



**BOARD OF DIRECTORS
SEPTEMBER 24, 2004**

**AGENDA ITEM NO. 09-04-1
ACTION REQUESTED - APPROVE**

BOARD OF DIRECTORS DISCUSSION AND ACTIONS

Meeting of July 23, 2004

Chairman Mickey Cafagna (Poway) called the meeting of the SANDAG Board of Directors to order at 9:11 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Action: Upon a motion by Mayor Joe Kellejian (Solana Beach) and a second by Mayor Corky Smith (San Marcos), the SANDAG Board of Directors unanimously approved the minutes from the June 25, 2004, meeting.

2. ADDITIONS AND DELETIONS

None.

3. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

Chair Cafagna thanked Board members for entrusting the positions of Chair and Vice Chair to himself and Lemon Grove Mayor Mary Sessom, respectively. He promised that he would keep the Board focused on the important issues of the region during their tenure.

Councilmember Crystal Crawford (Del Mar) provided a briefing on the annual summer conference of the Committee on Binational Regional Opportunities (COBRO) held on Friday, July 16, 2004. She stated that this conference was co-sponsored by the Consul General of Mexico and the U.S. Consul General in Tijuana. The topic of the conference was "Cooperation across the California/Baja California Border, Where Do We Go From Here." It was a retrospective about what has happened since the passage of the North American Free Trade Agreement (NAFTA) in 1994 and the changes since 9/11. There were over 180 attendees, with participants from Washington D.C., Baja California, Washington state, the Borders Legislators Conference, and the Arizona/New Mexico Commission. She noted that Supervisor Victor Carrillo attended as well as others from Imperial County. She said that COBRO will be coming back with recommendations, conclusions, suggested actions, and a more formal report on the conference to the Borders Committee. She added there may be actions that will come before the SANDAG Board for consideration. She thanked staff as well as the Consul General for the support received for this conference.

Chair Cafagna welcomed the new Board representative from the federal Department of Defense, Captain Daniel King from Washington, D.C. Capt. King relieved Capt. Chris Schanze as the Commander, Southwest Division, Naval Facilities Engineering Command. Chair Cafagna noted that this is Capt. King's first tour of duty in San Diego.

Chair Cafagna stated that Capt. King is a fighting "Seabee" and he comes to the Board with impeccable military credentials and a wealth of Defense Department experience.

Chair Cafagna announced that he, Councilmember Crystal Crawford, Councilmember Ron Morrison, and La Mesa Mayor Art Madrid attended an event on Friday, July 9, 2004, at the Casa de la Cultura in Tijuana, Mexico. The Mayor of Tijuana, Jesus Gonzalez Reyes, honored SANDAG's Executive Director, Gary Gallegos, with an award for his service to the region, and his service to San Diego and Mexico in bridging the relationship between our two countries. Chair Cafagna said that they were very proud to be there to see Mr. Gallegos receive this well-deserved award. He said that Mr. Gallegos has done good job of bridging relationships for SANDAG, and he will continue to bridge relations between SANDAG and Sacramento and Washington, D.C. Chair Cafagna expressed his congratulations to Mr. Gallegos.

Chair Cafagna stated that he had been notified of a request to make a presentation on the Rail-Volution Conference. No one came forward for a presentation at this time.

CONSENT ITEMS (4 through 7)

4. ACTIONS FROM POLICY ADVISORY COMMITTEES (APPROVE)
5. FINAL 2004 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM (RTIP) (Resolution No. 2005-02) (ADOPT)

SANDAG, as the Metropolitan Planning Organization, is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP) every two years. The RTIP, a multi-year program of proposed major highway, arterial, transit, and nonmotorized projects, including the *TransNet* Program of Projects, covers Fiscal Years 2005 to 2009, and is due to the state by August 1, 2004. At the July 16, 2004 meeting, the Transportation Committee received public testimony and recommends the adoption of the Final 2004 RTIP including the Air Quality Conformity Analysis and the air quality re-determination of the 2030 Revenue Constrained Regional Transportation Plan, and submittal of the Final 2004 RTIP to the State Department of Transportation.

6. FINAL CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS) RESOLUTION (APPROVE)

As a final administrative act to complete the consolidation of SANDAG with transferred functions from the Metropolitan Transit System (formerly Metropolitan Transit Development Board) and North County Transit District, our individual contract with the California Public Employees' Retirement System (CalPERS) must be amended. The Board approved the "Resolution of Intention to Approve an Amendment to Contract" and the "Certification of Governing Body's Action" on June 25, 2004. The required 20-day waiting period has passed and this item is the second reading for the resolution. Upon review and approval by the Board, our new CalPERS contract will be initiated.

7. PROPOSED COMMENTS TO CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) REGARDING PROCESS FOR ALLOCATION OF ENERGY EFFICIENCY FUNDS (APPROVE)

The California Public Utilities Commission (CPUC) is currently considering alternative structures for administering Public Goods Charge Energy Efficiency funds in the future. SANDAG's Energy Working Group has considered the alternatives under consideration by the CPUC, and prepared a draft letter with comments on those proposals. On July 2, the Regional Planning Committee discussed the draft letter prepared by the Energy Working Group, and recommended specific modifications to the draft letter, which are discussed in the agenda report. The Board is being requested to approve the draft letter for submittal to the CPUC.

Action: Upon a motion by Councilmember Ron Morrison (National City) and a second by Councilmember Maggie Houlihan (Encinitas), the Board voted to approve consent items 4 through 7, including Resolution No. 2005-02. Yes – 16 (weighted vote, 100%). No – 0 (0%) (weighted vote, 0%). Abstain – 0 (%). Absent – Chula Vista, Oceanside, and Santee.

Cafagna moved item No. 11 up for discussion and action at this time.

