ride</td>
<td>1,149,541</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,573,623</strong></td>
</tr>
<tr>
<td>MTDB (MTS) Area Total</td>
<td></td>
<td>16,768,923</td>
</tr>
</tbody>
</table>
North County Transit District

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Operator/Service</th>
<th>Vehicle Service Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 4.0</td>
<td>NCTD Fixed Route</td>
<td>7,651,408</td>
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<tr>
<td></td>
<td>NCTD FAST</td>
<td>126,744</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>7,778,152</td>
</tr>
<tr>
<td>Article 4.5</td>
<td>NCTD Lifeline</td>
<td>386,680</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>386,680</td>
</tr>
<tr>
<td>NSDCTDB (NCTD) Area Total</td>
<td></td>
<td>8,164,832</td>
</tr>
<tr>
<td>REGIONAL TOTAL</td>
<td></td>
<td>24,933,755</td>
</tr>
</tbody>
</table>
The TransNet Ordinance requires that at least 70 percent of the revenues provided for local street and road purposes should be used to fund direct expenditures for facilities contributing to congestion relief. No more than 30 percent of these funds should be used for local street and road maintenance purposes. The required multi-year Regional Transportation Improvement Program (RTIP) project lists submitted by local agencies that are found to be out of compliance with this requirement will not be approved. Local agencies may request an exception to this requirement and must provide justification for such a request as part of its project list submittal.

The following table categorizes and lists the more typical types of facilities that are considered to contribute to congestion relief. For other facilities not listed, it must be demonstrated that congestion relief can be obtained before the project can be considered part of the 70 percent Congestion Relief category. Maintenance costs of items listed in the 70 percent Congestion Relief category are eligible under the 30 percent category. Facilities that are not considered to contribute to congestion relief (Items 28-30) are eligible under the 30 percent category.

<table>
<thead>
<tr>
<th>Congestion Relief (At least 70%)</th>
<th>Maintenance and Non-Congestion Relief (No more than 30%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New or Expanded Facilities</td>
<td>Lane removal for bike lanes</td>
</tr>
<tr>
<td>New roadways and bridges</td>
<td>Pavement overlay (less than 1 inch)</td>
</tr>
<tr>
<td>Roadway and bridge widening</td>
<td>Pot hole repair, chip seal, fog seal, crack seal</td>
</tr>
<tr>
<td>Roadway widening for bike lanes</td>
<td>(except when part of roadway rehabilitation project)</td>
</tr>
<tr>
<td>Major Rehabilitation and Reconstruction</td>
<td>Roadway realignment that does not increase capacity</td>
</tr>
<tr>
<td>Roadway rehabilitation (grinding and overlay, or new structural pavement, or new overlay 1-inch thick or greater)</td>
<td>roadway capacity</td>
</tr>
<tr>
<td>Roadway realignment</td>
<td>Bridge replacement for aesthetic purposes</td>
</tr>
<tr>
<td>Bridge retrofit or replacement</td>
<td>Minor drainage improvements not part of a congestion relief project</td>
</tr>
<tr>
<td>Roadway drainage improvements for the purpose of improving capacity-impeding conditions such as significant and frequent roadway flooding</td>
<td>Stand alone landscaping project of an existing median</td>
</tr>
<tr>
<td>New sidewalk or sidewalk widening</td>
<td>Traffic signal replacement, bulb replacement, hardware, software, inductive loop repair</td>
</tr>
<tr>
<td>Traffic Operations</td>
<td></td>
</tr>
<tr>
<td>Median installation for safety improvement or left-turn movement</td>
<td></td>
</tr>
<tr>
<td>New traffic signal, passive permissive left turn (PPLT) installation, signal removal for congestion relief reasons, traffic signal upgrades, intersection lighting</td>
<td></td>
</tr>
<tr>
<td>Traffic signal coordination</td>
<td></td>
</tr>
<tr>
<td>Traffic signal interconnection</td>
<td></td>
</tr>
<tr>
<td>Centrally controlled traffic signal optimization system</td>
<td></td>
</tr>
<tr>
<td>Traffic surveillance or detection system (video)</td>
<td></td>
</tr>
<tr>
<td>Congestion Relief (At least 70%)</td>
<td>Maintenance and Non-Congestion Relief (No more than 30%)</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>Traffic data collection system for performance monitoring purposes (in pavement detection, radar)</td>
<td>Light bulb replacement</td>
</tr>
<tr>
<td>Smart Growth-Related Infrastructure*</td>
<td>Bus-only lanes that do not provide congestion relief</td>
</tr>
<tr>
<td>Traffic calming measures</td>
<td>Non-Congestion Relief</td>
</tr>
<tr>
<td>Pedestrian ramps</td>
<td>Erosion control (unless required as part of a congestion relief project)</td>
</tr>
<tr>
<td>Pedestrian traffic signal activation</td>
<td>Landscaping (unless required as part of a congestion relief project)</td>
</tr>
<tr>
<td>Pedestrian crossings/overcrossings</td>
<td>Roadway signing and delineation (unless it is a congestion relief project)</td>
</tr>
<tr>
<td>Buffer area between sidewalk and street</td>
<td></td>
</tr>
<tr>
<td>Pedestrian roadway lighting</td>
<td></td>
</tr>
<tr>
<td>Transit Facilities</td>
<td></td>
</tr>
<tr>
<td>New bus stops</td>
<td></td>
</tr>
<tr>
<td>Bus stop enhancements</td>
<td></td>
</tr>
<tr>
<td>Bus-only lanes</td>
<td></td>
</tr>
<tr>
<td>Queue jumper lanes for buses</td>
<td></td>
</tr>
<tr>
<td>Traffic signal priority measures for buses</td>
<td></td>
</tr>
<tr>
<td>Transit operational costs for shuttle and circulator routes</td>
<td></td>
</tr>
</tbody>
</table>

Note: Staff costs for congestion relief project development (environmental, preliminary engineering, design, right-of-way acquisition, and construction management) are eligible expenditures under the 70 percent category. Staff costs for transportation infrastructure maintenance or traffic operations efforts are eligible under the 30 percent category. Costs for general TransNet fund administration and transportation planning are eligible up to 1 percent of annual revenues.

*To receive credit for providing congestion relief under the 70 percent category, smart growth-related infrastructure must be provided in one of the existing or planned (not potential) seven Regional Comprehensive Plan smart growth land use type characteristic areas: Metropolitan Center, Urban Center, Town Center, Community Center, Transit Corridor, Special Use Center, or Rural Community. Smart growth-related infrastructure built outside of one of the seven types of characteristic areas is eligible under the 30 percent category.
Introduction

The SANDAG annual Board retreat is scheduled to start on Wednesday, January 28, 2009, in the early afternoon, run all day Thursday, and conclude on Friday morning, January 30, 2009. The venue will be Harrah’s Rincon Resort in the community of Valley Center.

