



**BOARD OF DIRECTORS**  
**APRIL 23, 2004**

**AGENDA ITEM NO. 04-04-1-C**  
**ACTION REQUESTED - APPROVE**

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## **BOARD OF DIRECTORS DISCUSSION AND ACTIONS**

Meeting of April 9, 2004

Chairman Ron Morrison (National City) called the meeting of the SANDAG Board of Directors to order at 10:20 a.m. The attendance sheet for the meeting is attached.

### 1. ADDITIONS AND DELETIONS

There were no additions or deletions to the agenda.

### 2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Chair Morrison announced the open house and public workshop for the Mid-City Showcase Project on Thursday, May 13, 2004, at San Diego State University (SDSU). He also mentioned the opening ceremony for the new Bayshore Bikeway Sweetwater Bridge on Saturday, April 17, 2004, from 9-10 a.m.

David Krogh, a member of the public, expressed concerns about how the *TransNet Extension* is proposed to be structured, and noted that the impact fee is the most significant issue. He said that we need to get a properly structured *TransNet Extension* approved (more resources for highway and freeway capacity expansion). He also solicited donations for a Program called "Dollars for Scholars" that raises money for scholarships for high school kids going to college. There are 13 locations for this program around the county including one in the City of San Diego. He asked for a proclamation from the City of San Diego for this cause.

## **REPORTS**

### 3. DRAFT *TRANSNET EXTENSION* ENVIRONMENTAL MITIGATION PROGRAM (ACCEPT)

The Director of Land Use and Transportation Planning reported that this program is designed to allow early acquisition and management of habitat in line with regional habitat plans, to develop mitigation banks for transportation projects, and for those transportation projects to be eligible for environmental mitigation credit. The benefits to transportation include providing the opportunity for projects to be permitted quickly and that this program would be a source of funding for regional conservation plans. The original recommended total expenditure, based on a 30-year extension, was \$550 million of which \$450 million would be for direct mitigation for transportation projects. An additional \$100 million was allocated for other regional habitat acquisition, management, and monitoring activities, based on a calculation of economic benefits associated with inclusion

of the Regional Transportation Plan (RTP) projects as covered projects in local habitat conservation plans. Based on the 40-year program, staff took another look at this and is now recommending that this program be expanded to \$850 million. Changes would add \$200 million for direct mitigation habitat of local transportation projects, the amount allocated for the economic benefit program would be increased from \$100 million to \$150 million, and \$50 million would be added to reflect the economic benefit associated with the inclusion of local transportation projects in the conservation plans. A revised set of Draft Principles has been prepared which reflects the key elements of the revised draft Environmental Mitigation Program. These Principles are referenced in the draft Ordinance.

Vice Chair Cafagna (Poway) asked if this will include the complete environmental mitigation for Highways 76 and 67. *Staff responded that it would include funding for habitat mitigation for those projects. However, since these projects will still need to go through the final environmental process we don't know the total amount at this time, but it is likely the needed amount would be covered. The Executive Director noted that about \$80 million has been set aside for environmental mitigation alone for SR 76.*

#### Public Comments:

Chuck Raysbrook, representing the Department of Fish and Game, expressed support of the Principles as stated, and said that they are looking forward to working with the various jurisdictions involved. He noted one comment about the principle which commits SANDAG and the Department to work actively to identify the means whereby permitting can be expedited. He said that they have not been able to hire anyone for the past 18 months and didn't foresee the possibility of doing so in the near future.

Michael Beck, representing the Endangered Habitats League, noted their support of the draft Principles. He also expressed their appreciation to SANDAG staff and Board members participating in discussions to reach this point. He said that there are still some issues that have to be refined and worked through. He appreciated the expressed desire of the Board to work on this funding.

Therese O'Rourke, representing the US Fish and Wildlife Service, said that they worked with the Department of Fish and Game in reviewing the document and providing input. She said that this is a positive step forward for the quality of life and the habitat needs of San Diego.