REPORTS

11. CERTIFICATION OF FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT (EIR) AND ADOPTION OF REGIONAL COMPREHENSIVE PLAN (RCP) (Resolution No. 2005-01) (CERTIFY/ADOPT)

Mayor Lori Holt Pfeiler (Escondido), Chair of the Regional Planning Committee (RPC) reported that after two years of working together to prepare the RCP, the Regional Planning Committee (RPC) and its Working Groups are pleased to present the final RCP and its EIR. Members of the RPC, the Working Groups, and the community-based organizations were invited to attend this meeting to join in the discussion. Many people have assisted in the preparation of the RCP; she referred to pages 3-8 for the list. She said that today's presentation will focus on: (1) why we have prepared the RCP, (2) key changes that have been made to the final RCP since the release of the draft plan last December, and (3) recommendations to the Board by the RPC.

Mayor Holt Pfeiler stated that the RCP stems from our regional commitment to produce a long-term regional plan that could help us make better land use and transportation decisions. We have many plans in the region, and the RCP serves as a starting point to bring our plans together. It also provides an opportunity to better align our local and regional plans, identify challenges that we face as a region, and make better choices individually and collectively. Further, it establishes a context with which to address regional infrastructure financing needs. Mayor Holt Pfeiler reviewed the RCP public outreach efforts.

Mayor Holt Pfeiler outlined the three main themes of the RCP. The first theme is to better connect land use and transportation plans using smart growth principles. This planning framework is based on principles of smart growth and sustainability. The second theme is to use land use and transportation plans to guide decisions regarding environmental and public facility investments like water, wastewater, and energy facilities. The RCP calls for

service providers to prioritize their investments in areas that will encourage smart growth. The third theme is to focus on incentives and collaboration, rather than regulations and penalties, to achieve the plan's goals and objectives.

Mayor Holt Pfeiler reviewed the changes made since the release of the draft RCP last December. A matrix was added to the Urban Form chapter that defines smart growth including seven categories, recognizing that smart growth is not a "one size fits all" endeavor. The matrix identifies the land use and transportation characteristics of existing and potential smart growth areas ranging from the metropolitan center to rural communities. Principles for developing smart growth incentives and a description of the types of incentive programs also were added to the Urban Form chapter. A table was added to the Implementation chapter that sets forth guidelines for strengthening the connection between local and regional plans. The subregional planning and implementation framework of the Implementation chapter has been refined to call for corridor studies that address major regional highway and transit improvements at the broader level, and subarea studies that focus on local improvements that support regional transportation investments. A detailed set of Strategic Initiatives has been added to the Implementation chapter providing an initial work program and identifying implementing entities and specific timelines to ensure accountability. Finally, we added both annual and periodic indicators to the Performance Monitoring chapter, and made a commitment to set performance targets for those indicators this fall.

Mayor Holt Pfeiler noted that the RPC directed staff to make several changes based on comments received from the County of San Diego in order to gain the County's support for the RCP. These changes included expanding the smart growth matrix to more closely reflect the community development concept being pursued as part of the County's GP2020 update, clarifying the level of priority that smart growth would be given in future regional transportation funding decisions, and clarifying text in the Transportation and Urban Form chapters on the need for regional transportation funding decisions to consider transportation needs such as congestion relief, safety, connectivity, and others.

Mayor Holt Pfeiler announced that the RPC voted unanimously to recommend that the SANDAG Board certify the EIR and adopt the RCP.

Patty Davis, chair of the Regional Planning Stakeholders Working Group (SWG), stated that they have been working on the RCP since 2003. There are about 25 members on this Working Group representing various organizations. They have provided input to staff and the RPC on all components of the RCP. They also helped to plan and attended the three rounds of public workshops. Staff was able to incorporate many of the suggested changes that they provided. On June 25, 2004, this Working Group met for its last time where it voted to recommend approval of the plan. She thanked the SANDAG Board for the opportunity to provide input into this process.

Gail Goldberg, representing the Regional Planning Technical Working Group, stated that many of us are aging and will be living longer, and we want communities where we can walk and meet our immediate commercial needs. Over the past two years, the planning directors have provided considerable input into the structure of the RCP and have attended the workshops and forums. The planning directors urge support of the approval of the RCP.

Supervisor Pam Slater-Price (County of San Diego), PRC member, thanked the Board for allowing the County to participate and, while not all of the County's suggestions have been incorporated, she will support this action. She suggested that the next time this document is revised, staff use a line-in/line-out format to show what changes have been made from the draft to the final version.

Councilmember Jerry Jones (Lemon Grove), PRC member, indicated his pleasure in participating in this process.

Chair Cafagna congratulated the RPC and its Working Groups for doing an incredible job of putting this plan together.

Mayor Maggie Houlihan (Encinitas), PRC member, stated that it has been a phenomenal effort. She said that a reporter from the San Diego Union-Tribune called her and asked why this was being done now. She responded that this plan allows us to work cooperatively, and it is important to make smart infrastructure choices.

Mayor Dick Murphy (City of San Diego) noted that he has to leave the meeting early but he wanted to make it clear that the City of San Diego enthusiastically supports the RCP. He thinks this is a very important document that will define the future of this region. He wanted to particularly thank Mayor Holt Pfeiler and everyone involved for their enormous efforts on this project.

Mayor Pro Tem Phil Monroe (Coronado) commended the RPC for doing an absolutely great job. The only negative comment he has heard is that some people think this document is pro-growth. He asked Mayor Holt Pfeiler to respond to that. Mayor Holt Pfeiler responded by asking how the RCP can be encouraging more growth when a lot of our growth is moving to Riverside and Imperial Counties. She added that growth is something that we are all going to have to continue to wrestle with.

Councilmember Ernie Ewin (La Mesa) echoed the laurels already stated. He noted that some of the jurisdictions have a little different process to select their SANDAG representative, so he asked for a little more lead time to meet with staff and for staff to be sure the policy makers are on board and have input opportunities.

