BORDERS COMMITTEE AGENDA

Friday, April 23, 2010
12:30 to 2:30 p.m.
SANDAG Board Room
401 B Street, 7th Floor
San Diego

AGENDA HIGHLIGHTS

• FINAL REPORT OF PHASE III OF THE I-15 IRP

• SOUTH AND EAST SAN DIEGO COUNTY/IMPERIAL COUNTY 2009 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

• PERSPECTIVES ON WATER SUPPLY IN THE BINATIONAL BORDER REGION

PLEASE TURN OFF CELL PHONES DURING THE MEETING

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

MISSION STATEMENT

The Borders Committee provides oversight for planning activities that impact the borders of the San Diego region (Orange, Riverside and Imperial Counties, and the Republic of Mexico) as well as government-to-government relations with tribal nations in San Diego County. The preparation and implementation of SANDAG’s Binational, Interregional, and Tribal Liaison Planning programs are included under this purview. It advises the SANDAG Board of Directors on major interregional planning policy-level matters. Recommendations of the Committee are forwarded to the Board of Directors for action.
Welcome to SANDAG. Members of the public may speak to the Borders 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 Borders 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 Borders Committee meeting. Any handouts, presentations, or other materials from the public intended for distribution at the Borders Committee meeting should be received by the Clerk of the Board no later than 12 noon, two working days prior to the meeting.

In compliance with the Americans with Disabilities Act (ADA), SANDAG will accommodate persons who require assistance in order to participate in SANDAG meetings. If such assistance is required, please contact SANDAG at (619) 699-1900 at least 72 hours in advance of the meeting. To request this document or related reports in an alternative format, please call (619) 699-1900, (619) 699-1904 (TTY), or fax (619) 699-1905.

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**ITEM #**  
**RECOMMENDATION**

+1. APPROVAL OF THE MARCH 26, 2010, MEETING MINUTES  
APPROVE

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the Borders Committee on any issue within the jurisdiction of the Committee that is not on this agenda. Speakers are limited to three minutes each and shall reserve time by completing a “Request to Speak” form and giving it to the Clerk prior to speaking. Committee members also may provide information and announcements under this agenda item.

**CONSENT ITEMS (#3 through #4)**

+3. STATUS REPORT ON SANDAG, ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA), AND SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) COLLABORATION ON LONG-RANGE PLANNING (Heather Werdick)  
INFORMATION

Staff members from OCTA, SCAG, and SANDAG have met periodically to collaborate on long-range planning efforts including Senate Bill (SB) 375 implementation, updates to long-range transportation plans, and rail and corridor planning. This informational report provides a status on recent collaboration activities.

+4. 2010 SANDAG ANNUAL BINATIONAL EVENT UPDATE  
(Chair Paul Ganster, Committee on Binational Regional Opportunities)  
INFORMATION

The Save the Date announcement for the 2010 binational seminar to be held on June 1, 2010, is attached. COBRO Chair Paul Ganster would be available if there are questions or comments.

**REPORT ITEMS (#5 through #7)**

+5. FINAL REPORT OF PHASE III OF THE INTERSTATE 15 INTERREGIONAL PARTNERSHIP (I-15 IRP) (Jane Clough-Riquelme; and Kevin Viera, Western Riverside Council of Governments (WRCOG))  
ACCEPT

In 2008, the I-15 IRP between San Diego and southwestern Riverside received funding to continue implementing interregional strategies in transportation, housing, and economic development to improve the quality of life for residents in both regions. The Borders Committee is asked to accept the final report for Phase III of the I-15 IRP.
In October 2008 the South County Economic Development Council (South County EDC) received a grant to create a Comprehensive Economic Development Strategy (CEDS), which is required to qualify for Economic Development Administration (EDA) assistance for public works and planning efforts, and a prerequisite for being designated by EDA as an economic development district. The CEDS was recently completed and this presentation will summarize its findings.

7. PERSPECTIVES ON WATER SUPPLY IN THE BINATIONAL BORDER REGION

a) PERSPECTIVES ON WATER USAGE ASSOCIATED WITH CLIMATE CHANGE IN BAJA CALIFORNIA (Alberto Pombo, El Colegio de la Frontera Norte)

This report will present the Mexican perspective on the future impacts that climate change could have on water usage and availability in Baja California.

b) OVERVIEW OF SAN DIEGO COUNTY WATER AUTHORITY (SDCWA) CROSSBORDER ACTIVITIES (Halla Razak, SDCWA)

At the 2009 joint meeting of the Borders Committee and the City of Tijuana, Mayor Jorge Ramos raised the issue of water supply and the concept of a desalination plant in the border region. This report will provide an overview on SDCWA's work on crossborder water issues, including outcomes from a preliminary study on a proposed desalination plant in Baja California.

8. UPCOMING MEETINGS

The next meeting of the Borders Committee is scheduled for Friday, May 28, 2010, at 12:30 p.m.

9. ADJOURNMENT

+ next to an item indicates an attachment
JOINT MEETING OF THE BORDERS COMMITTEE, COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES (COBRO), AND THE CITY OF Tijuana

DISCUSSION AND ACTIONS
MEETING OF MARCH 26, 2010

The meeting of the Borders Committee was called to order by Chair Patricia McCoy (South County) at 12:32 p.m., and self introductions were conducted. See the attached attendance sheet for Borders Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Supervisor Pam Slater-Price (County of San Diego) and a second by Council President Ben Hueso (City of San Diego), the Borders Committee unanimously approved the minutes from the February 26, 2010, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Councilmember Elma Acosta (City of Tijuana) read a prepared statement regarding present border conditions and their impact on individuals wishing to cross the border.

Chair McCoy requested that staff provide an English translation of the statement.

CONSENT (ITEM #3)

3. REPORT FROM THE CONSUL GENERAL OF MEXICO (INFORMATION)

Hon. Remedios Gómez-Arnau, Consulate General of Mexico, in San Diego provided the first in a series of periodic reports focusing on areas of mutual interest that contribute to the Borders Committee dialogue. The report highlighted growth in surface transportation trade between Mexico and the United States and Canada.

Action: This item was presented for information only.
REPORT ITEMS (#4 through #7)

4. 2050 REGIONAL TRANSPORTATION PLAN (RTP): DRAFT TRIBAL TRANSPORTATION WHITE PAPER (DISCUSSION)

In preparation for the 2050 RTP and as part of the process of tribal consultation, the Interagency Tribal Transportation Technical Working Group has developed a background paper on tribal transportation issues which will serve as support for the policy discussions at the 2010 San Diego Regional Tribal Summit. This paper was reviewed by the Working Group at its March 17, meeting.

Chairman Mark Romero (Mesa Grande), Southern California Tribal Chairmen’s Association (SCTCA), introduced the item and Jane Clough-Riquelme, Senior Regional Planner (SANDAG), presented the highlights of the paper.

Action: This item was presented for discussion only.

5. OTAY MESA – MESA DE OTAY BINATIONAL CORRIDOR STRATEGIC PLAN: 2010 DRAFT PROGRESS REPORT


Ron Saenz, Associate Regional Planner (SANDAG), and Luis Duarte, Director, Instituto Municipal de Planeación (IMPlan), provided progress reports on the implementation of key actions included in the Otay Mesa – Mesa de Otay Binational Corridor Strategic Plan in the areas of transportation, economic development, housing, and environment.

Mr. Duarte informed that IMPlan is currently developing executive projects for the Alamar area and planning has begun for the modernization of the Mesa de Otay I port of entry (POE) and implementation of the Mesa de Otay II POE. He reported on the planned mass transit system, which consists of two main routes connecting the ports of entry with other areas. He also said the City of Tijuana approved its first environmental conservation declaration in the border area of Cañón Los Sauces.

Action: This item was presented for discussion only.

b. Briefing on State Route 11 (SR 11)/Otay Mesa East POE Financial Strategy (INFORMATION)

SANDAG, in cooperation with Caltrans, the U.S. General Services Administration (GSA), and other stakeholders, is developing the new Otay Mesa East POE and associated transportation network, including SR 11. Marney Cox, Chief Economist (SANDAG), provided an update on efforts to develop the project’s financial strategy.

Action: This item was presented for information only.
6. ANALYSIS OF BORDER ENVIRONMENTAL INFRASTRUCTURE PRIORITIES, NOW AND TO 2030 (INFORMATION)

The Border Environment Cooperation Commission (BECC) and the North American Development Bank (NADB) were created in 1993 under a side-agreement to the North American Free Trade Agreement (NAFTA) for the purpose of enhancing the environmental conditions of the U.S. – Mexico border region and advancing the well-being of residents in both nations. BECC focuses on the technical, environmental, and social aspects of project development, while NADB concentrates on project financing and oversight for project implementation. Maria Elena Giner, Deputy General Manager of the Border Environment Cooperation Commission, reported on the BECC’s key accomplishments, as well as general operational information, goals and challenges.

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

7. CITY OF TIJUANA’S URBAN DEVELOPMENT PROGRAM FOR THE POPULATION CENTER 2010-2030 (INFORMATION)

Luis Duarte, Director, Instituto Municipal de Planeación (IMPlan), provided an overview of the recently approved Urban Development Program for the Population Center 2010 - 2030 (PDUCPT, in Spanish) of the City of Tijuana, which includes the first land use regulations and innovative criteria for conservation areas. Additional information may be obtained at www.implantijuana.com. Mr. Duarte recognized Chair Patricia McCoy for SANDAG’s participation on IMPlan’s Governing Board.

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

8. UPCOMING MEETINGS

The next meeting of the Borders Committee is scheduled for Friday, April 23, 2010, at 12:30 p.m.

9. ADJOURNMENT

Chair McCoy adjourned the meeting at 2:24 p.m.

Attachment: Attendance Sheet
CONFIRMED ATTENDANCE

JOINT MEETING OF THE BORDERS COMMITTEE, COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES (COBRO), AND THE CITY OF TIJUANA
MARCH 26, 2010
12:30 p.m. to 2:30 p.m.

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STATUS REPORT ON SANDAG, ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA), AND SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) COLLABORATION ON LONG-RANGE PLANNING

File Number 3400300

Introduction

In order to strengthen cooperative relationships with Orange County, staff members from the OCTA, SCAG, and SANDAG have met periodically to collaborate on long-range planning efforts including Senate Bill (SB) 375 implementation, updates to long-range transportation plans, and rail and corridor planning. This informational report provides a status on recent collaboration activities.

Discussion

Over the last few months, SANDAG staff has met twice with OCTA and SCAG staff to discuss items of joint interest including the current updates of the OCTA long-range transportation plan, the SCAG Regional Transportation Plan (RTP), and the SANDAG 2050 RTP. These plans will comply with provisions of SB 375 and include a Sustainable Communities Strategy (SCS) as a new element, in addition to the traditional Policy, Action, and Financial elements.

SANDAG staff, in coordination with the other Metropolitan Planning Organizations (MPO) in the state, is collaborating to ensure consistency in common modeling and revenue assumptions as each MPO develops its own SCS. Over the next few months, SANDAG staff will continue to participate in the SB 375 Greenhouse Gas (GHG) target-setting process with the California Air Resources Board, Caltrans, and other MPOs in the state and will regularly report on progress to the Board of Directors and appropriate Policy Advisory Committees.

Other items for joint collaboration are the status of the State Route 241 project, and Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency (LOSSAN) and high speed rail planning. Additionally, a meeting between the Executive Directors and Board leadership, including the Borders Committee Chair, from SANDAG and OCTA was held in March 2010.

Next Steps

As part of the Borders Planning and Coordination work program, SANDAG will continue to meet regularly with staff from OCTA and SCAG to discuss items of joint interest with a focus on the development of the 2050 RTP and related studies. The next meeting is scheduled for June 2010.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Key Staff Contact: Heather Werdick, (619) 699-6967, hwe@sandag.org
2010 SANDAG ANNUAL BINATIONAL EVENT UPDATE

The Save the Date announcement for the 2010 binational seminar to be held on June 1, 2010, is attached to this page.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Attachment: 1. Save the Date (English and Spanish)

Key Staff Contact: Hector Vanegas, (619) 699-1972, hva@sandag.org
Crossborder Climate Change Strategies  
Raising Awareness of Adaptation

Based on strategies from the Otay Mesa – Mesa de Otay Binational Corridor Strategic Plan, last year’s Binational Seminar focused on Challenges and Opportunities for Crossborder Climate Change Collaboration. One of the recommendations from that event was for the 2010 binational event to continue its focus on topics related to climate change planning. For this reason, the theme of the 2010 Binational Seminar is Crossborder Climate Change Adaptation Strategies, to provide input for the preparation of the 2050 Regional Transportation Plan (RTP).

At the 2010 annual binational seminar, a panel of experts will discuss the challenges for binational climate change and adaptation strategies being evaluated on both sides of the border. Organizers hope to create opportunities to share information about how Baja California and the San Diego region are approaching climate change adaptation strategies and learn from each other’s experiences.

**Tuesday, June 1, 2010**  
**Caltrans, District 11**  
**4050 Taylor Street, San Diego, CA 92110**  
**Garcia Conference Room**  
**1 – 5 p.m.**

This event is free of charge, but space is limited. We would appreciate confirmation of attendance to Domingo Vigil at dvi@sandag.org or (619) 595-5622. Please do not hesitate to contact us if you have comments or suggestions.
RESERVE LA FECHA

Estrategias sobre el Cambio Climático
Creando Conciencia sobre la Adaptación

Basado en estrategias del Plan Estratégico del Corredor Binacional Otay Mesa – Mesa de Otay, el evento del año pasado se enfocó en Retos y Oportunidades para la Colaboración Transfronteriza en asuntos del Cambio Climático. Una de las recomendaciones del evento del año pasado fue que el evento de 2010 continuara enfocándose en temas de planeación sobre el cambio climático. Por esta razón, el Seminario Binacional 2010 discutirá las Estrategias de Adaptación al Cambio Climático, para ofrecer retroalimentación para la preparación del Plan Regional de Transporte 2050 (o RTP, por sus siglas en inglés).

En el Seminario Binacional de 2010 un panel de expertos dialogará sobre los retos del cambio climático y las estrategias de adaptación que están siendo evaluadas en ambos lados de la frontera. Los organizadores esperan propiciar oportunidades para intercambiar información sobre cómo las regiones de Baja California y San Diego están abordando las estrategias para adaptación al cambio climático y aprender así de las experiencias mutuas.

Martes 1 de junio de 2010
Caltrans, District 11
4050 Taylor Street. San Diego, CA 92110
Garcia Conference Room
1 – 5 p.m.

Este evento no tiene costo, pero el cupo es limitado. Le agradeceremos nos confirme su intención de asistir a Domingo Vigil en dvi@sandag.org o al (619) 595-5622. Por favor no dude en comunicarse con nosotros si tuviera algún comentario o sugerencia.
Introduction

The I-15 IRP was formed in 2001 to address the imbalance of jobs and housing that has developed between the San Diego region and southwestern Riverside County in the past decade and the resulting traffic congestion on the I-15 corridor. The I-15 IRP is a voluntary compact between local elected officials representing SANDAG, the Western Riverside Council of Governments (WRCOG), the Riverside County Transportation Commission (RCTC), and the Riverside Transit Agency (RTA). Caltrans and other affected governmental agencies and private sector organizations also participate in the partnership. Through various grants, the partner agencies have been able to pursue two phases of the partnership.

WRCOG, RCTC, and I-15 IRP were awarded two additional Caltrans grants to pursue the activities identified at the end of Phase II. The first grant, for $450,000 has allowed WRCOG and I-15 IRP to continue with activities in all three of the focus areas: economic development, transportation, and housing. The second grant, for $125,000 has enabled I-15 IRP and RCTC to improve the vanpool programs that the two agencies administer and look at how vanpool/carpool ridership can be shifted into transit options such as Express Bus or Bus Rapid Transit (BRT). WRCOG oversaw work on the $450,000 grant coordinating with I-15 IRP and the other partner agencies. The $125,000 transit planning grant was managed by I-15 IRP in partnership with RCTC. Phase III activities were coordinated through an overall work program, which incorporated the objectives of the two grants. The draft final report was presented to the I-15 IRP Joint Policy Committee on March 9, 2010.

Background

The primary goal of the I-15 IRP is to foster collaborative strategies in economic development, transportation, and housing that will improve the quality of life for residents in both counties by reducing the impacts of interregional commuting, creating more jobs in housing-rich areas, and more housing in job-rich areas. Centered on I-15, this two-county commute corridor extends from central San Diego to the cities of Lake Elsinore, Perris, and Hemet as shown in Attachment 1.

Recommendation

The Borders Committee is asked to accept the final report for Phase III of the I-15 IRP (Attachment 1).
Phase I Overview and Accomplishments

Phase I of the I-15 IRP was funded by a $400,000 grant from the State Department of Housing and Community Development. The focus of the first phase, based on a three-year work plan, was to: develop a policy structure and mechanism for technical support, explore existing conditions, understand the interregional commute problem, identify current programs to resolve interregional issues, forecast commute conditions, develop strategies to better balance jobs and housing, and establish an implementation and monitoring process. A total of 21 interregional strategies for short- and long-range implementation were identified. Eight short-range transportation strategies focused on coordinating existing Transportation Demand Management (TDM) activities were adopted by the I-15 IRP and are now being implemented by the local and regional transportation agencies. The long-range strategies identified included development of BRT along the I-15 Corridor.

Phase II Overview and Accomplishments

In 2004, I-15 IRP and WRCOG were awarded a $240,000 Caltrans grant to implement the short-term strategies and to lay the foundation to implement several long-term strategies. In the area of economic development, an Economic Development Working Group (EDWG) was established as a structure for pursuing cooperative economic development strategies and a two-county Employment Cluster Study was completed, which provided recommendations for economic prosperity in both regions. The transportation component focused on a cooperative study undertaken by Caltrans to assist San Diego and southwestern Riverside to better understand the multimodal infrastructure and service needs in the I-15 corridor. The housing component provided a summary of housing and land use programs that could be implemented in the San Diego region and southwestern Riverside. At the end of Phase II, the Committee approved a set of next steps for Phase III.

Phase III Final Report

The final, comprehensive report documents the results of Phase III of the I-15 IRP. There are full reports for each focus area available on the I-15 IRP Web site (www.i15irp.org) as well as partner agency Web sites. The Background chapter provides an overview of Phases I and II, with particular emphasis on the policy structure, establishing existing conditions, and the development of the key strategies to be addressed in the interregional partnership. The following chapters document the advances made in the implementation of the area strategies, including economic development, transportation, and housing. The Performance Monitoring chapter updates measures for monitoring. The report concludes with recommendations for next steps to continue the I-15 IRP in the coming years.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Attachment: 1. I-15 IRP Phase III Final Report

Key Staff Contacts: Kevin Viera, WRCOG Program Manager, (951) 955-8305, viera@wrcog.cog.ca.us
Jane Clough-Riquelme, SANDAG Project Manager, (619) 699-1909, jcl@sandag.org
MEMBERSHIP

The primary goal of the I-15 Interregional Partnership (IRP) Joint Policy Committee is to review and provide policy input on Phase III of the I-15 IRP Project. The two regions seek to collaborate on mutually beneficial housing, transportation, and economic planning to improve the quality of life for the region’s residents through the identification and implementation of short-, medium-, and long-range policy strategies.

The committee will meet three times during the duration of Phase III at dates and times to be mutually determined.

Staff contacts: Jane Clough-Riquelme, SANDAG (619) 699-1909; jcl@sandag.org
               Kevin Viera, WRCOG (951) 955-8305; viera@wrcog.cog.ca.us

MEMBERS

San Diego Association of Governments (SANDAG)

Sam Abed
   Councilmember, City of Escondido
   SANDAG Borders Committee

Dave Allan
   Councilmember, City of La Mesa
   SANDAG Borders Committee

Crystal Crawford
   Mayor, City of Del Mar

Patricia McCoy (alt.)
   Councilmember, City of Imperial Beach
   Chair, SANDAG Borders Committee

Western Riverside Council of Government (WRCOG)

Thomas Buckley
   Councilmember, City of Lake Elsinore
   WRCOG Executive Committee

Chuck Washington
   Councilmember, City of Temecula
   WRCOG Executive Committee

Scott Farman (alt.)
   Mayor, City of Wildomar
   WRCOG Executive Committee

Riverside County Transportation Commission (RCTC)

Rick Gibbs
   Councilmember, City of Murrieta
   RCTC Commissioner

Ron Roberts
   Mayor Pro Tem, City of Temecula
   RCTC Commissioner

Jeff Stone (alt.)
   Supervisor, Riverside County
   RCTC Commissioner

Riverside Transit Agency (RTA)

Jeff Comerchero
   Councilmember, City of Temecula
   Chair, RTA Board of Directors

Bob Buster
   Supervisor, Riverside County
   First Vice Chair, RTA Board of Directors

AGENCY EXECUTIVES

SANDAG      Gary L. Gallegos
WRCOG       Rick Bishop
RCTC        Anne Mayer
RTA         Larry Rubio

ACKNOWLEDGMENT

The I-15 IRP would like to thank Caltrans for its sponsorship of Phase III through a grant to SANDAG, WRCOG, and RCTC.

As of April 12, 2010
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The Interstate 15 Interregional Partnership (I-15 IRP) was formed in 2001 to address the imbalance of jobs and housing that has developed between the San Diego region and Southwest Riverside County in the past decade and the lengthy commute that has resulted. The I-15 IRP is a voluntary compact between local elected officials representing the San Diego Association of Governments (SANDAG), the Western Riverside Council of Governments (WRCOG), the Riverside County Transportation Commission (RCTC), and the Riverside Transit Agency (RTA). The California Department of Transportation (Caltrans) and other affected governmental agencies and private sector organizations also participate in the partnership.

The primary goal of the I-15 IRP is to foster collaborative strategies in economic development, transportation, and housing that will improve the quality of life of residents in both counties. The partnership promotes a more sustainable land use pattern, providing appropriate employment closer to where people live and more affordable housing closer to employment in jobs-rich areas throughout the study corridor. By doing so, workers would have more opportunities to live closer to work, reducing the need for long-distance, interregional commuting. Centered on I-15, this two-county commute corridor extends from central San Diego to the cities of Lake Elsinore, Perris, and Hemet as shown in Figure 1.

Phase I of the I-15 IRP was funded by a grant from the California Department of Housing and Community Development (HCD). The focus of Phase I, based on a three-year work plan, was to: develop a policy structure and mechanism for technical support; explore existing conditions; understand the interregional commuter problem; identify current programs to resolve interregional issues; forecast commute conditions; develop strategies to better balance jobs and housing; and establish an implementation and monitoring process.

Phase II, funded by a grant from Caltrans, sought to strengthen and expand the scope of the interregional institutional arrangement between SANDAG and WRCOG. In the area of economic development, an Economic Development Working Group (EDWG) was established as a structure for pursuing cooperative economic development strategies, and a two-county Employment Cluster Study was completed, which provided recommendations for economic prosperity in both regions. The transportation component focused on a cooperative study undertaken by Caltrans to assist San Diego and Southwest Riverside to better understand the multimodal infrastructure and service needs in the I-15 corridor. The housing component provided a summary of housing and land use programs that could be implemented in the San Diego region and Southwest Riverside. At the end of Phase II, the committee approved a set of next steps for Phase III.

This report documents the results of Phase III of the I-15 IRP. The Background chapter provides an overview of Phases I and II, with particular emphasis on the policy structure, establishing existing conditions, and the development of the key strategies to be addressed in the interregional partnership. The following chapters document the advances made in the implementation of the area strategies, including economic development, transportation, and housing. The Performance Monitoring chapter updates measures for monitoring. The report concludes with recommendations for next steps to continue the I-15 IRP through Phase IV.
Introduction – The Interstate 15 Interregional Partnership

Figure 1
I-15 IRP Study Area and Corridor
BACKGROUND

This chapter provides background information on Phases I and II of the I-15 IRP and then outlines the policy structure and objectives for Phase III.