The primary objective of the retreat is to afford participants the opportunity to strategize about regional public policies and programs. From these retreat discussions, participants can develop ideas for the future direction of SANDAG. Board members also may want to consider some of these issues during the ensuing months as they develop the FY 2010 Overall Work Program and associated Program Budget.

In previous years, the Executive Committee has served as the working group to help the Board of Directors and SANDAG staff develop the retreat agenda and format. Staff is suggesting that the Executive Committee continue in this important role and that the Executive Committee recommend agenda topics, speakers, and the format for the retreat to the SANDAG Board of Directors for approval at its September 26, 2008, Board meeting.

Discussion

To date, individual Board members and staff have suggested the following topics as potential retreat agenda items:

- Discuss the future of the region’s economics with Marney Cox, SANDAG Chief Economist, providing the local perspective, and identify another economics expert to provide a broader view;
- Hold break-out sessions to identify and build consensus on priorities for FY 2010; and
- Hold forum with John Chalker, Chair of the California Transportation Commission, to receive and discuss legislative updates.

During past retreats, participants also have found it useful to include a primer on the agency’s vision, mission, and functions, and the roles and responsibilities of a Board member (important for new members beginning to serve during the new year as well as a refresher for veteran Board members).

Recommendation

The Executive Committee is asked to discuss the proposed topics, speakers, and format to help the Board of Directors and SANDAG staff develop the retreat agenda. The Committee also is asked to recommend that the Board of Directors approve the retreat agenda.
In addition, staff welcomes suggestions the Executive Committee might have regarding a particular topic or specific keynote speaker for the retreat. Potential speakers under consideration include:

- A speaker who can attest to the future of our global economy

**Why Have a Retreat?**

A retreat provides the opportunity for Board members and alternates to collaborate in a relaxed and informal atmosphere to allow time for more in-depth discussions on significant regional topics. A well-planned, well-executed retreat provides the time for reflection on and evaluation of the worthiness of existing programs as well as the development of new initiatives. For example, initiatives from past retreats have resulted in the development of the Regional Comprehensive Plan, the Regional Economic Prosperity Strategy, and the creation of the Public Safety Committee. In addition, a well-organized retreat enhances team building, program planning, commitment to goal accomplishment, and organizational development.

**Where is the Best Location?**

The key to any retreat is to get participation. It is important to afford participants a different physical setting from the routine and pressures of their daily workplaces. The best location is a place that is relaxing and lends itself to clear, creative thought. After a competitive procurement process, Harrah’s Rincon, located in the community of Valley Center, has been selected as the SANDAG retreat venue.

**What is the Proper Duration for the Retreat?**

A one and one-half to two-day retreat offers the best opportunity to incorporate work time and team building, according to the California Association of Chambers of Commerce. A two-day session may allow time for a presentation by an outside speaker, reports on various committees and projects, brainstorming, development of a wish list, and time to fine tune the overall organization.

**Conclusion**

The annual retreat has been of immense value for SANDAG Board members and alternates to help set the direction of the agency. Based on the Executive Committee’s discussions, staff will draft an agenda report for the Board’s consideration at its September 26, 2008, meeting. Once the Board approves the retreat agenda, a letter of invitation along with an RSVP card will be mailed to Board members by mid-December 2008. The final agenda, background materials, and retreat logistics will be mailed to participants by mid-January 2009.

**COLLEEN WINDSOR**
Communications Director

Key Staff Contact: Colleen Windsor, (619) 699-1960, cwi@sandag.org
Introduction

At its January 26, 2007, meeting, the SANDAG Board of Directors voted to refer the SANDAG Board policy for advisory representation to the Executive Committee. On March 9, 2007, the Executive Committee discussed this issue and approved the creation of an ad hoc committee, chaired by Poway Mayor Mickey Cafagna, to review the current advisory membership provisions in SANDAG Board Policy No. 004: Rules of Procedure for Board of Directors, Policy Advisory Committees and Other Legislative Bodies. The ad hoc committee met on several occasions, and its recommended changes to Board Policy No. 004 are included as Attachment 1.

Discussion

Ad Hoc Committee Recommendations

The proposed amendments to Board Policy No. 004 would provide that the Board of Directors first review the existing Board and Policy Advisory Committee (PAC) membership structures in determining whether to supplement the current advisory members on the Board (or PAC) with additional regular or temporary advisory members. Attachment 2 summarizes the current advisory membership on the SANDAG Board of Directors and the Transportation, Regional Planning, Borders, and Public Safety Committees. (The Executive Committee does not include advisory members.)

New regular advisory members could be added if the Board finds that the additional advisory members would provide beneficial advice and information to the Board, and that such advice/information cannot be provided by the existing Board/PAC membership structures. The new advisory member also would need to submit a written request and meet the existing selection criteria, which include:

- Agency/group has land use or eminent domain authority;
- Agency/group has regional authorities and responsibilities important to the SANDAG mission;
- Membership by the agency/group would enhance SANDAG regional decision-making;
• Agency/group desires representation, submits a written request, and commits to participation; and
• Agency/group is able to agree on the form of representation and who will represent it.

Temporary Advisory Seat

The recommended amendments to Board Policy No. 004 also would specify new provisions for providing an agency/group with a temporary advisory “seat” at the Board or one of the PACs, when specific agenda items arise. The agency/group wishing to obtain a temporary advisory seat must meet the same selection criteria outlined above. In addition, the agency/group must submit a written request to the Board Chair or PAC Chair identifying the reasons for its request and the specific agenda item(s) to be considered.

The addition of specific provisions for providing a temporary advisory seat would codify a practice that has occurred on prior occasions. For example, the Borders Committee has previously provided a temporary seat for the Mayor of Tijuana when certain crossborder agenda items were discussed.

Ad Hoc Committee Background

Members of the ad hoc committee included Mayor Cafagna (chair), Oceanside Councilmember Jerome Kern, San Diego Council President Pro Tem Jim Madaffer, La Mesa Mayor Art Madrid, Metropolitan Transit System Chairman Harry Mathis, National City Mayor Ron Morrison, and San Diego County Supervisor Bill Horn. The ad hoc committee was established to review the existing Board policy for advisory membership in response to two requests for additional advisory membership on the Board of Directors.

The two requests included one from Chairman Alan Bersin of the San Diego County Regional Airport Authority, requesting that the Airport Authority be added as an advisory member to the SANDAG Board. The Airport Authority currently serves as a voting member on the SANDAG Transportation Committee. The other request was from Major General Michael Lehnert, Commanding General for the U.S. Marine Corps (USMC) Installations West, requesting both USMC and U.S. Navy representation on the SANDAG Board of Directors as advisory members. The U.S. Department of Defense has served as an advisory member of the SANDAG Board since 1982.