David Hogan, representing the San Diego Chapter of the Sierra Club, stated that they are generally supportive of the Principles contained in this program; however, many details have to be worked out. They are dedicated to continue working with staff. He said that *TransNet* funding will provide the opportunity to improve the environmental condition of Highway 76. He expressed appreciation for the staff's recommendation for a regional funding source for environmental programs. He also offered to work with staff to improve the California Environmental Quality Act (CEQA) process.

Nathan Johnson, representing Local 1309 of the Amalgamated Transit Union (ATU), reminded the Board that the ATU had requested consideration for a position for

organized labor on the Independent Taxpayer Oversight Committee. He thought that if there was labor representation on such a committee, there would be more careful examination of the criteria for contracting out bus routes.

Board Comments:

Mayor Joe Kellejian (Solana Beach), SANDAG Transportation Chair, thanked the Department of Fish and Game, the US Fish and Wildlife Service, and the Endangered Habitats League for their support on this issue. He acknowledged that the Sierra Club still had issues but it seems they understand that there is \$850 million for environmental purposes.

Vice Chair Cafagna also thanked those organizations, and noted that this program will make a dynamic impact on our environment.

Pedro Orso-Delgado, Caltrans District 11 Director, said that one of the budget challenges is doing spot environmental mitigation for projects. He thought that having a mitigation bank will benefit the environment tremendously.

Councilmember Patricia McCoy (Imperial Beach) stated that we are spending our natural capital that we cannot recoup. She said that the severity of what we are doing caused her concern because we are not improving the environment, but only preserving the little we have left.

Action: Upon a motion by Mayor Kellejian and a second by Vice Chair Cafagna, the SANDAG Board of Directors accepted the draft *TransNet Extension* Environmental Mitigation Program for inclusion in the Draft Ordinance and Expenditure Plan for distribution to member agencies and interested parties for review and comment. Yes – 19 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – 0.

4. REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (ACCEPT)

The Chief Economist reported that the purpose of this program is to assist with the passage of the *TransNet Extension* ballot measure and to fund the regional arterial system. There is a public perception that the development community has not been paying its fair share of regional projects. He has had the opportunity to meet with a number of groups and make presentations to councils. Based on those meetings, some adjustments have been made to this program, including an expanded definition of the arterial system to provide more roadways, and identification of a roadway in each of the cities to allow the opportunity to spend the money collected from impact fees in their own area. Another change was an expanded list of exemptions to include moderate income households and condominium conversions. The expenditure program was also expanded to seven years. At the end of seven years, if a city has uncommitted funds, the funds will be transferred to the regional agency and the regional agency will have three years to use these funds in the subregion from which they were collected. A severability clause has also been included in the Ordinance.

The Chief Economist stated that the focus is on the regional arterial system due to the high priority it has in the RTP, and its importance for congestion relief and mobility improvement.

He reviewed the requirements of the nexus study if jurisdictions chose to fund the fee requirements through a development impact fee. He noted that it would be SANDAG's responsibility to carry out the nexus study. He said there are three major elements of the nexus requirements: fee use and development, facility need and development, and fee amount and facility cost. He explained the framework used to arrive at the \$2,000 fee amount being included in the Ordinance. He noted that this calculation does not take the place of the nexus study.

Mayor Mark Lewis (El Cajon) asked under what authority SANDAG could require the jurisdictions to levy the \$2,000 impact fee. *The Deputy General Counsel replied that it is legal for SANDAG to condition payment of TransNet funds to the jurisdictions on compliance with this provision.*

Mayor Lewis clarified that if a jurisdiction does not collect the impact fee then it stands to lose all of its *TransNet* dollars. He questioned how a jurisdiction will impose an impact fee if there are no new housing projects in that area. He stated that a housing developer will turn around and pass that fee onto the homebuyer, which will make the housing prices even higher than they are now. *The Chief Economist stated that there is a perception that developers are not contributing their fair share toward providing infrastructure surrounding new development. This perception puts the TransNet Extension ballot measure in jeopardy. This program is an attempt to relieve that perception. The impact fee gives the opportunity for money to be spent in the area that it is collected and will allow jurisdictions to handle traffic and capacity. He acknowledged that new housing prices will probably rise, but at the same time the fees will help the transportation system surrounding that new house.*

