The Regional Planning Committee meeting was called to order by Committee Chair Lori Holt Pfeiler at 12:06 p.m. The attending Committee members, alternates, and advisory members were as follows: Lori Holt Pfeiler (North County Inland); Judy Ritter (North County Inland); Maggie Houlihan (North County Coastal); Matt Hall (North County Coastal); Patty Davis (South County); Patricia McCoy (South County); Jerry Jones (East County); Jim Madaffer (City of San Diego); Bill Horn (County of San Diego); Pam Slater-Price (County of San Diego); Bill Figge (Caltrans); Leon Williams (MTS); David Druker (NCTD); Bill Briggs (San Diego Unified Port District); Gail Goldberg (Regional Planning Technical Working Group) and Lynne Baker (Regional Planning Stakeholders Working Group).

Chair Holt Pfeiler welcomed all to the meeting. Self introductions were made.

1. APPROVAL OF APRIL 2, 2004 MEETING MINUTES

   Action: A motion and second was made to approve the minutes of the April 2, 2004 meeting. One committee member abstained.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

   None.

CONSENT AGENDA (Item 3)

3. RECOMMENDED PERFORMANCE MEASURES FOR INCLUSION IN THE REGIONAL COMPREHENSIVE (RCP)

   Action: A motion and second was made to approve Consent Item #3.

REPORTS

4. INITIAL RESULTS OF THIRD ROUND OF WORKSHOPS ON THE REGIONAL COMPREHENSIVE PLAN
A handout was distributed that summarized the initial results of the third round of workshops on the Regional Comprehensive Plan (RCP). Six workshops were held throughout the region in the cities of Encinitas, Vista, San Diego, Chula Vista, El Cajon, and Oceanside. Attendance by local elected officials, members of the Technical and Stakeholders Working Groups and the public was approximately 100 participants. The workshops were held using an “open house” format, which provided an informal setting where residents could ask questions, discuss issues, and offer comments and feedback on the draft RCP and Environmental Impact Report (EIR). Four stations were set up to help guide the public to particular areas of interest; comment cards were available at each station for citizens to provide written comments, and a court reporter was at each workshop to record citizen’s oral comments. Staff will summarize all comments received from the workshops, as well as those submitted through the public comment process, in a matrix and include them as an appendix to the RCP.

Committee comments:

Chair Holt Pfeiler asked if there were any people at the workshops that were new to the RCP planning process? Staff replied there were quite a few new participants including students and concerned citizens.

Mayor Houlihan asked how many people attended the workshops? Staff responded that approximately 100 people attended, with the City of Encinitas having the highest attendance.

Mayor Houlihan commented that she had some clarifications to the minutes from the April 2, 2004 meeting. She clarified that we need to provide transportation access to visitor-serving / recreational areas whether or not they are considered “smart growth.”

5. RECOMMENDATIONS ON SMART GROWTH OPPORTUNITY AREAS AND PRINCIPLES FOR SMART GROWTH INCENTIVE PROGRAM

A status report and recommendations from the Regional Planning Technical and Stakeholders Working Groups on the Smart Growth Area Classifications for the San Diego region were presented. A handout was distributed which outlined recommended principles for developing criteria for smart growth incentive programs that implement the Regional Comprehensive Plan (RCP). Over the past several months, the Regional Planning Committee and its Technical and Stakeholders Working Groups have been working on three tasks associated with the smart growth discussions in the draft RCP. The three tasks are: refining and expanding the smart growth area classifications to include seven general smart growth categories and developing a matrix that reflects the refined categories; preparing guidelines for strengthening the local/regional plan connection; and developing a framework for a smart growth incentive program that encourages smart growth development in appropriate locations. The concepts included in the matrix will be included in the revised Urban Form and Implementation chapters of the final RCP. The revised draft RCP will be presented to the Regional Planning Committee and its Working Groups for review at their May 24, 2004 joint meeting. The SANDAG Board of Directors will be asked to verify the final EIR and adopt the final RCP on June 25, 2004.
Committee comments included:

- Smart growth should be paid for by funding other than resources already allocated for planned regional transportation facilities. Smart growth should be completely voluntary.

- Not sure that downtown Encinitas should be considered in the matrix because it is unlikely that it could achieve densities of 20-45 dwelling units per acre within a quarter mile of its transit station - it would need to convert practically all of its land to residential uses within that area to achieve those densities.

- Should focus on increasing density in the suburbs in order to keep the rural areas rural.

- Need to include infrastructure improvements in the opportunity areas.

- Daytime population concentrations are missing; the RCP should consider the college areas. The “special use center” category in the classification matrix is meant to address special uses such as universities and colleges.

- Currently, the universities cannot provide affordable housing to meet the needs of their students, this is a huge impact.

- A lot of cities don’t have the funding to increase affordable housing; that’s where smart growth incentives come into play. The smart growth incentive funds serve as a carrot for jurisdictions to create smart growth projects and help put people closer to where they work.

- Developing smart growth opportunity areas, if done right, will take the pressure off of rural areas. Supports this approach. Need to address infrastructure needs, and help the cities that have beaches or have areas that are tourist attractions.

- Should consider combining resources to help solve problems. Implementing smart growth is bigger than the funding that is available.

- Besides infrastructure and quality of life, level of service is also an issue. Need to be cognizant of the fact that when housing is added, in many cases no additional services are being added. Staff should ensure that the proper level of service is provided.

- A critical mass is needed for the provision of adequate services. The overarching point is that there isn’t enough money for everything, so we need to plan for better connections between land use and transportation, which then ripple to other infrastructure systems. Growing smart saves tax payer dollars.