KIM KAWADA
Policy and Legislative Affairs Program Manager

Attachments: 1. Proposed Amendments to Section 5 of SANDAG Board Policy No. 004 concerning Advisory Membership
2. Current Advisory Membership on SANDAG Board of Directors and Policy Advisory Committees

Key Staff Contact: Kim Kawada, (619) 699-6994, kka@sandag.org
SANDAG Board Policy No. 004: Rules of Procedure for Board of Directors, Policy Advisory Committees and Other Legislative Bodies

Proposed Amendments to Section 5
(changes to existing provisions in strikethrough/underline format)

5. Additional Advisory Membership on Board and Policy Advisory Committees

5.1 From time to time, the Board may determine it is in best interest of SANDAG to supplement the Board with additional members that can provide beneficial advice and information to the Board on matters of interest to the region.

5.2 In determining whether to supplement the Board with additional regular or temporary advisory members, the Board will first review whether the existing Board and Policy Advisory Committees (PAC) membership structures provide the opportunity for beneficial advice and information to SANDAG on matters of interest to the region.

5.2.1 The Board will consider adding a new regular advisory member to the Board or a PAC if it finds that the additional advisory member would provide beneficial advice and information to the Board or PAC, and that such advice/information cannot be provided by the existing Board and PAC membership structures. The agency/group wishing to become a regular advisory member shall submit a written request to the Board Chair or PAC Chair. For new regular advisory Board or PAC members, the finding and review required by this Section 5.2.1 as well as the selection criteria in Section 5.3 shall apply.

5.2.2 From time to time, the Board or a PAC may determine it is in best interest of SANDAG to provide an agency/group with temporary advisory “seat” at the Board or at one of its PACs when specific agenda items arise. The agency/group wishing to obtain a temporary advisory seat shall meet the criteria listed in Section 5.3 and shall submit a written request to the Board Chair or PAC Chair at least three days prior to the meeting, identifying the reasons for its request and the specific agenda item(s) to be considered. The decision about whether to fulfill the request shall be at the sole discretion of the Board Chair or PAC Chair.

5.2.3 The following criteria for selection of additional advisory members also shall apply as follows:

5.2.3.1 Agency/group has land use or eminent domain authority;

5.2.3.2 Agency/group has regional authorities and responsibilities important to the SANDAG mission;

5.2.3.3 Membership by the agency/group would enhance SANDAG regional decision-making;

5.2.3.4 Agency/group desires representation, submits a written request, and commits to participation; and

5.2.3.5 Agency/group is able to agree on the form of representation and who will represent it.
## CURRENT ADVISORY MEMBERSHIP
### ON SANDAG BOARD OF DIRECTORS AND POLICY ADVISORY COMMITTEES

<table>
<thead>
<tr>
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- ☑ Advisory Member
Board Policy No. 004 — Rules of Procedure for Board of Directors, Policy Advisory Committees and Other Legislative Bodies

Section 5 of Board Policy No. 004 (Additional Advisory Membership) denotes the criteria and process for selection of additional advisory members as follows:

5.2.1 Agency/group has land use or eminent domain authority;

5.2.2 Agency/group has regional authorities and responsibilities important to SANDAG’s mission;

5.2.3 Membership by the agency/group would enhance SANDAG’s regional decision-making;

5.2.4 Agency/group desires representation, submits a written request, and commits to participation; and

5.2.5 Agency/group is able to agree on the form of representation and who will represent it.

History of Advisory Membership on the SANDAG Board of Directors

Ever since the creation of the agency in 1966, SANDAG has benefited from the counsel and exchange of information from advisory members. Land use is the common thread among the Association’s 18 cities and county government voting members, and its advisory, nonvoting members. The following chronological list denotes when advisory members joined the SANDAG Board of Directors.

- 1966 - California Division of Highways (name changed in 1972 to Caltrans)
- 1966 - San Diego Unified Port District
- 1973 - City of Tijuana (changed representative in 1987 to Consulate General of Mexico)
- 1982 - U.S. Department of Defense
- 1995 - San Diego County Water Authority
- 2000 - Metropolitan Transit System and the North County Transit District
- 2003 - Imperial County
- 2007 - Southern California Tribal Chairmen’s Association

Options for Advisory Membership on SANDAG Board of Directors and Policy Advisory Committees

Background

In October 2006, the U.S. Marine Corps (USMC) requested advisory membership on the SANDAG Board of Directors. In June 2007, San Diego County Regional Airport Authority (SDCRAA) requested advisory membership on the SANDAG Board.

Option A - Retain Existing Advisory Membership Structure

- Keeps existing Board advisory member structure in place, including single Department of Defense (DoD) representation
Does not address requests from USMC and SDCRAA, which appear to meet current SANDAG criteria for advisory membership

**Option B - Retain Existing Advisory Membership on Board, and Provide Commanding Officer/Chair/CEO of entity with temporary representation for specific Board agenda items**

- Keeps existing Board advisory membership structure in place, including single DoD representation
- Allows for broader discussion when specific agenda items arise
- Allows for inclusion of multiple entities at table, as needed
- May not fully address requests from USMC and SDCRAA, which appear to meet current SANDAG criteria for advisory membership

**Option C - Expand Advisory and/or Voting Members on PACs in lieu of Additional Advisory Members on Board**

- Keeps existing advisory membership structure in place, including single DoD representation
- Allows for policy discussion of specific items at the PAC level
- May not fully address requests from USMC and SDCRAA, which appear to meet current SANDAG criteria for advisory membership
- Providing for additional voting members on PACs may require a legislative change

**Option D - Expand Advisory and/or Voting Members on PACs and Revise Advisory Members on Board**

- Keeps existing advisory membership structure in place, including single DoD representation
- Allows for policy discussion of specific items at the PAC level
- May not fully address requests from USMC and SDCRAA, which appear to meet current SANDAG criteria for advisory membership
- Providing for additional voting members on PACs may require a legislative change
- Eliminating advisory members on Board may not be best for long-term relationship

**Option E - Add USMC and SDCRAA as Advisory Members on Board and Revise Board Policy to Address Future Membership Requests**

- Addresses requests from USMC and SDCRAA, which appear to meet current SANDAG criteria for advisory membership
- Addition of USMC representative to Board would provide for both U.S. Navy and USMC representation in lieu of existing single DoD representation

- Addition of SDCRAA representation to Board would provide for similar structure as MTS and NCTD representation

- Expands advisory membership to allows for broader discussion of key policy issues (e.g. regional airport and multimodal transportation needs)

- Allows for change in Board Policy to address future membership requests

**Other Options??**
PROPOSED MODIFICATION TO AGENCY BUSINESS HOURS

### Introduction

In keeping with the SANDAG regional commitment to transportation demand management (TDM) and in line with the Board of Directors’ strategic goals, staff is proposing to modify agencywide business hours to a schedule commonly known as a 9/80 schedule. This will, in part, respond to current economic conditions (including high fuel prices), and the increased focus on greenhouse gas reduction and climate change initiatives. SANDAG forecasts show that vehicle trips in the region will grow by 50 percent between now and the year 2030. One of the most cost-effective ways of reducing this travel demand is to promote TDM tools, such as carpooling, vanpooling, bicycling, using transit, and flexible work schedule options. A 9/80 work schedule will help promote the TDM program by setting an example and reinforcing the SANDAG strategic commitment to reducing congestion on the transportation system.