Public comment:

Patti Krebs, representing the Industrial Environmental Association, said that this is a trade organization of manufacturing research and development and new high-tech companies. They work on issues specifically related to facilities operations. They appreciated the opportunity to comment on the RCP, and she asked that they be involved in the implementation process. Typically, they have not been involved in land use issues, but they have seen an explosion of applications from industrial lands to nonindustrial uses. She expressed concern about the loss of industrial lands and the protection of existing industrial lands. She said that the most important guideline for preserving industrial zones is keeping them contiguous and cohesive. There are impacts on businesses when residential land uses are put in too close a proximity to industrial land uses. She also asked that housing not be placed directly adjacent to a regulatory and permitted facility.

Keith Pezzoli, representing the Regional Workbench Consortium, and member of the SWG, lent his support for the RCP and said that it strives to articulate a vision of sustainability, address a new level of regional analysis, and the timing of this effort is right. He applauded SANDAG's efforts to incorporate sustainability into the RCP.

Harriet Stockwell, a member of the SWG and a past SANDAG Board Chair (ten years ago), commented that this plan was a new experience for her. This was an effective way of getting input from a cross-section of interested citizens. However, the plan will only be effective if it is implemented. Implementation of such a comprehensive plan will occur only if there is widespread understanding and support. Throughout the process there were built-in opportunities for input and participation by all segments of the county population. This RCP is another of the meticulously researched and prepared documents that we have come to expect from SANDAG. She said there are important issues such as government regulations that you will have to meet, property rights, and finding money for the needed infrastructure. She appreciated the opportunity to provide input, and wished the Board well in this endeavor.

Supervisor Pam Slater (County of San Diego) noted that Ms. Stockwell was on the SANDAG Board when she first came on the Board. She stated that property rights and freedom of religion are two planks that this country was built on.

Tom Mullaney, representing the Friends of San Diego, said that the RCP is a starting point and that we need to plan regionally and work cooperatively. He didn't think that we should tolerate impacts like increased population, increased traffic, increased noise, and increased energy consumption because there are overriding considerations. One of the key methods in this plan will be to use transportation funds for incentives. He noted that not every problem is transportation related. In some cities, perhaps the greatest need would be to add parks, preserve open space, improve schools, or preserve existing rental stock. Being smart doesn't always mean adding more development. We should not be lulled into thinking this plan will preserve open space or rural areas. In fact, the plan has no direct link between adding density in the city and preserving rural land. He strongly urged the Board to include in the next phase of planning a system of expanded open space acquisition, permanent conservation easements, and other methods that will permanently preserve rural lands and open space. He said that the region may continue to slide downhill in many areas of quality of life if the focus is on adding more development. This is one of the biggest weaknesses of the plan. Smart growth means relocating growth from less suitable areas to more suitable areas. Adding density does not solve any problem in our region today. He thought that two parts of the plan are misleading. In one area it says existing housing plans are not enough to accommodate forecasted growth. Yet if you read the footnote, it says that the 314,000 units planned are enough to accommodate the forecast residential growth, but it is not enough to accommodate all of the people who are expected to live in nearby regions. He suggested that the state mandates on housing need to be challenged as they are unfunded. He thought that in the effort to implement smart growth and add more density you need to make sure that this truly makes our cities better places to live.

Howard Blackson, Co-Chair of the San Diego Council of Design Professionals, complimented staff (Susan Baldwin, Carolina Gregor, and Janet Fairbanks) for keeping the Council involved throughout this process and appraised of this effort. He said the Council urged the Board to give greater emphasis to implementing this plan. It is a step toward using new solutions to reconnect our region.

Rosemary Johnson, representing the Interfaith Shelter Network, thanked those responsible for the creation of the RCP. As someone who has worked with the homeless population for the past 18 years, she was especially concerned with Chapter 4c on housing. Affordable housing is one of the primary prevention strategies and solutions to the vexing homelessness challenge. Of particular concern to her is the urgent need to rezone much of the remaining vacant residentially zoned land in our region to accommodate our real housing needs. She noted that only 9 percent of the remaining vacant residential land is zoned for multi-family housing. Multi-family housing will be the only realistic housing option. Many of our working families in this community are not able to make ends meet. The Center for Policy Initiatives report said that the five largest occupations in our community in terms of number of workers do not earn a living wage. They earn less than three-fifths of the housing wage now pegged at more than \$20 per hour. The high cost of housing is hurting local employers, increasing traffic congestion and increased sprawl is affecting employee morale, and San Diego's deteriorating quality of life is reducing employers' ability to recruit new employees from outside the region. The RCP provides an excellent opportunity to improve the region's GPA. She asked that the Board remember these workers when it adopts and implements this plan.

Paula Forbis, Director of the Toxic-Free Neighborhoods Campaign for the Environmental Health Coalition, said that she was pleased to participate in the Stakeholders Working Group and to support the RCP. She recognized that it is not a perfect document. They focused their attention on development of the social equity and environmental justice assessment, in the Urban Form chapter and the Housing chapter. Their major concerns are the problems with incompatible land use issues in the urban core. She congratulated SANDAG on its leadership and staff on all of the hard work on this document. There is a lot of important language in this document that takes us further in looking at the issues of incompatible land uses and discussing the importance of transition zones between heavy industry and residential areas or too close to major transportation corridors. The proof of the plan will be in its implementation. It is critical that we don't repeat the mistakes of the past and place housing too close to heavy industry or transportation corridors despite our desperate need for affordable housing. It is interesting to note that the Environmental Health Coalition is on the same page with industry on this point. We both think that it is critical that as we build more housing, we build it in the right places.