PHASE I - DEVELOPING THE PARTNERSHIP

The two regions sought to collaborate on mutually beneficial housing, transportation, and economic planning to improve the quality of life for the region’s residents through the identification and implementation of short- and long-range policy strategies. The I-15 IRP developed a three-year work program that culminated in the identification of strategies to better balance jobs and housing in the I-15 corridor communities. Phase I of the I-15 IRP was funded primarily through a grant from the California HCD as part of the state’s Jobs-Housing Balance Grant Program, with matching in-kind services from WRCOG and SANDAG.

Policy Structure

Working through a committee structure of elected officials from both regions, the I-15 IRP identified issues related to jobs-housing balance and traffic congestion along the I-15 corridor, recommended strategies and model approaches to address the issues, and proposed inclusion of its recommendations into existing jurisdictional and agency plans and programs.

Composed of SANDAG’s Borders Committee and elected officials from WRCOG and Riverside County member agencies, the I-15 IRP Joint Policy Committee was set up as the policy advisory forum. The Joint Policy Committee met quarterly to discuss policy issues and consider recommendations from staff and the I-15 IRP Technical Working Group (I-15 IRP TWG).

During Phase I, the I-15 IRP TWG consisted of staff from SANDAG, WRCOG, the Southern California Association of Governments (SCAG), other governmental agencies, and private organizations. Agencies represented on the I-15 IRP TWG included Caltrans, transit agencies, cities, and economic development agencies. The I-15 IRP TWG reviewed and provided comments on staff reports and recommendations and provided recommendations to the Joint Policy Committee for consideration.

The Joint Policy Committee and I-15 IRP TWG played an active role in identifying and evaluating potential interregional strategies. Over a period of more than a year, the I-15 IRP considered potential strategies to better balance housing and jobs within San Diego and Southwest Riverside Counties. In addition, the I-15 IRP evaluated potential transportation strategies to mitigate the long-distance commute that has resulted from the existing imbalance of jobs and housing between the two regions.
Commuter Survey Results

The jobs-housing imbalance between the San Diego region and Riverside County has developed in large part because an adequate supply of relatively affordable housing has not been built to match the employment growth in the San Diego region, combined with relatively low-cost and plentiful, single-family housing developments in Southwest Riverside County. The number of commuters on I-15 indicates that this trend has increased in recent years.

To better understand commuter behavior and the motivations behind increased interregional commuting, a telephone survey of 2,010 adults residing in West Riverside County was conducted in 2002. The survey was designed to profile residents and interregional commuters to gain a better understanding of the factors, rationales, and decisions of long-distance commuters that lead them to live so far from where they work. The main findings of the commuter survey which informed the development of the collaborative interregional strategies were:

1. Greater housing availability and lower housing prices in Southwest Riverside County compared to the San Diego region are key factors in the growth of interregional commuting.

2. The ability to own a single-family, detached home is very important to I-15 interregional commuters. Survey results showed that just over 90 percent would prefer owning a single-family, detached home compared to an attached home, such as a townhome or condominium.

3. There is a growing number of interregional commuters, most of whom have moved from the San Diego region. It was estimated that 29,000 residents of Southwest Riverside County commute daily into the San Diego region.

4. I-15 interregional commuters are concentrated in the Temecula/Murrieta area and are traveling to employment destinations throughout the San Diego region. Approximately 60 percent of the estimated 29,000 interregional commuters on the I-15 live in the cities of Temecula or Murrieta or the adjacent, unincorporated area.

5. I-15 interregional commuters are very satisfied living in Riverside County. When comparing the two regions, twice as many I-15 interregional commuters felt Southwest Riverside County is a better place to live than San Diego County than the reverse.

6. A high percentage of interregional commuters drive alone. At the time of the survey, approximately 85 percent of the I-15 interregional commuters regularly drove alone to work, and 13 percent carpooled. This compares to 76 percent and 12 percent for residents of the San Diego region.

7. I-15 peak-period traffic congestion is severe south of State Route 78 (SR-78). SANDAG travel forecasts show conditions worsening north of Escondido, particularly in the northbound direction. The level of Service F is shown in both directions south of the county line.

8. I-15 interregional commuters differ from other residents in several ways. They are more likely to: be employed in high-tech/computers/internet industries; be employed in occupations that require training and education; earn more annual income as a group from their jobs; and have been at their jobs longer.
This information, along with pertinent land use, transportation, and economic data, was used to develop and evaluate strategies to bring housing and jobs into better balance in both regions.

**Issues Identified**

The I-15 IRP identified the following issues:

- **Commuting Patterns and Trends:** One of the major purposes of the Existing Conditions Report, which was prepared during Phase I, was to define and document the evolving commuting pattern between many employment destinations in San Diego and residential areas in Southwest Riverside County.

- **Employment Growth Policies in Both Regions:** To improve the jobs-housing balance between Southwest Riverside County and the San Diego region, additional employment opportunities need to be provided in West Riverside County.

- **Housing Growth Policies in Both Regions:** Concurrent with providing additional employment opportunities in West Riverside County to improve the jobs-housing balance, the San Diego region needs to provide additional housing opportunities.

- **Transportation Congestion:** One significant byproduct of the increasing number of persons commuting to jobs in the San Diego region from Riverside County is increased congestion along I-15.

**Strategies Developed**

During Phase I, the I-15 IRP developed, refined, and evaluated various strategies designed to improve the jobs-housing balance between the San Diego and Southwest Riverside regions. The strategies in the I-15 IRP program were developed through a cooperative, multiagency, planning process. Initially, staff identified potential strategies based on a literature search and review of the existing regional transportation plans (RTPs) and other regional planning and policy documents.

These strategies were designed to accomplish two key goals:

- reduce the impacts of interregional commuting

- reduce the demand for interregional commuting by creating more jobs in housing-rich areas and more housing in jobs-rich areas

The I-15 IRP program identified a total of 21 interregional strategies for short- and long-range implementation. These strategies were organized into four categories: program, housing, economic development, and transportation as shown in Table 1. They were not prioritized, as all play a worthwhile role and are intended to work together to address the interregional commute. Potential strategies that would mitigate the current jobs-housing imbalance generally promote housing construction in the San Diego region and economic development in Southwest Riverside County. These strategies are listed on the following table as ED1, ED2, and H1 through H5.
### Table 1
I-15 IRP Strategies Developed in Phase I

<table>
<thead>
<tr>
<th>STRATEGIES BY CATEGORY</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td><strong>Program</strong></td>
<td></td>
</tr>
<tr>
<td>▶ P1</td>
<td>Support/sponsor legislation that addresses jobs-housing balance</td>
</tr>
<tr>
<td>▶ P2</td>
<td>Actively engage in community outreach</td>
</tr>
<tr>
<td><strong>Economic Development</strong></td>
<td></td>
</tr>
<tr>
<td>▶ ED1</td>
<td>Facilitate greater collaboration between regional economic development entities</td>
</tr>
<tr>
<td>▶ ED2</td>
<td>Improve job growth through the promotion of new employment opportunities in the cluster industries that drive the biregional economies</td>
</tr>
<tr>
<td><strong>Transportation</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Short-Range</strong></td>
<td></td>
</tr>
<tr>
<td>▶ ST1</td>
<td>Interregional coordination of vanpool and carpool programs</td>
</tr>
<tr>
<td>▶ ST2</td>
<td>Expand park-and-ride lots and improve rideshare information signage</td>
</tr>
<tr>
<td>▶ ST3</td>
<td>Joint outreach and marketing for transit, vanpool, and ridesharing programs</td>
</tr>
<tr>
<td>▶ ST4</td>
<td>Implement interregional public transit commuter services</td>
</tr>
<tr>
<td>▶ ST5</td>
<td>Collaboration among transit providers</td>
</tr>
<tr>
<td>▶ ST6</td>
<td>Advocate for employer-subsidized transit passes</td>
</tr>
<tr>
<td>▶ ST7</td>
<td>Encourage the adoption of alternative work schedules</td>
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<td>▶ ST8</td>
<td>Encourage telework</td>
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<tr>
<td><strong>Long-Range</strong></td>
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<tr>
<td>▶ LT9</td>
<td>Support high-speed rail transit service in the I-15 corridor</td>
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<tr>
<td>▶ LT10</td>
<td>Implement transit shuttle services to interregional transit</td>
</tr>
<tr>
<td>▶ LT11</td>
<td>Preserve transportation Rights-of-Way and implement priority measures through the development process</td>
</tr>
<tr>
<td>▶ LT12</td>
<td>Implement the I-15 high occupancy vehicle (HOV) system</td>
</tr>
<tr>
<td><strong>Housing</strong></td>
<td></td>
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<tr>
<td>▶ H1</td>
<td>Provide a range of housing affordability and housing types in all communities</td>
</tr>
<tr>
<td>▶ H2</td>
<td>Support fiscal reform to encourage housing construction</td>
</tr>
<tr>
<td>▶ H3</td>
<td>Provide incentives for the construction of moderate-cost family housing near employment centers</td>
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<tr>
<td>▶ H4</td>
<td>Require the construction of moderate-cost family housing in new development near employment centers</td>
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<tr>
<td>▶ H5</td>
<td>Encourage infill development in older residential neighborhoods</td>
</tr>
</tbody>
</table>

Eight short-range transportation strategies were adopted by the Joint Policy Committee in early 2003 and are being implemented by local and regional transportation agencies. The short-range strategies primarily focus on the coordination of Transportation Demand Management (TDM) activities already being undertaken by SANDAG and RCTC. They include joint rideshare marketing, transit operator collaboration, and additional interregional transit service. In Table 1, the short-range strategies are strategies that are being undertaken now, but also may require ongoing commitment to ensure their successful implementation.
The long-range strategies are generally those that will require ongoing implementation, but for which we may not see results for several years. An example of a truly long-range strategy is the high-speed rail project. Development of Bus Rapid Transit (BRT) also is a long-range project, but is expected to occur in the next 10 to 20 years.

**PHASE II - IMPLEMENTATION**

In 2004, SANDAG and WRCOG were awarded a Caltrans grant to fund a second phase of the I-15 IRP. The primary objectives of this $240,000 grant award were to strengthen the existing government-to-government relationship between SANDAG and WRCOG; expand the focus of the interregional planning agenda into the area of economic development; and continue to implement the various short- and long-range strategies identified in Phase I. In addition, in conjunction with this Phase II planning effort, Caltrans agreed to prepare the I-15 Cooperative County Line Study, which would analyze existing and forecasted conditions on the I-15 highway corridor between Southwest Riverside County and North San Diego County, and would lay out possible actions to address existing and future congestion problems on this corridor.

**Enhanced Policy Structure**

Given the objectives of Phase II, the policy and technical structure for implementation were enhanced from Phase I. The policy structure for Phase II included convening the I-15 IRP Joint Policy Committee, as well as providing regular updates to the WRCOG Executive Council and the SANDAG Borders Committee. At a technical level, several structures were created to support the Phase II work plan: the EDWG was created and staffed by WRCOG to support the pursuit of the economic development strategies; a Project Development Team was formed among key staff from all participating agencies in the partnership to support the actions related to the transportation strategies; and SANDAG utilized its existing Regional Housing Working Group to monitor and provide input for the housing strategies in North San Diego.

**Accomplishments**

The focus of Phase II was to implement the short-term strategies in all of the strategic areas identified in Phase I and to lay the foundation to implement various long-term strategies.

In the area of economic development, there were two strategic areas in which the I-15 IRP advanced during Phase II. First, was the establishment of the EDWG as a structure for pursuing long-term, cooperative, economic development strategies. Second, was completion of a two-county Employment Cluster Study, which identified key clusters shared by both economies and provided recommendations on how to pursue economic prosperity in both regions.

The transportation component focused on a cooperative study undertaken by Caltrans to assist San Diego and Southwest Riverside to better understand the infrastructure needs for improvements to the I-15 at the county line. The I-15 County Line Study identified potential, multimodal transportation improvements based on traffic projections and known programmed- and measure-funded projects. In addition, progress was made on interregional cooperation on various short-term strategies, including TDM; expanding park-and-ride facilities; and joint outreach and marketing for transit, vanpools, and ridesharing. In addition, longer-term options such as high-speed rail service in
the I-15 corridor were discussed. RCTC conducted feasibility studies to evaluate the potential for commuter rail service from Temecula to San Diego, from Riverside to Temecula along Interstate 215 (I-215), and from Corona to Temecula along the I-15 corridor. The study concluded that only commuter rail service from Riverside to Temecula was feasible at this time. The two other commuter lines were determined to be cost prohibitive when the total cost of construction was compared to the potential ridership.

The focus of the housing strategy in Phase II was to provide a summary of housing and land use programs that could be implemented in the San Diego region and Southwest Riverside. SANDAG and WRCOG identified specific opportunities for workforce housing in North San Diego County along the SPRINTiner commuter rail line and held discussions with two major employers, Cal State San Marcos and Palomar Pomerado Health, about their workforce housing needs. The two agencies and the city of Temecula also discussed opportunities for transit-oriented development (TOD) along I-15 in Southwest Riverside County and the potential to prepare a map similar to SANDAG’s Smart Growth Concept Map.

In addition to the three focus area strategies, baseline data was established for implementation and performance measures that were developed during Phase I in collaboration with all responsible agencies and approved by the I-15 IRP Policy Committee. As the partnership gains monitoring experience, targets will likely be established to further encourage action toward achieving partnership goals.

At the end of Phase II, the committee identified a set of next steps for Phase III, which were approved by the Joint Policy Committee and the participating agencies.

**PHASE III - STRATEGIC ACTION PLANS**

For Phase III, WRCOG, RCTC, and SANDAG were awarded two additional Caltrans grants to pursue the activities identified in the next steps from Phase II. The first grant in the amount of $450,000 allowed WRCOG and SANDAG to continue with activities in all three of the focus areas: economic development, transportation, and housing. The second grant in the amount of $125,000 allowed SANDAG and RCTC to improve the vanpool programs that the two agencies administer and look at how vanpool/carpool ridership can be shifted into transit options such as express bus or BRT. As the lead agency, WRCOG oversaw the work on the $450,000 grant coordinating with SANDAG and the other partner agencies. In addition, WRCOG sought additional funding to leverage this grant through a request made to SCAG to support smart growth planning in Southwest Riverside County. The $125,000 transit planning grant was managed by SANDAG in partnership with RCTC. Phase III activities were coordinated through an overall, multiagency work program, which incorporated the objectives of the two grants.

**I-15 Joint Policy Committee**

At a policy level, the I-15 IRP Joint Policy Committee was convened. The Joint Policy Committee included three elected officials from the San Diego region and three from the Southwest Riverside County region, designated by the boards of the four participating agencies in the I-15 IRP: SANDAG, WRCOG, RCTC, and RTA.
The responsibilities of the committee included reviewing and providing policy-level feedback on all areas of the project, including the Strategic Implementation Plan (SIP), the economic development action plan, Smart Growth Opportunities Area Map, and workforce housing study. The committee met four times to receive reports and provide input to staff on the development of each area of the grant activities and the overall direction of the partnership.

**Scope of Work - Deliverables**

**Economic Development Strategy**

Through the I-15 IRP, opportunities exist to improve the economy of both the Riverside and San Diego Counties. Based on information obtained from the cluster analysis in Phase II, it was recommended that cooperative initiatives be undertaken in the following areas:

- Provide employment opportunities that would ensure a rising standard of living
- Identify ways to develop, shape, and expand traded clusters
- Develop and support shared infrastructure investments
- Develop workforce training and education programs targeting the labor force requirements of selected traded clusters

The focus of economic development activities in Phase III was to facilitate the development of a collaborative strategic action plan between regional economic entities to encourage greater cooperation between corresponding industry clusters. The Economic Development chapter summarizes efforts made to strengthen the membership in the EDWG to include key organizations from San Diego, as well as Riverside. With the assistance of a consultant, the EDWG developed a strategic action plan through a series of workshops with cluster industries. A Web portal tool was incorporated into the strategic action plan. Business data from Riverside industries gathered in the employment cluster study was added to a regional Web portal for cluster industries to encourage business-to-business communication and collaboration.¹

**Transportation Strategy**

The focus of the transportation component for Phase III was to develop a SIP to improve the transportation system in a 5- to 15-year time horizon.² The Transportation chapter documents existing plans and studies and developed, preferred, transportation strategies for the county line area, including an overall cost effectiveness evaluation and funding strategy. It details how and when various transportation projects within the county line area could be implemented on an interregional basis to improve the functioning of the system. Other tasks that were incorporated into this overall SIP were an analysis of transit priority treatments and transit lane infrastructure

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¹ The full Economic Development Strategic Action Plan is Appendix A of this document and is available in electronic format on the I-15 IRP Web site (www.i15irp.org).

² The full SIP is Appendix B of this document and available in electronic format on the I-15 IRP Web site (www.i15irp.org).
Background

development and an evaluation of existing and potential park-and-ride facilities, including an analysis of maintenance issues. An analysis of specific transportation issues related to goods movement also was conducted as a part of the STIP.

An interregional transit, vanpool, and buspool operations analysis was conducted to improve interregional transportation alternatives and increase transit ridership. This was under a separate grant, but the findings were incorporated into the SIP. SANDAG, the Metropolitan Transit System (MTS), and the North County Transit District (NCTD) have developed an I-15 BRT Operations Plan that identified a significant transit demand between Riverside and San Diego Counties. This study built upon this work and designed effective alternatives to single-occupant driving patterns by recommending vanpool, buspool, and BRT, or other rideshare options for the interregional fleet. The study also identified how best to serve other commute markets such as military installations or business parks, with vanpools and buspools.3

Housing Strategy

The Phase III Housing Strategy built upon existing programs and other identified sources of funding, giving San Diego and Riverside the opportunity to make substantial progress in facilitating smart growth development along transit corridors in both regions. The goals were to: (a) partner with regional stakeholders and local jurisdictions to develop pilot workforce housing project(s) in North San Diego County and (b) work to develop a preliminary Smart Growth Concept Map for select Southwest Riverside County cities. The Housing Strategy chapter outlines the activities and accomplishments in these two subfocus areas of housing.

One major task of Phase III is to establish a process and financing strategy to develop workforce housing projects in North San Diego County. Earlier phases of the IRP showed that employers are having difficulty recruiting employees because of the lack of affordable housing in North San Diego County. This results in more people moving to Riverside and making the commute south, putting strain on the transportation link between the two counties. In an effort to mitigate issues associated with the jobs/housing imbalance, Phase III sought to develop a partnership among selected agencies/stakeholders outlining an agreement to develop workforce housing project(s) and complete a grant proposal(s) with the stakeholders for funding for a pilot workforce housing project(s).

The second focus area was on tailoring SANDAG’s Smart Growth Concept Map methodology to Riverside County to facilitate the creation of a preliminary Smart Growth Opportunities Area Map for select Riverside cities. The map would identify place types, target land uses, and potential locations along transportation corridors, particularly along I-15. Workshops were held to gather input and identify transit-supportive land uses and development opportunities. A preliminary Smart Growth Opportunities Area Map was created through a partnership between WRCOG and several cities in Southwest Riverside in the I-15 corridor with the technical support from SANDAG staff. This exercise will serve as a foundation for future work planned through SCAG as they prepare to work with local Riverside jurisdictions on the preparation of their Sustainable Communities Strategy (SCS) as required by Senate Bill 375 (SB 375).4

4 The full report on the development of the Smart Growth Opportunities Area Map is Appendix D of this document.
Performance Measures and Monitoring

Implementation and performance measures were developed during Phase I in collaboration with all responsible agencies and approved by the I-15 IRP Joint Policy Committee. The Performance Monitoring chapter provides updated data for selected indicators, based on the baseline data produced for Phase II. This chapter monitors the progress made from Phase II. As the partnership gains monitoring experience, targets will likely be established to further encourage action toward achieving partnership goals.

Conclusion and Next Steps

The Conclusion chapter draws on the findings and recommendations outlined for each subcomponent of the project and outlines next steps for the I-15 IRP, as approved by the I-15 IRP Joint Policy Committee and the respective agencies who have partnered in this effort.
ECONOMIC DEVELOPMENT STRATEGY

INTRODUCTION

Regions like Riverside and San Diego face increasing domestic and global competition. While globalization has become increasingly popular, few understand that regionalization is the other side of the coin. Some have observed that it is really regions that are impacted by the forces of globalization and that only regions have the necessary scale and diversity to compete in the global marketplace. Regions have an asset profile more capable of competing globally than do individual counties or cities, which may lack essential infrastructure or a sufficiently large pool of skilled labor.

How “regions” define themselves becomes the basis for identifying their competitive assets. From an economic point of view, Riverside and San Diego are directly related to the greater Los Angeles area as a way to access both domestic and international marketplaces. Currently, San Diego is becoming increasingly dependent on both Riverside and Baja California to supply important parts of its labor pool. These regional relationships should be taken into consideration when the Riverside-San Diego region attempts to define itself. These relationships provide the scale and diversity to compete in an increasingly competitive and global marketplace.

For this reason, one of the strategic areas of the I-15 IRP is developing a cooperative economic development strategy for the San Diego-Riverside region. In Phase I, the following strategies were developed:

- **Strategy ED1**: Facilitate greater collaboration between regional economic development entities
- **Strategy ED2**: Improve job growth through the promotion of new employment opportunities in the cluster industries that drive the biregional economies

During Phase II, a two-county Employment Cluster Study was undertaken to identify the employment clusters of Riverside, and a biregional approach was used to analyze the relationships between the clusters in the two counties. In addition, a working group was formed of economic development organizations in the two counties to serve as the major driver of strategic initiatives.

In Phase III, the I-15 IRP moved forward on the Economic Development component of the project—an industry, cluster-focused approach to interregional economic development.¹ This initiative is specifically focused on improving job growth through the promotion of new employment opportunities in industry clusters that complement existing industries or look to foster new industries that can drive economic growth in Riverside and San Diego counties.

¹ For more background on the industry cluster approach and its role in economic development, please see the IRP Phase II - Final Report by SANDAG, March 2007 - Appendix A Riverside and San Diego Counties: Cluster Analysis and Opportunities for Cooperative Economic Development.
Economic Development Strategy

TASKS

The primary tasks for the economic development component of the I-15 IRP consisted of:

- Convening a series of workshops to develop strategies for a select two- to three-industry clusters that were identified in the Employment Cluster Study done for Phase II.
- Selecting a core group of economic development representatives to oversee the selection of the industry clusters.
- Bringing together stakeholders that represent businesses that are associated with the selected industry clusters.
- Developing a strategic action plan that will provide the foundation for the further development of the selected industry clusters.
- Developing an outreach approach to promote the selected industry clusters and allow for future expansion as the initiative expands to other industries.
- Establishing a Web portal for businesses located in the Southwest Riverside County area.

KEY FINDINGS AND ISSUES IDENTIFIED

Overview of Industry Cluster Initiative

Early on, stakeholders from the initiative identified the key outcomes that would determine the strategies to be developed as part of the initiative. To follow are the key outcomes that the stakeholders will be working to accomplish:

- Increase the number of high-quality jobs in the region with opportunities for continuing career pathways. Provide job opportunities that will allow people to live closer to their home and reduce the number of long-distance commuters.
- Expand regional employment opportunities in an effort to reduce commute congestion on I-15.
- Strengthen regional economic diversity to improve resiliency to economic challenges and downturns.