- Will jurisdictions have to make changes to their general plans to accommodate smart growth opportunity areas? Some examples in the classification matrix are listed as existing and planned, in which case, it is likely that jurisdictions would not need to make changes to local plans given that planned land uses reflect the general characteristics in the matrix. Other examples are listed as "potential SGOA’s," meaning that if a jurisdiction wanted to pursue that area as an official smart growth opportunity area, it
would need to make changes to its existing general plan to support the land use
can characteristics, intensity targets, and transportation system characteristics shown.

- Water availability should be considered in this discussion – we need a non-political
  presentation on water needs and water supply.

**Action:** The Committee accepted the recommendations from the Regional Planning
Technical and Stakeholders Working Groups on the smart growth classification matrix, the
guidelines, and the principles for developing the smart growth incentive program.

6. **DETERMINATION OF THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) FOR THE**
   **2005-2010 HOUSING ELEMENT CYCLE**

Staff provided the Committee with an update on the Regional Housing Needs Assessment
(RHNA) process for the upcoming 2005-2010 housing element cycle, and discussed how the
RHNA process and the Regional Comprehensive Plan (RCP) work together to achieve the
region’s housing goals and objectives. The housing crisis in the San Diego region continues
as demand exceeds supply and housing prices escalate. The median price for single family
resale homes now exceeds $450,000, a jump of over 20 percent from a year ago and, the
typical rent on a two bedroom unit is approximately $1,200 per month. The region’s high
housing costs can be attributed in part to the fact that housing construction in the San
Diego region has not kept pace with population growth. To address the housing crisis, the
draft RCP calls for increasing the supply and variety of housing choices, especially multi-
family housing, for residents of all ages and income levels; better transportation/land use
coordination; the identification of additional sites for higher density housing; and the
provision of incentives to promote smart growth and housing production in key locations.

The RHNA process includes the determination of an overall housing need number for the
region, the allocation of that number by jurisdiction, and the allocation of each
jurisdiction’s regional share number by income category. Based on discussions with
California Housing and Community Development (HCD) staff and Working Group
discussions, there is general consensus that we should plan for an overall regional housing
need number of 107,000 units for the upcoming housing element cycle. The four income
categories include: very low (23 percent), low (17 percent), moderate (19 percent), and
above moderate (41 percent).

State housing element law requires completion of the RHNA process by June 30, 2004, and
completion of local housing element updates by June 30, 2005. Staff reviewed the proposed
timeline for completing the RHNA process. SANDAG plans to complete the RHNA process
with adoption by the Board in October 2004.

Committee members made the following comments:

- Nineteen percent of the region’s households fall into the moderate income category
  (80-120 percent of median income), so the need to plan for multifamily housing may be
greater than the 40 percent we need to plan for very low (23 percent) and low (17
percent) income households. What is the region’s median household income? The
median income for a household of four is about $60,000. A household making $60,000 a
year can afford homes priced in the $240,000 range. Moderate income households can afford houses between about $180,000 and $300,000.

- This feels like an unfunded mandate. It is unfortunate that the median housing price in San Diego is so high. The median income and housing prices are out of balance. The current economy is the San Diego region’s own worst enemy. There’s a systemic problem and adding housing units is not the cure. State and federal subsidies are needed. Housing element law requires that local jurisdictions identify sites for housing, not actually build the housing units.

- Land needs to be zoned to address the region's housing needs.

- A disconnect exists between incomes and housing prices. If people are buying the homes before they are built and the majority of the region’s residents can’t afford them, who’s buying the houses? The interest rates are low and many of the houses are being purchased by people outside of the region.

- In Imperial Beach, a lot of rental property is being converted into condominiums reducing the rental stock. The cost of renting apartments continues to rise. Purchasing a home, or even renting, is becoming unaffordable to many of our residents. City councils control the conversion of apartments to condominiums.

- SANDAG’s Regional Housing Task Force is holding a Condominium Conversion Workshop on June 24, 2004.

7. AD HOC WORKING GROUP ON TRANSPORTATION AND LAND USE COORDINATION

As part of the Regional Comprehensive Plan early actions, an Ad Hoc Working Group on Transportation and Land Use Coordination was formed. The group, which consists of members of the Regional Planning Technical and Stakeholders Working Groups, along with members of the CTAC, has met twice in April, with an additional meeting scheduled in May. There has been a lot of discussion on mechanisms to improve the coordination between land use and transportation, with diverse viewpoints on the issue. The working group generally concurred that SANDAG is the forum to address this issue. The group emphasized the need to coordinate land use and transportation and acknowledged that even though the focus in the region tends to be on transportation issues, land use drives the issues. The group has also noted that there is a need for jobs-housing balance and discussed how to identify priorities for completing subregional plans and studies. In addition, staff resources will be included in the FY 2005 Overall Work Program (OWP) to begin associated work. After its next meeting, the Ad Hoc Working Group will draft a section to include in the draft Regional Comprehensive Plan (RCP).

Chair Holt Pfeiler noted that the group has been working hard and has done a good job. She thanked them for their efforts.
8. UPCOMING MEETINGS

The next meeting will be a joint meeting among the Regional Planning Committee, the Technical Working Group, and the Stakeholders Working Group to review a full version of the revised draft Regional Comprehensive Plan. The meeting will be held on Monday, May 24, 2004 from 9:30 – 12 noon. Given construction that will be taking place at SANDAG on that date, the meeting will be held at the City of San Diego Concourse. Additional details on the location and parking arrangements will be included in the agenda packet.

Additionally, Chair Holt Pfeiler noted that the June 4, 2004 meeting will be reinstated.

9. ADJOURNMENT

Chair Holt Pfeiler adjourned the meeting at 1:43 P.M.

BOB LEITER
Director of Land Use and Transportation Planning

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