Ramona Salisbury, representing the League of Women Voters, stated that three years ago during the study of regional governance, the League adopted a position on the need for a comprehensive regional plan for this county. The consensus of our members was to support state legislation to expand the responsibilities and authority of existing consolidated or future regional decision-making bodies to

prepare, implement, and maintain a comprehensive regional plan. We were pleased to be part of the process in creating this plan. They believe that this document has the potential to provide the framework for planning and investing in needed regional infrastructure. The performance monitoring and implementation components of this plan can make the difference. She strongly urged that SANDAG staff be required to present nominees (to be approved at a future meeting) for a shareholders group or oversight committee to work with the RPC and the technical working group. This will be a guide for how all cities in the region can work together to ensure the greatest benefits for our region. It will also serve as a test as to whether the current structure of regional government decision making is workable. The League of Women Voters of San Diego County urges the Board to adopt this plan.

Chair Cafagna thanked the League's endorsement of Proposition A.

Katie Hanson, representing Biocom, indicated that this is a regional trade association for the life science and biotech industry in San Diego. She said they greatly appreciated the opportunity to comment on this Plan. As SANDAG moves forward with implementation of the RCP, she hoped it would consider their industry's concerns about the mixed use of land for industrial and residential purposes. While Biocom supports policies that prioritize the preservation of industrial lands for employment purposes, it does not support policies for residential and industrial dual use or co-locations and areas of incompatible clusters including biomedical products, biotechnology, and pharmaceuticals. She asked that the Board consider the language to include additional protection for the preservation of industrial land in the greater San Diego area.

Janet Anderson from the Stakeholders Working Group said that she was one of several environmental activists on this committee. She stated that the RCP directly addresses some of the things that most of the inhabitants of our county are concerned about now. Three things that are important to the citizens include the ecology, fixing our transportation problems, and providing housing for all of our residents. The plan gives excellent direction to fix some of these problems, and is designed to direct future development to areas that are already urbanized thereby utilizing the existing infrastructure, and in a manner that sustainably preserves our open spaces and unique biology. This is smart growth and will result in a reduction of sprawl.

Lynn Baker, representing the Endangered Habitats League, said she was pleased to support this plan. Just working on this with the brilliant minds and the experience on the SWG was an honor. She talked about subarea plans and the importance of connecting land use and transportation. She mentioned that one of the things we talked about is how we could involve education. She said that Parent Teacher Associations (PTAs) are a good place to get those people involved. About 59 percent of everything we are planning for should be responding to the multi-family need. There will be some alternatives that will be influenced by the RCP goals and values. The most important thing about SANDAG is that you are leading through cooperation and this is what democracy is really all about. She said that she believed in *TransNet*. She announced that this week she resigned on principle from

the Executive Committee of the Sierra Club because she could not support its negative position on *TransNet*.

Renata Mulry, representing Bexen Press, wanted to talk about the section of the plan having to do with conserving and rehabilitation of existing homes. This is an area which has to do with blight. This is one of the greatest handicaps we have for keeping existing housing stock available and attractive. People move to outlying areas because they are clean, safe, adequate, and have high-performing schools. We tax improvements but we do not tax blight. She wondered if this regional body could identify those areas in the county that are blighted. Unless we address this problem we are always going to be faced with moving into new areas that people perceive as attractive. They will commute to achieve the safe lifestyle they want.

Mayor Pro Tem Ramona Finnila (Carlsbad) said she would like to make several points. This was a bold effort that SANDAG undertook and she is proud to be part of the Board of Directors. This plan is a thorough, comprehensive look at what we want to do. One point is that we have so little left in terms of industrial land that will benefit our economic development and we need to look at this carefully. The next point is that the effort today is being translated to the personal level. Towards that end, the whole concept of a healthy environment is becoming extremely important for all of us. The Local Government Commission, headquartered in Sacramento, is willing to work with us to ensure that we get grant money to do what we need to do. We need to plug into other organizations to get things done. On the category of noise, under the Airport section, there is a problem. The document talks about future development projects as they are in the vicinity of various regional airports. The word "vicinity" is problematic in the sense that an airport has two zones for which it has direct legal responsibility and that is if development is in the flight activity zone or in the airport influence zone. We need to be careful with the terminology related to airports. She thanked everyone who has worked on this plan. She acknowledged that this plan was not designed to be perfect or to take care of everything, but is poised to make a difference and is truly a bold venture.

Supervisor Greg Cox (County of San Diego) commended Mayor Holt Pfeiler and all of those who worked on this project. He was struck by the comments made by Patti Krebs and Paula Forbis as it is not very often that you have IEA and the Environmental Health Coalition agreeing on an issue. They were right on target with the concern of incompatible land uses, particularly in industrial-zoned areas. Problems have been created as a result of bad land use decisions. It is extremely important that we keep that in the forefront. We need industrial-zoned land in this region in order to provide good, high-paying jobs, but we have to protect those areas and have adequate buffers around them. This plan is a major step forward. He noted that the County has raised a number of concerns. The County didn't prevail on all of those issues, but he will be supportive of this plan. He wanted to demonstrate that the County can support an issue even if it doesn't get 100 percent of what it would like to see. This is a good example of 19 jurisdictions working together. He was still hopeful that all 19 jurisdictions will be in support of Proposition A.

Motion Made: Vice Chair Sessom moved adoption of the staff recommendations to certify the EIR and adopt the RCP, and Mayor Holt Pfeiler seconded the motion.

Discussion on the motion:

Mayor Kellejian stated that he has been very supportive of the RCP and the process, and he expressed appreciation to all of those who have worked hard on this project. He also appreciated the fact that Mayor Houlihan and Bob Leiter came to the Solana Beach City Council meeting recently on this issue. He noted that the Friends of San Diego attended both meetings they had on this subject.