Chair Morrison said that while we hear that housing prices are too high, we also hear that housing is being built without the necessary infrastructure. This program will allow us to have money for that infrastructure. He noted that moderate and lower-priced housing are exempted from this fee. This will be an impetus to build more of these lower-priced homes.

The Executive Director clarified that if an area is already collecting a fee that goes for these regional improvements then there will be no additional fee. The jurisdiction will get credit for what it has already done.

Mayor Mary Sessom (Lemon Grove) asked if the amount of the impact fee in the Ordinance would change as a result of the nexus study. *The Chief Economist replied that the amount for this fee in the Ordinance would not change. That's why we are trying to figure out the amount in advance.*

Mayor Sessom asked who would provide legal counsel if the nexus study is challenged in court. *The Deputy General Counsel answered that since SANDAG would do the study we should be responsible for defending such a lawsuit.* Mayor Sessom asked if there would be an additional assessment to SANDAG members in that case. *The Deputy General Counsel replied negatively.*

Mayor Sessom said that if a jurisdiction demonstrates need and has committed the funds, when does the determination of need occur. *The Chief Economist replied that the jurisdiction has to show need on an existing basis.*

Councilmember Barry Jantz (La Mesa) clarified that the *TransNet Extension* is not a new tax, but an extension of an existing one. He said that we have to look at what an impact fee does for the passage of the *TransNet Extension*. In the case of the public opinion survey, he wondered if the right questions were asked. He has not seen the question put to the public that if it was known that the impact fee would increase the cost of a new home, would it still receive support. His concern was not the 2-4 percent of votes we don't lose from the environmental community, but it is the 7-10 percentage points we lose when the public realizes that this is an increase in the cost of new housing. *The Chief Economist stated that according to the public opinion survey and the focus groups, the public understands that you have to collect this additional money to pay for the transportation system that you want.* Councilmember Jantz said that his city council would like documentation of that information.

Mayor Corky Smith (San Marcos) thought that we should stress that the impact fee is for new residential development.

Councilmember Jack Feller (Oceanside) wondered why the fee was set at \$2,000 rather than the \$1,865 resulting from staff's methodology. *The Chief Economist stated that the nexus study hasn't been completed and this is an estimate.*

Councilmember Jack Dale believed that the nexus and the impact fee will be challengeable in court. He asked how that would affect the entire *TransNet Extension Ordinance*. *The Executive Director stated that there is severability language in the Ordinance so that if certain pieces of the Ordinance were declared unconstitutional, others would stand.*

Mayor Bud Lewis (Carlsbad) asked what percentage of the total package would be going for environmental purposes. *The Executive Director answered that \$850 million out of the \$14 billion measure. The projects will still have to satisfy the permitting requirements. For most of the major projects half of the money will come from TransNet and other half will come from other sources.*

Supervisor Jacob asked how long it will take to conduct the nexus study. *The Chief Economist replied that it will take approximately nine months.*

Chair Morrison asked when the collection of impact fees would take effect. *The Chief Economist answered that it would be effective on July 1, 2008.*

Supervisor Jacob asked if the regional arterial system is likely to change in the next few years. *The Chief Economist indicated that the SANDAG Board currently has the opportunity to amend the arterial system contained in the Regional Transportation Program every three years based upon criteria adopted by the Board.*

Supervisor Jacob asked how the impact fee amount can be determined without a nexus study. *The Chief Economist stated that the objective is that the amount is adequate for the housing being built.*

Councilmember Judy Ritter (NCTD) commented that the price of real estate is market driven. She didn't think the \$2,000 would deter someone from buying a house in this market.