From these shared outcomes, the interregional economic development stakeholders discussed and considered 16 industry clusters and ultimately agreed upon the three below that would be the focus of the initiative:

1. Alternative and renewable power generation.
2. Biotechnology and medical devices manufacturing.
3. Travel, tourism, entertainment, and wineries.

This chapter summarizes the process of planning and developing an interregional economic development initiative for the three industry clusters identified as key economic drivers for the Riverside and San Diego regions. The interregional economic development action plan is the first step in creating a more vibrant, robust, and integrated economic environment.
This chapter consists of two of the three parts that describe the interregional economic development initiative and what has been developed through this process:

1. A description of the core themes that provided the foundation for the initiative and some of the research and information that helped guide it along the way.

2. The second part of the report introduces the interregional action plan developed for each of the three industry clusters. The interregional action plan for each cluster includes the strategies and ideas that were considered, as well as those that are recommended in the next steps.

3. A final section describes the process for the interregional economic development initiative and is included in the full report (Appendix A).

**PART 1 - THE FOUNDATION FOR THE INTERREGIONAL ECONOMIC DEVELOPMENT INITIATIVE**

The current economic environment in Riverside and San Diego Counties has changed substantially over the last 18 months. Despite these substantial changes, the fundamental objectives of the IRP, more specifically the goals of the interregional economic development initiative, remain unchanged. The objectives include a continued and long-range commitment to increasing the number of high-quality jobs in the two regions, retaining jobs that already exist, improving local employment opportunities that reduce commute congestion, and strengthening economic diversity in each region. These goals are consistent with the I-15 IRP’s strategies to develop an economic base that can reduce congestion and job loss and increase collaboration between regional economic development entities.

Employment and productivity are at the heart of this interregional economic development initiative. The strategies that were developed and agreed upon by the stakeholders shared some key outcomes, including:

1. **Expanding interregional connectivity through increased communication, collaboration, and additional infrastructure.** The importance of greater interregional connectivity can be found in many of the strategies. Examples include strategies focused on improving transportation infrastructure for the travel, tourism, entertainment, and wineries industry cluster and developing stronger relationships between the biotechnology, research-focused, and device manufacturers.

2. **Increasing current and future productivity through improved workforce development and education.** Each industry cluster identified the importance of improving and expanding the pipeline for a skilled workforce while also providing opportunities to develop the workers already in each industry. A skilled and productive workforce is one of, if not THE most important determinant of success for any industry cluster or individual organization.

3. **Creating and collaborating on more effective communications strategies to expand the number of current and potential customers for the greater region.** Effective communication strategies are a critical component of any export-oriented organization. The travel, tourism, entertainment, and wineries industry cluster is focused on developing coordinated, complimentary messages that increase the destination appeal of North San Diego and Southwest Riverside.
Core Objectives of the Interregional Economic Development Initiative

The interregional economic development initiative is built on several core objectives that can be traced back to the common outcomes agreed upon by stakeholders, as well as the research completed by SANDAG in 2007. The SANDAG research made the case for a collaborative economic development initiative based on the promotion and advancement of specific industry clusters. The core themes for the project include:

1. **Targeted promotion and advancement of key export-oriented or traded industry clusters can have a significant overall impact upon the economy and the employment picture.**

   Export-oriented clusters have the ability to tap into larger markets beyond those that serve our local population. These industry clusters not only drive wealth creation in a region, they also often have relatively large multiplier effects on employment. By focusing limited economic development resources on these key clusters, the region can be more effective in assisting regional economic growth and providing stronger employment opportunities.

2. **Industry clusters face varying market conditions and require specific strategies to maximize their opportunity for growth.**

   Every industry faces different challenges and opportunities. The one-size-fits-all approach to economic development is typically not very effective, especially with emerging industries that have very specific needs and requirements. The initiative is focused on understanding and responding to the critical needs and opportunities that can be found by closely examining specific industry clusters.

3. **Identify and build upon the resources that are available within the greater region.**

   Riverside and San Diego have a rich and diverse tapestry of organizations and institutions that lead and support different aspects of economic development. One of the key objectives of this initiative has been to identify and work directly with as many of these organizations as possible.

4. **Focus on strategies and programs that are best developed and implemented interregionally and respect those programs that are best maintained at the local level.**

   Stakeholders agreed that several aspects of economic development should be evaluated and developed interregionally. Stakeholders were concerned that strategies requiring significant upfront coordination or those that focused on detailing “how” industries and employers should work were less likely to be successful.

5. **Support the creation and development of an interregional structure that will improve planning and coordination of economic development strategies and potentially provide additional resources.**

   Through the process of this initiative, key economic development stakeholders in San Diego and Riverside have begun to explore the creation of an interregional economic development district. This district would include members from North San Diego County and Southwest Riverside County.
The five core themes provide a foundation for the planning that was developed during the interregional economic development initiative. The next section of the report describes the industry clusters and their specific economic development plans.

PART 2 - INDUSTRY CLUSTERS: AN INTERREGIONAL APPROACH TO ECONOMIC DEVELOPMENT

The role of location has been long overlooked, despite striking evidence that innovation and competitive success in so many fields are geographically concentrated. 2

The three industry clusters at the focus of this initiative share several key characteristics:

1. Each cluster has uniquely positive attributes in either Riverside or San Diego or in the greater region (both Riverside and San Diego Counties).

2. They are export-oriented clusters that currently or potentially have a considerable impact upon the interregional economy.

3. Each cluster has industry leaders that are willing to work collaboratively to develop a stronger infrastructure and environment for industry growth and development.

Alternative and Renewable Power Generation

The alternative and renewable power generation industry cluster includes those firms that are involved in the design, building, and operations of wind, solar, hydroelectric, and geothermal power generation facilities. It also includes those firms engaged in the research, development, and initial operations associated with biomass and biofuels.

Industry Cluster Profile3

In 2005, about 75 percent of regional employment in this cluster was located in San Diego County and 25 percent in Riverside County. Total employment between the two counties was 5,800 persons at this time, with an average wage of $70,600 per year, or 178 percent of the two-county average of wages in all industries. This cluster’s growth is largely attributed to:

A. Legislative requirements such as those found in Assembly Bill 32 (AB 32) that require increased use of cleaner sources of energy for the state’s overall energy portfolio. More recent opportunities like Assembly Bill 811 (AB 811) and Assembly Bill 1106 (AB 1106) provide more recent examples of legislation that will be the focus of economic development strategies in the near future.

B. Increased volatility in the price of traditional fossil fuels and foreign dependence encourages development of new alternative energy sources.

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3 All data for each of the Industry Cluster Profiles are taken from SANDAG, March 2007, Riverside and San Diego Counties: Cluster Analysis and Opportunities for Cooperative Economic Development. IRP Phase II - Final Report: Appendix A.
C. **Increased demand from consumers** for alternative energy sources that have a reduced impact upon global warming/climate change and our environment in general.

**Industry and Stakeholder Feedback**

Stakeholders indicated three immediate priorities for this industry cluster:

- Legislation, both pending and approved, like AB 811, AB 32, SB 375, and AB 1106, can potentially have a significant impact on the development of this industry. Stakeholders indicated from the outset that a coordinated, interregional effort focused on relevant legislation and discretionary funding opportunities (i.e., grants) could play a valuable role in the advancement and development of this emerging energy industry cluster.

- Stakeholders expressed a coordinated communication effort to educate people about the opportunities in alternative and renewable power generation.

- As an industry that has changed dramatically over the last two years, there are several questions about the size and make up of employers and employment opportunities connected to alternative and renewable energy generation.

Stakeholders identified numerous strategies that were discussed and considered as part of this initiative. These strategies include:

1. **Education and Workforce Development:** This strategy should look to address workforce gaps and maximize the use of funding for individuals.

2. **Manufacturing:** Develop a strategy that identifies ways to increase the number of renewable energy manufacturing employers and jobs in the greater region.

3. **Engaging Current Employers and Growing New Ones:** Develop a strategy that looks to communicate and understand the needs of current employers and develop resources to support the growth of new businesses.

4. **Communication and Outreach:** Develop a strategy to effectively communicate the benefits associated with a stronger alternative power generation cluster in the greater region.

5. **Inventory of Resources:** This resource could provide a clear assessment of where gaps may exist.

6. **Incentive Program:** Develop a package of incentives for businesses to locate into the region.

7. **Communicate With Labor/Apprenticeship Providers:** Develop training and certification for technicians in manufacturing and installation of alternative energy products.

8. **Public/Private Partnership:** Consider strategic targets for employment and potential public/private partnerships.
Interregional Strategies for Alternative and Renewable Power Generation

The strategy development group for alternative and renewable power generation developed a plan that focuses on four key components. These components include the creation of a comprehensive interregional assessment for renewable power generation and the development of three industry cluster strategies that would be based on and guided by this assessment.

Comprehensive Interregional Assessment

Riverside and San Diego Counties need to create a combined strategic assessment and plan for alternative and renewable power generation. This plan would detail the alternative and renewable energy resources currently in place, those that need to be developed, and identify resources available.

The most immediate strategies for growing alternative power generation in the greater region should focus on the following three areas:

1. **Education and Training:** Workforce development remains a key issue for this industry cluster. The challenge is developing and implementing programs that are up-to-date and that change with the industry. The education and workforce planning needs to be based on the industry assessment of what we expect to develop moving forward.

2. **Legislative and Grant Opportunities:** Legislation and grant funding play a vital role in developing this emerging industry cluster. The stakeholders talked about the importance of actively understanding and advocating for legislation to help grow alternative power generation in the region.

3. **Marketing and Branding:** This strategy places great emphasis on making the industry and residents aware of the renewable energy resources that exist in San Diego and Riverside and what will be coming online in the near future. The place branding strategy should communicate to both the renewable energy industry and potential customers.

Issues to Overcome

A comprehensive interregional assessment on alternative and renewable power generation will require resources to complete. Once it is completed, a working group will need to evaluate and finalize the assessment results and organize an interregional response around the committee structure focused on legislation and grant opportunities; outreach and branding; and education training and workforce development.

Next Steps

1. **Develop a comprehensive interregional assessment for renewable and alternative power generation.** The interregional assessment would include a technical evaluation of the current and expected renewable energy facilities and their capacity to produce power within Riverside and San Diego. The assessment also would develop a strategic plan for increasing renewable energy capacity to meet the long-term, statewide, legislative mandates for clean
energy production. Lastly, the assessment would identify the obstacles for increasing renewable energy production while examining the most cost-effective and sustainable methods for increasing renewable energy production.

2. **Identify the resources and individuals that will participate in interregional planning and coordinating for the three focus areas:**

   a. **Legislation and Grant Opportunities:** This committee would identify legislation in both Sacramento and Washington, D.C., that could have a positive or negative impact on renewable energy production and organize an interregional response. This group also would be responsible for identifying and responding to grant opportunities that would support the renewable energy industry in Riverside and San Diego.

   b. **Outreach and Branding:** This committee would develop and implement a place branding strategy that would communicate the economic and environmental benefits associated with renewable energy. The communication strategies would focus on both regional and interregional decision makers, as well as residents and potential customers.

   c. **Education, Training, and Workforce Development:** This committee would be composed of renewable energy employers and educators. They would be focused on evaluating current training and educational programs to ensure that employers have a qualified workforce. This group would evaluate current capacity for training and educational programs, as well as provide feedback on the skill sets that should be developed at colleges and through regional training programs.

**Biotechnology and Medical Devices Manufacturing**

This combined industry cluster includes firms that are engaged in the life sciences with biotechnology research and the manufacturing of pharmaceuticals, as well as those firms manufacturing biomedical products and surgical and medical devices.

**Industry Cluster Profile**

In 2005, biotechnology and pharmaceuticals (biotechnology) in the region was located primarily (93 percent) in San Diego County, with the remainder (7 percent) in Riverside County. It is dominated by physical, engineering, and biological research (73 percent). It is complemented by manufacturers of in-vivo diagnostic substances (8 percent) and pharmaceutical preparations (7 percent). The cluster employed 31,800 persons in 2005, with an average wage of $81,000 per year, or 204 percent of the average for the two-county region.

In 2005, surgical and medical instruments and supplies (medical devices) had two-thirds of employment located in San Diego County. The largest industry is surgical and medical instrument manufacturing (53 percent) followed by surgical appliance and supplies manufacturing (18 percent) and ophthalmic goods manufacturing and optical instrument and lens manufacturing (16 percent).

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4 All data for each of the Industry Cluster Profiles are taken from SANDAG, March 2007, Riverside and San Diego Counties: Cluster Analysis and Opportunities for Cooperative Economic Development. IRP Phase II - Final Report: Appendix A.
Total employment in the cluster was 8,600 persons, with an average wage of $54,700 per year, or 138 percent of the two-county average. More recent data show increases in employment in medical devices.

This is a high-wage cluster with relatively large economic multipliers. Economic forecasts for this industry are generally more robust than other advanced manufacturing industries. This cluster includes some of the strongest industries for job growth in manufacturing. Pharmaceuticals, in particular, were noted as a manufacturing industry expected to grow and see significant increases in employment.\(^5\)

**Industry and Stakeholder Feedback**

Stakeholders indicated that even in the current labor market of high unemployment, finding and/or recruiting of qualified applicants remains a challenge. There was a strong consensus that biotechnology and medical devices manufacturing remains a critical component in the regional economy and one in which planners and decision makers must remain committed to support.

Stakeholders identified several strategies that should be considered moving forward. In no particular order or priority, the strategies include:

1. **Education and Workforce Development:** Work with local educational institutions to develop basic and technician-level skills for opportunities in manufacturing of medical devices, primarily in Southwest Riverside, that can support the research and development firms in the region. San Diego is focused on research and development and creating higher skills and more educated applicants within the region.

2. **Connecting Clusters and New Technology:** Look at the opportunities in renewable energy (e.g., algae, biofuels, etc.) and those associated with nanotechnology as potential drivers of industry cluster growth.

3. **Inventory of Resources:** Develop an inventory of the employers, education, training resources, and support services that are connected to biotechnology and medical devices. This resource could provide a clear assessment of where gaps may exist. Identifying strategies to ensure the availability of process water as a resource is very important to the continued growth of biotechnology and life sciences research.

4. **Legislation and Local Policies That Support Expansion and Growth of Current Firms:** This strategy is focused on identifying key legislative and policy issues that both regions can more effectively champion together than individually.

5. **Effective Communication and Outreach to Applicants and New Employers:** This is an area that will require strong collaboration between the private and public sector for continued growth in this industry cluster. Both regions face challenges in recruiting the right employees for this industry cluster and a regional communication and outreach effort should be developed.

\(^5\) Source: July 2009: Executive Office of the President Council of Economic Advisors, Preparing the Workers of Today for the Jobs of Tomorrow.
Economic Development Strategy

Interregional Strategies for Biotechnology and Medical Devices Manufacturing

The strategy development group for biotechnology and medical devices manufacturing was focused on developing the connectivity between current biotechnology firms that are largely concentrated in San Diego County and generally focused on research and development with the contract and device manufacturing firms that are well represented in Southwest Riverside County.

Issues to Overcome

Overall connectivity between San Diego and Riverside Counties in the biotechnology industry is relatively low. Riverside County employers are primarily focused on contract manufacturing and the medical devices industry, while San Diego employers are more focused on research and development in the biotechnology industry. Employers and industry leaders from the two counties have indicated different challenges as they relate to economic and workforce development, and there is little to no agreement on what the interregional strategies should be moving forward. In general, San Diego biotechnology firms showed little interest in developing interregional strategies focused on cluster-specific economic development.

Next Steps

1. **Develop and expand public and private partnerships** between biotechnology and medical devices employers and interregional educators to provide industry-specific training and educational opportunities. This strategy would look to develop and implement new approaches for educating and training interregional residents for the employment opportunities in biotechnology and medical devices manufacturing by working with interregional employers to develop programs that are relevant to the skills that are needed today by employers.

2. **Create and support opportunities to connect** the research and development firms in San Diego (biotechnology) to the production and manufacturing employers (medical devices manufacturing) in Riverside. This strategy requires interregional employers in biotechnology and medical devices to become more aware of the partnership opportunities that exist between employers. In general, employer awareness of partnership opportunities does not currently extend beyond county borders.

Travel, Tourism, Entertainment, and Wineries

This combined industry cluster includes those firms that are focused on serving tourists in the region, including transportation and lodging services, as well as firms that provide recreation, leisure, and entertainment services.
Industry Cluster Profile

In 2005, travel and hospitality in the region saw nearly two-thirds (63 percent) of employment located in San Diego County. Primarily, hotels and motels represent the cluster (both with and without casinos; 89 percent of employment). The cluster also includes travel agencies and other travel arrangement services (6 percent). The cluster employed 49,000 persons in 2005, with an average wage of $25,000 per year, or 63 percent of the two-county average.

For the same year, entertainment and recreation had about two-thirds (68 percent) of employment located in San Diego County and the remainder (32 percent) in Riverside County. The largest industries are casinos (39 percent of employment), golf courses and country clubs (16 percent), amusement and theme parks (10 percent), and zoos and botanical gardens (4 percent). Total employment in entertainment and recreation was 51,800 in 2005, with an average wage of $27,500 per year, or 69 percent of the two-county average.

Wineries and grape vineyards also are grouped in this cluster. The average wage of wineries and grape vineyards is $17,800 per year, or about one-half of the county average in Riverside.

According to the 2005 data, this combined industry cluster employs more than 100,000 people and based on preliminary analysis, it was more than 110,000 in 2008. The two counties also have several unique and world-class resources related to tourism, entertainment, and wineries.

This is generally a low-wage industry with relatively low economic multipliers. While this industry has some career pathways, they tend to be somewhat limited in terms of overall opportunities.

Industry and Stakeholder Feedback

Stakeholders indicated they were concerned with the low, relative wages in the industry and the ability to recruit more educated applicants. Several stakeholders also indicated that the two counties could become more appealing to potential visitors if they could communicate the strengths of each county and bundle the unique attributes as a single destination. There also was additional input that the two regions (Southwest Riverside and North San Diego along the I-15) should focus on incorporating the opportunities associated with outdoor recreation and the open spaces that define the region.

Stakeholders identified several strategies that should be considered for moving forward. The following strategies are not in any particular order or priority, and the strategies include:

1. **Workforce and Education Development:** Create a coordinated, biregional approach to understanding what employers are looking for, what skills and certificates are needed, and what career pathways should be communicated to workers.

2. **Transition to Higher Paying Opportunities:** Evaluate programs that move entry-level hospitality workers into higher paying, more sustainable jobs while developing greater skills and abilities.

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6 All data for each of the Industry Cluster Profiles are taken from SANDAG, March 2007, Riverside and San Diego Counties: Cluster Analysis and Opportunities for Cooperative Economic Development. IRP Phase II - Final Report: Appendix A
3. **Entrepreneurial Strategies and Self-Employment:** Develop a strategy that identifies ways of increasing the number of tourism, wineries, and entertainment employers and jobs in the greater region.

4. **Communication and Outreach:** Develop strategies to market the region and bundle the activities together that will draw tourists to Riverside and San Diego.

5. **Inventory of Resources:** Develop an inventory of the employers, education, training resources, and support services that are connected to tourism, wineries, and entertainment.

6. **Use of Waste Products for Biomass Energy Production:** Explore opportunities for biomass energy to be developed at interregional wineries.

7. **University Partnerships for Industry Research and Job Training:** Identify and determine universities’ willingness to take an active role in industry research (viticulture), as well as identify higher-level training programs.

8. **Transportation Assessment:** Evaluate the transportation infrastructure needed to connect tourists to all the attractions (particularly in Riverside) and identify opportunities for funding and developing needed transportation infrastructure.

### Interregional Strategies for Travel, Tourism, Entertainment, and Wineries

The strategy development group for travel, tourism, entertainment, and wineries proposed three key components that would drive the interregional response to economic development for this industry cluster. The group was supportive of most, if not all, of the strategies identified earlier, but felt the following three were the most relevant for the initiative:

1. **Coordinate Consistent Communication and Outreach That Strengthens Destination Appeal:** This strategy would look to build upon the work that has already been done and identify opportunities to consistently brand the greater region and/or develop complimentary messaging.

2. **Entrepreneurial Strategies and Self-Employment:** This strategy is focused on training and developing entrepreneurs and individuals looking for self-employment within this industry. The focus from this item would be on providing traditional entrepreneurial training and education to individuals who want to focus on new businesses within this industry cluster.

3. **Transportation Improvements:** Transportation infrastructure is an important component to developing better opportunities for visitors who are coming to the two regions. Developing and/or expanding the use of airports, bike paths, and improved public transportation options would serve residents and visitors while reinforcing the outdoor and recreational appeal of the region.

### Issues to Overcome

Industry cluster stakeholders agreed on the importance of increasing the destination appeal for tourism interregionally, but there was less agreement on how these key messages could be connected and implemented to strengthen the appeal beyond current communication strategies.
There remains also a generally competitive environment between regional organizations and employers in the tourism industry, as funding for message development and communications is typically tied to specific cities and counties and creates competition between neighboring counties.

**Next Steps**

1. **Develop an interregional online portal that highlights the destination appeal of the tourism opportunities in Southwest Riverside and Northeast San Diego.** This online portal would connect and reinforce the key messages that have been developed in branding both regions while also communicating the variety of entertainment activities that exist at regional wineries, casinos, outdoor recreational activities, and natural open spaces. This online portal not only would serve as a way to communicate with potential visitors, but also provide a valuable resource for industry employers who are looking to collaborate other leisure and recreational partners looking to serve the tourist industry.

2. **Examine potential partnerships between regional universities and wineries to develop a research institution in viticulture.** This potential partnership could follow a model like the one between Mondavi and University of California at Davis. There also should be consideration given to potential partnerships at regional colleges and universities to evaluate expanding entrepreneurial training and education for the travel, tourism, entertainment, and wineries industry cluster.

3. **Develop an interregional transportation strategic plan for the tourism and visitor industry.** This plan would evaluate cost-effective strategies to expand transportation options for visitors who are coming to Southwest Riverside and Northeast San Diego. The plan would examine interregional walking and bike paths, access to public transportation, as well as access to airports in or near the focus area of the study. Ultimately, the study would be used to begin developing the infrastructure improvements that will increase visitors’ ability to move around interregionally.

**Communication Strategies**

Along with the recommendations and next steps from each of the industry clusters, communication strategies were being developed for the initiative.

A marketing and communications strategy has been developed for targeted audiences, stakeholders, and key influencers that need to be engaged to bring the economic development strategies to fruition. The two-pronged approach includes:

1. Broad-based communication strategies to inform the community about the initiatives.

2. Individual outreach tools for each of the three identified industry clusters.

To date, items that have been developed include the following:

- Redesign of the I-15 Web site to include the economic development strategies
- Process to drive traffic to the Web site and engage target audiences with the strategies
Press release to announce the project and garner input from an online survey

Templates for developing an outreach plan for each industry cluster, including target audience identification, goals/objectives, outreach tools needed, and return on investment metrics

Ultimately, the recommendations for the industry cluster communication strategies are based on the belief that messaging should be targeted and segmented to the appropriate audiences. Any outreach tools designed (virtual and/or written) should be clearly focused with the central consideration of to whom we are talking.

**Development of Business Portal**

Another area that the I-15 IRP has been working on is the establishment of a business portal for the Southwest Riverside County area. This was included as part of the stakeholder group’s work, but they were informed of this additional effort by staff. Working with the Economic Development Corporation (EDC) of Southwest California and the Connectory.com™ Network located in El Cajon, a business-to-business Web portal is being established. The Connectory.com™ focuses on primary industry/technology companies and their suppliers of goods and services. It combines the unparalleled speed and navigation capability of the Internet with a high-quality company database that focuses on company capabilities and capacities at every level of the supply chain.