Mayor Kellejian said that the City of Solana Beach has sent a letter to SANDAG and Director Leiter regarding its concerns. He reviewed each of the concerns and the responses from SANDAG staff. The first concern related to the strong support of local land use control. The response from SANDAG indicated that local cities and the County will continue to retain local land use authority. The RCP is based on incentives and collaboration rather than on regulation to achieve regional goals. Another concern was related to regional impact fees, including commercial and industrial uses, and a dollar amount consistent with full recovery as needed. The SANDAG response was that the RCP recommends the following action "Local jurisdictions acting through SANDAG should research the benefit and cost of cooperatively adopting a regional traffic impact fee program to mitigate the effect on new development on regional transportation systems." Under current law, SANDAG does not have legal authority to assess regional impact fees. The last point is related to the Regional Transportation Plan (RTP) and the RCP and says that an analysis is recommended of what would happen if the RTP was implemented but the smart growth component of the RCP was not. In part, the response was that SANDAG expects to conduct a similar analysis in the next RTP update. As part of the analysis, SANDAG would evaluate the effect of the RCP smart growth concept on the performance of the regional transportation system. He wanted to be on the record to present the letter and other concerns to the Board. He thought that SANDAG did a very good job in answering their concerns.

Mayor Holt Pfeiler said that a tremendous amount of credit for the RCP should go to SANDAG staff Bob Leiter and Carolina Gregor.

Mayor Corky Smith (San Marcos) said that in the future the people of the region will commend us for doing what we are doing today. Some of the problems we have now would not have occurred if there had been such a document like this in the past. He commended the Board members and especially Mayor Holt Pfeiler. He said that there was only one person who went to the Board of Supervisors who was talking about the region as a whole and that was Greg Cox. He noted that if we don't get this half-cent sales tax approved, we are going to be in the same trouble 20 years from now. It is amazing to him that some folks in our community are opposing the *TransNet Extension*. It's not a new tax but an extension of an existing tax. He stated that if you look at the list of projects on the horizon, these are all of the things that we need. He wholeheartedly supported Proposition A.

Mayor Houlihan requested that the minutes contain a summary of each statement so that she can get some of the detail of the comments made. She thanked Carolina Gregor and Bob Leiter for their work on this effort. She said that they had an amazing ability to take the input and reflect it in a meaningful way in the document. That attention to detail and the interest in getting the job done is why people are comfortable with this document and why there is such acceptance with it. She agreed that we need to look at blight. People do

like clean and safe neighborhoods and good schools. Independent of the *TransNet* measure, we have made promises that we are going to implement several habitat programs and we need to talk about a funding mechanism for those. A speaker talked about the Department of Housing and the numbers they give us. It is important for us to start talking about strategies to influence our state lawmakers. We continue to have to lobby against legislation that seeks to remove land use authority and reduce development impact fees without our input or agreement. She really liked hearing from the Industrial Environmental Association and the Environmental Health Coalition. We need to keep in mind that buffering is not good enough. The impacts of any industrial use from companies that are not following the law are felt by everyone. She was really proud to have served on the Regional Planning Committee, and she thanked the Board for that opportunity.

Councilmember Ron Morrison (National City) echoed the congratulations and appreciation for the elected officials, and Bob Leiter and Carolina Gregor and other SANDAG staff at all levels. This is an historic event. One of the great things is that the RCP addresses the preservation of the quality of life in this region. What is going to make this different is that it breathes life into our decisions in our individual vicinities. Implementation will be the key here, and there has to be the political will to implement the plan. The industrial community needs to work with us to become a part of the new San Diego region. There needs to be a huge innovation and to look at new ideas. He thought this document is a fantastic start.

Councilmember Crawford talked about the Borders chapter. She said it was a challenge to the Borders Committee to work on this chapter. She expressed great appreciation to her fellow committee members: Phil Monroe, Patricia McCoy, David Powell, and Judy Ritter. There was also great participation from the East County, and from Victor Carrillo (Imperial County), Thomas Buckley (Riverside County), and the Mexican Consul General and his staff. She further recognized SANDAG staff Hector Vanegas, Joanna Salazar, Mike McLaughlin, and Jane Clough-Riquelme, and the tribal governments to develop the planning issues that needed to be included in this document. We have attempted to look at how we might change the status quo and develop new ways to address the common problems. The challenge is implementation. When we look at the quality of life and future planning, we have to look beyond our borders. We are connected to what is going on in northern Baja California, in Imperial County, and north in Riverside and Orange Counties. She thanked everyone for putting together the Borders chapter.

Baja California Consul General Luis Cabrera expressed warm congratulations for the very professional work that has been done by the RPC under the leadership of Mayor Holt Pfeiler. He said he was honored to be part of this group. He said that it is very important that the Borders chapter has been included as it recognizes the clear reality which is the interdependence between our two cities, San Diego and Tijuana, at the border. It is important that this regional plan considers the future of this expanded region in its planning. He was very happy to work with the Borders Committee and he is looking forward to continuing to provide input into this plan. It is very important to consider what is happening on the other side of the border in terms of water, energy, conservation, and many other issues.

Leon Williams, Chair of the Metropolitan Transit System (MTS), said that he was always been an advocate for regional planning, and he is very enthusiastic about this plan. He personally felt gratified about what has happened. He thought that SANDAG should look

at ways to bring about a commitment, such as a contractual arrangement, from the various jurisdictions to comply with the incentive principles so they will not go off in another direction to derail this plan. We need to lay down a plan that cannot be broken. He expressed appreciation to all those who worked on the development of this plan.

