REGIONAL PLANNING COMMITTEE

Friday, July 2, 2004
12 noon – 2 p.m.
SANDAG
401 B Street, 7th Floor Conference Room
San Diego, CA

AGENDA HIGHLIGHTS

• RECOMMENDATION ON RCP PROGRAM ENVIRONMENTAL IMPACT REPORT (EIR) AND REGIONAL COMPREHENSIVE PLAN (RCP)

• REGIONAL HOUSING NEEDS ASSESSMENT (RHNA)

• STATUS REPORT ON ENERGY WORKING GROUP

MISSION STATEMENT

The Regional Planning Committee provides oversight for the preparation and implementation of the Regional Comprehensive Plan that is based on the local general plans and regional plans and addresses interregional issues with surrounding counties and Mexico. The components of the plan include: transportation, housing, environment (shoreline, air quality, water quality, habitat), economy, borders, regional infrastructure needs and financing, and land use and design components of the regional growth management strategy.
Welcome to SANDAG! Members of the public may speak to the Regional Planning Committee on any item at the time the Committee is considering the item. Please complete a Speaker’s Slip which is located in the rear of the room and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications/Members’ Comments. Speakers are limited to three minutes. The Regional Planning Committee may take action on any item appearing on the agenda.

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

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

SANDAG offices are accessible by public transit. Phone 1-800-COMMUTE or see www.sdcommute.com for route information.
1. APPROVAL OF MEETING MINUTES

   +A. MAY 7, 2004 MEETING MINUTES (pp. 5-10)

   B. JUNE 25, 2004 JOINT MEETING MINUTES (to be e-mailed by June 30, 2004)

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address the Regional Planning Committee on any issue within its jurisdiction. Speakers are limited to three minutes each. This item also is an opportunity for Regional Planning Committee members to make comments or announcements.

REPORTS

+3. RECOMMENDATION BY THE REGIONAL PLANNING COMMITTEE TO THE SANDAG BOARD ON THE RCP PROGRAM ENVIRONMENTAL IMPACT REPORT (EIR) AND THE REGIONAL COMPREHENSIVE PLAN (RCP) (Hon. Lori Holt Pfeiler, Chair, Regional Planning Committee) (pp. 11-12)

   The Regional Planning Committee and its Working Groups reviewed the Program EIR and the Revised Working Draft RCP at their June 25, 2004 joint meeting. In addition, each Working Group was asked to make a recommendation to the Regional Planning Committee on the Revised Working Draft RCP. The Chairs of each Working Group will report the recommendations made by their groups, and SANDAG staff will report on the staff recommendation. The Regional Planning Committee is asked to recommend certification of the EIR and adoption of the RCP to the SANDAG Board of Directors. The SANDAG Board is scheduled to take action on these documents on Friday, July 23, 2004.

+4. REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) UPDATE (Susan Baldwin) (pp. 13-14)

   Staff will update the Regional Planning Committee on the status of the Regional Housing Needs Assessment (RHNA) process and schedule.

+5. STATUS REPORT ON THE ENERGY WORKING GROUP AND RECOMMENDATION ON COMMENTS TO BE SUBMITTED TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC), SUBJECT TO SANDAG BOARD OF DIRECTORS APPROVAL (Councilmember Henry Abarbanel, EWG Co-chair; Rob Rundle) (pp. 15-23)

   Henry Abarbanel, Del Mar Councilmember and Co-chair of SANDAG’s Energy Working Group (EWG) will provide a progress update on the EWG since its formation in March 2004. In addition, Councilmember Abarbanel will discuss the comments prepared by the EWG to be sent to the CPUC on the long-term administrative structure of the Public Goods Charge Energy Efficiency Funds. The EWG requests that the RPC recommend that the SANDAG Board of Directors submit comments on this issue that affects all San Diego Gas & Electric ratepayers.
6. UPCOMING MEETINGS

The August 6, 2004 Regional Planning Committee has been cancelled. The next meeting will be held on **Friday, September 3, 2004 from 12 noon – 2 p.m. at SANDAG.**

7. ADJOURNMENT

+ next to an agenda item indicates an attachment
Technical Working Group: The next Technical Working Group meeting is scheduled for Thursday, July 8, 2004 from 1:15 to 3:15 p.m.

11. **ADJOURNMENT BY TECHNICAL WORKING GROUP MEMBERS**

   The meeting was adjourned at 2:39 p.m.

BOB LEITER
Director of Land Use and Transportation

Key Staff Contact: Carolina Gregor, (619) 699-1989; cgr@sandag.org
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 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
The Joint Meeting of the Regional Planning Committee, Technical Working Group and Stakeholders Working Group was called to order at 12:43 p.m. by Regional Planning Committee Chair Lori Holt Pfeiler. Attached are lists of the attending Regional Planning Committee, Technical Working Group and Stakeholders Working Group members.

1. **WELCOME AND INTRODUCTIONS**

   Mayor Holt Pfeiler, Chair of the Regional Planning Committee, thanked and welcomed all to the meeting and noted that the meeting is a continuation of last month's joint meeting on the Regional Comprehensive Plan (RCP). Self-introductions were conducted.

   Mayor Holt Pfeiler added that the Regional Planning Committee will meet on July 2 to receive the recommendations from the working groups on the Regional Comprehensive Plan and make a formal recommendation to the SANDAG Board. RPC members will be excused prior to the end of the joint meeting; the Technical and Stakeholders Working Groups will stay to formulate their recommendations to the Committee.


   **Action:** The Regional Planning Committee and its working groups approved the minutes from their May 24, 2004 Joint meeting. One Committee member abstained.

3. **APPROVAL OF MINUTES FROM APRIL 22, 2004 JOINT MEETING BETWEEN THE TECHNICAL WORKING GROUP AND THE STAKEHOLDERS WORKING GROUP**

   **Action:** The Technical and Stakeholders Working Groups approved the minutes from their April 22, 2004 Joint Meeting.
4. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Regional Planning Committee Chair Holt Pfeiler commented that the three groups have been working hard on the RCP over the past two years. If the Plan is adopted, even though it may be challenging to implement, it will improve the quality of life for everyone in the region. She noted that the groups are doing great work and need to continue working together to accomplish the region’s goals.

REPORTS

5. PRELIMINARY FINAL ENVIRONMENTAL IMPACT REPORT (EIR) FOR THE REGIONAL COMPREHENSIVE PLAN (RCP)

Staff reported that at the May joint meeting, the groups were presented with an overview of the Environmental Impact Report (EIR) and the types of comments SANDAG received on the document. Since that meeting, copies of the comments received on the draft EIR, the responses that were prepared by SANDAG staff, and clarifications to the draft EIR were distributed to the Regional Planning Committee and its working groups. Staff reviewed the purpose of the EIR and the project description. Staff concluded that both the Regional Comprehensive Plan (RCP) and the EIR are tools and noted that due to time and budget constraints, the EIR is not detailed enough for use by local jurisdictions and other regional agencies to “tier off of” for more specific subsequent projects.

