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.

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ITEM #                              RECOMMENDATION

+1. APPROVAL OF JULY 2, 2004, MEETING MINUTES (pp. 5-16)                   APPROVE

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

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

CONSENT (Item 3)

+3. SANDAG BOARD ACTION ON REGIONAL COMPREHENSIVE PLAN (RCP) (Mayor Lori Holt-Pfeiler, Regional Planning Committee Chair) (pp. 17-26) IN THE

On July 23, 2004, the SANDAG Board of Directors unanimously voted to adopt the Regional Comprehensive Plan and certify its Program Environmental Impact Report. The Board's action culminated two years of public outreach, policy discussion, meetings, and review that resulted in the development of the long-term plan for the San Diego region. Copies of the Final RCP are available upon request. Attached are various articles and editorials describing the Board's action.

REPORTS

4. ENERGY STATUS REPORT (Councilmember Henry Abarbanel, Energy Working Group Co-Chair; Rob Rundle, SANDAG Staff) INFORMATION/ POSSIBLE ACTION

The Energy Working Group (EWG) is working to identify a process to collaborate with San Diego Gas & Electric (SDG&E) in the development of the Long-Term Resource Plan (LTRP). The LTRP is required by the California Public Utilities Commission and outlines the resources that will be needed to meet projected energy demand for the next 10 years. The LTRP is updated every two years. Co-Chair Abarbanel will update the RPC on this effort and discuss the tentative schedule.
5. RECOMMENDATION TO THE SANDAG BOARD OF DIRECTORS ON THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) (Susan Baldwin, SANDAG Staff) (pp. 27-44)

State housing element law requires SANDAG to take action periodically on the Regional Housing Needs Assessment (RHNA). Several SANDAG working groups have made recommendations regarding the RHNA for the 2005-2010 housing element cycle. The recommendations include: the region’s share of the state’s housing need; an allocation of the regional share by jurisdiction; and an allocation of each jurisdiction’s share by income category. The Regional Planning Committee is requested to make a recommendation on the draft RHNA to the SANDAG Board of Directors for consideration at its September 24, 2004, meeting.

6. STATE HOUSING AND LAND USE REFORM INITIATIVES (Susan Baldwin, SANDAG Staff)

Sunne Wright McPeak, Secretary of California's Business, Transportation and Housing Agency, is proposing significant state housing and land use reform focused on smart growth. SANDAG has been participating in the California Department of Housing and Community Development’s (HCD) Housing Element Working Group, which is related to this effort. A status report on housing and land use-related proposals and legislation will be provided.

7. UPCOMING MEETINGS

The next RPC meeting will be held on Friday, October 1, 2004, from 12 to 2 p.m.

8. ADJOURNMENT

+next to an agenda item indicates an attachment
SAN DIEGO ASSOCIATION OF GOVERNMENTS

REGIONAL PLANNING COMMITTEE

September 3, 2004

AGENDA ITEM NO.: 1

Action Requested: APPROVE

REGIONAL PLANNING COMMITTEE DISCUSSION AND ACTIONS
Meeting of July 2, 2004

The Regional Planning Committee (RPC) meeting was called to order by Committee Chair Lori Holt-Pfeiler (North County Inland) at 12:20 p.m. The attendance sheet for the meeting is attached.


   Action: Supervisor Pam Slater-Price (County of San Diego) moved to approve the minutes of the May 7, 2004, and June 25, 2004, Joint meetings. Councilmember Patty Davis (South County) seconded the motion, and the vote was unanimously in favor.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

   None.

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) (RECOMMEND CERTIFICATION AND ADOPTION)

   Councilmember Davis, representing the Stakeholders Working Group, indicated that at its June 25, 2004, meeting, the SWG recommended that the RPC forward the Regional Comprehensive Plan (RCP) to the SANDAG Board of Directors for approval. There was one abstention and the rest of the group voted in favor of this action.

   Gail Goldberg, representing the Technical Working Group, stated that action from this body was 12-1 in favor of moving the RCP forward for SANDAG Board approval.

   Bob Leiter, Director of the Land Use and Transportation Planning Department, reported that the remaining issues focus mainly on concerns raised by staff of the County of San Diego. The Technical Working Group recommended that SANDAG staff continue to meet with County planning staff on those issues. Mr. Leiter briefly characterized the issues. One of the primary issues revolved around the smart growth classification matrix. The County’s concern was that the categories included didn’t take into account all of the
different types of development occurring in the County. SANDAG and County staffs worked through the examples and believe that the concern could be addressed by refining the definition of rural communities. SANDAG recommends that the term “rural village” be revised to “rural community,” and that further clarifications be made within that category. Additionally, SANDAG staff recommends adding Lakeside as a potential smart growth opportunity area. Mr. Leiter reported that it was his understanding that County staff now supports moving forward with the smart growth matrix.