Public Comment:

Matthew Adams, representing the government affairs office for the Building Industry Association (BIA), stated that the BIA recognizes the necessity of getting the *TransNet Extension* passed, and they are working hard with SANDAG to reach consensus on a sensitive issue to the Association. He noted that over the last 17 years the development community has contributed a significant amount of money to the region, and has provided approximately 24,000 acres of land for parks, schools, and fire stations. The BIA feels that it has paid its fair share and has been a good partner.

Jerry Harmon, representing Traffic Relief Is Possible (TRIP), suggested that instead of collecting the impact fees at the local level, they should be collected at the regional level. He commended the Board for what is being proposed, but he thought that these fees should also be collected from industrial or commercial development. He noted that in 1999, SANDAG produced a study that stated the true infrastructure cost for additional development is \$10,000 to \$20,000 per dwelling unit.

Paul Blackburn, representing the Sierra Club, didn't feel this matter was ready for a decision today. He wondered how much this impact fee will generate. He thought that countywide, by the time this measure takes effect, a lot of housing will already be built. He didn't think that the amount in the *TransNet Extension* will provide a significant contribution to congestion relief.

Nico Calavita, a professor at SDSU, said that he understood the attempt of the *TransNet Extension* is to provide a revenue source that comes from the community to pay for infrastructure. His concern was that it was only targeting residential and not commercial and industrial development. He did not think that impact fees should be a part of this particular package. He thought there should be another system that is community based. There is no consistency related to impact fees among the different jurisdictions.

Renata Mulry, a member of the public, said that there is no way you can equate the cost of housing to the number of miles traveled. There is an enormous amount of traffic generated from Riverside County, Orange County, and Los Angeles. This also impacts traffic in San Diego County. This Board needs to consider changing the funding formula so that roads and freeways get more funding. The impact fee will not solve the problem and does not adequately affect those who travel the miles. She also did not support the 40-year time period for the Ordinance, and suggested that it be 20 or 25 years instead.

Chair Morrison commented that most of the financial bonds that were approved on the March ballot had no time period for expiration.

Board comments:

Mayor Cafagna agreed that the building industry does pay a large amount of fees. The question is where have those monies been directed to? Regional arterials have been neglected with regard to funding. The issue of supporting the *TransNet Extension* tax is a matter of listening to the people. The voters believe that developers do not pay their fair share. He felt that the amount being proposed for the impact fee is appropriate.

Mayor Steve Padilla (Chula Vista) took issue with the assertion that this is a poll-driven focus. The purpose of the *TransNet Extension* is how to adequately address the region's mobility needs. The question is whether the land uses driving demand and impact on the whole transportation system are contributing to the regional impact. We have to remember that all of us already pay the costs of the changes on the infrastructure in the region. The impact fee will serve to equalize the region. Should the people that are creating the demand on the system be a major contributor to underwriting these costs? The right public policy answer is yes.

Councilmember Feller said that the reason why people are commuting is the high cost of owning a home here. He hoped the nexus study will show the amount to be less than \$2,000.

Vice Chair Cafagna stated that the nexus study related to Riverside's recent passage of its sales tax indicated that the impact fee should be \$6,600 per resident.

Councilmember Christy Guerin (Encinitas) noted the fact that we listen to the public is important. In Encinitas, development impact fees have been an ongoing issue. There are a lot of people in the environmental community that have been concerned about this for a long time. The cost of housing is not solely based on development fees. The *TransNet Extension* is what we have identified for projects. This fee is for the neglected regional arterial system. With regard to commercial development, no jurisdiction has large commercial development without extracting some fees from them. There is flexibility in each of our cities to address this issue.

Supervisor Jacob stated that the County Board of Supervisors discussed a developer impact fee, but it did not take action on this per se. It was her belief that the fee should be no more than \$2,000, and that the nexus issue should be resolved as soon as possible.