6. REGIONAL COMPREHENSIVE PLAN: STAFF RESPONSES TO COMMENTS RESULTING FROM MAY 24, 2004 JOINT MEETING

Staff presented a report in response to issues resulting from the May 24, 2004 joint meeting. The RCP identifies challenges that the region faces collectively. It is a starting point and will be monitored and updated on an ongoing basis. The major themes of the plan are: strengthening the connections between land use and transportation; coordinating other infrastructure investments with our investments in land use and transportation; and focusing on collaboration and incentives as we implement the RCP. The public involvement process resulted in a regional vision and a number of core values that include: the creation of livable, walkable, safe, and healthy neighborhoods; the preservation and maintenance of our open space, rural communities, and agricultural areas; and the provision of a transportation system that better links jobs, homes, and major activity centers. Staff indicated that SANDAG received over 700 comments on the RCP, and discussed responses to issues raised at the last meeting, including local control, land preservation and sprawl, traffic and infrastructure, community character, and housing. The RCP is regional in nature, is comprehensive, proactively addresses our needs, and maintains our quality of life.

Public Comment:

Tom Mullaney, Friends of San Diego, stated that it is helpful that SANDAG staff has made clarifications based on the comments submitted on the RCP. However, targeting specific groups of people such as I-15 commuters from Riverside County is not a feasible plan. Plans to add more housing will result in more people. He noted that natural population increase
is different from those that live here and commented that the challenge to deal with the existing population capacity of the region is huge. The San Diego region is behind in providing infrastructure and should keep the goals of providing for livable communities and affordable housing, while staying within the overall capacity of the 314,000 more homes as designated in current general plans. 314,000 homes will require more schools, parks, and roads, as well as other infrastructure. The emphasis of the plan should be on relocating growth from less suitable to more suitable areas, not on planning for more housing. The existing infrastructure deficits in the region are tremendous.

Committee/Working Group Member Comments:

Lynne Baker, Stakeholders Working Group member, stated that she remembers dialogue regarding interregional transfer of development rights (TDRs) that occurred early in the process. She noted that other areas such as Maryland use the private market to support smart growth.

Mayor Houlihan, Regional Planning Committee member, asked for an update on the County’s General Plan 2020. Supervisor Slater-Price responded that the County Board of Supervisors held a hearing last week and agreed to forward two maps to County staff for additional analysis: (1) the designated April 2004 county-wide map; and (2) a map with proposed amendments. The process will take an additional 18 months to complete.

7. REVIEW/ DISCUSSION OF REMAINING RCP CHAPTERS

Staff noted that after the last joint meeting, Regional Planning Committee and Working Group members were encouraged to forward additional comments on the Revised Working Draft RCP. Comments submitted and staff responses are included in the staff report, indicating where additional changes will be made to the RCP. SANDAG staff is still working with County staff on potential refinements to the smart growth matrix in the Urban Form chapter. If significant changes are proposed to the matrix based on ongoing discussions, those changes will be presented to the Regional Planning Committee for consideration at its July 2 meeting.

Chair Holt Pfeiler stated that at the last joint meeting, several chapters of the RCP were not discussed and asked if members of the groups had any comments on those chapters beyond those that were sent to staff. Hearing no comments, she noted that it must have helped that staff requested comments be sent in prior to today’s meeting.

8. ADJOURNMENT BY REGIONAL PLANNING COMMITTEE MEMBERS

Chair Holt Pfeiler adjourned the Regional Planning Committee members from the meeting at 1:20 p.m.

9. RECOMMENDATIONS TO THE REGIONAL PLANNING COMMITTEE

Stakeholders Working Group Chair Davis stated that the next step is for the Working Groups to make their recommendations on the Regional Comprehensive Plan (RCP) to the Regional Planning Committee for their July 2 meeting. The Regional Planning Committee's
recommendation will then be forwarded to the SANDAG Board for consideration at its July 23 meeting.

Dave Gatzke, Stakeholders Working Group, asked for a point of clarification. Were all of the changes submitted by the Regional Planning Committee and the Working Groups reflected in the staff report? Staff replied that all changes submitted are included in the report.

Wallace Tucker, Stakeholders Working Group, recommended consideration of the reduced intensity alternative in the EIR. The impacts seem to be less under that alternative. He stated that he still doesn't believe the plan sufficiently promotes sustainability, open space protection, and recycling. Staff clarified that the RCP does not include specific density levels. The EIR analyzed different growth scenarios. The adoption of the RCP in and of itself does not result in additional units; its implementation by local jurisdictions will occur over time and will be monitored. The amount of housing built in the region will depend on changes made to local plans.

Lynne Baker made a motion that the Stakeholders Working Group adopt the RCP. Tom Scott seconded the motion.

Stakeholders Working Group comments on the motion:

Lynne Baker, Stakeholders Working Group, stated that the RCP does have a goal to relocate growth. Whether it is realized will be based on the actions of local jurisdictions that have land use authority; authority that SANDAG does not have. State law dictates how much housing growth a region must plan for. Changes to those laws would need to occur at the state level. She noted that implementation of the County’s existing general plan would cost approximately $7.7 billion in transportation infrastructure alone. The cost of GP 2020 would be approximately $2.3 billion. Policymakers and staff are continuously faced with limited resources and are challenged with meeting the region’s needs. We need to find more efficient ways to move forward.

Deanna Spehn, Stakeholders Working Group, commented that a more acceptable word for the motion than "adopt" would be to "accept" the RCP and to recommend moving it forward to the Regional Planning Committee.

Lynne Baker, as the maker of the motion, agreed to amend her motion to address this point.

Steve Apple, City of Solana Beach, noted that the Solana Beach City Council has discussed this document and is interested in the consistent application of development impact fees.

Dutch Van Dierendonck, Stakeholders Working Group, stated that the residents in the back country understand that under the County’s current general plan, if 4 and 8 acre parcel splits continue to happen, the taxes generated do not pay for necessary services. The back country will soon be destroyed if development impact fees aren’t implemented. He agreed with the motion on the floor.
Staff made a point of clarification on the motion. Staff is asking that each Working Group make a recommendation to the Regional Planning Committee on the RCP. Staff expressed concern with the term "accept;" the Regional Planning Committee needs a recommendation from each group.

Technical Working Group Vice-Chair Niall Fritz suggested that the members of both Working Groups discuss the RCP together and then make separate motions.

Keith Pezzoli, Stakeholders Working Group member, asked for clarification on the motion.

Lynne Baker, Stakeholders Working Group, stated that the motion was intended to support the approval of the RCP and forward it to the Regional Planning Committee. She stated that overall, the RCP is a good document and that the Stakeholders Working Group should support the adoption of the RCP.