Mayor Houlihan asked staff to provide more detail about the performance standards and how we are working on those. She noted that Councilmember Christy Guerin also wholeheartedly endorsed the RCP. *Staff responded that the performance indicators in the RCP will help us track our progress toward implementation. In Chapter 8 we included some annual and periodic indicators that will be tracked. Staff will be working to develop a baseline monitoring report this fall. Based on that monitoring report we will be working with the Working Groups and the RPC to come up with both short-term and long-term targets that will help us identify how much progress we are actually making.*

Councilmember Jack Feller (Oceanside) congratulated Mayor Holt Pfeiler and the entire staff, especially Carolina Gregor, for their tremendous efforts that had a lot to do with the success of this project. He has watched staff work with the elected officials and the public in the workshops and in organizing and listening to the public. He thought that was one of the keys to the success of this document. He expressed his support for the RCP.

Councilman Bud Lewis (San Diego County Water Authority) noted that there are four areas that make things happen: water, energy, sewer, and trash. Water is the greatest need. The County Water Authority is doing what it can to obtain water. We are on the verge of asking people to slow down their water usage. We have a 20-year supply of reserves, but all of the reservoirs are down and the level of the Colorado River is down. We have made some progress in getting water from the Imperial Valley. This document won't mean too much if you don't have the water to make it happen. One of the biggest problems we are having is dealing with the environmentalists and the issue of desalination. He hoped that the cities would get more involved in the water issue and suggested that they select a delegate to represent them to keep apprised of the water situation. He thought that desalination is a way to help this issue.

Tom Golich, representing the North County Transit District (NCTD), expressed his support for this effort. He said that the RCP and the RTP will go a long way toward helping us try to resolve our transportation problems. We have to offer the public transportation options. This plan goes a long way toward giving consolidation new meaning. We are trying to think regionally with this effort.

Action: Upon a motion by Mayor Sessom and a second by Mayor Holt Pfeiler, the SANDAG Board unanimously approved Resolution No. 2005-01 to: (1) certify the Final Program EIR; (2) adopt environmental findings pursuant to CEQA, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program, and (3) adopt the RCP for the San Diego region. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego and Santee.

CHAIR'S REPORT**8. RECOGNITION OF COUNCILMEMBER RON MORRISON FOR HIS SERVICE AS CHAIR OF SANDAG**

Chair Cafagna stated that Past Chair Ron Morrison has been the right Chairman at the right time. For the past two years he has helped guide the SANDAG Board through simple, straightforward regional issues. His efforts included leading the charge for the \$42 billion Regional Transportation Plan, supporting our efforts to develop the RCP, brokering the public policy actions contained in the *TransNet Extension*, and keeping his cool and garnering consensus as we implement the new, consolidated SANDAG. His tenure as Chairman will leave a lasting, positive legacy for all of us who enjoy living, working, and playing in this diverse region.

Councilmember Morrison stated that he and Mickey Cafagna were elected at the same time and got involved in regionalism immediately. Then he had the opportunity to come on the SANDAG Board and to be able to serve with the staff and a group of elected officials that give 110 percent. They have gone beyond the idea of being part-time and have been dedicated with passion to get things done for this region. The Policy Advisory Committees (PACs) have been key to getting things done. He expressed his thanks to the chairs of the PACs: Joe Kellejian for the Transportation Committee, Lori Holt Pfeiler for the Regional Planning Committee, Steve Padilla for the Public Safety Committee, and Crystal Crawford for the Borders Committee. He also thanked Ramona Finnila as a past chair when he was Vice Chair, and Mickey Cafagna as his Vice Chair. He thanked Mickey Cafagna for being a good workmate and an excellent friend. He said that what has made this Board so unusual is a group of elected officials that have taken on the subjects and realized the need to address the quality of life issues in this region. They have thrown aside a lot of things that get stuck on politicians such as ego, political aspirations, and petty parochialism. That is what has made this a dynamic team. He could not be prouder to have served and to continue to serve with such a group of elected officials and fantastic staff.

Chair Cafagna called a five-minute break at 11:14 a.m. The meeting was reconvened at 11:21 a.m.

REPORTS (Continued)**12. INTERSTATE 15 INTERREGIONAL PARTNERSHIP (I-15 IRP) - FINAL REPORT (APPROVE)**

Councilmember Crawford reported that over the past decade there has been a growing number of people moving to Riverside County but continuing to work in the San Diego region. This project was initially developed to identify and implement strategies to reduce both the demand for this interregional commuting and the congestion impacts to the I-15 corridor. Today the final I-15 IRP report is being presented to the SANDAG Board for approval and the report will be forwarded to the California Department of Housing and Community Development and the Western Riverside Council of Governments (WRCOG). She was pleased to have a couple of representatives from Riverside County in attendance at this meeting.

Councilmember Crawford noted that on page I is a list of the partnership committee members, which includes the SANDAG Borders Committee and elected officials from Riverside County and the organizations and agencies involved in the Technical Working Group from both the San Diego and southwestern Riverside regions. She recognized the assistance from Rick Bishop, Executive Director of WRCOG, and Jim O'Grady, Assistant City Manager of Temecula. She expressed a special word of thanks to Temecula and Escondido for hosting the meetings. He also thanked Caltrans staff members from Districts 8 and 11 for their participation and support of this project.

Councilmember Crawford noted that this effort was initiated by Ramona Finnila, then SANDAG Chair, and Jeff Comerchero, a councilmember from Temecula. We received a Housing and Community Development (HCD) grant of over \$500,000 for this project. An Existing Conditions report was completed in January 2003, and a Final Report with strategies and an implementation plan was finished in June 2004. Based on the results of the evaluation of existing conditions, several key issues were identified and strategies proposed. The housing strategies were aimed primarily toward the San Diego region. She said that each jurisdiction must provide a range of housing through the preparation and implementation of their housing elements. She noted that state-local fiscal reform is needed to counterbalance the tax revenue advantages of commercial over residential development, and we need to encourage the development of moderate income housing through the adoption of programs and incentives. Infill development near jobs would also provide additional housing where it is needed most.