Supervisor Jacob suggested that this not be acted on today but that it be distributed for public review to provide an opportunity for the jurisdictions around the table to take a position on this.

Motion Made: A motion was made by Supervisor Jacob and a second by Mayor Mark Lewis, to put this matter out for public review.

Mayor Kellejian said that the staff report describes the uses for this impact fee to include construction of transportation improvements such as new or widened arterials, turning lanes, traffic signal coordination and other traffic improvements, freeway interchange and related freeway improvements, railroad grade separations, and improvements required for regional express bus and rail transit services that will be needed to accommodate future

travel demand generated by new development throughout the San Diego region. He asked how much the County of San Diego will receive in development impact fees over the life of the 40-year program. *The Chief Economist indicated that 30 percent to 35 percent of the new dwelling units are expected to be built within the County during the time the measure is in place.*

Mayor Kellejian asked if we have worked with the County of San Diego to identify the projects that this money would be used for. *The Chief Economist replied that in the RTP we work with each local jurisdiction to identify the projects that the money would fund. Supervisor Jacob previously brought to our attention some projects that could use that money.*

Councilmember McCoy said that the Imperial Beach City Council supports this proposal. We need to have decent public transportation, and we need to make mass transit more attractive for people to want to use it.

Mayor Morris Vance (Vista) said that over a period of time, Vista adopted a rigorous impact fee schedule and we were then able to take advantage of the first *TransNet* funds to build needed arterials and other needed improvements. He supports this program.

Councilmember Jantz stated that the La Mesa City Council supports this program. From a legal standpoint he would like to know what happens if the voters of the City of San Diego vote for the *TransNet Extension* but the City of La Mesa does not.

Mayor Padilla could not support the motion for this to go out for a separate public review from the *TransNet* Ordinance. He added that if this body cannot come together then we have problems. The consensus of the Chula Vista City Council has been to include the impact fee program in the *TransNet Extension* Ordinance.

Supervisor Jacob withdrew her motion.

Councilmember Dale said that we need an answer to the question of why we are not asking businesses to pay the impact fee.

Action: Upon a motion by Councilmember Guerin and a second by Councilmember Jantz, the SANDAG Board of Directors accepted the Regional Transportation Congestion Improvement Program for inclusion in the draft *TransNet Extension* Ordinance . Yes – 18 (weighted vote, 97%). No – El Cajon (weighted vote, 3%). Abstain – 0 (0%). Absent – 0.

Chair Morrison called a five-minute break at 12:18 p.m. and reconvened the meeting at 12:26 p.m.

5. **DRAFT *TRANSNET EXTENSION* ORDINANCE AND EXPENDITURE PLAN (ACCEPT FOR DISTRIBUTION)**

Staff reviewed the direction provided by the Board at the March 19, 2004, special meeting including the extension of the measure to 40 years to increase the funding level for local streets and roads to the one-third level provided under the current *TransNet* program, to restore cuts that had been made in previous versions of the Expenditure Plan, to increase

the base level of funding for transit service improvements, and to eliminate the Proposition 42 Revenue Protection Fund concept. Staff also described the major components of the plan including congestion relief projects, expenditure plan funding distribution, the local street and road program, the smart growth incentive program, the transit programs, the transportation environmental mitigation program, "off-the-top" expenditures, the private developer funding/impact fee, the oversight committee, priority for remaining projects from the current *TransNet* program, and Ordinance amendment procedures.

Chair Morrison announced that due to the length of this meeting, the Public Safety Policy Committee meeting scheduled for 1:30 p.m. has been cancelled.

Chair Morrison clarified that the action for this item is to accept for distribution for public comment.

Councilmember Madaffer moved to approve the staff recommendation to accept the draft *TransNet Extension* Ordinance and Expenditure Plan for distribution to member agencies and interested parties for review and comment. Vice Chair Cafagna seconded the motion.