Joan Vokac, County of San Diego, commented that the County is not yet ready to make a recommendation supporting the RCP. There are still many issues and concerns that have not been resolved regarding the EIR and RCP. Key issues and areas of concern include: wording in the EIR regarding agricultural buffers; use of the word "highest" priority for road funds for smart growth; transportation issues that deal with safety and mobility; County responsibility for 59 programs in the RCP, 21 of which the County is the lead agency; treatment of rural areas in the smart growth matrix; development impact fee issues in relation to reducing building requirements and costs; and inclusionary housing.

Dennis Turner, City of Carlsbad, noted that the Working Groups are being asked to make recommendations on the RCP, not the EIR. Chair Davis stated that is correct.

Ramona Salisbury, Stakeholders Working Group, stated that she supports the motion put forward by Lynne Baker.

Steve Apple, City of Solana Beach commented that there may not be a great deal of general plan changes needed by the local jurisdictions because the state requires approval of density bonus projects.

Coleen Clementson, City of San Diego, noted that the RCP is an enormous accomplishment. She made a motion for the Technical Working Group to support the RCP and forward its recommendation of support to the Regional Planning Committee.

Jim Sandoval, City of Chula Vista, seconded the motion. He noted that the RCP looks good and a lot of work has gone into it. He asked the Working Groups to keep in mind that there have been different levels of participation in the region regarding how roads are constructed and suggested that some type of credit system be implemented for those agencies that do more than others.

SANDAG staff commented that they have met with County staff and provided specific responses to their comments and satisfactorily addressed most of their issues. Staff will continue to work with County staff on the agricultural buffer issue; the groups need to
discuss the “highest” priority wording; with respect to the 59 programs, staff recognizes that everyone has limited resources and the list is more of a wish list that needs to be prioritized; we need to continue to work on the smart growth categories to reach consensus; and recommendations on fees, regulations, and mitigation measures are advisory in nature, not mandatory. Staff added that they are committed to working with the County to resolve any remaining issues.

Joan Vokac, County of San Diego, suggested that the “highest” priority wording be changed to “one of the highest priorities.” One gets the impression when reading the document that smart growth is the region’s only priority.

Jim Sandoval, City of Chula Vista, commented that identifying the amount of funding needed to implement all the projects in the RCP will be difficult to do. Having smart growth as the highest priority for funding, the way that it is listed now, makes sense. The region needs to get the most bang for the buck.

Dave Witt, City of La Mesa, agreed with Mr. Sandoval. The “highest” priority doesn’t mean the only priority. He noted that there will be many other projects funded in addition to smart growth, but feels that the RCP is on target right now.

Deanna Spehn, Stakeholders Working Group, reiterated that on behalf of the Taxpayers Association she cannot support the recommendation on the floor because the final version of the plan is not available and the Taxpayers Association has not had an opportunity to act on it. Staff noted that the Stakeholders Working Group members were invited to apply as individuals and many represent more than one organization.

Ms. Spehn then questioned why each member is identified by the agency that they represent. Staff replied that when applications were being accepted for the Stakeholders Working Group members, it was noted which organizations people represented in order to know who is sitting at the table. Agency and organization affiliations were used to help create a balance within the group.

Bob Geralka, County of San Diego, questioned the word “highest.” He noted that the County can set priorities but doesn’t rank them and added that the County’s concern is that by designating smart growth as the region’s highest priority, funding will not be fairly distributed.

Lynne Baker, Stakeholders Working Group, commented on use of the word “highest.” She stated that the County of San Diego will receive one-half of the region’s sales tax monies and one-half of Prop 42 funds. Smart growth should be, for the region, the highest priority. Not every area is smart. She added that with the region’s limited resources, if other goals and other types of programs are not supported, the region will be digging itself into a ditch.

Dave Witt, City of La Mesa, asked if the motions are related to the revised working draft of the RCP. Regarding the EIR, he asked if there a process or plan to adopt the document. He also asked if there is an expectation that all jurisdictions will take action on the document before forwarding it to the SANDAG Board, and whether staff expects to make substantial
changes to the RCP as a result of the EIR. SANDAG staff responded that the action requested is on the draft RCP, and that we are not expecting to make significant changes to the RCP based on the EIR, though some minor corrections will be made and we are still working with the County staff to address their issues. We are not requesting that local jurisdictions take action on the plan individually. Once adopted by the SANDAG Board, we expect the RCP to be used as a working document by local jurisdictions for their own planning activities, and that we will collaborate with our member agencies and others on its implementation. Eventually, SANDAG may ask its member agencies to enter into compacts or MOUs regarding implementation activities of the RCP.

Keith Pezzoli, Stakeholders Working Group, echoed Ms. Baker’s support of the plan. He noted that this is a complex project, and all the work that went into creating this document, which looks at sustainability from the city-region standpoint. The success of the plan hinges on performance monitoring, which should be expanded upon in the plan. He added that the working groups should pay attention to the equity issue. The Borders chapter is an important part of the RCP. Also, the working groups should involve the region’s universities and use science to help implement the RCP.

Dave Stepp, Stakeholders Working Group, indicated that he is in support of moving the document forward. Any adjustments dealing with agricultural buffers will affect zoning. He noted that the persons that will be most affected by smart growth will be the region’s farmers because down zoning is costly.

Joan Vokac, County of San Diego, made a substitute motion for the Technical Working Group that would include changing the wording in the RCP to remove the agricultural buffers language, to remove the word “highest” and substitute “one of the highest” in reference to the issue of funding priority for smart growth, and to continue to work out remaining issues between SANDAG and County staff.

Coleen Clementson, City of San Diego, requested an explanation of agricultural buffers. Staff responded that the EIR proposes agricultural buffers where impacts to other uses exist.

Joan Vokac noted that the RCP includes agricultural buffer language on page 342.

Stakeholders Working Group Action:

Ramona Salisbury suggested that the Stakeholders Working Group vote on the motion. Chair Davis called for a vote on the question.

**Action:** The Stakeholders Working Group voted in favor of calling for the question.

Stakeholders Working Group Chair Davis called for the question.

**Action:** The Stakeholders Working Group voted 13-0-1 recommending that the Regional Planning Committee support adoption of the Regional Comprehensive Plan. Deanna Spehn of the Taxpayers Association abstained.

The Stakeholders Working Group adjourned at 2:21 p.m.
A break was taken at 2:21 p.m. The Technical Working Group reconvened at 2:33 p.m.

Technical Working Group Discussion on the Motion:

Patrick Murphy, City of Encinitas, commented that he is fine with SANDAG staff working out the details with the County. As long as the changes are not significant and don’t change the intent of the RCP, the Technical Working Group should move forward. SANDAG staff will continue to work with County staff next week. Staff will advise the Regional Planning Committee if there are any significant changes or outstanding policy issues as a result of discussions with County staff.