### Recommendation

The Executive Committee is asked to recommend that the Board of Directors approve a modification to the agency's business hours whereby SANDAG will be closed every other Monday starting October 6, 2008, and staff would work a 9/80 work schedule.

### Discussion

Currently, SANDAG offers a variety of flexible schedule options to its staff, including a 9/80 program in which approximately 20 to 30 percent of staff participate. It is expected that modifying business hours on an agencywide basis will allow close to 100 percent participation, thereby contributing to reduced commute times and costs as well as enhancing work-life balance. Additionally, it is expected that by transitioning all staff to the same work schedule, the agency will operate more effectively to support regional priorities.

Under this new program, the SANDAG core business hours would continue to be 9:00 a.m. to 4:00 p.m. Staff is expected to work 40 hours per week, which will be accomplished by working a nine-hour day when the agency is open for business. The agency's business hours would be posted prominently on the Web site and additional outreach and education efforts, such as a press release would occur. Each employee also would have a role to play in communicating the revised business hours with the individuals they work with directly.

Staff is recommending that the agency evaluate this program at the end of one year to determine its effectiveness. Specifically, a review of the success in implementing the Overall Work Program along with an internal survey of employees will be conducted. Key external stakeholders also will be asked to provide feedback as part of this evaluation.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Laura Coté, (619) 699-6947, lco@sandag.org
STATE LEGISLATIVE STATUS REPORT

Introduction

This report provides an analysis of Senate Bill 375 (SB 375), which would create new requirements for regional transportation plans to reduce greenhouse gas (GHG) emissions and make other changes to existing housing element and California Environmental Quality Act (CEQA) laws. Also included are updates on SB 1486 and Assembly Bill 3034 (AB 3034). At the September 12, 2008, Executive Committee meeting, staff also will provide an oral report on the California State budget for FY 2008/2009.

Discussion

Senate Bill 375 (Steinberg). Transportation Planning: Travel Demand Models: Sustainable Community Strategy: Environmental Review

SANDAG currently has an “oppose unless amended” position on SB 375. This measure was introduced last year by Senator Darrell Steinberg (D-Sacramento) and is co-sponsored by the California League of Conservation Voters and the Natural Resources Defense Council. SB 375 would create new provisions for the preparation of regional transportation plans (RTP) in order to achieve the GHG emission reduction goals outlined in AB 32 (Nunez, 2006). Senator Denise Ducheny (D-San Diego) is a co-author of the SB 375, along with Assembly Members David Jones (D-Sacramento) and Mark DeSaulnier (D-Martinez).

During August, staff worked with the author’s office, Senator Ducheny’s staff, the bill sponsors, and organizations, such as the California Association of Councils of Governments (CALCOG), on amendments to improve the bill. Significant amendments to SB 375 were made during the month, and at the end of August, the bill passed out of the Legislature.

Attachment 1 summarizes the main provisions of SB 375, per the agreement that was made between the author, sponsors, and various stakeholders, including the League of Cities, California State Association of Counties (CSAC), and the California Building Industry Association. The current enrolled version of SB 375 includes these provisions, which incorporate GHG planning requirements into the RTP process, provide CEQA streamlining for certain local development projects that are consistent with regional plans meeting GHG emission targets, and align the Regional Housing Needs Assessment (RHNA) and RTP processes and other changes to housing element law.

Staff recommends that the Executive Committee consider a support position for SB 375. The bill is currently supported by the League of Cities, CSAC, builders, environmental organizations, CALCOG, and the other three major metropolitan planning organizations (MPOs) in the state – the
Metropolitan Transportation Commission, Sacramento Council of Governments, and Southern California Association of Governments. The amendments made to the bill during August address the majority of staff’s initial concerns with the original bill, such as its potential impacts on existing habitat conservation plans, implementation of the TransNet measure and other regional transportation projects, and the possible effects on the RTP and federal funding process.

Some outstanding staff concerns with the bill remain, including adequate funding for the new regional planning requirements and specific timelines that would apply to the RHNA process in the San Diego region. Regarding funding, Senator Steinberg has committed to work during the next legislative session with the League, CSAC, MPOs, and other stakeholders to identify possible funding for the new planning efforts required under SB 375. The transition of the RHNA process from a five-year to an eight-year cycle also would help mitigate some of the recurring regional costs associated with the new requirements.

SB 375 also aligns the RHNA and RTP processes, but it will require at least a planning cycle to get both planning processes on the same timeline (and to a full eight-year RHNA). The timeline for the next two RHNA updates in the San Diego region is problematic, and staff expects that some technical amendments to SB 375 would be needed during the next legislative session to address this issue. Another San Diego-specific technical issue is the recognition of crossborder/interregional commuting patterns affecting our single-county region. Staff believes that SANDAG support for SB 375 would enable us to better position ourselves to negotiate future technical amendments.

Senate Bill 1486 (Ducheny). Otay Mesa East Toll Facility Act

SB 1486 was introduced by Senator Ducheny on February 21, 2008, and was last amended on August 8, 2008. This legislation would provide SANDAG with the authority to implement a public toll project to move people and goods along the State Route 11 (SR 11) corridor and the Otay Mesa East Port of Entry (POE). SB 1486 would authorize SANDAG to collect a toll from travelers using SR 11, and would enable SANDAG to bond against the toll/user fee revenues to develop and construct the new highway and POE facility. During August, SB 1486 passed out of the Assembly Floor by a vote of 48-26 and out of the Senate on concurrence by a vote of 30-4. The bill is currently enrolled and will next move to the Governor. A copy of the latest version of the bill can be found at: [http://info.sen.ca.gov/pub/07-08/bill/sen/sb_1451-1500/sb_1486_bill_20080822_enrolled.pdf](http://info.sen.ca.gov/pub/07-08/bill/sen/sb_1451-1500/sb_1486_bill_20080822_enrolled.pdf).

Assembly Bill 3034 (Galgiani). Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century.

AB 3034 was introduced by Assembly Member Cathleen Galgiani (D-Tracy) on February 22, 2008, and was last amended on August 6, 2008. AB 3034 would revise, update, and expand the provisions of the existing Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1 on the November 2008 ballot). AB 3034 would establish an oversight process for the independent review and approval of financing and engineering plans for the construction of California’s high-speed train (HST) system.