The goal for the I-15 IRP is to create a site that businesses and the government can access to locate businesses located in the southwest area of Riverside County that can supply companies from San Diego and around the world with goods and services. A number of businesses in San Diego have benefited from similar portals to attract business opportunities.

The Web portal will consist of a Home Page that will link to a Search page, Stakeholders page, Links page, and a Success Story page. The Search page will allow users to search for businesses based on the zip codes for Southwest Riverside County. The stakeholders are those defined by the Southwest Riverside County area. The San Diego East County EDC, which oversees Connectory.com™, will manage the pages internally and update the stakeholder data on a quarterly basis as new ones are added to the site.

**Next Steps**

Identify funding sources (federal, state, and local) for continued updating of database and expansion of Web site product options and opportunities. One potential funding source could be the development of the Regional Economic District for the Southwest Riverside and North San Diego Counties.
**TRANSPORTATION STRATEGY**

**INTRODUCTION**

Despite the downturn in the economy, interregional commuting continues to be a major source of congestion in the I-15 corridor. Indeed, in a recent commuter survey conducted by WRCOG, the number of Riverside residents commuting to San Diego to work has increased from 29,000 to 37,000.\(^1\) Riverside and San Diego need to collaborate on interregional strategies for increasing the performance of the overall transportation system.

In Phase II, a County Line Cooperative Study was conducted by Caltrans Districts 8 and 11 to assist San Diego and Riverside to better understand the infrastructure needs for improvements to the I-15 corridor at the county line. The study demonstrated that without improvements, congested conditions would begin to occur some time between the years 2010 and 2015. As large, capacity-improving projects typically require longer lead time and a larger amount of time, money, and staff resources, it was recommended that short-term tactics also be considered such as operational, Intelligent Transportation System, and certain types of transit projects.

The I-15 IRP Transportation Strategies developed in Phase I addressed in Phase III were:

- **STRATEGY ST1:** Interregional coordination of vanpool and carpool programs
- **STRATEGY ST5:** Collaboration among transit providers
- **STRATEGY LT11:** Preserve transportation Rights-of-Way and implement priority measures through the development process
- **STRATEGY LT12:** Implement the I-15 HOV/Managed Lanes System

**TASKS - SCOPE OF WORK**

Building upon the County Line Cooperative Study, the transportation emphasis for Phase III activities focused on the development of a SIP for short-term improvements. The SIP consisted of the following required deliverables:

- Compile and document existing Project Study Reports (PSRs) in the study corridor
- Inclusion of goods movement data summary
- Analysis of transit priority treatments and transit lane infrastructure development
- Cost effectiveness analysis and overall funding strategy

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In addition, the transportation report includes an overview of extensive work planned for the I-15 and State Route 91 (SR-91) corridors, an inventory of park-and-ride lot facilities serving the I-15 corridor, and an overview of SB 375 (Steinberg), the state legislation requiring the reduction of greenhouse gas emissions (GHG) and also highlights the varied planning and agency responsibilities between RCTC and SANDAG.

In partnership with WRCOG and SANDAG, RCTC served as the lead agency for the transportation component of Phase III activities. To assist with the work effort, RCTC retained the consulting firm Wilbur Smith Associates (WSA). The full report is available in Appendix B. Following is an overview of the transportation report.

**EXISTING PROJECT STUDY REPORTS**

This task compiled and documented existing PSRs in the study corridor (Figure 2). The seven PSRs assembled in the report span from Lake Elsinore in Riverside County down to State Route 52 (SR-52) on the northern border of the city of San Diego. The PSRs reviewed consisted of the following:

**Riverside County**

- PSR for I-15 between State Route 79 (SR-79) to north of the I-15/I-215 junction, April 2002
- PSR for interchange improvements on I-15 at Railroad Canyon Road, September 2002
- PSR for the I-15/SR-79 South interchange, February 2004
- PSR to modify existing interchange at I-15/State Route 74 (SR-74) junction, January 2005
- PSR to widen roadbeds and HOV lanes on I-15 between the I-15/I-215 split and Riverside county line, October 2007

**San Diego County**

- North I-15 Corridor PSR between SR-52 and SR-78, San Diego County, September 1998

Focusing on only PSRs highlights a potential shortcoming in the project analysis. For example, RCTC has launched a comprehensive effort to widen 43.5 miles of the I-15 from the San Bernardino County line all the way to the confluence of the I-15/I-215 interchange. The overall effort will include new toll lanes between State Route 60 and SR-74 and additional lane widening throughout the entire length of the facility. Along with the I-15 Improvement Project, RCTC is pursuing improvements to SR-91, which also includes an additional, general purpose lane, new toll lanes, improved access to the freeway, and a significant upgrade to the SR-91/I-15 interchange. The planned SR-91/I-15 improvements are so significant that it will include major investments on approximately six miles of the I-15 from the Hidden Valley Parkway interchange in Norco all the way to the Cajalco interchange in Corona. Both of these projects have entered into the environmental analysis stage. An environmental document is expected to be approved for SR-91 in
2011 and in 2012 for the I-15 project. Construction on the SR-91 project will begin in 2011; construction on the I-15 project is scheduled for 2015. In both projects there is a large toll component, which has added a level of information that far surpasses what is available in a PSR. For example, traffic modeling has been completed to a much higher level on these projects as part of traffic and revenue analyses. Also, improvements on the I-15 have been made due to legislation approved in 2008 (Assembly Bill 1954 Jeffries) authorizing RCTC to develop a high occupancy toll (HOT) facility. Furthermore, SB X4 (Cogdill), which was approved in 2009 as part of a state budget amendment, creates a pilot program for design-build, public/private partnerships. In Riverside County, the I-15 is a potential candidate for this pilot program.

Figure 2
Compilation of PSRs on I-15 Corridor for Riverside and San Diego Counties
Other Project-Related Analysis

Because PSRs provide a limited snapshot of projects planned for the I-15 corridor, the following Long-Range Transportation Plans (LRTPs) and RTPs also were reviewed for the adjacent counties and metropolitan areas:

- Orange County Transportation Authority 2006 LRTP
- San Bernardino Associated Governments 2005 I-15 Comprehensive Corridor Study RTP
- SCAG 2008 RTP
- SANDAG 2030 RTP (adopted in 2007)

Conclusions - PSRs

- There is a lack of planned improvement, or gap, in the middle of the corridor between the I-15/I-215 interchange in Riverside County south to Escondido in San Diego County
- If traffic increases at the rate projected in the PSRs, this area would see a continued reduction in level of service performance
- PSRs are an incomplete source of information regarding project planning that has been well underway on projects along the I-15 in Riverside County

GOODS MOVEMENT DATA SUMMARY

The Goods Movement Data Summary task analyzed the importance of goods movement in planning for future transportation enhancements in the I-15 corridor. The Multi-County Goods Movement Action Plan, which was part of a regional framework for goods movement initiatives, was used as a key resource for this work. This seven-county study looked at goods movement on Southern California's regional infrastructure network through San Bernardino, Riverside, Orange, Los Angeles, San Diego, Ventura, and Imperial Counties.

Riverside County's freight corridors mostly run in an east/west orientation, while San Diego's major corridors run more north/south. This creates two completely different outlooks when trying to compare freight movements in the study area. Riverside County has two major rail lines, expected to more than double in volume by 2035; however, the rail lines are not located in the I-15 corridor. Traffic on San Diego's Burlington Northern Santa Fe (BNSF) rail line also is expected to double by 2030, showing strong growth in the rail industry. In addition to BNSF, there are two shortline freight railroads in San Diego County; however, their annual haul is minimal. I-15 is a significant truck freight corridor. The daily average truck count on the I-15 corridor is 11,060 in San Diego County and 11,960 in Riverside County.
Riverside County - Rail Volume

Riverside County has three rail mainlines owned by BNSF and Union Pacific (UP). These include the BNSF Transcon, the UP Los Angeles Subdivision (UP LA Sub), and the UP El Paso Line. The BNSF Transcon is the artery linking the Los Angeles basin to all Midwestern, Southwestern, and Eastern markets on the BNSF rail system. UP LA Sub connects to the UP Sunset Corridor at Colton in the Los Angeles basin. The UP El Paso Line is part of the UP Sunset Corridor, which extends to El Paso. This route is designated as the primary, intermodal line between the Los Angeles basin and Eastern markets traversing through Riverside County. Freight traffic is projected to double in Riverside County by 2035. Rail freight passing through Riverside County is substantial and has implications on traffic congestion and safety issues at at-grade railroad crossings. Riverside County recently published the RCTC Grade Separation Funding Strategy: A Blueprint for Advancing Projects in 2008 identifying key issues with goods movement and the critical need for additional funding to grade separate crossings. The movement of goods by rail in Riverside County is mostly in the east-west direction and does not overlap with goods movement along the I-15 corridor, and therefore, at-grade crossings are less of an issue for this corridor.

Riverside County - Truck Volume

Riverside County is a key freight corridor in Southern California. According to the 2006 goods movement study conducted by Cambridge Systematics, in 2003 104 million tons of goods were shipped through Riverside County with 35 percent (36 million tons) shipped via truck and 65 percent (68 million tons) handled by rail passing through Riverside County. The percentage of trucks on I-15 through the county varies from 5.6 percent to 11.5 percent, with a general lowering of the number of trucks toward the San Diego County border. According to estimates using Federal Highway Administration (FHWA) Freight Analysis Framework data (2002 FAF2), approximately 19 percent of Riverside County's Average Annual Daily Truck Traffic (AADTT) travels on the I-15 corridor.

San Diego County - Rail Volume

BNSF is the major carrier in San Diego County, and its mainline extends from the border with Orange County down the coast to National City. BNSF trains operate on the Los Angeles-San Diego-San Luis Obispo corridor parallel to the I-5 freeway. This 62-mile mainline is the only viable rail link between San Diego and the rest of the nation, with freight volumes exceeding 30,000 carloads annually. By 2030, the volume is estimated to be more than 60,000 carloads per year.

The San Diego and Imperial Valley Railroad (SDIV) is a shortline operator on the San Diego and Arizona Eastern Railway track in the United States. The SDIV has been owned and operated by RailAmerica (now Fortress Holdings) since 2000. At one time, the SDIV operated on two rail lines, but today operates on only one (the San Diego to El Cajon Line), which interchanges with the BNSF railway operations in San Diego. On this 15-mile long route, over 7,000 railcars were transported in 2007. This line is operated by the Carrizo Gorge Railway (CZRY), which is the San Diego and Arizona Eastern Railway's operator in Mexico and Imperial Valley. The CZRY estimates between 5,000 and 6,000 railcars traveled into Mexico on the SDIV line in 2008.

2 Critical Goods Movement Issues for Riverside County, RCTC, September 2006
3 LOSSAN Rail Corridor Intermodal Improvements Fact Sheet, March 2009
4 Rail America, www.railamerica.com/shippingservices/railservices/SDIV.aspx
5 Carrizo Gorge Railway Phone Interview with Maria Martinez, Head of U.S. Rail Traffic, May 22, 2009
San Diego County - Truck Volume

San Diego County truck routes tend to be more north/south in orientation and are centered in the downtown San Diego area. The percentage of trucks on I-15 through San Diego County varies from 3.59 percent to 13.20 percent, with a general lowering of the number of trucks toward the Mexico border. According to estimates using FHWA’s 2002 FAF2 data, approximately 14 percent of San Diego County’s AADTT travels on the I-15 corridor.

Conclusions - Goods Movement Data Analysis

Due to the economic slump in California, and nationwide, truck volumes and rail traffic are on the short-term decline and may continue to slide for another year or more indicating ongoing economic fluctuations dictating future freight traffic. However, as the state and national economy regain their health, an eventual increase in demand for goods will ensue, leading to an increase in truck and rail traffic in the region. Riverside and San Diego Counties will be impacted by this long-term trend of goods movement-related traffic. It is recommended that future freight movement estimates be carried out periodically to address potential changes to freight demand as a result of changes in economic conditions.

PARK-AND-RIDE FACILITIES

RCTC provides funding to support park-and-ride facilities in Western Riverside County through a provision in Measure A, the county’s half-cent sales tax measure. These facilities are leased by RCTC and used by Riverside County residents for their home to work commute. RCTC’s commitment to the lease approach enables the agency to assess park-and-ride needs and facilities and establish locations quickly. Currently, RCTC leases spaces from five locations in Menifee and Temecula, providing over 270 park-and-ride spaces.

Caltrans District 11’s Planning Division oversees numerous park-and-ride facilities throughout San Diego County. Many of these facilities are located near transit centers providing a vital link to the commuting public. The Planning Division has established formal agreements with a number of cities, the county, and various private organizations to create the 67 active park-and-ride facilities. Of the 67 facilities, 33 are owned by the State of California, and 34 are owned by either a city, the county, or private organizations.

In partnership with RCTC’s Commuter Assistance Program, WRCOG developed Attachments 1 and 2, the 2008 Park-and-Ride Inventory for San Diego County and the 2009 Park-and-Ride Inventory for Southwest Riverside County.

ANALYSIS OF TRANSIT PRIORITY TREATMENTS AND TRANSIT LANE INFRASTRUCTURE DEVELOPMENT

The Analysis of Transit Priority Treatments and Transit Lane Infrastructure focused on potential transit improvements, including the review and refinement of future BRT and/or commuter express transit plans in the I-15 and I-215 corridors. The review incorporated the results from WRCOG’s TOD Study and the Interregional Transit, Buspool, and Vanpool Study, which was conducted by SANDAG.
Additionally, the work was coordinated with the smart growth land use planning efforts underway in the I-15 and I-215 corridors, which looks to coordinate land use and transit planning. The analysis also included the development of preliminary phasing options for express bus and BRT services given existing and proposed infrastructure.

As illustrated in Table 2, Riverside and San Diego Counties are very different in some critical ways that will make integrating and sustaining intercounty transit service a challenge. First and foremost is the difference in planning responsibilities between the two counties. In San Diego County, the focus is led by SANDAG, which is a metropolitan planning organization (MPO), a council of governments (COG), a regional transportation planning agency (RTPA), and is also responsible for LRTP. The focus in San Diego County on the I-15 has been on the managed lanes concept with transit as a core component of future plans. In San Diego, expanded BRT operations will soon be a reality in the I-15 corridor, and bus on shoulder plans are being discussed. To a degree, making improvements to the I-15 freeway infrastructure in North San Diego County has been to improve transit operations. Transit works well on the I-15 in San Diego County for many reasons:

- A relatively dense spine of communities with many commuters headed to downtown San Diego
- A well-established, eight-mile HOT lane stretch on the I-15 utilized by buses, especially during peak hours
- A dedicated funding source in TransNet with transit as an important focus
- A willingness, as evidenced by the passage of TransNet, to improve transit and look at options such as bus on shoulder

In short, SANDAG has partly focused on transit in the I-15 corridor because transit has been a successful, well used mode. As an example, the farebox recovery ratio on the MTS’s commuter services is approximately 46 percent. In comparison, in Riverside County, the regional transit provider for Western Riverside has a low farebox recovery ratio (less than 17 percent for blended rural/urban service) making it more difficult to establish new and expanded transit services such as intracounty BRT service.

RCTC is the RTPA for Riverside County; in addition, RCTC has transit oversight responsibility, however, it does not plan or operate transit services. There are seven public bus operators in Riverside County with each operator having a separate planning authority and governing board. For Western Riverside, RTA (a joint powers authority) has responsibility for transit planning and operation; RTA’s service area includes the I-15 corridor. Compared to the County of San Diego, Riverside County has a relatively low land use density with a more spread out pattern of development which is not easily served by transit.

In 1988 and again in 2002, more than two-thirds of Riverside County residents approved a half-cent sales tax initiative called Measure A to fund transportation projects. The Measure A Expenditure Plan is primarily a freeway/highway funding mechanism with some dedicated funding for transit and the Metrolink commuter rail system. As a result, the focus on the I-15 corridor in Riverside County has been centered on freeway improvements, including improving interchanges and constructing/expanding HOV lanes (which, when built, can be utilized by transit buses). RCTC also has plans to implement the use of HOT lanes on the I-15 and SR-91. Without a large amount of dedicated funding for transit, it is difficult to increase services and gain transit mode share while meeting the state-mandated farebox recovery ratio. These issues, dedicated funding for transit and
low land use density, are fundamental differences between the two counties in the provision of transit services. In addition, as illustrated under the Smart Growth section of this report, SANDAG and RCTC have different planning responsibilities related to reducing GHG.

**Smart Growth - SB 375 (Steinberg) - California State Legislation**

SB 375 is California state legislation that became law effective January 1, 2009. It requires the reduction of GHG emissions from light trucks and automobiles through land use and transportation efforts that will reduce vehicle miles traveled. SB 375’s goal is to reduce GHGs by improving the connection between land use and transportation planning, resulting in more walkable, compact communities served by good, reliable transit, thus reducing the need to drive. SB 375 requires “California’s Air Resources Board ... to develop regional reduction targets for GHG emissions, and prompts the creation of regional plans to reduce emissions from vehicle use throughout the state. Under SB 375, California’s 18 MPOs have been tasked with creating ... SCS[s]. The MPOs are required to develop the SCS through integrated land use and transportation planning and demonstrate an ability to attain the proposed reduction targets by 2020 and 2035.”  

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**SB 375 - Riverside County**

SCAG is the nation’s largest MPO, representing six counties (Riverside, San Bernardino, Orange, Los Angeles, Imperial, and Ventura) and is responsible for a variety of planning and policy initiatives, including SB 375. Unique to the SCAG region, SB 375 affords the opportunity for a COG along with the county transportation commission, to develop a subregional SCS for incorporation into the regional SCS. In Riverside County, there are two COGs: the Coachella Valley Association of Governments (CVAG), which serves the eastern portion of the county, and WRCOG serving the western portion of Riverside County.

To assist the COGs in defining their role in the SB 375 process, SCAG identified the following three variations/options of involvement for subregionals to consider:

1. **Full Delegation.** For Riverside County, this option would require that CVAG and WRCOG, in collaboration with RCTC, complete a comprehensive analysis of planned and programmed transit and planning projects throughout the two subregions. The jurisdictions would then be required to review and refine growth patterns to recommend areas for densification and identify future transportation projects and policies required to reduce GHG emissions to 1990 levels. The COGs and the California Transportation Commission (CTC) would be required to hold a series of scenario planning workshops together with a number of public hearings. In addition to the development of the SCS, the subregions also would be responsible for delegation of the Regional Housing Needs Assessment (RHNA).

2. **Partial Delegation.** This would require CVAG, WRCOG, and RCTC to undertake the aforementioned planning and transit review and recommendation without accepting delegation of the RHNA.

6 SCAG’s SB 375 Regional Implementation Plan. www.scag.ca.gov/sb375/index.htm
3. **Collaborative Planning Process.** This planning process provides a flexible range of options in developing a SCS. Specifically, SCAG would oversee the process relying heavily on input from the subregions, local jurisdictions, and CTC to identify planned and new transit projects, transportation plans, and policies that will reduce GHG emissions, provide assistance with workshops and outreach programs, review and refine local data, and provide input into the development of additional regional policies to reduce GHG emissions.

In December 2009, both CVAG and WRCOG’s policy boards selected the Collaborative Planning Process for Riverside County’s involvement in SB 375. RCTC’s policy board has not taken any action related to SB 375 implementation.

**SB 375 - San Diego County**

In the San Diego region, SANDAG is undertaking implementation of SB 375 and preparation of the SCS. Although the SCS is a new requirement, its origin lies in the regional planning processes already underway at SANDAG and other MPOs/COGs in the state, which set forth plans for future growth that integrate the transportation, land use, housing, environmental, and economic needs of each region. The SCS also is a continuation of the state’s Regional Blueprint Planning Program that has been funded with state grants using federal transportation planning funds since the program was initiated in 2005. The development of SANDAG’s Regional Comprehensive Plan (RCP) and Smart Growth Concept Map were partially funded from those grants and will assist the region in its preparation of a SCS for the 2050 RTP.

SANDAG is the first major MPO in the state that is subject to SB 375. A SCS will be prepared as part of the region’s next RTP (2050 RTP), which is scheduled to be adopted in July 2011. The RHNA for the next housing element cycle is required to be consistent with the SCS and also will be adopted by July 2011. Another major component of this work is the 2050 Regional Growth Forecast (Series 12), which will be used in the development of the RTP, SCS, and RHNA. (Reports about the relationship of SANDAG’s Overall Work Program (OWP) to SB 375, the RTP schedule, and the Series 12 growth forecast have been prepared and can be found on SANDAG’s Web site.7)

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Table 2
Varied Planning Approaches and Agency Responsibilities

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<thead>
<tr>
<th>SANDAG</th>
<th>RCTC</th>
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<tbody>
<tr>
<td>MPO, RTPA, and LRTP Responsibility</td>
<td>RTPA</td>
</tr>
<tr>
<td>High density - many commuters traveling to downtown San Diego</td>
<td>Low density - more spread out pattern of development</td>
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<tr>
<td>SB 375 - 1st major MPO subject to SB 375/SCS will be part of RTP process</td>
<td>SB 375</td>
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<tr>
<td>WRCOG and CVAG: selected “collaborative” process</td>
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<tr>
<td>TransNet - $14 billion/40 years (transit, highway, local roads, etc.)</td>
<td>Measure A - $4.6 billion/30 years</td>
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<td>$390 million available in Western Riverside County for commuter assistance, rail, bus and specialized transit services</td>
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<tr>
<td>Managed lane concept with transit as a core component (BRT, bus on shoulder)</td>
<td>HOV/HOT lanes (transit enhancement)</td>
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</table>

Conclusions - Analysis of Transit Priority Treatments and Transit Lane Infrastructure Development

From a transit operator perspective, the two transit systems (RTA in Riverside County and MTS\(^8\) in San Diego County) have different operating costs, different metrics for measuring service, vastly different service areas, and serve different population densities. For example, San Diego County’s density along the I-15 corridor makes it an ideal candidate for BRT and express bus service, while Riverside County’s lower densities and dispersed activity centers make BRT and express bus service more difficult. It is understandable that Riverside County might view expanding vanpools as a key component for the solution to intracounty travel, while San Diego County views BRT and express bus as the critical component. Each county’s perspective is logical and reasonable. The challenge will be to find the middle ground that makes sense financially, operationally, institutionally, and politically.

COST EFFECTIVENESS ANALYSIS AND OVERALL FUNDING STRATEGY

To complete the Cost Effectiveness Analysis and Overall Funding Strategy task, a series of multimodal alternatives were developed. As illustrated in Table 3, each alternative was subsequently reviewed in terms of cost effectiveness and funding potential. A No Build alternative was developed to identify those projects which are currently slated for implementation and to represent the baseline against which the other alternatives would be compared. The alternatives represent a range of costs and implementation timeframes, with low-cost, relatively easily implemented projects grouped in the Transportation System Management (TSM)/TDM alternative, with the more cost intensive and complex projects grouped under the Express Bus and BRT alternatives.