She stated that support for these strategies has been strong in both regions and they hope to focus on them during the next year. The success of both the short- and long-range economic development strategies depends on agencies in both regions working together for their mutual benefit. Greater collaboration between Riverside economic development agencies and between agencies in the Riverside and San Diego regions is needed. From a longer-range perspective, we need to identify the employment clusters that drive the economy of the two regions, and implement programs that will ensure the health, continuation, and expansion of those clusters.

The short-range transportation strategies deal mainly with interregional coordination issues. Most of these strategies are underway and involve implementation of interregional transit service and better coordination between vanpool and transit agencies, and joint outreach and marketing efforts. She reviewed the long-range transportation strategies and noted that two additional strategies were added during the public review process.

Councilmember Crawford stated that both SANDAG and WRCOG are committed to continuing the interregional partnership. We received news last week related to the receipt of a \$240,000 partnership grant from Caltrans. This will allow us to expand our work program to undertake the economic cluster analysis, spend more time on strategy implementation, and prepare a baseline monitoring report.

Councilmember Crawford said that we have learned that we can no longer consider ourselves as a one county region. We are influenced greatly from a housing, economic, and transportation standpoint by our neighbors to the south, east, and north. The I-15 IRP project has broadened our horizons and will influence how we approach a variety of planning issues in the future.

Public comment:

Jim O'Grady, Assistant City Manager for the City of Temecula, read a letter from Jeff Comerchero, co-chair of the I-15 IRP, who was unable to attend this meeting. The letter indicated that it has been three years since it was first realized that our two regions share common problems and we could all benefit from working collaboratively on solving them. Most of the initial barriers have melted away and were replaced with an air of cooperation and mutual understanding of the challenges. Implementing the proposed strategies will take courage and vision. The efforts made by the members of the partnership will position us well for the difficult tasks ahead. He thanked all of the member cities for their diligence and patience. He said that the newly formed relationships create a problem-solving mechanism that must not end with the acceptance of this final report. He thanked SANDAG members and staff for their continuing support of this critical effort. Mr. O'Grady thanked Crystal Crawford and SANDAG staff members Jeff Martin, George Franck, and Susan Baldwin.

Rick Fisher, Executive Director of WRCOG, recognized that our regions are intertwined and the political boundaries don't mean anything to the commuters and residents. He expressed his compliments to Crystal Crawford as co-chair of this partnership. He said that it has been beneficial to get to step into the transportation and land use mix.

Paul O'Neal, with State Senator Bill Morrow's office, stated that Senator Morrow has sustained a continued interest in the works of this committee and asked him to attend the meetings. He urged the SANDAG Board to adopt this report and to recognize two of the most wonderful public servants, Ramona Finnila and Jeff Comerchero, and the two staffs. It was their vision that got this project started. He expressed his appreciation for the efforts of this partnership.

Lynn Baker, representing the Endangered Habitats League, commented that in the long-term, Riverside County is going to grow, and there will be commercial opportunities and reasons for people to commute on a regular basis. The reason that high-speed rail technology was chosen as one of the transportation implementation strategies is because it has the potential for dual use. We want to make sure that every station is compatible so that later if we implement a dual use with rail we will build on the initial investment.

Councilmember Golich asked for clarification on the mention of right-of-way protection. Councilmember Crawford said that this referred to high-speed rail or the high-occupancy-vehicle (HOV) facilities that we might want on the I-15 corridor. If we preserve right-of-way where we need it, then when we get money we would be able to put in the infrastructure.

Councilmember Golich noted that at one point in time there was a railroad that ran from Temecula to Oceanside through a canyon. It got washed away several times and the railroad folks moved the rail line over to the coast. He didn't know if that right-of-way still exists. He thought perhaps that was the right-of-way that was being referred to. He

suggested that someone might want to look at that right-of-way to determine if it can be used from Temecula to Oceanside.

Mayor Pro Tem Monroe said that the I-15 IRP was a great group to work with and he expressed his appreciation to Councilmember Crawford and Mr. Comerchero for leading a great team. He said that what we are doing on I-15 we should have started 20 years ago when the migration started. Right now, we are seeing that same kind of migration on I-8. He wondered if SANDAG should get a jump on that similar situation.

Chair Cafagna said he was very impressed reading this report. It is very high quality and the information is going to be very useful.

Councilmember Crawford mentioned that the strategies developed from this project have been incorporated into the RCP.

Action: Upon a motion by Mayor Smith and a second by Vice Chair Sessom, the SANDAG Board unanimously approved the I-15 IRP Final Report. Yes – 17 (weighted vote, 100%). No – 0 (weighted vote, 0%). Abstain – 0 (0%). Absent – City of San Diego and Santee.

3. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS (Continued)

Katherine Perez, representing Rail-Volution, invited all of the SANDAG Board members to the Rail-Volution conference in September. This is a national conference that looks at linking land use and transportation with livable communities. This conference is a showcase for the evolving region's new commitment to communities that work and to the ideas that power that commitment. The conference is open to everyone but is traditionally of major interest to transportation and land use planners, public sector decision makers, private sector investors, and advocates and activists of all kinds. The conference will feature stimulating workshops, panels, and other events, but its emphasis is on hands-on education.

Chair Cafagna noted that it looked like a great event, and we will get someone to attend.

9. REPORT ON NATIONAL ASSOCIATION OF REGIONAL COUNCILS (NARC) ANNUAL CONFERENCE (INFORMATION)

The Chair and two other Board members attended the NARC Annual Conference in Chicago, Illinois, from June 26-29, 2004. A report on the conference highlights is provided.

Councilmember Morrison said that each conference is different and sometimes you get a lot out of the conference itself, and sometimes you gain from the interaction and networking with other elected officials, organizations, and groups. He thought that at this conference he gained more from the location itself. Chicago is a city that in the 1980 census had 3.2 million people, in 1990 it had 2.5 million, and in 2000 there were 3.7 million people. The city had been allowed to decay. Since then it has been turned around and made a desirable place to live. He learned so much on what they are doing as a city. Their primary problem is that they only have five months of "human weather." They are redeveloping their downtown area, which is a huge metropolitan center. This is an area that is extremely economically and culturally diverse. They have also taken the Chicago tenement slums and have started to turn those communities around.