Among other provisions, AB 3034 would re-establish the priority for construction of the initial HST segment, otherwise known as Phase 1, from San Francisco to the Los Angeles/Anaheim. In July, SANDAG changed its position on AB 3034 from “support” to “oppose unless amended,” as a result of the July amendments to AB 3034.
Since that time, various amendments to AB 3034 were made to allow bond proceeds to be used in other statewide HST corridors. On Tuesday, August 26, 2008, the Governor signed AB 3034. AB 3034 will replace Proposition 1 with Proposition 1A on the November 2008 ballot. The chaptered version of the bill would allow bond proceeds to be used in corridors other than those in Phase 1, upon a finding by the California High-Speed Rail Authority that the expenditure would advance the construction of the system, would be consistent with criteria outlined in AB 3034, and would not have an adverse impact on the construction of Phase 1 of the HST project. Attachment 2 compares the language included in Section 2704.04 of the Government Code in Proposition 1 (November 2008 ballot), and the July 10, 2008, version, and the newly chaptered law.

KIM KAWADA  
Policy and Legislative Affairs Program Manager

2. Summary of Proposition 1 and AB 3034 provisions

Key Staff Contact: Genevieve Morelos, (619) 699-1994, gmo@sandag.org
SUMMARY OF THE DEAL POINTS OF SB 375

I. OUTLINE: THREE SECTIONS OF SB 375

SB 375 is long and complex. It deals with multiple issues. But this complexity is necessary to the extent that it is seeking to align three separate regional planning processes. To offset some of this complexity, it’s helpful to think about the bill in the following three “buckets:”

1. GHG Planning Process
2. CEQA Benefits
3. RHNA Alignment

The memo summarizes the bill within each of these buckets. It also adds an “Odds-n-Ends” section to cover a couple of additional points. Finally, this description does not summarize every clause or amendment. It is merely reviews the main deal points.

II. GHG PLANNING WITHIN REGIONAL TRANSPORTATION PROCESS

- **Scope.** The bill applies to the state’s 17 metropolitan planning organizations (MPOs).

- **Target Committee to Advise CARB.** A Regional Targets Advisory Committee will recommend protocols for setting GHG reduction targets for the regions. The League, CSAC and “planning organizations” are included in the committee’s membership.

- **Plan to Achieve the Target.** Planning for GHG reductions occurs in one of two ways depending on whether the land use baseline used in the regional transportation plan (called the “Sustainable Communities Strategy” or “SCS”) will achieve the target. If yes, then no further planning is necessary. If no, the region submits a separate “Alternative Planning Strategy” (APS) that shows how the target could be achieved.

- **Specific Outreach to Local Elected Officials.** The MPO must hold at least two workshops for local officials, or just one workshop if attended by a majority of agencies representing a majority of the population of the region. These workshops are specifically for the local elected to comment and share concerns.

- **Stakeholder and Public Participation.** There are three key opportunities for input. First, the process for setting a specific regional target includes a workshop within the region and an extended period of information exchange between the California Air Resources Board (CARB) and the region. Second, before the development of a draft SCS/APS, the MPO must hold three workshops within each county. And third, once completed, the draft SCS/APS must be circulated for at least 90 days and the MPO must hold three public hearings in different parts of each county.

League of California Cities

August 4, 12:45 p.m.
• **Certification of Plan by CARB.** The region submits the SCS or APS to CARB for certification. The board may certify that the plan is sufficient to meet the target or reject it. If rejected, the board must provide its reasoning. No conditional approvals.

• **No Mandatory Allocations.** The planning priority provisions in 65080(b)(2)(F)), which have been criticized as creating “concentric circles,” have been eliminated. The regions need only “gather and consider” information about important resources and farmlands, but there is no requirement to act.

• **RHNA Consistency; General Plan Consideration.** In addition to projecting growth patterns for the next 20 years (current law), the SCS/APS must account for the RHNA allocation. It also must consider all current general plans.

• **Environmental Resources.** The definitions of resource areas and farmlands have been narrowed. The description of habitat areas is eliminated and replaced by the phrase “biological resources” as defined in Appendix G of the CEQA Guidelines. These resources need only be gathered and considered as part of the RTP process.

### III. CEQA BENEFITS for CONSISTENCY with GHG TARGET

• **New Exemption from Analyzing GHG Emissions from Cars and Light Trucks.** A residential or mixed use residential project that is consistent with a CARB-certified SCS/APS need not analyze GHG emissions caused by cars and light trucks. A “mixed use residential project” is 50% residential in infill areas, and 75% elsewhere.

• **Growth Inducing and Cumulative Impacts Related to Traffic.** Residential and mixed use residential projects (as defined above) that are consistent with the SCS/APS need not address growth inducing or cumulative impacts from cars and light trucks generated by the project or regional transportation network.

• **Reduced Density Alternative Need Not Be Analyzed.** Environmental documents are not required to analyze reduced density as an alternative to address the effects of cars and light duty trucks generated by the project on global warming or the regional transportation network or to address growth inducing impacts.

• **Regional Transportation Network Defined.** Includes all existing and proposed transportation improvements in the transportation and air quality conformity modeling within the RTP. However, projects must still comply with any conditions, exactions, or fees for the mitigation of the project’s impacts on the regional transportation network or local streets and roads.

• **Transit Priority Projects.** Transit Priority Projects are defined to be projects that are consistent with the SCS/APS, are at least 50 percent residential, have a density of at least 20 units per net acre, and are within a half mile of a transit corridor that has a...
minimum 15 minute service at peak times. These projects are entitled to either a CEQA exemption or streamlined analysis as provided below: (Earlier versions required the local agency to bring its entire general plan into conformance before this relief could be sought, that requirement has been struck.)

- **CEQA Exemption.** Projects that meet this standard, are smaller than 8 acres and 200 units, and meet a number of other environmental thresholds (e.g., no habitat, wetlands, comply with green building standards to name a few) and at least 20 percent of the units are affordable to moderate income purchasers or set aside open space at a ratio of 5 acres per 1000 people are exempt from CEQA.

- **SCS/APS Environmental Assessment.** Projects that are not exempt nevertheless qualify for a streamlined CEQA process when the following three conditions are met: (1) consistent with the SCS/APS; (2) where an EIR on the regional transportation network has been completed; and (3) the project incorporates all mitigation measures from all applicable environmental documents. The abbreviated process, among other things, allows the initial study to focus on project specific impacts, exempts any analysis of cumulative or growth inducing impacts consistent with the SCS/APS, and allows a shorter comment period.

- **Traffic Mitigation Streamlining.** Local agencies can adopt a set of traffic mitigation measures for projects that are at least 10 units per acres and 75% residential. Once adopted, the project need not comply with any other traffic mitigation measures. The agency must update the mitigation measures every five years.