Supervisor Jacob said that the County Board of Supervisors has not taken a position on the entire *TransNet* proposal. She reviewed the following recommendations: (1) to support, in concept, the one-third allocation for local streets and roads and two-thirds allocation to highway and transit projects, eliminating the reliance on Proposition 42 dollars, and support for a 40-year measure; (2) support for the inclusion of a provision in the *TransNet Extension* that prohibits changes to the list of congestion relief projects, as listed in the Ordinance, unless there is a two-thirds vote of the SANDAG Board and the concurrence of **each** jurisdiction in which the project is proposed; (3) support excluding the following items from any future change in the proposed extension of the *TransNet* Ordinance: priority projects, the oversight committee, allocations to local streets and roads, changes to projects only with a two-thirds vote and concurrence of each jurisdiction; (4) the July 1, 2008, effective date of the Ordinance; and (5) open for discussion and possible action the requirement of a developer impact fee in the proposed *TransNet Extension* Ordinance.

Chair Morrison stated that the *TransNet Extension* Expenditure Plan would generate \$14 billion, but current plan needs are in excess of \$70 billion. This measure cannot meet all of the needs. Without this going forward, we can count on gridlock, degradation of our environment, and the lack of affordable housing.

Public Comment:

Robert Hoffman, representing SMART, said that studies show only 2 percent of trips are made by transit. That means 98 percent of trips are made by automobile. He didn't see the rationalization for continuing to allocate one-third of the funds to transit.

Councilmember Bob Emery (Poway), representing MTS, lauded the work of the Ad Hoc Working Group on *TransNet*, the SANDAG Board, and staff. He said that it is imperative that we retain the one-third split. No matter how this works out, transit needs these funds. The position of the MTS Board is that we support the current

proposal as it is being distributed to the public. He said that because of the two-thirds approval requirement, what happens in each jurisdiction is very important.

Kevin Wirsing, representing the University City Golden Triangle and Friends of Rose Canyon, opposed two surface street projects that pose serious threats to those communities: the Regents Road Bridge and Genesee Avenue widening. These have been proposed by the City of San Diego for the people who work in Sorrento Valley. The solution is to make the regional transportation system operate at maximum efficiency. He was delighted with the proposed widening of Interstate 5, but was disappointed that the "S" curve had not been removed. He urged the Board to do a fair comparison of bus rapid transit (BRT) and the trolley extension.

Elise Casby, representing San Diego Transit Riders United, expressed concern about the lack of planning around environmental issues. She noted that the price of transportation is very high. She was also concerned that we are putting more money into roads rather than mass transit.

Kathy Keehan, representing the San Diego County Bicycle Coalition, supported accepting this for public review. She noted that under item E, page 12, of the Ordinance related to the Bicycle, Pedestrian, and Neighborhood Safety Program, a dollar amount was listed and she thought that it should say 2 percent instead. The Bicycle Coalition also supported the smart growth incentive program.

Cynthia Conger, representing the Peninsula Community Planning Board, suggested that SANDAG consider funding the construction of the Interstate 8/Interstate 5 interchange project in the plan. She stated that changes need to be made so that people are able to reach the beach areas. *The Executive Director stated that money has been included for a study of improvements to that interchange.*

Chair Morrison said that the list of projects to be funded is based on criteria and not on a political basis. He added that the RTP is reevaluated every three years.

Lynne Baker, representing the Endangered Habitats League, thanked the Board for its ongoing efforts. She stressed the good faith among Board members and communities to help set good priorities and get appropriate funding.

Alejandra Mier y Teran, representing the Otay Mesa Chamber of Commerce, stated that the Chamber strongly supports the *TransNet Extension*.

Angelika Villagrana, representing the San Diego Regional Chamber of Commerce, urged support for the *TransNet Extension*. She said that we need to work together to send a unified voice to the voters to get the two-thirds majority needed for passage.

Clive Richard, a member of the public, expressed concerned about the way the support was shown by the County Board of Supervisors. He will be strongly supporting the *TransNet Extension*. He said that it is important to support transportation in the future and to have transportation alternatives.