Mayor Pro Tem Monroe said that he felt safe throughout the area. He went on a Green Tour and looked at some of the things going on in the outlying areas. This was a highlight of the trip for him. He thought that the actual program of the conference was weak. He noted that the regional government in the Chicago area covers 6 counties and 282 jurisdictions.

Mayor Pro Tem Finnila said that Chicago is the home of the McCarthy Foundation. Staff had put together six proposals for funding from that Foundation. She thought we had a good chance to get some money; unfortunately, she was not able to move them from their previously set opinions that they were only going to fund projects that exist in Chicago and south Florida. We ought to keep sending projects in search of funding out to various foundations. There is a group that has started in Australia, called Land Care Australia, which is now funding environmental concerns. It now has a group in the United States, and they have put together a corporate base for funding. She has directed staff to look at Land Case USA for possible funding for our subarea plans for environmental purposes. She said that Chicago was able to start its renovations related to green cool systems and environmental cleanup because of the franchise fee on utilities. Chicago has made the top of city hall a green roof, placed photovoltaic cells on every museum in Chicago, and proceeded with green belts throughout the city. She stated that one conference session was on homeland security that she found interesting because they wanted to use public television as a means to get warnings out when there was a need. The question was asked: "Will it be possible in the future to be able to give a warning on a television set that is turned off?" It is believed that in the future there may be that capability. She thought it was a very informational trip.

Councilmember Houlihan noted that she recently attended a workshop where she saw a case study in Chicago of a reclaimed wetland from a cement retention basin. Chicago had a beautiful wetland that is doing better than the piece of cement infrastructure that was there before. We have talked about doing a workshop locally where we could talk about case studies and present options. She wanted to remind folks to organize such a workshop. She obtained cards from people at the workshop who are more than happy to come to a local event.

Action: This was an information item.

NOTE: A letter was received from Robert Hoffman dated July 26, 2004, taking issue with some of the statements in the staff report for item No. 9.

10. APPOINTMENT OF POLICY COMMITTEE CHAIRS AND VICE CHAIRS (APPOINT)

Chair Cafagna announced that he made a decision to appoint the same chairs and vice chairs of the PACs until the Nomination Committee reports back with its recommendations. This is a six-month extension to their terms.

13. UPCOMING MEETINGS

Chair Cafagna indicated that there will not be any Policy or Business meetings in August. The August 13, 2004, Policy meeting and the August 27, 2004, Business meeting of the Board of Directors have been cancelled. The next regular business meeting is scheduled for Friday, September 24, 2004, at 9:00 a.m.

14. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Chair Cafagna convened the meeting into a closed session at 12:11 p.m. to discuss the following items:

- A. **Property:** Assessor Parcel Nos. 316-180-14, 15 and 16, located in the City of San Diego
Negotiators: Tim Allison and Chip Willett (for SANDAG); Legacy Sabre Springs, LLC (for property owner)
Under Negotiation: Purchase price of subject property

- B. **Property:** Assessor Parcel No. 313-031-16 (Carmel Mountain Ranch), located in the City of San Diego
Negotiators: Tim Allison and Chip Willett (for SANDAG); Carmel Mountain Ranch, a California General Partnership (for property owner)
Under Negotiation: Purchase price of subject property

The meeting was reconvened into open session at 12:26 p.m. General Counsel reported the following out of the closed session: related to items 14 a. and b., the Board gave instructions to negotiators in both property matters.

B. ADJOURNMENT

The meeting was adjourned at 12:27 p.m.

GARY L. GALLEGOS
Secretary

**ATTENDANCE
SANDAG BOARD OF DIRECTORS' MEETING
JULY 23, 2004**

JURISDICTION/ ORGANIZATION	NAME	ATTENDING	COMMENTS
City of Carlsbad	Ramona Finnila (Member)	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	Maggie Houlihan (Alternate)	Yes	
City of Escondido	Lori Holt Pfeiler (Member)	Yes	
City of Imperial Beach	Mayda Winter (Alternate)	Yes	
City of La Mesa	Ernie Ewen (2nd Alternate)	Yes	
City of Lemon Grove	Mary Sessom, Vice Chair (Member)	Yes	
City of National City	Ron Morrison (Member)	Yes	
City of Oceanside	Jack Feller (Member)	Yes	
City of Poway	Mickey Cafagna, Chair (Member)	Yes	
City of San Diego - A	Dick Murphy (Member)	Yes	
City of San Diego - B	Jim Madaffer (Member)	No	
City of San Marcos	Corky Smith (Member)	Yes	
City of Santee	Hal Ryan (Member)	No	
City of Solana Beach	Joe Kellejian (Member)	Yes	
City of Vista	Morris Vance (Member)	Yes	
County of San Diego	Greg Cox (Alternate)	Yes	
ADVISORY MEMBERS LISTED BELOW (ATTENDANCE NOT COUNTED FOR QUORUM PURPOSES)			
Caltrans	Bill Figge (Alternate)	Yes	
MTDB	Leon Williams (Member)	Yes	
NCTD	Tom Golich (1st Alternate)	Yes	
Imperial County	Victor Carrillo (Member)	Yes	
US Dept. of Defense	CAPT Daniel King (Member)	Yes	
SD Unified Port District	Jess Van Deventer (Member)	No	
SD County Water Authority	Bud Lewis (Alternate)	Yes	
Baja California/Mexico	Luis Cabrera Cuaron (Member)	Yes	Lydia Antonia replaced Sr. Cuaron part way through the meeting