* These provisions are in a separate mock up document. They are similar to the provisions that are already in print. The main change is that they apply when a specific project is consistent with the SCS/APS, instead of the entire general plan.

### IV RHNA ALIGNMENT

- **SCS/APS Consistency.** RHNA Allocation must be consistent with SCS/APS (though every community will get at least some allocation to further the fair share principle).

- **8 Year Timing and Plan Alignment.** RHNA planning period extended from 5 to 8 years. The Council of Governments (COG) distributes RHNA at beginning of planning period, which is same time that development pattern for RTP and SCS/APS is established. Thus, three planning processes are aligned.

- **Self Certification.** The current process that allows a local agency to certify that their housing element is still recognized in the law.

- **Failure to Submit a Housing Element Penalty.** Local agencies that fail to submit a valid housing element or do not self certify are subject to a four year review cycle.
• **Zoning Deadlines.** Housing element due to HCD one year into the planning period. All zoning must be complete within 3 years later, beginning when the local agency has received final comments from HCD.

• **One Year Extension to Zone.** A one year extension is available to local agencies upon making one of the following three findings and completing 75% of the zoning in their program: (1) laws, actions, or omissions of other governmental entities prevent local agency from adopting zoning; (2) infrastructure constraints or deficiencies prevent the establishment of zoning standards; (3) accommodating the allocation requires significant amendments to the general plan.

• **No HCD Review of Zoning Timelines.** No HCD review of this finding, but local government must send to HCD a schedule of proposed actions that will be undertaken within the extended period to meet the zoning target.

• **Penalty for Missing Zoning Timelines.** Failure to meet zoning timeline allows potential court sanctions that can be imposed by court. The court must make finding and consider potential sanctions within 60 days of filing. But before making decision, court must consider all equitable factors that have led to the delay.

• **New Anti-NIMBY Provision.** This provision applies only to projects that are more than 49% affordable (in effect, 100% affordable) where the housing element indicates a site is suitable for residential development but that zoning has not yet been completed. In such cases, local agencies can only deny the project for previously quantified health and safety reasons (a very hard standard to meet).

• **Timelines for Programs.** Local agencies must put a timeline on their programs and report out on a bi-annual basis on the progress that is being made.

V. **ODDS-n-ENDS**

• **Funding of Infill Infrastructure.** We have argued that if state policy is going to encourage compact development, we have to revisit how we fund infill infrastructure. Development fees and assessments are not enough. Although SB 375 does not address this issue directly, the Senator has agreed to work with this League on this issue during his term as pro tem and will send the League a letter to that effect.

• **Funding for Planning.** Similarly, the bill does not include any funding for planning. We are told that the Senator will address some of these issues in SB 732, which would appropriate Prop 84 funding related to sustainable planning. Although the funding itself would be positive, the League continues to monitor this bill to assure that it meets with the League’s principles on the infrastructure funding adopted by the Board in 2007.
### Changes to Section 2704.04 (b) of the Streets and Highways Code from Proposition 1 to AB 3034

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<th>July 10, 2008 CHSRA compromise to Yee amendment</th>
<th>Chaptered AB 3034</th>
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<td>(b) (1) Nine billion dollars ($9,000,000,000) of the proceeds of bonds authorized pursuant to this chapter, as well as federal funds and other revenues made available to the authority, to the extent consistent with federal and other fund source conditions, shall be used for planning and eligible capital costs, as defined in subdivision (c), for the segment of the high-speed train system between San Francisco Transbay Terminal and Los Angeles Union Station. Once construction of the San Francisco-Los Angeles segment is fully funded, all remaining funds described in this subdivision shall be used for eligible capital costs, as described in subdivision (c), for the following high-speed train segments without preference to order:</td>
<td>(b) (1) Net proceeds received from the sale of nine billion dollars ($9,000,000,000) principal amount of bonds authorized pursuant to this chapter, upon appropriation by the Legislature in the annual Budget Act or separate statute, shall be used for (A) planning the high-speed train system and (B) capital costs, described in subdivision (c), for the usable segment of the high-speed train system between San Francisco Transbay Terminal and Los Angeles Union Station and Anaheim. Once construction of the San Francisco-Los Angeles usable segment is fully funded, all remaining funds described in this subdivision shall be used for eligible capital costs, as described in subdivision (c), for the following high-speed train system corridors:</td>
<td>(b) (1) Net proceeds received from the sale of nine billion dollars ($9,000,000,000) principal amount of bonds authorized pursuant to this chapter, upon appropriation by the Legislature in the annual Budget Act, shall be used for (A) planning and engineering for the high-speed train system and (B) capital costs, as described in subdivision (c).</td>
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<td>(A) Oakland-San Jose</td>
<td>(2) Upon a finding by the authority that expenditure of bond proceeds in corridors other than the corridor described in paragraph (1) would advance the construction of the system and would not have an adverse impact on the completion of Phase 1 of the high-speed train project, as adopted by the authority in May 2007 and described in paragraph (1), the authority may request funding for capital costs, and the Legislature may appropriate funds described in paragraph (1) in the annual Budget Act or separate statute, to be expended for the following high-speed train corridors:</td>
<td>(2) As adopted by the authority in May 2007, Phase 1 of the high-speed train project is the corridor of the high-speed train system between San Francisco Transbay Terminal and Los Angeles Union Station and Anaheim.</td>
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<td>(A) Sacramento to Stockton to Fresno</td>
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<td>(E) Los Angeles Union Station to Riverside to San Diego</td>
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<td>(F) Los Angeles Union Station to Anaheim to Irvine</td>
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<td>(G) Altamont Corridor connecting the Central Valley to the East Bay San Francisco Bay Area</td>
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<td>• Same list of corridors as the July 10 version</td>
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REVIEW OF SEPTEMBER 26, 2008, DRAFT BOARD AGENDA

1. APPROVAL OF MEETING MINUTES
   A. JULY 11, 2008, POLICY MEETING MINUTES
   B. JULY 25, 2008, MEETING MINUTES

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS
   Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG. Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Speakers are limited to three minutes. Board members also may provide information and announcements under this agenda item.

3. ACTIONS FROM POLICY ADVISORY COMMITTEES
   This item summarizes the actions taken by the Borders Committee on July 25, the Transportation and Regional Planning Committees on August 1, the Executive Committee on September 12, and the Transportation and Public Safety Committees on September 19, 2008.