Brad Barnum, representing the Associated General Contractors, said that they strongly support the *TransNet Extension*. He said that they applaud the efforts to balance transit and the environment. He stated that the traffic congestion relief projects should be the message before the public. This measure is vital to all of us. He urged the Board to support this measure.

Board Comments:

Mayor Kellejian indicated that the City of Solana Beach took unanimous action to support the *TransNet Extension* Expenditure Plan. The County has requested that the 2 percent competitive smart growth funding be taken off the top of the local road portion. His council does not support that. He asked how much money is the County of San Diego going to be getting from the 2 percent competitive smart growth program, and are we working to identify smart growth projects in the County. *The Executive Director responded that the amount any jurisdiction receives from the smart growth fund is a function of the competition. The Regional Planning Committee is working on the smart growth opportunities and have identified rural town centers as part of this. The County would get about \$15 million or \$16 million from the local streets and roads segment. If they compete and got their fair share from the smart growth fund, it would be about \$1 million per year.*

Mayor Pro Tem Monroe (Coronado) referred to a memo from Walt Brewer that asks for some figures to be provided. He would like to see those figures and asked staff to provide this information to the Board.

Mayor Pro Tem Monroe was opposed to the recommendation from the County of San Diego that would require agreement of the jurisdiction involved for changes to be made in the traffic congestion relief projects listed in the Ordinance. He noted that we have worked with the County to increase the percentages for the local streets and road segment. Now, a two-thirds vote of the SANDAG Board and recommendations from the oversight committee is not enough for the County. He recommended that the Board not adopt that recommendation from the County.

Paul Blackburn, representing the Sierra Club, said that they have nine issues on the *TransNet Extension* related to concerns about neighborhood safety, support for services for seniors and the disabled, support for the living wage provision, support for smart growth, and affordable housing. He did not think that the 16 percent funding for transit operations was going to provide significant improvement. He said that the Sierra Club is not on board with this program.

Mayor Corky Smith expressed his support for the staff recommendation; however, he felt that it would be a mistake not to have at least 40 percent for highways.

Chair Morrison said the split is really one-third for local roads and two-thirds for highways and transit. He stated that you cannot separate transit from highways. It's really one-third for local roads and two-thirds for congestion management.

Councilmember Feller thought that fixed guideway should be added to the list of definitions under Transit in Section 21.B, on page 21. It mentions other types of transportation but the Sprinter is not covered there. He will support the motion.

Mayor Lori Pfeiler (Escondido), expressed support for the smart growth category. She noted that the Regional Planning Committee has developed some smart growth category descriptions. The plan is to recognize where we are going in the future and try to be responsive to where people want to live. She agreed with Mayor Pro Tem Monroe that we should not include the recommendation to require jurisdiction concurrence for amendments to the Ordinance.

Mayor Padilla supported the recommended action, and reminded the Board that we need to have a regional approach.

Councilmember Guerin pointed out that the Ordinance language was written “to provide a measure of flexibility in recognition of the possibility that circumstances and regional priorities could change between now and 2048.” She questioned the dollar amount related to the bicycle issue. *The Executive Director stated that \$280 million is 2 percent. Staff will change the language to include the percentage of TransNet revenues for this category.*

Chair Morrison clarified that the proposed *TransNet Extension* Ordinance currently includes the requirement recommended by the County related to the jurisdictional concurrence.

Mayor Pro Tem Monroe suggested an amendment to the motion related to Section 16, page 20, of the Ordinance, to delete the sentence that reads, “To delete one or the projects identified in Section 2(A)(1) from the Expenditure Plan, the concurrence of the jurisdiction or jurisdictions with land use authority for the area in which the facility is located also must be obtained.” Both Councilmember Madaffer and Vice Chair Cafagna agreed to amend their original motion.

Councilmember Crystal Crawford (Del Mar) agreed with adding the percentage on the bicycle section. She stated that her city council felt that to allow flexibility in the future there should be few exceptions to the amendment procedure. She will support the motion on the floor.