\(^8\) Note that in addition to MTS, NCTD also is a transit operator in San Diego County. MTS, however, has taken the lead in terms of interregional transit.
### Table 3
**Summary of Multimodal Alternatives for the I-15 Corridor**

<table>
<thead>
<tr>
<th>ALTERNATIVES</th>
<th>PROJECT COST COMPARED TO EFFECTIVENESS</th>
<th>HIGHWAY PROJECTS</th>
<th>TRANSIT PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Build - Planned/Funded Projects and Programs</td>
<td>Highway Projects - Significant expense serving high demand. Transit Projects - Perform well given cost, but involve relatively small ridership or usage numbers.</td>
<td>I-15 widening and HOV/HOT lanes from San Bernardino county line to Murrieta (Riverside) I-15 widening and HOV/HOT lanes to Centre City Parkway (San Diego) I-15 widening and HOV/HOT lanes to county line (San Diego)</td>
<td>Vanpool Program (Riverside/San Diego) RTA’s Route 217 (Riverside) Escondido Rapid Bus (San Diego) Escondido to Downtown San Diego via SR-94 (San Diego)</td>
</tr>
<tr>
<td>TSM/TDM</td>
<td>Low cost, easy to implement. Projects perform well in terms of effectiveness.</td>
<td>Park-and-ride lots (Riverside/San Diego) Bus on shoulder (San Diego)</td>
<td>Buspool Program (Riverside/San Diego) Transit Route Expansion - 206/208 (Riverside) and 810 (San Diego)</td>
</tr>
<tr>
<td>Express Bus</td>
<td>Significant cost yielding significant mobility and environmental benefits.</td>
<td>HOV lanes from Murrieta to county line (Riverside)</td>
<td>New Route - Riverside to downtown San Diego (Riverside/San Diego)</td>
</tr>
<tr>
<td>BRT</td>
<td>Most expensive option of the three “build alternatives.” BRT provides for higher usage and mobility compared to Express Bus alternative.</td>
<td>HOV/HOT lanes plus widening from Murrieta to county line (Riverside)</td>
<td>BRT Expanded Into Riverside County (Riverside/San Diego)</td>
</tr>
</tbody>
</table>

Following is an explanation of the multimodal alternatives:

- **No Build Alternative**

  This alternative consists of those projects which are currently in the RTPs for the two counties on the I-15 corridor. In terms of highway projects, it includes the completion of the I-15 widening and HOV/HOT lanes in Riverside County as far south as Murrieta and in San Diego County as far north as the Riverside county line.

  Transit improvements include the continued operation of the vanpool programs by both counties and continued operation of the new RTA 217 route from Temecula to Escondido. In San Diego County, MTS would initiate BRT service on I-15 from Escondido south.
Transportation Strategy

- **TSM/TDM Alternative**
  
The TSM/TDM alternative consists of relatively low-cost and easily implementable improvements which enhance TSM and TDM. These types of projects typically involve measures which make better use of existing transportation resources by improving utilization or enhancing the performance. The investment required is usually small, and these projects do not involve major new construction. As a result, they are generally easy to implement and can be put into service in the short-term time frame. In terms of highway improvements, this alternative includes an expanded park-and-ride program in both counties (800 spaces) and bus on shoulder improvements on I-15 in San Diego County between Escondido and the county line. The transit projects under consideration include a buspool program as identified in the interregional transit study (13 buses to replace about 25–30 vanpools), transit route expansion (RTA routes 206/208 based on the successful performance of Route 217 and MTS Route 810—two buses and two stops) between the counties, and an expanded customer information program that includes improvements to the 511 programs that would allow cross-linking between counties. This would allow users in one county to access information in the other county with a single access to 511.

- **Express Bus Alternative**
  
  This alternative focuses on express bus linkages between the two counties requiring the completion of HOV lanes on I-15 to close the gap between the county line and Murrieta. These services would include new linkages between Riverside County and downtown San Diego (eight buses and seven new stops).

- **BRT Alternative**
  
  The BRT alternative involves extending the widening of I-15 to include four general purpose lanes plus two HOV/HOT lanes in each direction to close the existing gap between Escondido and Murrieta. This would provide a continuous HOV/HOT system along the I-15 corridor. BRT services from San Diego County would be extended and expanded to include Riverside County (eight buses and two new stations). This would provide direct service without transfers linking Murrieta and Temecula with the I-15 corridor stations in San Diego County, as well as downtown San Diego and the University City/University of California San Diego area.

**Project Costs and Evaluation of Multimodal Alternatives**

The capital and operating costs of each of the projects included in the multimodal alternatives are identified on Attachment 3 to this report. The cost information for the highway projects consist of the projects identified in the PSRs on the I-15 corridor, as well as the current projects in the RTPs. In some cases where the information was not available, WSA prepared estimates. For example, the cost of closing the HOV/HOT lane gap from Murrieta to the San Diego County line was estimated by determining the per mile cost of the two similar projects in Riverside and San Diego Counties located both north and south of the gap. The average per mile cost of these projects was about $40 million. The cost of the transit projects was drawn from the San Diego/Riverside Interregional Transit, Vanpool, and Buspool Study and the I-15 Bus Rapid Transit Operations Plan Detailed Analysis report prepared by SANDAG.
The results for each of the multimodal options are discussed below:

- **No Build**
  The No Build option involves significant expense for the highway projects which are currently in the RTP. However, these projects serve significant demand and because they include HOV/HOT lanes, they provide true, multimodal mobility benefits. The transit projects in the No Build option, including the vanpool program and the express bus improvements perform well, but involve relatively small ridership or usage numbers.

- **TSM/TDM Alternative**
  The projects included in the TSM/TDM are, by definition, low cost. Given the small investments involved, these measures perform well in terms of usage and cost effectiveness. However, because the amount of usage is relatively small, the gains in mobility, environmental benefits, and operating efficiencies also are small, and there are no long-term elements that would support positive, transit-oriented, land use development.

- **Express Bus Alternative**
  This alternative performs well overall, but does involve significant costs. However, having completed HOV lanes linking the two counties with an integrated express bus program would yield significant mobility and environmental benefits.

- **BRT Alternative**
  Of the three build alternatives, the BRT option involves the greatest costs. It also involves somewhat higher usage and mobility enhancement as compared with the Express Bus alternative. The fact that it involves the construction of dedicated BRT stations reflecting a long-term commitment to transit means that it is more likely to stimulate transit-supportive development along the I-15 corridor.

**CONCLUSIONS AND NEXT STEPS**

There are certain challenges and constraints to the implementation of any of the multimodal alternatives identified. These include:

- **Funding**
  The most significant obstacle to implementing any of the alternatives is funding. The current economic crisis has stressed the available funding mechanisms to the extent where all existing federal, state, and county revenues are in serious jeopardy. The ability to fund the projects in the No Build alternative is in itself a major challenge for the counties. Projects which require major new funds are not likely to be implemented in the near or intermediate term. Transit operating funds are particularly difficult to come by, so major, new, transit services will be difficult to implement within the corridor. Phasing and incremental development of projects is probably the only way to implement larger projects.

- **Land Use and Economic Characteristics**
  Along the portion of the I-15 corridor under consideration, there are marked differences in the densities and the mix of land uses. In San Diego County, most of the corridor is heavily developed with a mix of residential, commercial retail, and employment sites. While the densities are below that typically considered necessary to sustain rail transit, they are sufficient to support express bus or BRT type services. In Riverside County, the land uses are less dense and
interspersed with agricultural uses. While there are significant retail developments, there are fewer employment centers compared to San Diego County. Residential development in Riverside County provides a lower-cost housing resource for many who find jobs in San Diego County. The densities and mix of uses along I-15 in Southwest Riverside County are not clearly sufficient to sustain a significant investment in bus transit, although there is clearly a need to provide an alternative to auto travel.

**Institutional Barriers**

There are various issues related to the provision of truly integrated transit services between the two counties. The two transit operators, MTS and RTA, have different cost structures and work rules making shared operation of services very difficult. If one agency or the other operates the services, then a cost-sharing agreement is necessary. There also are differing philosophies regarding the acceptability of various transportation improvements. For example, the bus on shoulder lanes that have been successfully implemented in San Diego County are not considered as an option in Riverside County due to the extensive improvements planned on I-15 and SR-91.

**Transportation Needs and Priorities**

Both counties have pressing transportation infrastructure needs of their own which do not involve interregional concerns. This makes it difficult to place a high priority on interregional projects which may provide benefit to the adjacent county without potential for reimbursement.

The suggested next steps for consideration are:

- Initiate bus on shoulder assessment and analysis for the I-15 corridor in San Diego County
- Implement, if warranted and feasible, bus on shoulder operation in San Diego County
- Develop an agreement, in principle, for operating plans, including vanpools and buspools and other planning studies (e.g., TOD and other managed growth planning)
- Monitor ridership and demand for current RTA and MTS services
- Consider phasing of a demonstration express bus line from Temecula to downtown San Diego
- Develop operating plans for capacity enhancement freeway projects
- Implement expanded intercounty services
- Construct additional HOV lanes
- Continue to aggressively plan and build park-and-ride lots
- As resources become available and ridership warrants, continue to expand operations and connections to the regional system and the local communities
INTRODUCTION

During Phase I of the I-15 IRP, a Commuter Survey was conducted to gain a better understanding of the factors and motivations behind increased I-15 interregional commuting, particularly for residents of Southwest Riverside County who commute daily into the San Diego region for Employment. The survey found that many of these commuters were very satisfied with living in Southwest Riverside County and had accepted commuting as a “way of life,” particularly if it meant they could afford a single-family, detached home. The survey indicated that many existing I-15 commuters were largely unlikely to want to change residences to be closer to their place of employment, even if it meant a shorter commute time. Thus, these results suggested that I-15 IRP strategies should focus not only on existing commuters, but also on those who may consider moving to Southwest Riverside County in the future with similar views on home ownership and a willingness to commute.

As a result, the Phase III Housing Strategy contains two components that focus on both existing and potential future I-15 commuters based on the following strategy identified at the end of Phase II:

- **Housing Strategy H3: Provide incentives for the construction of moderate-cost family housing near employment centers**

  **Actions:**
  - SANDAG will pursue implementation of a pilot workforce housing project(s) in North San Diego County
  - WRCOG/SANDAG will continue to collaborate on smart growth development near transit applicable to both regions

The Workforce Housing Project sought to encourage construction of moderate-cost family housing near employment centers in North San Diego County in order to provide more housing choices for those who might otherwise make the move to Southwest Riverside County. The Western Riverside Smart Growth Opportunity Area Map project identified areas where higher-density residential and employment development could be located in major activity centers and integrated with transit service to provide existing southbound I-15 commuters and future residents of the area with more housing, employment, and transportation choices.

WORKFORCE HOUSING

A key goal of Phase III of the I-15 IRP Housing Strategy was to develop a proposal for a workforce housing project that will help reduce the strain on the interregional transportation system by providing more affordable housing opportunities for employees who work in the San Diego region, particularly those who work in the North County area. The project goals were to:
1. Identify potential sites for moderate-income/workforce housing projects in North San Diego County in Smart Growth Opportunity Areas along the SPRINTER line targeting households with income levels between 80 to 120 percent Area Median Income (AMI).

2. Foster the involvement of one or more large regional employers toward a proposal for a workforce housing project at one or more of the identified sites.

3. Identify specific development and financing components for a successful project.

4. Generate needed support from regional and local partners to facilitate a successful project.

5. Advance the project as much as possible toward achieving the actual construction of a workforce housing project.

6. Build a foundation for a workforce housing project that could be emulated elsewhere along the SPRINTER line and in other areas of the region.

Keyser Marston Associates (KMA) was hired in May 2009 to provide consultant assistance for the I-15 IRP Workforce Housing Project.

**Tasks**

The tasks for the Workforce Housing Project are described below:

**Initiation and Identification of Potential Sites**

- An e-mail questionnaire was developed and forwarded to the cities of Oceanside, Vista, San Marcos, Escondido, the County of San Diego planning and redevelopment officials, California State University San Marcos, the NCTD, and Palomar Pomerado Health regarding potential sites for workforce housing.

- An independent review of available land for sale using third-party data sources was conducted.

Based on the responses to the questionnaire, ten sites were initially identified—two in San Marcos, four in Vista, three in Escondido, and one in the unincorporated area of the county. From the ten sites, five were chosen for further evaluation based on ownership, zoning, site readiness, and whether replacement parking was needed. These included three in Vista, one in Escondido, and one in the county unincorporated area.

**Site Analysis**

Further study/analysis of the five sites was conducted as described below:

1. **Site Analysis:** An evaluation matrix (Figure 3) of the five candidate sites (Figure 4) selected during Task 1 was created, which included:
   a. Ownership, size (square feet [SF]), existing uses, surrounding uses, land use and zoning.
   b. Whether the site is located in a Redevelopment Project Area and/or Smart Growth Opportunity Area on the Smart Growth Concept Map.
### Housing Strategy

#### Figure 3
**Evaluation of Candidate Sites Table**

<table>
<thead>
<tr>
<th>Community</th>
<th>Site Size</th>
<th>Growth Opportunity Area</th>
<th>Ownership</th>
<th>Existing Uses</th>
<th>Location Characteristics</th>
<th>Zoning Density</th>
<th>Incentive Requirements</th>
<th>Key Constraints</th>
<th>Local Support/Policies</th>
<th>Conceptual Preliminary Development (RIA Assumptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEC S. Santa Fe Ave. and Vista Village Dr.</td>
<td>1.60 acres</td>
<td>Vista</td>
<td>City of Vista Community Development Commission, existing agreement and development agreement with OJ Development Inc. ([Developer]) approved June 2008</td>
<td>Vacant</td>
<td>Located in a site of the existing project area</td>
<td>Approximately 1 mile from Vista Town Center</td>
<td>6% of all new multi-family units to be reserved for lower-income households at 60% AMI</td>
<td>Significant growth trend potential</td>
<td>CDC interested in moderate-income developments</td>
<td>Proposed project per CRA</td>
</tr>
<tr>
<td>N. Santa Fe Ave. from Washington to Orange St.</td>
<td>1.66 acres</td>
<td>YS-T Existing Planned Mixed Use Transit Center</td>
<td>City of Vista Community Development Commission</td>
<td>Vacant</td>
<td>Located in a site of the existing project area</td>
<td>Approximately 1 mile from Vista Town Center</td>
<td>6% of all new multi-family units to be reserved for lower-income households at 60% AMI</td>
<td>Significant growth trend potential</td>
<td>CDC interested in moderate-income developments</td>
<td>Proposed project per CRA</td>
</tr>
<tr>
<td>NEC Santa Fe Ave. and Cananea</td>
<td>11.00 acres</td>
<td>Unincorporated County</td>
<td>Developer: 73% / Other Private Owners: 24% / City/CDC: 3%</td>
<td>Vacant</td>
<td>Located in a site of the existing project area</td>
<td>Approximately 1 mile from Vista Town Center</td>
<td>6% of all new multi-family units to be reserved for lower-income households at 60% AMI</td>
<td>Significant growth trend potential</td>
<td>CDC interested in moderate-income developments</td>
<td>Proposed project per CRA</td>
</tr>
<tr>
<td>2192 Victory Drive</td>
<td>19.18 acres</td>
<td>Escondido</td>
<td>Private owner</td>
<td>Vacant</td>
<td>Located in a site of the existing project area</td>
<td>Approximately 1 mile from Vista Town Center</td>
<td>6% of all new multi-family units to be reserved for lower-income households at 60% AMI</td>
<td>Significant growth trend potential</td>
<td>CDC interested in moderate-income developments</td>
<td>Proposed project per CRA</td>
</tr>
<tr>
<td>Escondido Transit Center</td>
<td>5.93 acres</td>
<td>North San Diego County Transit</td>
<td>City of Vista Community Development Commission</td>
<td>Vacant</td>
<td>Located in a site of the existing project area</td>
<td>Approximately 1 mile from Vista Town Center</td>
<td>6% of all new multi-family units to be reserved for lower-income households at 60% AMI</td>
<td>Significant growth trend potential</td>
<td>CDC interested in moderate-income developments</td>
<td>Proposed project per CRA</td>
</tr>
</tbody>
</table>

**Notes:**
- **Project Characteristics:**
  - Located within a site of the existing project area.
  - Approximately 1 mile from Vista Town Center.
- **Zoning Density:**
  - 6% of all new multi-family units to be reserved for lower-income households at 60% AMI.
- **Incentive Requirements:**
  - Private ownership has not expressed development interest.
  - Site will require rezoning and annexation.
  - Site will require sewer extension.
- **Local Support/Policies:**
  - City targeting increased homeownership opportunities and preservation/administration of existing housing stock as a source of low and moderate income housing.
  - City has Homebuyer Entry Loan Program (HELP) which serves qualified first-time home buyers with down payment assistance loans to purchase homes (less than 1% of purchase price of $255,000 per home).
- **Conceptual Preliminary Development (RIA Assumptions):**
  - Proposed project per CRA.
  - 6% of all new multi-family units to be reserved for lower-income households at 60% AMI.
  - Significant growth trend potential.
  - CDC interested in moderate-income developments.

**Prepared by:**
- [Developer's Name] for [Project Name]
1. **Stakeholder Interviews:** Three developers were interviewed regarding approaches to development of workforce housing and opportunities to partner with public agencies and/or institutional employers.

2. **Project Description(s):** Project descriptions were prepared for possible development scenarios for the five candidate sites that were consistent with site conditions and land use/zoning, including a range of land uses, densities, parking solutions, etc.

3. **Preferred Site/Development:** SANDAG staff provided direction regarding the preferred site and the preferred development scenarios.

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The full Figure 4 Workforce Housing Candidate Sites Map can be found in Attachment 4 to this report.
Financial Feasibility, Implementation Strategy, and Request for Proposal (RFP) Approach

Following review and input from SANDAG staff, three alternative development scenarios for workforce housing projects at two sites identified in the City of Vista during Task 2 were prepared. The three are broadly representative of near-term development opportunities within the City of Vista and include the following components:

1. **Financial Feasibility:** Financial pro formas to test the viability of the development economics for each development scenario (three for each of the two sites). Each financial pro forma includes estimates of development costs, sales prices for households making between 80 to 120 percent of AMI, developer return, and supportable land value. The consultant used order-of-magnitude industry standards and their own experience with other developments to estimate these costs.

   The relative financial feasibility of each development scenario was determined based on a comparison of the supportable land value derived from the pro forma analyses and the potential acquisition costs determined during Task 1.

2. **Implementation Strategy:** Methods of implementation appropriate for the preferred alternative were researched, and a menu of potential funding sources and/or mechanisms available to help implement the workforce housing project was developed that identifies specific methods or programs, provides a brief definition, and assesses the potential use and funding magnitude of each approach.

3. **RFP Approach:** An approach to the developer selection process was developed, which includes a checklist of the key components and submittal requirements of a developer solicitation document such as a RFP.

Final Proposal

SANDAG will create a Final Proposal for a workforce housing project at the preferred site identified in Task 2 based on review and input from stakeholders involved in the project.

Key Findings

Development Sites and Mixed-Use Development Prototypes

The consultant undertook financial feasibility analyses for potential development of mixed-income, mixed-use development in downtown Vista near the Vista Village SPRINTERT station, analyzing a one-block development site and a three-block site as follows:

- **Block 1:** Block bounded by Orange Street, North Santa Fe Avenue, Washington Street, and Indiana Avenue.

- **Blocks 1, 2, and 3:** Block 2 is directly south of Block 1, bounded by Washington Street, North Santa Fe Avenue, Vista Village Drive, and Indiana Avenue. Block 3 is directly east of Block 2, bounded by Washington Street, Indiana Avenue, Vista Village Drive, and Michigan Avenue.
Portions of all three blocks are owned by the City of Vista or its redevelopment agency, the Community Development Commission (CDC), with the balance owned by private parties. Current uses include residential and commercial improvements, public facilities, and vacant land. The city has targeted the Santa Fe Avenue corridor and Vista Village areas for higher-density, mixed-use development through a specific plan that allows up to 40 dwelling units per acre.

For each development site, the consultant tested three development scenarios at low, medium, and high densities. Detailed project descriptions are presented in Appendix C. The development prototypes range from 20 to 40 units per acre, and 10,000 to 25,000 SF of leasable commercial space per block. Residential uses range from townhomes over private garages to stacked flat condominiums over commercial uses. Parking is assumed to be provided as follows:

- **Low-Density Scenario:** surface parking (or, in the case of Block 2, at-grade, encapsulated parking)
- **Medium-Density Scenario:** at-grade encapsulated podium parking (one level of structured parking, at-grade, and enclosed with residential or other uses above)
- **High-Density Scenario:** two levels of structured parking, one at-grade, and one below-grade

### Economic Feasibility of Market-Rate Housing

Financial pro formas were prepared to determine the residual land value for each development prototype assuming all residential units at market-rate sales prices. Residual land value is defined as the maximum land payment that a private developer could afford to pay for a specified development opportunity based on a comparison of market value of the project upon completion and total development costs inclusive of an industry standard developer return requirement (developer profit). Out of the six scenarios, only Block 1–Low-Density Scenario supports a positive land value, approximately $25 per SF land. In other words, the total market value of the project minus the project development costs would result in a land value of approximately $25 per SF making the Low-Density Scenario for Block 1 financially feasible. (Note that actual land assembly costs for Block 1 may be significantly higher than $25 per SF because of the value of existing improvements.)

All of the other prototypes/sites yield negative land values, ranging from $3 to $38 per SF land. In other words, these scenarios are not economically feasible, even if all of the residential units were sold at market-rate prices. Developers cannot afford to make a land payment under these scenarios, and would in fact require financial assistance to close the financing gap. The principal reasons for this economic gap are as follows:

- The Medium-Density and High-Density Scenarios (and Block 2–Low-Density Scenario) include structured or subterranean parking, which is significantly more expensive than surface parking. This factor is exacerbated by the parking needed to support the scale of commercial uses that the city is seeking in this location.

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The more intensive scenarios incorporate stacked flat units over commercial and parking uses. This construction type is more expensive than nonstacked units (e.g., townhomes). Stacked, flat configuration also includes a typical 15 percent building inefficiency factor for circulation and common areas.

Current market prices are depressed as a result of the national recession and local housing market downturn.

Impact of Moderate-Income Restrictions

All six prototypes also were tested with 25 percent of the units restricted to moderate-income sales prices. City staff indicated a preference for mixed-income, rather than 100 percent affordable, housing developments in the Vista Village/Santa Fe Avenue areas. Moderate income is defined as 80 percent to 120 percent of AMI, or approximately $66,101 to $89,900 for a four-person household (HCD, 2009). Since the Vista CDC would most likely implement the proposed development through an agreement with a private developer, the consultant determined the calculation of moderate income price restrictions based on California redevelopment law standards. The following presents a comparison of market-rate price assumptions and moderate-income restrictions:

Figure 5
Moderate-Income Restrictions

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Estimated Market Price</th>
<th>Moderate Income Restriction</th>
<th>Difference (Affordability Gap)</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Bedroom Flat</td>
<td>$260,000</td>
<td>$227,000</td>
<td>($33,000)</td>
</tr>
<tr>
<td>Two Bedroom Flat</td>
<td>$303,000</td>
<td>$252,000</td>
<td>($51,000)</td>
</tr>
<tr>
<td>Two Bedroom Townhome</td>
<td>$338,000</td>
<td>$275,000</td>
<td>($63,000)</td>
</tr>
<tr>
<td>Three Bedroom Townhome</td>
<td>$396,000</td>
<td>$303,000</td>
<td>($93,000)</td>
</tr>
</tbody>
</table>

As shown above, prices affordable to moderate income households are currently $33,000 to $93,000 lower than estimated market prices. This affordability gap is relatively small, compared to just a few years ago, when market prices were substantially higher. On the one hand, depressed market prices result in more affordable housing opportunities. On the other hand, depressed market prices make medium- and higher-density housing less economically feasible, as discussed above. Therefore, in order to implement any of the mixed-income development scenarios, it is necessary to close the total financing gap, i.e., the combination of both the economic gap and affordability gap. These figures range as follows:
## Implementation Strategy - Potential Funding Mechanisms

A number of funding mechanisms could be used to bridge the economic and financial gaps identified in the section above. These include redevelopment tax increment revenues, density bonuses, inclusionary housing, reductions in permit/fee charges, reductions in development and parking standards, the TransNet Smart Growth Incentive Program, state funds, and the contribution of land or funding from a large employer or institution. These funding mechanisms are described in more detail in Attachment 5.