CONSENT ITEMS (4 through XX)

4. PROPOSED AMENDMENTS TO BOARD POLICY NO. 031: TransNet ORDINANCE AND EXPENDITURE PLAN RULES (Sookyung Kim)*
   Amendments to Board Policy No. 031 are proposed in order to clarify the annual fiscal audit process for the TransNet program, to provide for the transfer of TransNet audit responsibilities to the Independent Taxpayer Oversight Committee (ITOC). The ITOC reviewed this item its July 16, 2008, meeting. The Executive Committee recommends that the Board of Directors approve the proposed amendments to Board Policy No. 031.
5. QUARTERLY INVESTMENT REPORT – PERIOD ENDING JUNE 30, 2008 AND ANNUAL REPORT AND EVALUATION OF BOARD POLICY NO. 032 (SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION INTEREST RATE SWAP POLICY) (Lauren Warrem)*

The SANDAG Investment Policy requires that the Board of Directors be provided a quarterly report of investments held by SANDAG. This report includes all money under the direction or care of SANDAG as of June 30, 2008. The San Diego County Regional Transportation Commission Interest Rate Swap Policy requires an annual report and evaluation of all outstanding interest rate swaps.

6. QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS (José A. Nuncio)*

This quarterly report summarizes the current status of major highway, transit, arterial, traffic management, and transportation demand management projects in SANDAG's five-year Regional Transportation Improvement Program for the period April 1 to June 30, 2008.

7. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY EXECUTIVE DIRECTOR (Renée Wasmund)

In accordance with SANDAG Board Policy Nos. 003 (Investment Policy), 017 (Delegation of Authority), and 024 (Procurement and Contracting-Construction), this report summarizes certain delegated actions taken by the Executive Director since the last Board meeting.

8. REPORTS ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (Kim Kawada)

Board members will provide brief reports orally or in writing on external meetings and events attended on behalf of SANDAG since the last Board of Directors meeting.

9.

10.

CHAIR’S REPORT (11 through XX)

11. ANNUAL SANDAG BOARD OF DIRECTORS RETREAT (Colleen Windsor; Anne Steinberger)

The annual SANDAG Board of Directors retreat is scheduled from January 28 through January 30, 2009, in the northern community of Valley Center. The primary objective of this public meeting is to afford participants the opportunity to discuss strategies for some of the agency’s more important regional policies and programs, and develop ideas for the future direction of the agency. The Executive Committee recommends that the Board of Directors approve the 2009 retreat agenda.
12. APPOINTMENT OF NOMINATING COMMITTEE FOR SANDAG BOARD OFFICERS

In accordance with the SANDAG Bylaws, the Chair will appoint up to a six-person nominating committee for Board officers, made up of Board members from each of the four subregions and a member from the City of San Diego and the County of San Diego. However, the nominating committee shall not include Board members from jurisdictions that have applicants for the Chair or a Vice Chair position on the Board of Directors. The nominating committee will submit its slate nominees, in writing, for mailing to Board members in or around November.

13.

14.

REPORTS (15 through XX)

15. TransNet ENVIRONMENTAL MITIGATION PROGRAM: APPROVE

IMPLEMENTATION ACTIONS (Lemon Grove Councilmember Jerry Jones, Regional Planning Committee Chair; Keith Greer)

A. ADVANCE MITIGATION GUIDELINES: The TransNet Environmental Mitigation Program (EMP) has made funds available for the early mitigation of land for Regional Transportation Plan projects. Staff will present a framework of a process and criteria for how specific acquisitions and restoration opportunities will be determined under the TransNet EMP. The Regional Planning Committee recommends that the Board of Directors approve the proposed process and criteria.

B. LAND MANAGEMENT GRANTS: The Board of Directors allocated $2.9 million dollars for competitive land management grants. Grant proposals were solicited and evaluated by a panel of the EMP Working Group members not applying for grants. The Regional Planning Committee recommends that the Board of Directors approve the proposed list of projects.

C. UPDATE OF FIVE-YEAR FUNDING STRATEGY AND FY 2009 ACTIVITIES: On December 15, 2006, the Board of Directors adopted a Five-Year funding strategy for management and monitoring funds under the TransNet Program. This strategy has been updated by the EMP Working Group in light of the 2007 wildfires and recommendations for funding activities for FY 2009 will be presented. The Regional Planning Committee recommends that the Board of Directors approve the updated five-year funding strategy and funding for FY 2009 activities.
+16. FUNDING RECOMMENDATIONS FOR FY 2008 AND FY 2009 NEW FREEDOM AND TransNet SENIOR MINI-GRA N-T PROGRAM (San Diego Council President Pro Tem Jim Madaffer, Transportation Committee Chair; Danielle Kochman)*

The Transportation Committee recommends that the Board of Directors take the following actions: (1) provide an exemption from Board Policy No. 033 for the current Senior Mini-Grant competitive selection cycle; and (2) approve the list of New Freedom and Senior Mini-Grant projects included in the staff report.

+17. AGREEMENT WITH CALTRANS FOR PRELIMINARY ENGINEERING FOR THE INTERSTATE 5/STATE ROUTE 56 INTERCHANGE IMPROVEMENT PROJECT (San Diego Council President Pro Tem Jim Madaffer, Transportation Committee Chair; Richard Chavez)*

Caltrans has asked to use SANDAG on-call engineering consultants for preliminary engineering for the Interstate 5 (I-5)/State Route 56 (SR 56) Interchange improvement project. The cost is estimated at $830,000. TransNet funds from the I-5 North Coast project would be used to pay for the costs, and would be fully reimbursed by Caltrans. There are currently no TransNet funds on the I-5/SR 56 project.

+18. ADVISORY MEMBERSHIP ON THE SANDAG BOARD OF DIRECTORS (Poway Mayor Mickey Cafagna)

Last year, the Executive Committee appointed an ad hoc committee to review SANDAG Board policy on advisory membership. The ad hoc committee, chaired by Poway Mayor Mickey Cafagna, met on several occasions to discuss possible changes. The Executive Committee recommends that the Board of Directors approve the amendments to the advisory membership provisions of Board Policy No. 004.

+19. ANNUAL RIDESHARE WEEK (Thomas Bruccoleri)

Each year, SANDAG sponsors Rideshare Week in the San Diego region as a way of highlighting alternative modes to the solo driver commute. This year’s event is scheduled for October 6-10. The Board will issue a proclamation for Rideshare Week. Staff will present information on the RideLink Program.

+20. PROPOSED MODIFICATION TO AGENCY BUSINESS HOURS

In keeping with SANDAG’s regional commitment to transportation demand management and in line with the Board’s strategic goals, we are proposing modified agencywide business hours, commonly known as a 9/80 schedule. This will, in part, respond to current economic conditions (including high fuel prices), the increased focus on greenhouse gas reduction and climate change initiatives. The Executive Committee recommends that the Board of Directors approve the proposed 9/80 schedule, including a review and evaluation to be conducted after a year of experience.
+21. ANNUAL UPDATE ON THE ACTIVITIES OF THE CRIMINAL JUSTICE RESEARCH DIVISION AND CLEARINGHOUSE (El Cajon Mayor Mark Lewis, Public Safety Committee Chair; Cynthia Burke)

As part of the SANDAG Criminal Justice Clearinghouse, regional crime and arrest statistics, as well as statistics related to drug use among the offender population are tracked on a regular basis. SANDAG has maintained these statistics since the late 1980s and remains the only regional source for up-to-date historical information. These data provide timely information for policymakers and practitioners interested in how crime and law enforcement’s response varies over time and across jurisdictions. An overview and update of the activities and accomplishments of the Criminal Justice Research Division and the Clearinghouse will be provided.