Robert Larkins, City of Lemon Grove, noted that he has some minor comments that he will provide to SANDAG via email.

Technical Working Group Vice-Chair Niall Fritz commented on the use of the term “highest priority.” Smart growth opportunity areas have not yet been identified, and some jurisdictions (such as Poway) may not have any smart growth areas. However, smart growth is a regional solution that will benefit the region, and the Working Group should support what is best for the region.

Joan Vokac, County of San Diego, withdrew the part of the substitute motion regarding agricultural buffers, with the understanding that County and SANDAG staff will continue to work on that and other issues. She reiterated her point that smart growth should be among one of the highest priorities, and that the RCP should recognize that there are other areas where transportation funding is needed.

Dennis Turner, City of Carlsbad, seconded the substitute motion.

**Action:** The Technical Working Group voted on the substitute motion, which called for recommending support of the RCP to the Regional Planning Committee with the change of the word “highest” to “one of the highest” and with the caveat that SANDAG and the County to continue to work on resolving outstanding issues, particularly regarding the smart growth matrix and agricultural buffers. The substitute motion failed 6-7.

The original motion was re-stated as follows: The TWG recommends that the Regional Planning Committee support adoption of the RCP, with the caveat that SANDAG and County staff continue to work on resolving outstanding issues, particularly regarding the smart growth matrix and agricultural buffers, and present any significant outcomes to the RPC on July 2 for their consideration.

**Action:** The Technical Working Group voted 12-1 in favor of the motion. Joan Vokac, County of San Diego, voted no.

10. UPCOMING MEETINGS

Regional Planning Committee: The next Regional Planning Committee meeting is scheduled for Friday, July 2, 2004 from 12 noon to 2 p.m. at SANDAG.
Technical Working Group: The next Technical Working Group meeting is scheduled for Thursday, July 8, 2004 from 1:15 to 3:15 p.m.

11. ADJOURNMENT BY TECHNICAL WORKING GROUP MEMBERS

The meeting was adjourned at 2:39 p.m.

BOB LEITER
Director of Land Use and Transportation

Key Staff Contact: Carolina Gregor, (619) 699-1989; cgr@sandag.org
CONFIRMED ATTENDANCE
SANDAG JOINT MEETING OF THE
REGIONAL PLANNING COMMITTEE,
TWG, AND SWG
Regional Planning Committee Members
June 25, 2004
12:30 – 2:30 p.m.

<table>
<thead>
<tr>
<th>GEOGRAPHICAL AREA</th>
<th>JURISDICTION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>North County Inland</td>
<td>City of Escondido</td>
<td>Lori Holt-Pfeiler, Chair</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>City of Vista</td>
<td>Judy Ritter</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>South County</td>
<td>City of Chula Vista</td>
<td>Patty Davis, Vice Chair</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>City of Imperial Beach</td>
<td>Patricia McCoy</td>
<td>Alternate</td>
<td>No</td>
</tr>
<tr>
<td>North County Coastal</td>
<td>City of Encinitas</td>
<td>Maggie Houlihan</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>City of Carlsbad</td>
<td>Matt Hall</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>East County</td>
<td>City of Lemon Grove</td>
<td>Jerry Jones</td>
<td>Member</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>City of La Mesa</td>
<td>Barry Jantz</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>----</td>
<td>Jim Madaffer</td>
<td>Member</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>----</td>
<td>Scott Peters</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>County of San Diego</td>
<td>----</td>
<td>Bill Horn</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>----</td>
<td>Pam Slater-Price</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>Caltrans, District 11</td>
<td>Pedro Orso-Delgado</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bill Figge</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>San Diego County Water Authority</td>
<td>James Bond (Vice Chairman)</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>Department of Defense</td>
<td>Susannah Aguilera</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>San Diego Unified Port District</td>
<td>Jess Van Deventer</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bill Briggs</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>MTS</td>
<td>Leon Williams (Chairman)</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bob Emery</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>NCTD</td>
<td>Dave Druker</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tom Golich</td>
<td>Alternate</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>Regional Planning Technical Working Group (TWG)</td>
<td>Gail Goldberg</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Advisory Member</td>
<td>Regional Planning Stakeholders Working Group (SWG)</td>
<td>Lynne Baker</td>
<td>Member</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## CONFIRMED ATTENDANCE
### SANDAG JOINT MEETING OF THE REGIONAL PLANNING COMMITTEE, TWG, AND SWG
### Technical Working Group Members
### June 25, 2004
### 12:30 – 2:00 p.m.

<table>
<thead>
<tr>
<th>JURISDICTION/AGENCY</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Carlsbad</td>
<td>Dennis Turner</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>Jim Sandoval</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Coronado</td>
<td>Ed Kleeman / John Swanson</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Del Mar</td>
<td>Linda Niles / Mary Jo Wilson</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of El Cajon</td>
<td>Jim Griffin</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Encinitas</td>
<td>Patrick Murphy</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Escondido</td>
<td>Barbara Redlitz</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of La Mesa</td>
<td>Dave Witt</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Lemon Grove</td>
<td>Robert Larkins</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of National City</td>
<td>Robert Post</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>Gail Goldberg / Colleen Clementson</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Oceanside</td>
<td>Gerald Gilbert</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Poway</td>
<td>Niall Fritz</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>County of San Diego</td>
<td>Gary Pryor / Joan Vokac</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of San Marcos</td>
<td>Jerry Backoff</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Santee</td>
<td>Doug Williford</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Solana Beach</td>
<td>Steve Apple</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>City of Vista</td>
<td>Patrick Richardson</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Caltrans</td>
<td>Kimberly Weinstein</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>San Diego County Water Authority</td>
<td>Dana Friehauf</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Air Pollution Control District</td>
<td>Andy Hamilton</td>
<td>Member</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## CONFIRMED ATTENDANCE
### SANDAG JOINT MEETING OF THE
### REGIONAL PLANNING COMMITTEE,
### TWG, AND SWG
### Stakeholders Working Group Members
### June 25, 2004
### 12:30 – 2:00 p.m.