### Developer Interviews

Three developers were interviewed to determine interest in and feasibility of building new workforce housing in North County. The interviews covered the following topics: Market Potential and Achievable Density; Perspective on the RFP Process, Thoughts on a Demonstration Project; and Willingness of Employer Participation.

A summary of the interviews is included in Appendix C; some key observations are listed below:

1. Developers can build 20–30 units per acre with tuck under (nonpodium) parking.
2. The best place to develop is in a redevelopment project area with a master Environmental Impact Report and tax increment funds. (The sites analyzed in this study are both in a redevelopment area.)
3. Jurisdictions need to be proactive to get things done.
4. A mixture of low- and high-density housing and mixed uses will be key development products in the future.
5. Redevelopment agencies and local jurisdictions can provide free land and/or subsidies.

6. SANDAG and Vista (or other jurisdictions) should meet with developers before drafting a RFP.

7. Local jurisdictions can help lower costs by changing regulations

**Results**

As a result of the Workforce Housing Project, the region is more informed about the financial feasibility of building workforce/moderate income housing for those whose incomes are between 80 to 120 percent of AMI, the types of home construction that could provide workforce housing opportunities, and the financial and regulatory mechanisms that could be used to make these types of homes financially feasible.

**Next Steps**

SANDAG will present the results of this project to the Regional Housing Working Group, the Regional Planning Technical Working Group, and the SPRINT Smart Growth Working Group. We also will continue to work with the City of Vista and other jurisdictions on implementation of one or more workforce housing projects within a Smart Growth Opportunity Area(s) using a RFP that will be developed in partnership with the City of Vista and/or other local jurisdictions.

**WESTERN RIVERSIDE SMART GROWTH OPPORTUNITY AREA MAP**

The Phase III Housing Strategy also called for development of a “Smart Growth Opportunity Area Map” for selected western Riverside cities, using the SANDAG Smart Growth Concept Map for the San Diego region as a template. Like the Smart Growth Concept Map, this project sought to identify areas where higher-density residential and employment development could be located as major activity centers and integrated with transit service. This chapter focuses on key findings and issues identified during Phase III.3

This smart growth planning effort focused on three pilot cities in Southwest Riverside: Lake Elsinore, Murrieta, and Temecula. Development of the map included both land use and transit planning components focused on identifying smart growth opportunities centered on the I-15 and I-215 freeway corridors (Figure 7).4

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3 More detailed information on the project, including copies of all products produced, is available in the I-15 IRP Western Riverside Smart Growth Opportunity Area Map Final Report, which is included as Appendix D of this report. www.i15irp.com

4 Please see Attachment 6 to this report for the full I-15 IRP Phase III Smart Growth and Transportation Priority Area Map.
The map was developed in conjunction with transportation and transit network planning completed for the Phase III Transportation Strategy, including components of the Transportation SIP developed by RCTC and consultant firm, WSA.

Future work expanding the map to include additional jurisdictions will be funded by the SCAG Compass Blueprint Demonstration Project program following the end of Phase III and is anticipated to serve as the foundation for developing a subregional SCS for the next update of the SCAG RTP, as required by Senate Bill 375 (2008).

**Tasks**

The work plan for this phase included:

- Identification of smart growth place type categories applicable to the cities of Temecula, Murrieta, and Lake Elsinore
- Identification of smart growth opportunity areas exemplifying characteristics of the smart growth place type categories
- Creation of GIS base maps and shape files illustrating smart growth opportunity areas
- Quantitative analysis of existing/planned capacity for residential and employment density and transit service
- Qualitative description of local planning efforts and progress toward meeting smart growth place type intensities
To facilitate this process, SANDAG and WRCOG engaged community development, planning, and public works department staff from each of the jurisdictions, as well as representatives from the other I-15 IRP regional partner agencies, to form the Western Riverside Smart Growth Map Working Group. This group met regularly throughout Phase III to guide development of the map.

The Western Riverside Smart Growth Opportunity Area Map is intended to be used as a long-term planning and coordination tool as local jurisdictions update their General and/or Specific Plans and as local and regional transportation and transit planning efforts advance. The map is a planning document with unconstrained financial considerations. As development and progress moves forward for each smart growth area, further coordination between local and regional agencies will be needed to evaluate financial conditions and to determine the most effective transit services within the broader regional context.

**Key Findings/Issues Identified**

**Smart Growth Opportunity Areas**

The working group identified six categories of smart growth place types for the map: Regional Center, Town Center, Community Center, Mixed-Use Transit Corridor, Special Use Center, and Employment Center. Each smart growth place type is associated with certain general land use type and intensity characteristics, housing and employment density targets, and transit service thresholds (for more information, see Appendix D, page 16, Table 3).

A key finding of this identification process was that the group identified with many of the smart growth place types developed for the Smart Growth Concept Map for the San Diego region, as shown in Table 4, which lists the place type categories for both the West Riverside and San Diego regions.

### Table 4

<table>
<thead>
<tr>
<th>Smart Growth Place Types for Western Riverside and San Diego</th>
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<tbody>
<tr>
<td><strong>WESTERN RIVERSIDE</strong></td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Metropolitan Center</td>
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<tr>
<td>Urban Center</td>
</tr>
<tr>
<td>Community Center</td>
</tr>
<tr>
<td>Rural Village 6</td>
</tr>
<tr>
<td>Mixed-Use Transit Corridor</td>
</tr>
<tr>
<td>Special Use Center</td>
</tr>
<tr>
<td>Employment Center</td>
</tr>
</tbody>
</table>

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5 Appendix D can be found at the I-15 IRP Web site at www.i15irp.com.
6 The working group also identified a seventh place type, Rural Village, which will be further defined in partnership with the County of Riverside as part of the Expanded Western Riverside Smart Growth Opportunity Area Map and Transit Development Plan.
In tailoring place type categories to the context of the three communities, the group also recognized some differences between the two regions. For example, group members felt that the West Riverside region was not likely to develop an area as intense as the Metropolitan Center (characterized by downtown San Diego). The group identified with characteristics of the Urban Center, but felt that the term Regional Center was more appropriate. The group also identified a new place type, the Employment Center, as one drawing from throughout the region and dominated by nonresidential land uses, but ideally well connected to major arterial corridors and transit routes.

After defining smart growth place types applicable to the study area, each jurisdiction identified local places that currently exemplify the characteristics of the place types, or could in the future if local plans are updated and regional transit service designations are met. Collectively, 13 smart growth opportunity areas were identified, including 3 Regional Centers, 3 Town Centers, 4 Special Use Centers, 1 Community Center, and 2 Employment Centers. (Note: Two Mixed-Use Transit Corridors were designated as portions of one Regional Center.)

Working group members prepared a “site description” for each smart growth opportunity area consisting of both land use information prepared by the planning staffs of local jurisdictions and a transit service description based on RTA transit service plans. Transit service designations were used to distinguish between existing and planned services, as well as those that are not included in current plans, but could be implemented contingent upon certain conditions.

Through this process, the working group identified regional transit services in the West Riverside region in various stages of planning, design, and construction. Likewise, local transit routes are flexible and subject to change as often as every three to six months through the short-range transit planning process. To reflect this variability, all of the maps produced for this phase of work depicted transit service as either corridors or overlays. Areas where regional transit services such as BRT could be prioritized were shown as “Future Transit Corridors.” These priority corridors are the I-15 and I-215. Areas where investments in high-frequency, local, transit service could be prioritized to complement the regional transit network were shown as a “Transit Priority Area” overlay (see Appendix D, page 24, Figure 7).

Land Use and Transportation Planning Coordination

A key issue identified throughout this process was the gap between planning horizons for the land use and transportation plans that informed the development of the smart growth place types and the smart growth opportunity areas. Land use information such as projected growth, land use intensity, and residential and employment density was determined from both the current WRCOG growth forecast, which extends from the present to 2035, and from each jurisdiction’s current General and/or Specific Plans, whose horizon years vary. Transportation information, such as local transit routes was based on RTA’s Comprehensive Operational Analysis, whose planning period extends from the present to 2018. Information on long-term plans for future regional transit facilities was limited, and the current SCAG RTP does not identify specific transit infrastructure to be built over the longer-term horizon of the plan.
These differing horizon years prompted discussion on how best to coordinate information for the ongoing update of the growth forecast being facilitated by WRCOG and points to the importance of continuing development of a longer-term transit planning mechanism to complement the land use growth forecast. Gathering and updating this data could be a focus of the next phase of work funded by SCAG.

**Results**

This planning effort ultimately produced:

- Six smart growth place type categories applicable to the cities of Temecula, Murrieta, and Lake Elsinore, each including general land use type and intensity characteristics, housing and employment density targets, and transit service thresholds
- Identification of at least two smart growth opportunity areas per city corresponding to these place types
- A “site description” for each smart growth opportunity area describing:
  - General land use characteristics and progress toward meeting these density targets through development of plans or other local efforts
  - Description of existing, planned, and possible future transit services in the area
- A series of maps, including:
  - Subregional maps for each of the cities illustrating these areas
  - A regional scale map showing all identified West Riverside smart growth opportunity areas along with existing transportation and transit infrastructure, habitat and Regional Conservation Act areas, parks, and Native American tribal lands
  - An interregional map showing the smart growth opportunity areas and transportation/transit infrastructure in West Riverside and North San Diego Counties

In addition to these products, this effort enhanced collaboration among the existing I-15 IRP agencies and engaged new local and regional partners. The West Riverside jurisdictions and transportation agencies demonstrated commitment to the smart growth planning process and for driving the ground-up approach to developing these concepts at the local level.

**Next Steps**

During the course of planning for this effort, SCAG, as the MPO that receives subregional input from WRCOG, agreed to provide additional funding through its Compass Blueprint Demonstration Project grant program to expand work to additional geographic areas in West Riverside County (see Appendix D, page 15, Figure 3). Final boundaries will be determined by WRCOG and its partner agencies. The initial work funded by the I-15 IRP provides a basis for the expanded project, which will develop an expanded Smart Growth Opportunity Area Map and Transit Development Plan for a larger subregional study area. It is anticipated that this work could be used as a model for SCAG and its subregions to develop the SCS for the next update of the SCAG RTP, as required by SB 375 (2008). It is anticipated that WRCOG and RCTC will lead this next phase of work.
SB 375 is a California state law that requires the reduction of GHG emissions from light trucks and automobiles through land use and transportation efforts that will reduce vehicle miles traveled. The goal of the legislation is to reduce GHG emissions by improving the connection between land use and transportation planning, resulting in more walkable, compact communities served by high-quality transit, thus offering more transportation choices and reducing the need to drive. The law requires the California Air Resources Board to develop regional GHG emissions reduction targets and tasks each of California’s 18 MPOs with creating a SCS, a new element of the RTP. Each SCS is required to demonstrate an ability to attain the proposed reduction targets by 2020 and 2035. For additional detail on how the next phase of work connects to SCAG efforts related to SB 375 implementation, see Appendix D, page 12).

As a starting point, the Western Riverside Smart Growth Opportunity Area Map can initially inform updates of the SCAG RTP and other subregional plans, particularly to help prioritize transportation infrastructure investments and deployment of transit services to support smart growth development consistent with the SCAG Compass Blueprint 2 Percent Strategy and other regional goals. The RTP development process, in turn, can help to identify needed refinements to the map, creating an iterative process where transportation and land use planning adjust to each other over time. Ultimately, the map provides a means for connecting local, subregional, and regional decision-making processes, enabling policymakers and agencies to collaborate on investment decisions that will help the region to achieve land use, transportation, and quality of life goals.
PERFORMANCE MONITORING

INTRODUCTION

The Phase I I-15 IRP included a monitoring plan designed to measure progress toward achievement of key goals. The plan called for the production of a baseline monitoring report, followed by periodic updates. This chapter serves as an update between Phase II and Phase III.

The I-15 IRP performance indicators are organized into the three main strategy areas: economic development, housing, and transportation. Updated data for selected indicators are presented. As the partnership gains monitoring experience, targets will likely be established to further encourage action toward achieving partnership goals.

It is important that the data be updated regularly and be easily accessible and understandable. Recommended changes are noted in the discussion below.

The baseline results from Phase II suggested:

- The majority of cluster employment in Riverside County is concentrated in low-wage jobs
- The San Diego region continues to experience a serious housing affordability problem
- Peak-period traffic into the San Diego region from Riverside County has increased significantly over the last five years, but the growth in traffic is slowing
- Vanpool use from Riverside County into the San Diego region is increasing, but interregional transit and carpools are underutilized

INDICATORS - I-15 IRP PERFORMANCE MEASURES

This chapter provides an overview of how the San Diego-Riverside region is performing with regard to economic development, housing, and transportation. In Phase II, staff recommended that the original list of indicators identified in Phase I be streamlined to no more than three indicators per issue area. The focus is on indicators that form part of a broader, ongoing process and that are more easily associated with specific, measurable initiatives. Those for which data are not available on an annual basis have been excluded from this chapter.

Economic Development

Economic development performance is measured by the following indicators:

- High-Wage Cluster Employment in Southwest Riverside County
- Average Wage in Southwest Riverside County
As of 2005, only 25 percent (4,354 employees out of a total of 17,187 employees) of cluster employment in Southwest Riverside County is considered to be in high-wage jobs. High-wage jobs are defined as those paying over the average for all cluster employment, $33,625 annually.

The average cluster wage in Southwest Riverside County in 2005 was $35,200. This wage is slightly higher than the average cluster wage for Riverside County as a whole ($33,625).

**Transportation**

Transportation performance is measured by the following indicators:

- Average Weekday Peak-Period Traffic at the county line
- Number of Interregional Vanpools
- Daily Interregional Transit Ridership
- Peak-Period Vehicle Occupancy at the county line

**Average Weekday Peak-Period Traffic at the County Line**

Peak-period traffic into the San Diego region from Riverside County has leveled off over the last several years, as indicated in Figure 8. The actual growth in traffic on a year-to-year basis peaked in 2005 and, in 2008, actually has begun to decrease. The current volume of 17,517 is for weekday, southbound traffic during the morning peak period from 5 until 8 a.m. This could be attributed in large part to the skyrocketing gas prices that began in 2007, coupled with the economic crisis, which began in 2008. In addition, if taken together with Figure 9 indicates that some commuters may be shifting to vanpools.

![Figure 8: Peak-Period County Line Traffic](source: Caltrans)
Number of Interregional Vanpools

The number of SANDAG-sponsored vanpools operating from Riverside County to employment destinations within the San Diego region continues to increase. It rose dramatically between 2003 and 2007, increasing by 152 percent, as shown in Figure 9. While the usage of vanpools has continued to grow since then, the growth has slowed down. Vanpools increased by 11 percent between 2007 and 2009. This number of vanpools equates to approximately 1,900 individuals. Currently, the San Diego Regional Vanpool Program offers a $400, continual, monthly subsidy for qualifying vanpools. The figures presented here reflect only SANDAG-sponsored vanpools and do not include any private vanpool programs currently operating from Riverside County.

![Figure 9: Interregional Vanpools](image)

Source: SANDAG

Daily Interregional Transit Ridership

Beginning in September of 2004, RTA began operating commuter bus service from Murrieta/Temecula in Riverside County to the Oceanside Transit Center. Seven trips are operated each way in the morning and evening peak periods. In June 2006, average daily ridership was 82 passengers. Figure 10 shows that in 2008, it has climbed to 120 passengers demonstrating the popularity of this bus line for commuters.
Peak-Period Vehicle Occupancy at the County Line

Periodically, SANDAG in collaboration with Caltrans, conducts vehicle occupancy counts and records vehicle classification information at strategically identified points along the region’s roadways. Prior to 2006, the last study was conducted in 2000. However, the 2006 study was the first to record vehicle occupancy at the Riverside county line. Based on the results of this effort, it is estimated that there is an average of 1.16 persons per vehicle traveling into the San Diego region from Riverside County during the morning peak period, in contrast to 1.22 persons during the morning off-peak period.

Housing

The Housing Affordability Index published by the California Association of Realtors is a reliable indicator of housing affordability (Figure 11). The index compares local median home prices (including mortgage payments, interest rates, taxes, and insurance) with local household incomes to determine overall affordability. These figures, therefore, reflect not only the increase in home prices, but the relative flatness of household incomes.

Between 1995 and 2005, housing affordability decreased significantly in San Diego. In 2005, only 9 percent of households could afford a median-priced home, as compared to 38 percent in 1995. Affordability also decreased significantly in the Riverside/San Bernardino region (from 51 percent in 1995 to 18 percent in 2005), though home prices in that area continued to be lower than the San Diego region.

With the economic crisis and the housing bubble burst in 2007, the affordability index rose for both San Diego and Riverside. Affordability in Riverside increased much more quickly than in San Diego as the prices of housing stock plummeted. The Riverside index went from 18 percent in 2006 to 65 percent in 2009, while San Diego rose from an unsustainable 9 percent to 43 percent in the same period. The national average is 50 percent.
Future monitoring should compare home prices and commuting costs to better reflect how the cost of transportation affects the actual cost of living in Riverside while working in the San Diego region.

**Figure 11**
Riverside-San Diego Region Housing Affordability Index

Source: California Association of Realtors

**CONCLUSION AND NEXT STEPS**

The updated data in this chapter demonstrate that collaboration is crucial in the areas of economic development and housing. Continued interregional collaboration on transportation strategies, in particular, will likely yield positive results based on recent data. Further investments in interregional transit, vanpools, and the promotion of carpooling have the potential to positively impact the interregional commute.

In Phase III of the I-15 IRP, the partnership efforts continued to implement the following strategies outlined in Phase I:

- **ED1:** Facilitate greater economic development agency collaboration
- **ED2:** Improve job growth through employment cluster job production
- **T4:** Implement interregional transit services
- **T13:** Coordinate highway facility planning along the I-15 corridor
- **T14:** Expand interregional bus service to include BRT services
- **H1:** Provide a range of housing

In the future, SANDAG and Riverside planning agencies, including WRCOG, RCTC, and RTA, will continue to pursue the strategies identified in Phase I. Emphasis will be placed on the strategies pursued in Phase III, building on progress made.
Staff will continue to collect performance indicator data and present the results at future I-15 IRP Joint Policy Committee meetings. Most indicators will be monitored through each agency’s programmatic performance monitoring process.
CONCLUSION AND NEXT STEPS

CONCLUSION

Significant advances have been made during Phase III of the I-15 IRP that address issues of mutual concern between San Diego and Southwest Riverside Counties. Phase III focused on developing strategic action plans in all three areas, as well as tangible activities on the ground. The hallmark of the I-15 IRP is to address these issues in a comprehensive way and to simultaneously make progress on long-term strategies while pursuing short-term, strategic tactics.

SANDAG, WRCOG, RCTC, and RTA have made institutional commitments to maintain an interregional planning structure to pursue collaborative goals through various mechanisms.

First, all partner agencies have incorporated the interregional partnership into their OWPs to ensure that resources, however limited, are dedicated to the continuation of the partnership. The elected officials from both regions agree that the Joint Policy Committee should remain in place and convene at least twice a year to receive reports on advances made on the IRP strategies. This will ensure that progress is made within existing programs and projects, as well as provide the policy structure should specific initiatives receive funding.

Second, agency staff will continue to coordinate efforts in existing programs that are relevant to the objectives of the I-15 IRP program. It will be important to continue to meet periodically at a staff level to clarify areas in which SANDAG and agencies in Southwest Riverside can collaborate on mutually beneficial programs already underway.

Third, SANDAG and WRCOG will continue to pursue additional funding through grant applications to support various aspects of the I-15 IRP, including developing an interregional transit service plan, economic development coordination, and promotion of smart growth and workforce housing initiatives.

Finally, SANDAG is committed to providing ongoing performance monitoring through its existing program with data that has been identified relevant to IRP strategies. Staff will report to the I-15 IRP Joint Policy Committee periodically on the status of those indicators.

NEXT STEPS

Through the established I-15 IRP policy and technical structure, the interregional partnership will continue to pursue strategies in economic development, transportation, and housing. Table 5 summarizes the next steps for consideration by the I-15 IRP Joint Policy Committee at its March 9, 2010, meeting.
### Table 5
Possible Next Steps*

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall Coordination</strong></td>
<td></td>
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</tbody>
</table>
| Maintain an interregional planning structure to pursue collaborative goals | ▶ SANDAG and WRCOG will convene the I-15 IRP Joint Policy Committee at least once per year to review collaborative work efforts within existing programs and receive updates on performance monitoring  
▶ SANDAG and WRCOG will convene executive staff from I-15 IRP agencies twice a year, or as needed, to review coordination efforts in all three strategic areas  
▶ SANDAG will continue to monitor selected performance measures as identified in Phase I through its regular performance monitoring process, bringing updates to the Joint Policy Committee once a year or as requested (see note below)  
▶ WRCOG will continue to seek additional funding |
| Economic Development | |
| Facilitate greater collaboration between regional economic development entities | ▶ WRCOG and SANDAG will support cooperative economic development initiatives between Riverside and San Diego regions, such as the creation of an economic development district which covers Southwest Riverside and North San Diego Counties  
▶ WRCOG/SANDAG will identify potential funding opportunities for updating the Employment Cluster Study in light of changes to the local economies and monitor the development of existing and new industry clusters in both regions that can strengthen the bioregional economy |
| Transportation | |
| Interregional coordination of vanpool and carpool programs | ▶ SANDAG and RCTC will convene transportation staff from participating agencies, as needed, to review ongoing, coordinated efforts and refine actions, including the identification and pursuit of funding opportunities for interregional transit, vanpool, and buspool services  
▶ Agencies will continue to plan, lease, and/or build park-and-ride lots, as needed |
| Collaborate among transit providers | ▶ Partner agencies (SANDAG, MTS, NCTD, RCTC, and RTA) will continue to coordinate transit service on the I-15 corridor |
| Support high-speed rail transit service in the I-15 corridor | ▶ SANDAG/RCTC will continue to coordinate and monitor rail planning efforts in the I-15 corridor, including preservation of Right-of-Way |
| Preserve transportation Rights-of-Way and implement priority measures through the Caltrans development process | ▶ Partner agencies (Caltrans, RCTC, RTA, and SANDAG) will work to implement the recommendations of the SIP |
| Implement the I-15 HOV/Managed Lanes System | ▶ SANDAG and RCTC will incorporate interregional transportation projects into their respective RTPs, as deemed appropriate  
▶ SANDAG/RCTC will continue to implement the HOV/Managed Lanes Systems with the goal of closing the gap at the county line |
| Housing | |
| Provide incentives for the construction of moderate-cost family housing near employment centers | ▶ SANDAG will collaborate with local jurisdictions on the implementation of pilot workforce housing project(s) in North San Diego County, sharing the information with other cities and regions  
▶ WRCOG/RTA/SANDAG will continue to collaborate on smart growth development near transit applicable to both regions |

*following acceptance of Phase III report by SANDAG, and WRCOG, RCTC, and RTA  
Note: WRCOG and SANDAG will continue to pursue additional funding to support I-15 IRP activities.
Economic Development

WRCOG will take the lead in facilitating a greater collaboration between regional economic development entities. First, WRCOG and SANDAG will continue to support an open dialogue between Riverside and San Diego entities to investigate collaborative regional economic development strategies. Second, WRCOG and SANDAG will pursue funding opportunities for updating the Employment Cluster Study in light of changes to the local economies and monitor the development of existing and new industry clusters in both regions that can strengthen the biregional economy.