+22. SMART GROWTH VISUAL SIMULATIONS (Lemon Grove Councilmember Jerry Jones, Regional Planning Committee Chair; Carolina Gregor)

As part of the Smart Growth Tool Box to implement the Regional Comprehensive Plan, SANDAG and various consultants have been working with the planning staffs of several jurisdictions to develop visual simulations of what smart growth could look like in areas on the Smart Growth Concept Map. A Smart Growth Photo Library is also being developed, showcasing existing smart growth projects throughout the region. A presentation highlighting the work completed to date will be made.

23. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) (John Kirk)

Paver Décor Masonry v. Stacy & Witbeck, et al. (San Diego Superior Court Case No. GIC867144)

24. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Government Code Section 54956.8 (John Kirk)

Property: Assessor Parcel No. 623-250-25, located in the City of Chula Vista
Negotiators: John Kirk, Pete D’Ablaing, Tim Allison, Chip Willett (for SANDAG); Charlie Balvaneda on behalf of Faeez Zura and Sardar Ayoub (for property owner)
Under Negotiation: Value of subject property

25. RESOLUTION OF NECESSITY HEARING (John Kirk)

HEARING OF NECESSITY: ACQUISITION OF ASSESSOR PARCEL NUMBERS (623-250-25), OWNED BY FAEEZ ZURA AND SARDAR AYOUB, LOCATED IN THE CITY OF CHULA VISTA (John Kirk, Tim Allison)

The Board is asked to hold a Public Hearing of Necessity and approve Resolution No. 2009— pertaining to: Acquisition of Assessor Parcel Number 623-250-25, owned by Faeez Zura and Sardar Ayoub, located in the City of Chula Vista, for construction of the South Bay Maintenance Facility Project.
28. UPCOMING MEETINGS

   The next Policy meeting is scheduled for Friday, October 10, 2008, at 10 a.m.
   The next Business meeting is scheduled for Friday, October 24, 2008, at 9 a.m.

29. ADJOURNMENT

+ next to an agenda item indicates an attachment
* next to an agenda item indicates a San Diego Regional Transportation Commission item
Proposition B

- Called "Port of San Diego Marine Freight Preservation and Bayfront Redevelopment Initiative"
- Ballot box planning - Would bypass CEQA
- Slated for November ballot
- Self-dealing – Requires that an Exclusive Negotiating Agreement (ENA) be executed with a developer within 60 days if proposition is passed
"... the Tenth Avenue Marine Terminal Multi-Use Maritime District also permits and encourages commercial-recreational activities...."

Would amend Port Master Plan to allow for non-maritime uses at Tenth Avenue Marine Terminal including stadium/hotel/retail

Will it preserve and protect maritime activities and jobs?
Maritime Activity

- **Global**
  2006: Global tonnage up 9.5% from 2005 and up 7.2 billion tons from 1996 (48% increase)

- **At Tenth Avenue Marine Terminal**
  - 74% growth over last 5 years (2003-2007)
  - Maritime Business Plan forecasts robust growth through 2020
  - Growing cargoes include tropical fruit, windmills, project cargo, steel, cement, aggregates and other building materials
  - Cargo decreased by 6% in FY08, but cargo ship calls (+44%) and cargo-related revenue increased (+32%)
History of the Tidelands Trust

- Public Trust Doctrine
  - Grounded in State Constitution
  - State Legislature delegated oversight of the Tidelands grant to the State Lands Commission

- Port Act of 1962
  One entity to manage San Diego Bay to promote commerce, navigation, recreation and fisheries

- Port Master Plan
  Establishes a balance of land uses including commercial-recreational, marine industrial, public open space

Purpose of the Trust

- Ensures continuing presence of vital deep water maritime facilities to support international commerce
- Maritime facilities require significant long-term financial commitment
- Maritime facilities are needed to provide access to the global economy
- Due to deep water geographic requirements, marine terminals cannot be relocated
Impact of Proposition B on the Tenth Avenue Marine Terminal

- Security
- Vertical clearance
- Column obstructions
Threats to Regional Economic Prosperity Strategy and Regional Transportation Plan

Threats to Regional Economic Prosperity Strategy

From the San Diego Regional Economic Prosperity Strategy Report:

"The region has been adding proportionately more jobs at the low end of the pay scale than jobs in the middle or at the high end of the pay scale."
Compensation Rates

Average Compensation by Area/Sector

- County: $40,352
- Tidelands: $50,300
- Maritime: $59,211
- Travel & Commercial: $59,595

ERA, 2006

Regional Impact of Industry and Trade Sector

Total Output

- Travel and Commercial: $3.0 Billion (28%)
- Industry and Trade: $7.6 Billion (72%)

Total: $10.6 Billion

ERA, 2006
Threats to Regional Transportation Plan (RTP)

- California Goods Movement Action Plan
- RTP contains maritime freight projects
- California Trade Corridor Investment Fund (TCIF)
  - Partnership of Port and SANDAG
  - Funding and jobs at risk

Ongoing TCIF Project: Cesar Chavez/Harbor Drive Overpass

$67 million total
$31 million 1B bond funds
$36 million local funding
Ongoing TCIF Project:
Harbor Drive/32nd Street/I-15 Overpass

$109 million total
$50 million 1B bond funds
$59 million local match

Environmental Impacts
Associated with the Loss of a
Major Maritime Commerce Facility
Bypassing of Prescribed Planning Processes

Initiative delays
analysis of
environmental impacts
- Air emissions
- Vehicle traffic

Organizations Opposed to the Initiative

- Maritime Administration of the U.S. Department of Transportation
- State Office of the Attorney General
- State Lands Commission
- San Diego County Taxpayers Association
- San Diego World Trade Center
- International Longshore and Warehouse Union (ILWU)
- San Diego – Imperial Counties Labor Council – AFL CIO
- San Diego Military Advisory Council
- San Diego Port Tenants Association
- San Diego Ship Repair Association
- California Trade Coalition
- Working Waterfront Group
- Pacific Merchant Shipping Association
- Otay Mesa Chamber of Commerce
- Chula Vista Chamber of Commerce
- National City Chamber of Commerce
- San Diego Regional Chamber of Commerce
- Environmental Health Coalition
- Board of Port Commissioners
Proposition B