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Chula Vista</td>
<td>Hon. Patty Davis, Chair</td>
<td>Chair</td>
<td>Yes</td>
</tr>
<tr>
<td>Sierra Club</td>
<td>Janet Anderson</td>
<td>Member</td>
<td>No</td>
</tr>
<tr>
<td>Endangered Habitats League</td>
<td>Lynne Baker</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Associated General Contractors (AGC)</td>
<td>Brad Barnum</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Cal State University San Marcos</td>
<td>Carol Bonomo</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>El Cajon CDC</td>
<td>Claire Carpenter</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>All Congregations Together</td>
<td>Susan Carter-Roberts</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>San Diego Coalition for Transportation Choices</td>
<td>Carolyn Chase</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Indian Voices</td>
<td>Rose Davis</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Environmental Health Coalition</td>
<td>Paula Forbis</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Jackson-Pendo Development</td>
<td>David Gatzke</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Mundo Corporation</td>
<td>Jaime Luna-Gonzalez</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Leadership for Active Living</td>
<td>Marla Hollander</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Asian Business Association</td>
<td>Dan Hom</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>New City America, Inc.</td>
<td>Marco LiMandri</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>Asian Business Association</td>
<td>Julianne Nygaard</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>UCSD Urban Studies and Planning Program</td>
<td>Keith Pezzoli</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>League of Women Voters</td>
<td>Ramona Salisbury</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>San Diego Housing Federation</td>
<td>Tom Scott</td>
<td>Member</td>
<td>Yes</td>
</tr>
</tbody>
</table>
CONFIRMED ATTENDANCE
SANDAG JOINT MEETING OF THE REGIONAL PLANNING COMMITTEE, TWG, AND SWG Stakeholders Working Group Members
June 25, 2004
12:30 – 2:00 p.m.

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego County Taxpayers Association</td>
<td>Deanna Sphen</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>The New School of Architecture &amp; Design</td>
<td>Michael Stepner</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>County of San Diego Farm Bureau</td>
<td>David Stepp</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td>East County EDC</td>
<td>Harriett Stockwell</td>
<td>Member</td>
<td>No</td>
</tr>
<tr>
<td>Fallbrook Land Conservancy</td>
<td>Wallace Tucker</td>
<td>Member</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Dutch Van Dierendonck</td>
<td>Member</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Action Requested: RECOMMEND CERTIFICATION AND ADOPTION

RECOMMENDATION BY THE REGIONAL PLANNING COMMITTEE TO THE SANDAG BOARD ON THE RCP PROGRAM ENVIRONMENTAL IMPACT REPORT AND THE REGIONAL COMPREHENSIVE PLAN

Introduction

Over the past two years, the Regional Planning Committee and its Regional Planning Technical and Stakeholders Working Groups have spearheaded the preparation of the Regional Comprehensive Plan (RCP). Last December, the SANDAG Board of Directors accepted the draft RCP for public review and comment. In May and June, the Regional Planning Committee and its Working Groups reviewed the revised working draft RCP, which reflected changes based on policy direction from the Committee, input from the Working Groups and the Cities/County Transportation Advisory Committee (CTAC), and comments received from the public.

The Final Environmental Impact Report (EIR) for the Regional Comprehensive Plan was prepared in order to provide a program-level analysis of the RCP. The Regional Planning Committee and its Working Groups reviewed key comments received on the draft EIR at their May 24, 2004 meeting, and received a copy of the Preliminary Final EIR and a presentation on its contents at their June 25, 2004 joint meeting.

Recommendation

At the June 25, 2004 joint meeting, the Regional Planning Technical Working Group and the Regional Planning Stakeholders Working Group each made recommendations for consideration by the Regional Planning Committee on the Revised Working Draft RCP.

- The Stakeholders Working Group recommended that the Regional Planning Committee support adoption of the RCP (SWG vote: 13 to 0, with one abstention).
- The Technical Working Group recommended that the Regional Planning Committee support adoption of the RCP, with the caveat that SANDAG and County staff continue to work on resolving outstanding issues, particularly regarding the smart growth matrix and agricultural buffers, and present any significant outcomes to the RPC on July 2nd for their consideration (TWG vote: 12 to 1).

Based upon these recommendations, as well as the recommendation of SANDAG staff, the Regional Planning Committee is asked to:

1) Recommend certification of the RCP’s Program EIR to the SANDAG Board of Directors; and
2) Recommend adoption of the RCP to the SANDAG Board of Directors at their July 23, 2004 meeting.
Discussion

The RCP provides a new planning framework for the San Diego region – one that pulls together the various local and regional plans from throughout the region and establishes a coordinated regional planning document that serves as an organizing framework and guidance document for the many existing plans in the region. Currently, no overall framework exists for coordinating local plans with each other, or with related regional plans and programs. The plan provides a broad context in which local and regional decisions can be made that foster a healthy environment, a thriving economy, and a high quality of life for all residents. It balances regional population, housing, and employment growth with habitat preservation, agriculture, open space, and infrastructure needs.

The RCP performs a function that individual local plans or single-issue regional plans cannot -- it identifies challenges that we face as a region under existing plans, collectively. The RCP also identifies opportunities for the region to chart a future course for itself, looking both within the region and beyond our existing boundaries.

The plan moves us toward a sustainable future -- a future with more choices and opportunities for all residents of the region.

This first Regional Comprehensive Plan is a starting point for comprehensive planning efforts in the region, and will be monitored and updated on an ongoing basis.

BOB LEITER
Director of Land Use and Transportation Planning

Key Staff Contact: Carolina Gregor, (619) 699-1989; cgr@sandag.org
REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) UPDATE

Introduction

This report provides an update to the Regional Planning Committee on the Regional Housing Needs Assessment (RHNA) process for the upcoming 2005 – 2010 housing element cycle.

Discussion

State law requires periodic updates by local jurisdictions of their housing elements. The next housing element cycle covers the 2005-2010 timeframe; state law requires completion of the housing element updates by June 30, 2005. SANDAG is responsible for a key housing element related task – the Regional Housing Needs Assessment (RHNA), which is required to be completed by June 30, 2004. The RHNA process includes three steps:

1. Consultation with the California Department of Housing and Community Development (HCD) to determine the San Diego region’s share of the state's housing need (regional share);
2. Allocating the regional share number by jurisdiction; and
3. Allocating each jurisdiction’s regional share number by income category.

During the past couple of years SANDAG has worked on RHNA issues with the Regional Housing Needs Working Group. This group is made up of members of the Regional Housing Task Force, Regional Planning Technical Working Group and Regional Planning Stakeholders Working Group (members of which recently joined the group).

Determining the Region’s Share of the State’s Housing Need

In mid-September 2003, HCD provided SANDAG with a minimum regional housing need determination for the 2003-2010 timeframe (7.5 years) of between 107,000 and 111,000 units. These alternatives are based on updated U.S. Census and California Department of Finance (DOF) data, and represent the amount of housing that the region would need to plan for (or show it has the capacity for) during the housing element time frame. SANDAG’s growth forecast for the same time frame projects the construction of approximately 89,000 units. HCD’s number is the amount of housing the region should plan for during the housing element period to achieve healthier vacancy rates (about 4 percent). SANDAG’s forecast is an estimate of what we think will actually happen during the housing element period, and assumes continued low vacancy rates (about 2.4 percent).
The Regional Housing Needs Working Group has recommended using HCD’s 107,000 need number or the upcoming housing element cycle.