Transportation

SANDAG and RCTC will coordinate ongoing efforts and refine actions in the areas of transit, rail, and infrastructure improvements. First, the transit operators will continue to coordinate transit service on the I-15 corridor, refining the I-15 BRT program for inclusion in SANDAG’s 2050 RTP. Second, the two agencies will continue to coordinate and monitor rail planning efforts in the I-15 corridor. Third, the two agencies, in collaboration with Caltrans, will work to preserve transportation Rights-of-Way and implement priority measures through the Caltrans development process. The two agencies will pursue the recommended actions outlined in the SIP, further developing selected short- and long-term transportation projects on an interregional basis. SANDAG and RCTC will incorporate interregional transportation projects into their respective RTPs, as deemed appropriate. Finally, the two agencies will continue to implement the HOV/Managed Lanes System with the goal of closing the gap at the county line.

Housing

In the area of housing strategies, SANDAG will continue to explore ways to create moderate-cost family housing near employment centers. First, SANDAG will collaborate with local jurisdictions on the implementation of workforce housing project(s) in northern San Diego County. Second, SANDAG will share the information developed through the Workforce Housing Project with local jurisdictions to encourage the development of workforce housing along the SPRINTER line and in other smart growth areas throughout the region. WRCOG, RTA, and SANDAG will continue to collaborate on smart growth development near transit applicable to both regions. SANDAG and WRCOG will continue to develop linkages between the two regions for smart growth development.

The initial motivation for the development of an interregional partnership between San Diego and Southwest Riverside was to address the congestion on the I-15 caused by commuters from Southwest Riverside going to jobs in San Diego. Today, the I-15 IRP is a forum for coordinated interregional planning in which the two regions collaborate on major projects affecting both in an effort to find more sustainable solutions to housing, transportation, and economic development that will benefit the quality of life in both Riverside and San Diego in what can be considered a broader region.
Conclusion and Next Steps

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ATTACHMENTS

1. 2008 Park-and-Ride Inventory for San Diego County
2. 2009 Park-and-Ride Inventory for Southwest Riverside County
3. Cost Effectiveness Index - Multimodal Alternatives for the I-15 Corridor Table
4. Workforce Housing Candidate Sites Map
5. Workforce Housing Implementation Strategy Table
6. I-15 IRP Phase III Smart Growth and Transportation Priority Area Map
7. I-15 IRP Economic Development Working Group Membership
8. I-15 IRP Western Riverside Smart Growth Map Working Group Membership
2008 PARK AND RIDE INVENTORY
FOR SAN DIEGO COUNTY
Attachment 2

2009 PARK AND RIDE INVENTORY
FOR SOUTHWEST RIVERSIDE COUNTY
## COST EFFECTIVENESS INDEX - MULTIMODAL ALTERNATIVES FOR THE I-15 CORRIDOR

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<tr>
<th>Alternative</th>
<th>Highway Projects</th>
<th>Transit Projects</th>
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<tbody>
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<td>$228 111,500</td>
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<td>I-15 Widening and HOV/HOT Lanes to Centre City Parkway (San Diego)</td>
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<td>$1.05</td>
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<tr>
<td>Express Bus</td>
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### Notes:
1. Costs are in millions of $, usage represents average daily traffic using the new facilities during the initial start up, NA = not applicable
2. Costs are in millions of $, usage represents average daily transit riders using the new facilities during the initial start up, NA = not applicable
### TABLE 1

**IMPLEMENTATION STRATEGY - POTENTIAL FUNDING MECHANISMS**

**I-15 INTERREGIONAL PARTNERSHIP WORKFORCE HOUSING PROJECT**

**SAN DIEGO ASSOCIATION OF GOVERNMENTS**

<table>
<thead>
<tr>
<th>A. Funding Mechanism</th>
<th>Redevelopment Tax Increment</th>
<th>Density Bonus Law</th>
<th>Down Payment Assistance Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B. Description</strong></td>
<td>• The housing set-aside portion is designated for development of affordable housing&lt;br&gt;• The non-housing portion of tax increment revenues generated in the Project Area can be used to fund infrastructure improvements</td>
<td>• A voluntary inclusionary housing ordinance providing incentives to developers providing affordable housing in their projects&lt;br&gt;• State legislation requires cities and counties to grant both density bonuses and concessions</td>
<td>• Cities or housing authorities provide down payment assistance to low- and moderate-income homebuyers</td>
</tr>
<tr>
<td><strong>C. Eligible Uses</strong></td>
<td>• Public improvements such as infrastructure and parking&lt;br&gt;• Land assembly and disposition&lt;br&gt;• Direct property acquisition and land cost write-down&lt;br&gt;• Payment of permits and fees&lt;br&gt;• Affordable housing</td>
<td>• Affordable housing projects that include at least 6 units or unimproved lots and remain affordable for a specified period of time&lt;br&gt;• Senior housing developments with at least 35 units (units do not need to be affordable)&lt;br&gt;• Land donations if the parcel is large enough to accommodate at least 10% of the market-rate units at densities suitable for very low income housing</td>
<td>• Vista Home Ownership Program:&lt;br&gt;  - Lender must be from approved list of Vera Home Approved Lender List&lt;br&gt;  - First-time homebuyers who have not owned property within past 3 years&lt;br&gt;  - Homebuyer must contribute a minimum of $3,000 towards purchase price&lt;br&gt;  - Homebuyer’s household assets should not exceed $100,000 prior to purchase and cannot exceed $10,000 at close of escrow</td>
</tr>
<tr>
<td><strong>D. Funding Parameters</strong></td>
<td>• Redevelopment agencies invest funds directly to provide subsidies to developers; and/or provide assistance to homebuyers</td>
<td>• Density bonuses differ based on the type of development and affordability levels but generally range between 15% and 35%&lt;br&gt;• Concessions and incentives may include:&lt;br&gt;  - Reduction in site development standards and modifications of zoning and architectural design&lt;br&gt;  - Waivers and modifications of development standards&lt;br&gt;  - Reduction in parking standards</td>
<td>• Down payment and/or non-recurring closing costs up to $40,000 for mobile homes and $60,000 for single-family/condominium/townhomes&lt;br&gt;• No monthly payments; loan is repaid upon sale, transfer, refinancing, or if the homebuyer no longer resides in the home</td>
</tr>
<tr>
<td><strong>E. Magnitude of Funding</strong></td>
<td>Potentially large</td>
<td>Varies, based on base density limits in zoning code</td>
<td>Large, up to $60,000 per unit</td>
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<tr>
<td><strong>F. Potential Uses</strong></td>
<td>• Land write-downs&lt;br&gt;• Off-site infrastructure</td>
<td>• Allows developers to achieve additional market-rate units with no increase in land costs</td>
<td>• Direct assistance to homebuyers</td>
</tr>
</tbody>
</table>

Prepared by: Kayser Montan Associates, Inc.
Filename: SANDAG/Implementation_009-010-010.pdf
<table>
<thead>
<tr>
<th>I. LOCALLY CONTROLLED INCENTIVES (CONT'D)</th>
<th>Reduction/Deferral of Permits/Fees</th>
<th>Reduction in Development and Parking Standards</th>
<th>TransNet Smart Growth Incentive Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Funding Mechanism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Description</td>
<td>• Reduction or deferral of select permits and fees that results in upfront development cost reductions</td>
<td>• Reduction in site development standards or modification of zoning code requirements or design requirements such as a reduction in setback and square footage requirements and in the required parking ratio</td>
<td>• Provides grants to transportation-related infrastructure improvements and planning efforts that support smart growth development</td>
</tr>
<tr>
<td></td>
<td>Projects funded under this program should support mixed-use development in proximity to transit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Eligible Uses</td>
<td>• Permit and fee changes payable to city</td>
<td>• Modifications to design standards and/or parking requirements</td>
<td>• Planning activities such as:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Modified comparability for affordable units, i.e., reduced unit size, interior features, and/or parking ratio</td>
<td>- Specific area or community plans</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Amendments to general plans or specific plans</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Traffic calming or mobility plans</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Feasibility studies for future capital improvements</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Parking management plans/distincts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Form-based codes or design guidelines</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Capital projects such as pedestrian improvements, bicycle and transit facilities, and other smart growth-supporting infrastructure</td>
</tr>
<tr>
<td>D. Funding Parameters</td>
<td>• Varies by city: some cities are deferring fees until Certificate of Occupancy due to current economic climate</td>
<td>• Cost savings to developer</td>
<td>• Grants are awarded on a competitive basis</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• For fiscal year 2009-2010, approximately $9.7 million is available as follows:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Planning projects: 20% of funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Capital projects: 50% of funds</td>
</tr>
<tr>
<td>E. Magnitude of Funding</td>
<td>Small, typically limited to interest savings during construction</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>F. Potential Uses</td>
<td>• Reduces development costs</td>
<td>• Reduces development costs</td>
<td>• Off-site infrastructure</td>
</tr>
</tbody>
</table>

Prepared by: Keyser Marsten Associates, Inc.
Filename: SANDO/Implementation Strategy-03052010; ema
## TABLE 1 (CONT'D.)

**IMPLEMENTATION STRATEGY - POTENTIAL FUNDING MECHANISMS**

**I-15 INTERREGIONAL PARTNERSHIP WORKFORCE HOUSING PROJECT**

**SAN DIEGO ASSOCIATION OF GOVERNMENTS**

### II. LOCALLY CONTROLLED MANDATES

<table>
<thead>
<tr>
<th>A. Funding Mechanism</th>
<th>Inclusionary Housing Program</th>
<th>Development Impact Fees</th>
</tr>
</thead>
</table>
| B. Description       | • Mandatory requirement to reserve a certain percentage of housing units for very-low, low, and/or moderate income households in new residential developments  
                         • The affordable units may be required to be dispersed throughout the development in an effort to include a mix of income levels  
                        | • Fees paid by developers to pay all or a portion of the costs of any public facility that benefits their development |
| C. Eligible Uses     | • City of Vista Inclusionary Housing Program requires apartment or condominium developments to reserve 6% of units for low-income households  
                        | • Capital facilities or ongoing services, such as:  
                          - school impact fee  
                          - mitigation fee (police, fire, park, etc.)  
                          - water meter installation  
                          - sanitation capacity charge  
                          - water system facility/backup facility charge |
| D. Funding Parameters| • Imposes exaction on developer  
                         | • Fees are paid in the form of a specified amount as a condition to the issuance of building permits, an occupancy permit, or subdivision map approval |
| E. Magnitude of Funding | No contribution from public agency, cost of exaction should impact land value  
                          | No contribution from public agency, cost of exaction should impact land value |
| F. Potential Uses    | N/A                          | Off-site infrastructure |

Prepared by: Keyser Marsten Associates, Inc.
Filename: SANDO/Implementation Strategy/05/26/2010; ema
TABLE 1 (CONTD.)
IMPLEMENTATION STRATEGY - POTENTIAL FUNDING MECHANISMS
I-15 INTERREGIONAL PARTNERSHIP WORKFORCE HOUSING PROJECT
SAN DIEGO ASSOCIATION OF GOVERNMENTS

<table>
<thead>
<tr>
<th>III. STATE / FEDERAL INCENTIVES</th>
<th>Building Equity and Growth in Neighborhoods (BEGIN)</th>
<th>Community Development Block Grants / Section 108 Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Funding Mechanism</strong></td>
<td>Workforce Initiative Subsidy for Homeownership (WISH)</td>
<td>CalHome</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>State program providing grants to local public agencies and non-profit developers to assist individual households through deferred payment loans</td>
<td>State program providing down payment assistance loans to qualifying first-time low- and moderate-income homebuyers</td>
</tr>
<tr>
<td></td>
<td>- State program designed to help people living in high cost areas to purchase homes near their place of work</td>
<td>- Annual grants for use towards economic development, public facilities, and housing rehabilitation</td>
</tr>
<tr>
<td></td>
<td>- Homebuyer must contribute at least 1% of the purchase price</td>
<td>- Section 108 loans provide front-end financing for large-scale community and economic development projects that cannot be financed from annual grants</td>
</tr>
<tr>
<td></td>
<td>- Homebuyer must meet stability and capacity requirements</td>
<td>- Homebuyers must be very low or low income</td>
</tr>
<tr>
<td></td>
<td>- Homebuyer must complete approved homebuyer education course</td>
<td>- Acquisition and disposition of property</td>
</tr>
<tr>
<td></td>
<td>- Homebuyer must be member of Federal Home Loan Bank (FHLB)</td>
<td>- Clearance and demolition</td>
</tr>
<tr>
<td></td>
<td>- Must be a first-time homebuyer</td>
<td>- Public facilities and site work</td>
</tr>
<tr>
<td></td>
<td>- Homebuyers must be very low or low income</td>
<td>- Funds must be targeted to specific areas benefiting low- and moderate-income persons or to eliminate blight</td>
</tr>
<tr>
<td><strong>D. Funding Parameters</strong></td>
<td>Lower of $15,000 per unit or 20% of purchase price</td>
<td>Lower of $30,000 per unit</td>
</tr>
<tr>
<td></td>
<td>Match up to $5 for each $1 contributed by the homebuyer</td>
<td>20% of purchase price</td>
</tr>
<tr>
<td><strong>E. Magnitude of Funding</strong></td>
<td>Small</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>F. Potential Uses</strong></td>
<td>Direct assistance to homebuyers</td>
<td>Direct assistance to homebuyers</td>
</tr>
<tr>
<td></td>
<td>- Off-site infrastructure</td>
<td></td>
</tr>
</tbody>
</table>

Prepared by: Keyser Marion Associates, Inc.
Filename: SANGAC/Implementation Strategy 02062010; ema
<table>
<thead>
<tr>
<th></th>
<th>Land or Financial Contribution from Large Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B. Description</strong></td>
<td>• Dedication of land or financial contribution from large employer or institution</td>
</tr>
</tbody>
</table>
| **C. Eligible Uses** | • Development site  
• Construction subsidies  
• Construction financing  
• Direct assistance to homebuyers |
| **D. Funding Parameters** | • Varies; example includes Paradise Walk development by The Olson Company in conjunction with Paradise Valley Hospital |
| **E. Magnitude of Funding** | • Varies; more prevalent in extremely high-cost regions with large employers such as corporations and school districts |
| **F. Potential Uses** | • Land donation  
• Homebuyer assistance |

Prepared by: Keyser Marsten Associates, Inc.  
Filename: SANDAG/Implementation Strategy-05/05/2010; ema
I-15 IRP Economic Development Working Group

Membership

The primary goal of the I-15 Interregional Partnership (IRP) Economic Development Working Group is to bring together regional economic development agencies, chambers, and other stakeholders to develop a joint strategic action plan for selected employment cluster industries in San Diego and Riverside to strengthen interregional connections and be more competitive on a global scale.

Staff contacts: Jane Clough-Riquelme, SANDAG (619) 699-1909; jcl@sandag.org
Kevin Viera, WRCOG (951) 955-8305; viera@wrcog.cog.ca.us

Riverside Members

Aaron Adams
City of Temecula

Kimberly Adams
Temecula CVB

Cathy Barrozo
City of Lake Elsinore

Rikki Bauer
MET/BET

Anthony Capone
Nimbus Water Systems

Ken Carlisle
Abbott

Justin Carlson
City of Lake Elsinore

Bruce Coleman
City of Murrieta

Kim Joseph Cousins
Lake Elsinore School Board

Jamil Dada
Riverside County WIB

Christine Damko
City of Temecula

Richard E. Dozier
County of Riverside

James Duggan
The Truax Group

Peggy Evans
Temecula Winegrowers Association

Imran Farooq
Green Valley Initiative

Kevin Fleming
Inland Empire, Centers of Excellence

Felicia Flournoy
Riverside County EDA

Scott Garrett
The Garrett Group

Dr. Tim Gerrity
ACT - Alliance for Commercialization of Technology

Les Hamasaki
Green Valley Initiative

Jesse Hodges
Anthony Realty Group

Carol Leighty
Temecula Valley Unified School District

Suzanne Lingold
CSUSM, Temecula

Laurie McLaughlin
Mt. San Jacinto College

Maria Muldrow
Riverside EDA
Sarah Munday  
Riverside County EDA

Morris Myers  
EDC Southwest California

Rex Oliver  
Murrieta Chamber of Commerce

Pat Ramos  
Riverside County WIB

Sherri Sawyer  
Mt San Jacinto College

Dr. Stan Scheer  
Murrieta Unified School District

Connie Speck  
Abbott

Alice Sullivan  
Temecula Valley Chamber

Harry Truax  
The Truax Group

Kevin Viera  
WRCOG

Juergen Woehl  
International Rectifier

Gloria Wolnick  
City of Temecula

Linda Wunderlich  
The Valley Business Journal

Valerie Church  
SRS Engineering Corporation

Adam Englund  
Euphlotea.org

Chuck Flachs  
San Diego Workforce Partnership

Steve Fulgham  
Ambassador Energy, Inc.

Joe Gabaldon  
Cox - External Affairs

Debra Gernes  
Southwest Health Care System

Phil Jordan  
San Diego, Center of Excellence

Stephanie Jungeresen  
San Diego North EDC

Gary Knight  
San Diego North EDC

Christina Luhn  
San Diego REDC

Tom MacCalla  
National University

Cami Mattson  
San Diego North Convention & Visitors Bureau

Gary Moss  
San Diego Workforce Partnership

Paul O'Neal  
Vista Chamber, North County

Doug Poffinbarger  
PE Consulting

Cathy Scavone  
CSUSM

Kelly Smith  
Ambassador Energy, Inc.

Linda Strand  
Independent Energy Solutions

SAN DIEGO MEMBERS

Carolyn Akire  
SANDAG

Jacque Caesar  
National University

Eric Cantrell  
Priority Solar

Don Christiansen  
Borrego Solar
Jori Tulkki
Gen-Probe

Julie Wright
Wright Communications

AGENCY EXECUTIVES

SANDAG	Gary L. Gallegos
WRCOG	Rick Bishop
RCTC	Anne Mayer

AGENCY STAFF

WRCOG	Kevin Viera
SANDAG	Carolyn Alkire
Monika Clark
Marney Cox

As of April 12, 2010
ATTACHMENT 8

I-15 IRP WESTERN RIVERSIDE SMART GROWTH MAP WORKING GROUP

MEMBERSHIP

The purpose of the Western Riverside Smart Growth Map Working Group is to provide input and direction on the development of a working methodology for the creation of a Smart Growth Opportunities Area Map for Southwest Riverside. SANDAG staff provided technical support in the development of the map. The membership included various cities in Southwest Riverside, including Lake Elsinore, Murrieta, and Temecula, as well as the Riverside and San Diego Counties.

MEMBERS

City of Lake Elsinore

Justin Carlson
Associate Planner

Matt Harris
Senior Planner

Tom Weiner
Acting Director of Community Development

City of Murrieta

Cynthia Kinser
Deputy Director of Planning

Mary Lanier
Director of Planning

Greg Smith
Associate Planner

Susan Vombaur
Traffic Engineer

City of Temecula

Katie Innes
Assistant Planner

Bob Johnson
Assistant City Manager

Patrick Richardson
City Planner

Dale West
Associate Planner

Dan York
City Engineer

San Diego Association of Governments (SANDAG)

Carolina Gregor
SANDAG Senior Regional Planner

Midori Wong
SANDAG Assistant Regional Planner

Western Riverside Council of Government (WRCOG)

Punarvasu Pillalamarri
Councilmember, City of Temecula
WRCOG Staff Analyst II

Kevin Viera
WRCOG Program Manager

Riverside County Transportation Commission (RCTC)

Claudia Chase
Property Administrator (ret.)

Tanya Love
Goods Movement Manager

Robert Yates
Multimodal Services Director

Riverside Transit Agency (RTA)

Lorelle Moe-Luna
RTA Senior Planner

Mark Stanley
RTA Director of Planning

AGENCY EXECUTIVES

SANDAG        Gary L. Gallegos
WRCOG         Rick Bishop
RCTC          Anne Mayer
RTA           Larry Rubio

As of April 12, 2010
Introduction

In October 2008 the South County Economic Development Council (South County EDC) received a grant to create a CEDS, which is required to qualify for Economic Development Administration (EDA) assistance for public works and planning efforts, and a prerequisite for being designated by EDA as an economic development district. This report was recently completed and a presentation will be given summarizing its findings. On December 8, 2009, the County of San Diego Board of Supervisors accepted the CEDS. The Executive Summary of the CEDS report is attached.

CHARLES “MUGGS” STOLL
Director for Land Use and Transportation Planning

Attachment: 1. Executive Summary of the CEDS

Key Staff Contact: Ron Saenz, (619) 699-1922, rsa@sandag.org
October 19, 2009

South and East San Diego County / Imperial County

2009 Comprehensive Economic Development Strategy
Executive Summary

In this age of globalization and rapid change, economic development issues become magnified. Regions must contend with the lack of and/or aging infrastructure, the need to serve the existing business base and attract new business, the necessity to upgrade and expand workforce skills, overcome environmental concerns, inadequate budgets, and diminishing fiscal resources.

Recognizing the importance of addressing these issues, representatives from the South and East San Diego County and Imperial County joined together to create a Comprehensive Economic Development Strategy (CEDS). The CEDS is designed to bring together the public and private sectors in order to create strategies that maximize the synergy and opportunities of the CEDS Study Area. This report identifies the demographic and economic challenges facing the area and provides a strategy to meet these challenges and improve the competitiveness of the area.

The CEDS Study Area consists of the southern and eastern portions of San Diego County and all of Imperial County. Its 2008 population is estimated at approximately 1,632,500. Of this total, 175,620 persons reside in Imperial County and 1,456,880 (representing almost half of the entire San Diego region) reside in the South and East San Diego areas. The population of the CEDS Study Area is slightly younger compared to California’s and has a higher percentage of Hispanic residents. Approximately 43 percent of the population is of Hispanic origin compared to 36 percent for California.

The study revealed important challenges faced by the area. The number of families in the CEDS Study Area that live below the poverty level is about 13% which is higher than the State at 11% and the nation which is 9%.

The median household income is $50,571, which is lower than the statewide level of $59,163 and about the same as the national level of $50,170.

In addition, adults in the CEDS Study Area are not as well educated as the average adult in California, particularly in terms of higher education. Approximately 21 percent of the adult population has completed a four-year degree or higher, compared to 30 percent statewide.

The study area also has unemployment rates that are considered to be relatively high. Historically, Imperial County has had a significantly higher unemployment rate than California and San Diego County. In fact, its annual average unemployment rate has been the highest out of all 58 counties for many years. While the unemployment rate in San Diego County is typically ranked among the lowest in California, pockets of high unemployment still exist and are primarily located in the CEDS Study Area.

There are a host of common issues that South and East San Diego County and Imperial County contend with that make the area a distinct region. The CEDS Study area has a complementary employment base. Imperial County is a premier agricultural center, South San Diego County is strong in manufacturing, and East San Diego County is concentrated in defense-related industries. The area’s workforce has similar and complementary skill sets that support these industries and workers travel daily between the counties and across the international border. The region also shares many infrastructure challenges such as lack of or aging infrastructure, and environmental concerns regarding air and water quality, sewage etc.
This area’s proximity to the US-Mexico border adds a unique aspect to the area’s economy that brings with it unique economic development challenges and opportunities. Borders and boundaries become blurred when considering the transportation network, workforce, business markets, social issues, and the environment overlay.