Chair Morrison noted that the only exemptions to the amendment procedure are those contained on page 20, including Section 3(E)(1), related to those projects that were included in the original *TransNet* measure that are uncompleted; Section 8, Maintenance of Effort; Section 9, Regional Transportation Congestion Improvement Program, and Section 11, Independent Taxpayer Oversight Committee.

Mayor Dick Murphy (City of San Diego) questioned if the exemptions on page 20, Section 16, are the same as the bullet points on page 4 of the agenda item. *The Executive Director indicated that they are the same.*

Mayor Murphy agreed that the smart growth provision should be left in the local funding section. He asked staff to talk with Mr. Blackburn and the Sierra Club to try to address their concerns. *The Executive Director stated that staff spent two hours this week meeting with the Sierra Club, and we have scheduled time to continue to work with them.*

Chair Morrison asked Board members to add this issue to the agendas of their local jurisdictions. He also reminded the community and interest groups that this starts the 30-day time period for input.

Action: Upon a motion by Councilmember Madaffer and a second by Vice Chair Cafagna, the SANDAG Board accepted the draft *TransNet Extension* Ordinance and Expenditure Plan, as amended, for distribution to member agencies and interested parties for review and comment; and to schedule the first reading of the Ordinance for the May 14, 2004, Board meeting, with the second reading and adoption scheduled for the May 28, 2004, meeting. Yes – 16 (weighted vote, 80%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – Carlsbad, County of San Diego, Lemon Grove.

6. ADJOURNMENT

The meeting was adjourned at 1:49 p.m.

GARY L. GALLEGOS  
Secretary

**ATTENDANCE  
SANDAG BOARD OF DIRECTORS' SPECIAL MEETING  
APRIL 9, 2004**

JURISDICTION/ ORGANIZATION	NAME	ATTENDING	COMMENTS
City of Carlsbad	Bud Lewis (Alternate)	Yes	
City of Chula Vista	Steve Padilla (Member)	Yes	
City of Coronado	Phil Monroe (Member)	Yes	
City of Del Mar	Crystal Crawford (Member)	Yes	
City of El Cajon	Mark Lewis (Member)	Yes	
City of Encinitas	Christy Guerin (Member)	Yes	
City of Escondido	Lori Holt Pfeiler (Member)	Yes	
City of Imperial Beach	Patricia McCoy (Member)	Yes	
City of La Mesa	Barry Jantz (Member)	Yes	
City of Lemon Grove	Mary Sessom (Member)	Yes	
City of National City	Ron Morrison, Chair (Member)	Yes	
City of Oceanside	Jack Feller (Member)	Yes	
City of Poway	Mickey Cafagna, Vice Chair (Member)	Yes	
City of San Diego - A	Dick Murphy (Member)	Yes	
City of San Diego - B	Jim Madaffer (Member)	Yes	
City of San Marcos	Corky Smith (Member)	Yes	
City of Santee	Jack Dale (Alternate)	Yes	
City of Solana Beach	Joe Kellejian (Member)	Yes	
City of Vista	Morris Vance (Member)	Yes	
County of San Diego	Diane Jacob (Member)	Yes	
<b>ADVISORY MEMBERS LISTED BELOW (ATTENDANCE <b>NOT</b> COUNTED FOR QUORUM PURPOSES)</b>			
Caltrans	Pedro Orso-Delgado (Alternate)	Yes	
MTDB	Leon Williams (Member)	Yes	
NCTD	Judy Ritter (Member)	Yes	
Imperial County	Victor Carrillo (Member)	No	
US Dept. of Defense	CAPT Christopher Schanze (Member)	No	
SD Unified Port District	Jess Van Deventer (Member)	No	
SD County Water Authority	Bernie Rhinerson (Member)	No	
Baja California/Mexico	Luis Cabrera Cuaron (Member)	No	