Allocation by Jurisdiction and Income Level

In addition to working with HCD to determine the overall regional housing need number, SANDAG is responsible for distributing this need by jurisdiction. This number represents the amount of housing that a jurisdiction would need to plan for (or show it has capacity for) in its housing element. This number is then further allocated by income level. Jurisdictions would need to plan for an assigned amount of very low, low, moderate, and above moderate income housing. For housing element purposes, these income categories are related to densities. For example, to show that it has capacity for very low and low income housing, a jurisdiction would need to demonstrate that it has an appropriate amount of higher density (e.g. 15 – 30 dwelling units/acre) multifamily land, or can otherwise accommodate the number of dwelling units in each category.

The Regional Housing Needs Working Group has reviewed several alternative methodologies for allocating the regional housing need by jurisdiction and income category. The methodologies that are being considered to date utilize factors such as projected housing growth, projected employment growth, and amounts of multifamily development. All methodologies are based on SANDAG’s adopted 2030 Cities/County Forecast. This group has not yet reached consensus on a methodology to use. However, whichever methodology is used, it is likely that some jurisdictions will need to make changes to their general plans and zoning ordinances in order to accommodate more multifamily housing.

RHNA Schedule

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. This deadline reflects a one-year extension that SANDAG received in order to better integrate the RHNA process with the Regional Comprehensive Plan (RCP).

At this time it appears that SANDAG will not be able to meet the June 30, 2004 deadline. The delay has occurred primarily because of the need to complete work on the RCP. Currently, SANDAG staff is estimating that draft RHNA numbers will be accepted by the Board for distribution in October 2004, with adoption in January 2005 (following a 90-day public review period.) This schedule will be discussed with the Regional Planning Technical Working Group at its July 8 meeting to determine whether an extension of the housing element due date (June 30, 2005) should be pursued.

BOB LEITER
Director of Land Use and Transportation Planning

Key Staff Contact: Susan Baldwin (619) 699-1943; sba@sandag.org
San Diego Association of Governments
REGIONAL PLANNING COMMITTEE
July 2, 2004

AGENDA ITEM NO.: 5

Action Requested: INFORMATION/RECOMMEND/APPROVE

STATUS REPORT ON THE ENERGY WORKING GROUP AND RECOMMENDATION ON COMMENTS TO BE SUBMITTED TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) SUBJECT TO SANDAG BOARD OF DIRECTORS APPROVAL

Introduction

In December 2003, the SANDAG Board of Directors established the Energy Working Group (EWG), which advises the Regional Planning Committee on issues related to the coordination and implementation of the San Diego Regional Energy Strategy adopted by the Board of Directors in July 2003. The working group consists of elected officials from the San Diego region as well as stakeholders representing business, energy, environment, economy, education, and consumer interests (see Attachment 1).

Discussion

The EWG has been meeting monthly since March 2004 and started to develop a work plan and operating structure. On June 11, 2004 the EWG held a day-long retreat to identify their priorities, reevaluate Regional Energy Strategy Goals (Attachment 2), and establish subcommittees to help define issues to be addressed by the EWG. The role of the four subcommittees was defined as:

1. **Public Policy.** This subcommittee is responsible for tracking legislation and regulatory processes at the California Public Utilities Commission, the California Energy Commission as well as bills at the state and federal level. The Public Policy Subcommittee will prioritize issues that are important to the San Diego Region and present issues to the EWG for consideration.

2. **Resource Planning – Demand Side.** This subcommittee is responsible for identifying resource planning issues related to the customer side of energy use including renewable resources and distributed generation (distributed generation involves small amounts of generation located on a utility’s distribution system for purposes of meeting local peak loads or displacing the need to build additional local distribution lines).

3. **Resource Planning – Supply Side.** This subcommittee is responsible for identifying resource planning issues related to the procurement and development of energy facilities (including generation and transmission).

4. **Funding.** The primary objective of this subcommittee is identifying a long-term funding source to sustain the energy working group. SANDAG has allocated limited funding to initiate the EWG with the understanding that a permanent funding source would have to be identified to continue this work in SANDAG’s Overall Work Program.
In addition, the EWG has begun discussions regarding important energy issues that affect the region such as the long-term administration of Public Goods Charge Energy Efficiency funds, San Diego Gas and Electric’s (SDG&E) General Rate Case, and SDG&E’s request for proposals for new, local power resources by 2005. The complexity of the issues discussed by the EWG necessitated the subcommittee structure to provide a mechanism for vetting issues that are important to the region’s energy and economic future. Currently, the EWG is comparing SDG&E’s Long Term Resource Plan with the Regional Energy Strategy to determine the need for a single coordinated plan.

All of these issues have short- and long-term consequences to businesses and residents in the San Diego region and the purpose of the Energy Working Group is to provide a forum for regional stakeholders and policymakers to discuss these issues and make recommendation to the Regional Planning Committee and the SANDAG Board of Directors.

Correspondence with CPUC

As mentioned above, the EWG has been discussing a pending decision at the CPUC regarding the future administrative structure of the Public Goods Charge Energy Efficiency funds. These funds are paid by ratepayers and fund energy efficiency programs in the region. Currently 80 percent of the funds are administered and implemented by SDG&E and the remaining 20 percent are administered by the CPUC and implemented by non-utility entities, such as the san Diego Regional Energy Office. Five proposals were submitted to the CPUC for consideration and the EWG has reviewed and discussed the proposed administrative structures. Though the EWG did not take a position on a particular proposal, they are recommending that the RPC recommend to the SANDAG Board of Directors to submit comments on proposals being considered by the CPUC (Attachment 3).

In March 2004, the RPC heard a presentation on a potential to restructure long-term energy contracts associated with the energy crisis of 2000-2001 which would shift over $1 billion in costs to SDG&E customers over the life of the contracts (2011). At that meeting, RPC recommended that SANDAG submit comments to the CPUC opposing the cost shift (Attachment 4). The CPUC has not issued a final decision but has denied SDG&E the opportunity to present testimony on this issue. A draft letter to support SDG&E’s request to provide testimony is attached for consideration by the RPC (Attachment 5).

Recommendation

The EWG requests that the RPC recommend to the SANDAG Board of Directors that the attached letter on Energy Efficiency funds be forwarded to the CPUC for consideration prior to their decision on this important issue, and that the letter regarding the cost shift to SDG&E customers be approved and forwarded to the SANDAG Chairman for signature and submittal to the CPUC.