- Six border crossings link the South and East San Diego County and Imperial County region with Mexico. The efficient movement of goods and people safely through these ports of entry are critical to the region’s economy and provide a competitive advantage.

- Border wait times for commercial traffic at the California-Mexico border are considerably longer than at the Texas-Mexico border or any of the US-Canada border crossings. Delays are responsible for significant economic losses on both sides of the border and are felt at the national, state, and local level due to product and material delivery delays, increased transportation costs, plus interrupted and extended manufacturing cycles.

- According to two different studies, if delays at the ports of entry continue and action is not taken to improve border crossing efficiencies, including transportation infrastructure, delays will continue to grow and losses to the regional and national economies will more than double by 2016. ¹

- Besides commercial traffic, the ability for people (workers, shoppers, and tourists) to be able to move safely and efficiently across borders is important to the success of all facets of the region’s economy including manufacturing, agriculture, retail, recreation, and tourism.

- Access to safe and clean air, water, and soil, as well as the production and distribution of energy are also important issues that transcend borders and must be addressed on a regional and bi-national level.

Recognizing that the pace of change continues to accelerate and that individual communities cannot tackle these complex matters alone, representatives from the study area joined together to create a CEDS. This CEDS is a collaborative effort between South County Economic Development Council (SCEDC), East County Economic Development Council (ECEDC) and the counties of Imperial and San Diego, with support of other agencies such as Imperial Valley Economic Development Corporation (IVEDC) and other partnering organizations, volunteers, and local jurisdictions to identify regional assets, economic opportunities, challenges, and possible solutions. The CEDS is designed to set in motion a plan for economic prosperity.

¹ Sources: Economic Impacts of Wait Times at the San Diego-Baja California Border (January 19, 2006); San Diego Association of Governments California Department of Transportation, District 11. And Imperial Valley-Mexicali Economic Delay Study (November 19, 2007); Imperial Valley Association of Governments California Department of Transportation, District 11.
In past years, these and many other organizations and individuals have been working effectively to help maintain and improve the economy and quality of life in the region. The objective of this CEDS is not to replace any of the work or plans that are already underway, but to help support and add to the efforts with new opportunities that strong collaboration can make possible.

This CEDS includes an Action Plan with specific initiatives designed to mitigate weaknesses and utilize the region’s strengths to address economic challenges and sustain a strong economy. It will be used as a guide toward ongoing efforts to fund economic development and infrastructure projects, implement action items, and monitor success.

The overall purpose of this CEDS is to bring together the public and private sectors, nonprofits and individuals to create strategies that maximize the synergy and opportunities of the CEDS Study Area including its proximity to the international border. To accomplish this, goals and initiatives are centered around:

- **Collaboration and Leadership** — (establishing an economic development district to support and/or assist in identifying and securing funding to move priority projects forward) and communicating the CEDS vision and goals; building a well-informed regional leadership base and build on the commonalities between South and East San Diego County and Imperial Valley.

- **Business Development and Entrepreneurship** — capturing opportunities in the CEDS Study Area for: supporting and advancing entrepreneurship, home-based businesses, tourism opportunities; expanding existing and developing new and emerging industries that will offer long-term employment, jobs with career ladders and good wages. Some examples are medical device and other advanced manufacturing products, renewable energies, agri-business, and creative industries.

- **Workforce Development and Education** — strengthening communication and support between educational institutions and businesses; preparing workers for today’s and tomorrow’s jobs, providing opportunities for youth to gain work skills and experience and improving the population’s educational attainment.

- **Infrastructure Development** — working to ensure local, state and federal political representatives understand the importance of improving the border region/CEDS study area infrastructure; supporting infrastructure improvements within the region that will facilitate commerce, ensure efficient and secure movement of goods and people, and reduce wait times.

- **Quality of Life** — expanding art, cultural, recreational, and entertainment opportunities; supporting retail and downtown development and renovation; ensuring there is sufficient and diverse housing choices; ensuring the educational, safety, and health needs of a diverse population are met; and provide for sustained communities.
Introduction

At the July 24, 2009, joint meeting of the Borders Committee, the Committee on Binational Regional Opportunities (COBRO), and the City of Tijuana, Mayor Jorge Ramos (City of Tijuana) raised the issue of future water supply to his city and the possibility of a binational desalination plant that could supply water to the border region, to meet future demand and alleviate challenges of importing water from the Colorado River. The objective of the two presentations included in this agenda item is to provide general perspectives on this issue.

Discussion

The presentation of Perspectives on Water Usage Associated with Climate Change in Baja California will provide a review of water sources, main users, and population trends in Baja California, as well as possible options for reducing water use and increasing water supply in Baja California.

The Overview of San Diego County Water (SDCWA) Crossborder Activities will focus on the activities the SDCWA has undertaken in regards to Colorado River water management and the binational relationship between the United States and Mexico regarding Colorado River water supply.

Attachment 1 provides a summary of these presentations.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Attachment: 1. Summaries from water presentations made previously to COBRO on May 5, and November 3, 2009

Key Staff Contact: Hector Vanegas, (619) 699-1972, hva@sandag.org
PERSPECTIVES ON WATER SUPPLY IN THE BINATIONAL BORDER REGION

The following are summaries from presentations made previously to the Committee on Binational Regional Opportunities (COBRO) on May 5, and November 3, 2009.

November 3, 2009
Alberto Pombo, El Colegio de la Frontera Norte (COLEF)
PERSPECTIVES ON WATER USAGE ASSOCIATED WITH CLIMATE CHANGE IN BAJA CALIFORNIA:

Baja California has three main users of water: agriculture, urban populations, and industry. In Baja California, urban users have preference for water use, although these are not the main users in terms of water volume. The main cities in Baja California are Tijuana, Mexicali, Tecate, and Ensenada. Their rate of growth has fluctuated: in the 1970s Mexicali was the fastest growing city, while now the fastest growth occurs in the coastal areas (mainly Tijuana). Tecate, Tijuana, and Rosarito are now the fastest growing cities in the region, at 2.7 percent annual population growth. This trend means that the population of Baja California would approach 5 to 5.5 million people by 2030, nearly double the population today.

In Baja California, per capita water usage, on average, is about 200 liters per day. This is significantly lower than per capita water usage in San Diego, which is around four times higher per person. Therefore, there is very little opportunity to improve water levels by creating a program of reduction of use.

One possible option for reducing water use is by enhancing water infrastructure to reduce waste. About 25 percent of water in Baja California is lost through runoff; highly efficient cities have around 6 percent of water loss due to runoff.

The primary water sources in Baja California are the Colorado River (65%) and regional aquifers (35%). As of today, Baja California's water demand is below the supply; however, by around 2015, the demand is estimated to outpace supply. With or without climate change, groundwater is estimated to be the first source of water to collapse with this growth in demand from an increasing population. Today, most of the groundwater aquifers are over exploited in Baja California. With the combination of a growing population and climate change, this source of water will only continue to diminish. Surface water in Baja California makes up 65 percent of water sources, with the Colorado River supplying the large majority of this water. However, since the Colorado River originates in the United States, this source of water is estimated to be reduced in the future. Therefore, it is important for Baja California to implement this reduction of surface water in their future allocation planning.

The largest user of water in Baja California is agriculture at 87 percent. The biggest concern of the water usage for agriculture is that only 60 percent of water delivery to agriculture reaches its intended destination. This is potentially the most important area where water usage efficiency planning can be applied: while enhancing water efficiency infrastructure in cities can help, it is very expensive. On the contrary, since agriculture is such a large user of water, improving water delivery to agricultural lands presents a very possible option for decreasing water waste.
Another option for increasing water in Baja California is desalination. This is already underway in Cabo San Lucas in Baja California Sur. Another option is wastewater recycling: purifying sewage can be a major source of replenishing local aquifers.

May 5, 2009
Halla Razak, San Diego County Water Authority (SDCWA)
OVERVIEW OF SAN DIEGO COUNTY WATER AUTHORITY CROSSBORDER ACTIVITIES:

In the San Diego region, less than 10 percent of the water comes from local water sources, while the other 90 percent comes from the Colorado River and the Sacramento River Delta.

On the U.S. side, there are seven states that use the Colorado River’s water, and in 1922 an Accord was passed to apportion water to each American state, with California getting 4.4 million acre-feet. In 1944, the U.S. and Mexico, through the International Boundary and Water Commission (IBWC), agreed on how much water each country gets from the shared sources. With this accord, Mexico was given 1.5 million acre-feet of Colorado River water annually, unless “extraordinary circumstances” occurred. The vagueness of the term “extraordinary circumstances” has led to problems clarifying what this entails, especially since less water flows from the river now, and U.S. demand has increased greatly from booming populations since 1944, in California specifically.

Currently, projects such as the All-American Canal Lining have been implemented to reduce water loss. This project aims to eliminate the seepage from the Canal to increase water delivery efficiency to San Diego. However, the lining of the All-American Canal reduces a vast amount of seepage water that reaches Mexico which damages wetlands and hurts its agricultural industry. Another project is the reinitiation of the Yuma desalination plant that was built over twenty years ago, but was abandoned because of improper functionality. However, the U.S. is now looking into resuming operations at the plant which would affect the Mexican Ciénega de Santa Clara Wetlands.

With the current drought and the effect of climate change on reducing Colorado River water flow, the U.S. is working with Mexico on water management between the countries and what could be done to more fairly distribute this resource. An example of one of the binational projects includes utilizing the All-American Canal as a means to transport water to Mexico from the U.S. Other examples are the Otay Emergency Connection, the possibility of desalination plants in Baja California near Playas de Rosarito, the New River (Río Nuevo) water reuse, and using U.S. reservoirs to store water to eventually transmit to Mexico. In addition, there are many opportunities for innovative international efforts between the two countries to share water and more efficiently put it to use.

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1 One acre foot is enough water for two families per year
Overview – Phase III

• Time Frame – Feb. 2008 – Feb. 2010
• Several grants from Caltrans through District 8 – Riverside
• Lead Agency: WRCOG
• Partners: SANDAG, RCTC, RTA
• Organization
• Web site

Overview – Focus Areas

• Economic Development
• Transportation
• Housing
  – Smart Growth Concept Map
  – Workforce Housing
Economic Development

- Objective – Interregional Economic Development Action Plan
- Activities:
  - Interregional Working Group
  - Select key cluster industries
  - Workshops
  - Business to business Web portal

Transportation

Objective: Strategic Implementation Plan

- Project Study Reports (PSRs) in study corridor
- Goods Movement data
- Analysis of transit priority treatments
- Cost Effectiveness analysis
- Overall funding strategy
Housing – Workforce Housing in northern San Diego

Objective: develop a proposal for a workforce housing project

Activities:
- Surveyed potential sites
- Selected one pilot site in Vista
- Financial feasibility analysis
- Implementation strategy
- RFP approach

Housing – Smart Growth Opportunity Areas in southwest Riverside

Objective: Develop a pilot smart growth opportunity area map in southwestern Riverside

Activities:
- Pilot cities: Lake Elsinore, Murrieta, Temecula
- Developed/identified place types
- Created GIS base maps with site descriptions
Next Steps

• Joint Policy Committee will meet annually
• Proceed with strategies within existing resources
• Pursue additional funding as necessary

RECOMMENDATION

The Borders Committee is asked to accept the final report for Phase III of the I-15 IRP.
Comprehensive Economic Development Strategy (CEDS)

Joint effort between
South County EDC
East County EDC
Imperial Valley EDC
San Diego County
Imperial County

What & Where is it?

- Strategic plan
- Required for EDA funding
- Identifies location
  - Roughly along Hwy 8 South in San Diego
  - All of Imperial Valley
- Required findings
  - Sufficient Size and Population
  - Unemployment Rates above the national average
  - Low per capita income
  - Cross Jurisdictional boundaries
Overview of our CEDS Area

- Population estimate 1,632,500
- Slightly younger
- Higher percentage of Hispanics
- 13% live in poverty
- High unemployment
- Below State median household $50,571
- Not as well educated
What We Share

• Border
• Military
• Workers
• Energy
• Manufacturing
• Water
• Hwys
• Colleges

Goal

• Bring together public and private sector
• Create strategies
• Maximize opportunities/synergies
• Especially along the border
Collaboration & Leadership

- Reviewing next steps (EDD)
- Identifying issues that impact the area and working on solutions
- Securing funding
- Education

Business Development & Entrepreneurship

- Home-based businesses
- Tourism
- New and emerging industries (green energy)
- Job creation and retention
Workforce and Education

• Strengthen communication between business and educational institutions
• Improve educational attainment
• Youth training

Infrastructure Development

• Infrastructure improvements that facilitate commerce
• Reduce border wait time
• Improve movement of goods and people
Quality of Life

- Expand art cultural recreational and entertainment opportunities
- Renovation of downtowns
- Diverse housing

Funding Pots

- Public Works Projects
- Economic Adjustment
- Community Trade Adjustment Assistance
- Planning Program
- Trade Adjustment Assistance for Firms
- Global Climate Change Mitigation Incentive
- University Center
- Research and Technical Assistance
- Local Technical Assistance
What Next?

• Looking for projects to fund
• Exploring creation of an EDD
• Investigating joint projects
• Expanding CEDS committee
Let's use the water we have

By David King

March 9, 2010

On a camping and rafting expedition gone haywire, Homer Simpson, Flanders and Bart were stranded at sea with only one canteen of water. Unfortunately, Homer used the water to wash his socks. San Diego’s use of water is similarly inefficient.

Per capita, the U.S. uses more water than any other nation on earth, but our costs of water are among the lowest. However much we complain about our water bills, the cost of water does not incentivize us to act in an economically rational manner or find alternatives to the current use of potable water.

In this arid climate—our manufactured oasis—only 3 to 5 percent of the total water used is recycled water. This is despite the fact that we use 60 percent of all our water on outdoor uses, and 80 percent of all our water on non-potable uses. In California, 20 percent of the energy we burn is used to transport water, so that we can sprinkle potable water on our lawns.

In our region, the recycled water we do use is dedicated to landscape irrigation. Approximately 98 percent of our recycled water is used for landscape irrigation, but no recycled water is used for agriculture because we lack the pipes to take the water uphill.

San Diego North City Reclamation Plant treats water to the point where it can be recycled, but then dumps the water back into the sewage system so the water is discharged into the Pacific. North City recycles more than enough water to irrigate Balboa Park, but we don’t use it because Caltrans won’t provide a corridor for purple pipe along Highway 163. Our missing infrastructure is the wiring needed between our ears.

We continue to blame Mother Nature and the Delta Smelt, but when it comes to matters within our own control, our decision-making is poor.

The latest Clean Water Act waiver for the Point Loma Wastewater Treatment Plant was approved with a firm understanding that the costs the city of San Diego saves by not upgrading to secondary sewage treatment will be used to reduce the discharge—and recycle the water.

If Indirect Potable Reuse is achieved by City of San Diego, an average of 16 million gallons per day could be removed from the Point Loma waste discharge and used to augment the San Vicente Reservoir. This would satisfy approximately 20 percent of the water demand at the City of San Diego Alvarado
We should integrate wastewater recycling and rainwater harvesting in the future. Strategic implementation of both recycled water and storm water harvesting and use would prevent duplication of efforts where we may be able to afford only one approach. For example, getting pipes designated for transmitting recycled water to Balboa Park may be cost prohibitive, but collection of runoff in vaults could be achieved especially as the park is updated and improved.

New developments should be pre-designed to do both. Common areas could be used to locate underground vaults for storm water capture and harvest and purple pipe could be installed for recycled water.

Commercial establishments like big box store complexes should be an early target for retrofitting for both recycled water reuse and storm water harvesting and use. The roofs and parking lots are both prime sources and the landscaping around these businesses could benefit from reducing use of imported water, improving storm runoff hydrology and thus water quality.

We have to integrate our efforts, simultaneously advancing water quality and water supply, and protect the long-term viability of the San Diego region.

*David King is the founder of the San Diego News Room and The King Law Group, and serves as Chairman of the San Diego Regional Water Quality Control Board. The opinions expressed are his own.*
Water Perspective in the Western US-Mexican Border: Future Conflict?

By
O. Alberto Pombo

Department of Urban and Environmental Studies, El Colegio de la Frontera Norte.

Cuadro 3.5  Población y Tasa de Incremento en B.C.

<table>
<thead>
<tr>
<th>Año</th>
<th>No. de Habitantes</th>
<th>Tasa de Crecimiento (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1940</td>
<td>78,907</td>
<td>----</td>
</tr>
<tr>
<td>1950</td>
<td>226,965</td>
<td>11.14</td>
</tr>
<tr>
<td>1960</td>
<td>520,165</td>
<td>8.64</td>
</tr>
<tr>
<td>1970</td>
<td>870,421</td>
<td>5.28</td>
</tr>
<tr>
<td>1975</td>
<td>1,012,490</td>
<td>3.07</td>
</tr>
<tr>
<td>1980</td>
<td>1,177,886</td>
<td>3.07</td>
</tr>
<tr>
<td>1985</td>
<td>1,398,283</td>
<td>3.49</td>
</tr>
<tr>
<td>1990</td>
<td>1,660,885</td>
<td>3.5</td>
</tr>
<tr>
<td>2000</td>
<td>2,487,367</td>
<td>4.15</td>
</tr>
<tr>
<td>2005</td>
<td>2,844,469</td>
<td>2.71</td>
</tr>
</tbody>
</table>

**Dependencia del abasto anual de agua por región**

*(Datos al 2005)*

- **Estado de Baja California**
  - Río Colorado: 1,850 millones de m³
  - Acuíferos Regionales: 908.6 millones de m³

  - 65% del agua proviene del Río Colorado
  - 35% de los acuíferos regionales

- **Zona Costa**
  - Acueducto RCT: 116.7 millones de m³
  - Acuíferos Regionales*: 97.8 millones de m³

  - 54.4% del abasto proviene del Acueducto RCT
  - 45.6% de los acuíferos regionales

  *82.6% de los cuales están calificados como sobreexplotados o en equilibrio.

- **Resto del Estado**
  - Río Colorado: 1,850 millones de m³
  - Acuíferos Regionales: 690 millones de m³

  - 67.3% del abasto proviene del Río Colorado
  - 32.7% de los acuíferos regionales

- **Tijuana**
  - Acueducto RCT: 116.7 millones de m³
  - Acuíferos Regionales: 17 millones de m³

  - 87.3% del abasto proviene del Acueducto RCT
  - 12.7% de los acuíferos regionales

Nota: se excluye la aportación de la presa Abalardo L. Rodríguez por su falta de confiabilidad como fuente de suministro permanente dados los largos periodos de sequía que caracterizan a la región.
Cuadro 5.9 **Usos del agua demandada en el Estado de Baja California.**

<table>
<thead>
<tr>
<th>Uso</th>
<th>Volumen (hm³)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agrícola</td>
<td>2,796</td>
<td>83.81</td>
</tr>
<tr>
<td>Público Urbano</td>
<td>273</td>
<td>8.18</td>
</tr>
<tr>
<td>Industria</td>
<td>267</td>
<td>8.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,336</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Fuente: CONAGUA, Dirección del REPDA, datos al 31 de Diciembre de 2007

**Diagrama de Pastel:**

- **Agropecuario:** 87.2%
- **Público-Urbano:** 5.1%
- **Industrial:** 7.8%
Colorado River

- The Colorado River originates in USA. By a 1944 International Treaty, USA guarantees Mexico a minimum annual volume of 1,850,234 Mm³, in the event of exedents in the upper basin it may be up to 2,096,931 Mm³.
Usuarios del agua de la cuenca del Río Colorado

Caso más representativo 1996

- México: 28%
- Arizona: 8%
- Colorado: 8%
- Utah: 11%
- New Mexico: 11%
- Nevada: 4%
- Wyoming: 3%
- Otros: 3%

Volumen Total: 18.2 millones de acre-feet

Promedio anual 1990-2000

- México: 27%
- Arizona: 11%
- Colorado: 11%
- Utah: 12%
- New Mexico: 9%
- Nevada: 3%
- Wyoming: 3%
- Otros: 3%

Volumen Total: 17.5 millones de acre-feet

1. Usos consumutivos y pérdidas; incluye agua procedente de acuíferos sobreexplotados.
2. Esperación analizada a lo largo de las cuencas superior e inferior (upper and lower basins)
3. Equivalencia: 1 acre-feet = 1,334 m³

California Snow Water Content
Binational Seawater Desalination Feasibility Study

SANDAG Borders Committee

April 23, 2010
Halla Razak, PE
Colorado River Program Director
San Diego County Water Authority

Setting for Binational Desalination Discussion

Living with less water:
• Recent U.S. projects reduce excess Colorado River water to Mexico
  – All American Canal Lining Project (complete)
  – Drop 2 Reservoir (under construction)
  – Yuma Desalination Plant (proposed operation)

Managing shortages:
• 2007 completion of shortage guidelines and operating criteria for Lake Mead, Lake Powell
Binational Cooperative Process

• International Boundary and Water Commission initiated a binational cooperative process
• Goal: Improve water supplies and water management for both countries

Process Organization

• U.S. Core Group:
  – IBWC United States Section
  – United States Bureau of Reclamation
  – California
  – Nevada
  – Arizona
  – Upper Colorado River Basin states
  – Non-governmental organizations
Process Organization, cont.

• Mexico Core Group:
  – IBWC Mexico Section
  – Comision Nacional del Agua (National Water Commission)
  – SEMARNAT (Mexico EPA)
  – States of Baja California and Sonora
  – Non-governmental Organizations

Process Organization, cont.

• Issue-specific work groups
  – New water supply
  – Water conservation
  – System operations
  – Environmental

• Parallel “7 states” process
  – Acknowledging that states and water agencies hold Colorado River contract rights
Fundamental Concepts

• No change to the 1944 Treaty with Mexico
• Potential benefits:
  – Increased system augmentation
  – Shortage management flexibility
  – Beneficial changes to system operations
  – River ecosystem improvements

Potential Binational Projects

• Otay emergency connection
• Desalination (ocean and brackish)
• Mexicali Valley irrigation improvements
• Drought management
• Operational storage
• Storage in Lake Mead
• Wetlands and habitat restoration, protection
• Mexico water delivery via All American Canal
• New River water
• Aquifer monitoring
Seawater Desalination Study

- Proposed Baja California, Mexico seawater desalination plant
  - Located at Rosarito Beach in Baja California
  - Product water could supply Mexico or U.S.
    - Direct pipeline to U.S. (San Diego), or
    - Exchange of Colorado River water

Overview of Project

- Goal: evaluation and preliminary design of Rosarito Beach site for 25-50 mgd seawater desalination plant
- Study funded by:
  - Central Arizona Water Conservation District
  - Metropolitan Water District
  - San Diego County Water Authority
  - Southern Nevada Water Authority
Potential Project Sites
Project Scope of Work

Project divided into four phases:
1. Feasibility evaluation
2. Product water conveyance evaluation
3. Pilot plant development and testing
4. Preliminary design

Project Execution

• Each phase is implemented separately
  – Allows “go” or “no go” decision
  – Funding agencies may opt out after each phase
• SDCWA administers contract
• First phase is nearly complete
Phase 1 Draft Conclusions

- No “fatal flaws” to project were found
- Significant Mexico / U.S. demand for product water (greater than 50 MGD)
- Suitable building sites are available
- Sufficient electric power is available, with access to intake and outfall channels for seawater supply and brine disposal
- Need to develop alternative pipeline alignments to deliver product water
- Complex environmental permitting issues

Next Steps

- Funding agencies to consider implementing Phase 2
  - Revise scope of work to further define project
  - Expected to develop information needed to decide whether to pursue project at this time
- Seek other funding partners
- Work within binational cooperative process