BOB LEITER
Director of Land Use and Transportation Planning

Key Staff Contact: Rob Rundle (619) 699-6949; rru@sandag.org
ENERGY WORKING GROUP MEMBERS AND AFFILIATION

**Representative**
- Hon. Henry Abarbanel*, City of Del Mar Councilmember
- Hon. Art Madrid*, City of La Mesa Mayor
- Hon. Robert Campbell, City of Vista Councilmember
- Hon. Mary Salas, City of Chula Vista Councilmember
- Hon. Michael Zucchet, City of San Diego Councilmember
- Vacant

**Representing**
- North County Coastal Cities
- East Suburban Cities
- North County Inland Cities
- South Bay Cities
- City of San Diego
- County of San Diego

Bud Irvin
Jesse Dixon (Alternate)
Jim Callaghan, Qualcomm
Alan Ball (Alternate), Qualcomm
Steve Zolezzi, S.D. Food and Beverage Assoc.
Albert Huang, Environmental Health Coalition
Skip Fralick, Sierra Club
Steve Hoffman, NRG
Ramsey Green (Alternate)
Irene Stillings
Scott Anders (Alternate)
Alan Sweedler, SDSU
Rick Van Schoik (Alternate), SDSU
Jerry Butkiewicz, S.D.-Imp. Labor Council
Bob Resley, SDG&E
Frank Urtasun (Alternate), SDG&E
Bill Hays, SDUPD
Michael Shames, UCAN
Ralph Torres, Navy
Ron Mittag, North San Diego EDC

*EWG co-chair
REVISED REGIONAL ENERGY STRATEGY GOALS

GOAL 1: Achieve and represent regional consensus on energy issues at the state and federal levels.

GOAL 2: Achieve and maintain sufficient power generation capacity to generate accommodate the region’s 65% of summer peak demand with an emphasis on in-county generation resources by 2010 and 75% by 2020.

Targets for this goal are 65% of summer peak demand by 2010 and 75% by 2020.

GOAL 3: Increase the total electricity supply from renewable resources with an emphasis on in-county installations. To

The targets for the total amount of renewable resources for this goal are 15% by 2010 (~740 MW), 25% by 2020 (~1,520 MW) and 40% by 2030 (~2,965 MW).

The target for the total in-county renewable resources is 50% or

GOAL 3B: Of these renewable resources, achieve 50% of total renewable resources from resources located within the County ~370 MW by 2010, ~760 MW by 2020, and ~1,483 MW by 2030.

GOAL 4: Increase the total contribution amount of clean distributed generation resources (non-renewable) in the region.

The targets for the total clean distributed generation resources are 12% of peak demand by 2010 (~590 MW), 18% by 2020 (~1,100 MW) and 30% (~2,225 MW) by 2030.

GOAL 5: Increase the transmission system capacity as necessary to maintain required reliability and to promote better access to renewable resources and competitively priced low-cost supply.

GOAL 6: Reduce per capita electricity peak demand and per capita electricity consumption by the following targets back to 1980 levels.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capita Electricity</td>
<td>4%</td>
<td>9%</td>
<td>14%</td>
</tr>
<tr>
<td>Peak Demand</td>
<td>Reduction</td>
<td>Reduction</td>
<td>Reduction</td>
</tr>
<tr>
<td>Target MW Reduction²</td>
<td>515</td>
<td>1,742</td>
<td>3,556</td>
</tr>
<tr>
<td>Per Capita</td>
<td>5%</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>Electricity</td>
<td>Reduction</td>
<td>Reduction</td>
<td>Reduction</td>
</tr>
<tr>
<td>Consumption</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target GWh Reduction³</td>
<td>1,987</td>
<td>6,289</td>
<td>12,548</td>
</tr>
</tbody>
</table>

Note: EWG intends to break this goal out by sectors: residential, industrial, and commercial.

¹ Clean distributed generation resources refer to all non-renewable distributed generation applications that meet the CA PUC Code 218.5 and other relevant APCD requirements.
² Assumes the Base Case REIS growth rate of 2.3% growth in electricity demand prior to savings.
³ Assumes the Base Case REIS growth rate of 2.0% growth in electricity consumption prior to savings.
GOAL 7: Develop policies to insure an adequate, secure and reasonably competitively priced supply of natural gas to the region.

GOAL 8: Reduce regional natural gas per capita consumption by the following targets: 5% by 2010 (70 MM therms), 10% by 2020 (190 MM therms), 15% by 2030 (387 MM therms).
   Note: EWG intends to break this goal out by sectors: residential, industrial, and commercial.

GOAL 9: Complete a transportation energy study by June 2004 to evaluate the potential savings through more efficient use of transportation technology and fuels.
GOAL 9: Include energy elements of transportation sector into Regional Comprehensive Plan and Regional Transportation Plan planning processes.

GOAL 10: Define the political authority and sustainable funding sources necessary to implement the Regional Energy Strategy and identify the appropriate implementation strategies.
July 2, 2004

California Public Utilities Commission
PUC State Building
505 Van Ness, 4th Floor
San Francisco, CA 94102

Dear President Peevey and Commissioners,

The San Diego Association of Governments (SANDAG) has recently been made aware that the California Public Utilities Commission (CPUC) is reviewing proceeding R.01-08-028 regarding a statewide structure for application and administration of Public Goods Funds, with a decision anticipated in August 2004. The purpose of this letter is to convey to the CPUC that SANDAG, which represents all 18 cities and the County of San Diego, considers energy planning in general, and the application and administration of Public Goods Charges (PGC) specifically, as a critical element to an effective energy plan. SANDAG is aware that the CPUC has not been informed of its recent effort to develop an energy strategy and action plan for the San Diego region. This letter will describe those efforts and also, briefly outline our recent efforts to develop an energy plan that addresses the energy needs of the region as well as compliments the actions of the State pertaining to the delivery of energy.

Currently, more than $37 million in Public Goods Charges are collected annually for energy efficiency programs from ratepayers in the SDG&E territory, comprised primarily of the 19 agencies that makeup SANDAG. As indicated above, SANDAG has developed an energy strategy that addresses local generation and infrastructure needs required to enhance energy reliability and complement the development of renewable energy for the San Diego County region. A component of that plan is the utilization and administration of the PGC dollars, a current topic of discussion of the SANDAG Energy Working Group. As a group, SANDAG is keenly interested in the development of a PGC program that embodies the following principles:

- Local energy efficiency programs should be consistent with the guidelines established by the CPUC.
- The administrator should not be eligible to apply for, and implement, PGC programs. This separation of duties will prevent the administrator’s inherent bias toward its own programs from potentially preventing the implementation of programs that reflect the desires/needs of the region.
- The PGC program should be administered without incentives to the local administrator, thus enhancing the availability of funds for new and innovative programs.
- The PGC program should be administered by a regional entity whose mission is closely aligned with the goals of energy conservation, energy efficiency and energy education. The San Diego region is unique in the state because the investor-owned utility’s service territory is closely aligned with the jurisdictional boundaries of the county and creates the opportunity for the implementation of innovative approaches that positively impact the region’s, if not the State’s, energy problems.
• A strong local involvement in decisions about administration and implementation of PGC programs, including accountability that reflects the energy needs of the local communities. Such accountability will ensure that the best energy efficiency programs are being implemented in, and reflect the needs of, the San Diego region. This can only be done by integrating local decision makers and stakeholders, most familiar with local needs, into the program planning and delivery process.

SANDAG has a working transportation funding model that reflects many of the principles outlined above and has proven successful and responsive to local needs. A similar model is one option that could be used to implement PGC programs.

Although not the subject of this letter, SANDAG has also completed a Regional Energy and Infrastructure Study and Regional Energy Strategy that address the energy and infrastructure needs of the San Diego Region now and through 2030. This was accomplished through a collaborative process that included representatives of the local municipalities, large and small business, environmental groups, educators, San Diego Gas & Electric, and the public. The Study was adopted in July 2003. The SANDAG Energy Working Group is meeting to determine how to best implement that strategy. The Study addresses a wide variety of issues including energy efficiency programs, the repowering of two existing generating facilities, the construction of two new generating facilities, the construction of new, local transmission facilities, the reduction on the reliance of transmitted energy, the development of renewables, the implementation of energy conservation measures and more. It is a comprehensive strategy that reflects local energy needs and calls for a comprehensive planning and implementation program that is sensitive to the environment and while addressing local energy requirements. It is our hope that this brief description will entice the CPUC to want to know more about the Study when creating energy policy that affects the San Diego region.

On behalf of the agencies that makeup the San Diego Association of Governments I would like to underscore our local energy policies. I hope this letter demonstrates our region’s commitment to energy planning, and the added value the region is prepared to bring to the administration and implementation of Public Goods Charge programs, based upon the principles listed above. Thank you in advance for your efforts on our behalf and for considering this letter in your deliberations regarding the Public Goods programs.

Sincerely,

HON. MICKEY CAFAGNA
Chairman, SANDAG Board of Directors
April 5, 2004

Michael R. Peevey, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

RE: Case Number A.00-11-038
Dear Michael R. Peevey:

In December 2003, the San Diego Association of Governments (SANDAG) established the Energy Working Group which advises SANDAG on issues related to the coordination and implementation of the San Diego Regional Energy Strategy adopted by the SANDAG Board of Directors in July 2003. The working group consists of elected officials from the San Diego region as well as stakeholders representing business, energy, environment, economy, education, and consumer interests.

At their first meeting in March, the Energy Working Group discussed the pending draft decision of Administrative Law Judge, Peter Allen on the cost allocation of long-term energy contracts entered into on behalf of the three investor-owned utilities by the California Department of Water Resources. The draft decision, expected this month, could impact San Diego Gas & Electric (SDG&E) customers and have a negative impact on the region's economy. Stakeholders in the San Diego region strongly support the methodology that has been used to allocate funds to date and do not support a methodology that would shift more of the burden of these long-term contracts on the SDG&E customers.

The SANDAG Board of Directors respectfully requests the CPUC conduct public hearings in the San Diego region during the 30-day comment period on the draft decision. This long-term cost allocation is important to the region and a process that conveniently enables the region to comment on the draft decision should be established.

If you have any questions regarding SANDAG’s request, please contact me at (619) 699-1991 or SANDAG’s Executive Director, Gary Gallegos at (619) 699-1990.

Sincerely,

HON. RON MORRISON
Chairman, SANDAG Board of Directors

RR/jdk
July 2, 2004

President Michael Peevey and  
Members of the California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102  

Dear President Peevey:

On behalf of the San Diego Association of Governments (SANDAG), I am writing to express my concerns regarding the California Public Utilities Commission (CPUC) proceeding to permanently allocate the Department of Water Resources’ (DWR) Revenue Requirement for year 2004 through the remaining life of the contracts. Although the proceeding was litigated back in January 2004, recently Southern California Edison, Pacific Gas and Electric and The Utility Reform Network have proposed a limited “settlement” agreement that would shift more than $1 billion in additional costs to electricity customers in the San Diego region.

The basis for this “settlement” proposal is a newly proposed methodology, which was not subject to examination during the evidentiary phase of the proceeding. SDG&E informs me that they have requested several times to be permitted to provide direct testimony and sponsor a witness rebutting the proposed settlement methodology and illustrating the devastating potential rate impacts of this new allocation on San Diego’s customers. However, SDG&E states that Administrative Law Judge Peter Allen has denied these requests, and that they will be appealing this decision to the full commission. SANDAG fully supports SDG&E’s request for due process to ensure that the customers of the San Diego region receive a fair and equitable hearing on a matter with the potential to shift more than $1 billion in additional costs over the next 8 years.

SANDAG is comprised of the 18 cities and county government in the San Diego region and serves as the forum for regional decision-making. The Association builds consensus, makes strategic plans, obtains and allocates resources, and provides information on a broad range of topics pertinent to the region’s quality of life. Since this issue has the potential to significantly impact electricity rates in San Diego, SANDAG has evaluated the DWR allocation proposal and unanimously agreed to urge the Commission to reject the “settlement” and adopt a more equitable formula.

We urge the Commission to support the San Diego region and SDG&E’s efforts to ensure that a fair and equitable solution is reached by providing for a full evidentiary review of this new methodology.

Sincerely,

HON. MICKEY CAFAGNA  
Chairman, SANDAG Board of Directors
July 2, 2004

Dear President Peevey:

On behalf of the San Diego Association of Governments (SANDAG), I am writing to express my concerns regarding the California Public Utilities Commission (CPUC) proceeding to permanently allocate the Department of Water Resources’ (DWR) Revenue Requirement for year 2004 through the remaining life of the contracts. Although the proceeding was litigated back in January 2004, recently Southern California Edison, Pacific Gas and Electric and The Utility Reform Network have proposed a limited “settlement” agreement that would shift more than $1 billion in additional costs to electricity customers in the San Diego region.

The basis for this “settlement” proposal is a newly proposed methodology, which was not subject to examination during the evidentiary phase of the proceeding. SDG&E informs me that they have requested several times to be permitted to provide direct testimony and sponsor a witness rebutting the proposed settlement methodology and illustrating the devastating potential rate impacts of this new allocation on San Diego’s customers. However, SDG&E states that Administrative Law Judge Peter Allen has denied these requests, and that they will be appealing this decision to the full commission. SANDAG fully supports SDG&E’s request for due process to ensure that the customers of the San Diego region receive a fair and equitable hearing on a matter with the potential to shift more than $1 billion in additional costs over the next 8 years.

SANDAG is comprised of the 18 cities and county government in the San Diego region and serves as the forum for regional decision-making. The Association builds consensus, makes strategic plans, obtains and allocates resources, and provides information on a broad range of topics pertinent to the region’s quality of life. Since this issue has the potential to significantly impact electricity rates in San Diego, SANDAG has evaluated the DWR allocation proposal and unanimously agreed to urge the Commission to reject the “settlement” and adopt a more equitable formula.

We urge the Commission to support the San Diego region and SDG&E’s efforts to ensure that a fair and equitable solution is reached by providing for a full evidentiary review of this new methodology.

Sincerely,

HON. MICKEY CAFAGNA
Chairman, SANDAG Board of Directors