Mr. Leiter stated that another issue expressed by the County was related to the Environmental Impact Report (EIR) and groundwater depletion. Issues being worked on for clarification include how SANDAG writes mitigation measures in a regional plan adopted by the SANDAG Board that a local jurisdiction implements. In that respect, this EIR is unique. Staff is working with County CEQA (California Environmental Quality Act) experts to properly address that question.

Mr. Leiter added that there was discussion at the joint meeting of the RPC and the two working groups related to whether smart growth should be considered the "highest" priority in determining funding allocations for regional transportation projects, as stated in the Revised Working Draft RCP (page 63). From the SANDAG staff point of view, based on the clarification of the issues the County raised regarding the smart growth matrix, staff agreed that this language should be revisited by the RPC.

Supervisor Slater-Price expressed concern about whether there is an adequate distinction in the plan between “rural,” “urban,” and "suburban." She referenced development trends occurring on tribal lands. She mentioned that she used to support the concept of limiting road expansions in the back country but, as a result of tribal efforts to expand housing production, especially lower-priced housing, she can no longer support limiting transportation funding in the back-country. The plan that moves forward has to contain protection for funding for back-country roads that need to be improved whether or not we agree philosophically with the gaming expansions. The roads going to outlying areas are going to have higher rates of utilization. She was also concerned with the smart growth standards. She didn’t think it was wise to necessarily rule out smaller suburban cities from moving forward with smart growth by not providing favorable funding decisions.

Joan Vokac, County staff, expressed concern about two points: (1) giving “highest” priority to smart growth when allocating funding for transportation projects, and (2) the mitigation measure included in the EIR regarding groundwater. County staff indicated that they wanted reassurance that the concepts from the County’s current groundwater ordinance are included in the EIR. SANDAG staff responded that modifications have been made to the language, and that the technical language is directly from the County’s groundwater ordinance.

Supervisor Slater-Price suggested that language used from other resources should be reflective of the intent from that resource. SANDAG staff indicated that the language is consistent with the language in the County’s groundwater ordinance.
Ms. Vokac pointed out that the County is not in agreement with the precise wording, and that we need to continue to work on this. SANDAG staff agreed to continue to work toward resolving the County’s concerns.

James Bond, representing the San Diego County Water Authority, indicated that groundwater aquifers are disappearing around the world, and that when groundwater runs out in the rural areas, the CWA will need to provide the service, whether or not we have the resources. He stressed that the mitigation measure should be meaningful, and that there needs to be assurances in the groundwater language that the water is going to be there. He wondered what kind of planning there is for any unincorporated areas that might turn into new cities. Staff responded that if an area were to incorporate, it would start with the existing County General Plan and any changes to that effect would have to be evaluated, including the new city’s ability to provide infrastructure.

Supervisor Slater-Price pointed out that the groundwater issue is one that is in flux since we are in a major drought. There are huge demands placed on groundwater, such as by golf courses on tribal reservations. These types of uses were not planned for in the East County. Importing water to many of these areas is very expensive. She agreed that we need to have enough room in the language to recognize different types of communities. She reiterated County staff’s request for more time to discuss appropriate language.

Councilmember Jerry Jones (East County) asked for specific page references in the EIR or the RCP to the groundwater issue. Staff pointed to page 5.9-16 of the EIR, and added that the language contained on that page does not yet reflect the changes agreed to with County staff. Staff added that in a CEQA document, an analysis is prepared and a determination is made as to whether there are areas of significant impact or not. If it is determined that impacts are significant, only then are mitigation measures identified. Staff read the new proposed mitigation measure language and indicated that the wording comes directly from the County’s groundwater ordinance.

Lynne Baker, representing the Stakeholders Working Group, distributed a brochure on the Borrego Valley aquifer, which is being significantly impacted by agriculture. She said that there is no provision in the County to help rectify that issue. County staff is intending to update their groundwater ordinance in conjunction with their new General Plan. Sustainability is a very important principle of the RCP. SANDAG should not abandon the principle of sustainability.

Councilmember Maggie Houlihan (North County Coastal) asked what the problem was with the existing language. Staff replied that the County felt that the “no net loss” language was unreasonable and could not be met.

Mr. Leiter commented that the EIR is viewed primarily as an informational document for decision makers. The mitigation measures included in the EIR are intended to describe the kinds of mitigation measures that a jurisdiction would apply when they make changes to their local plans and produce their own environmental documentation. This point has been emphasized in the final EIR draft. What SANDAG staff is talking about now with County staff is to ensure that there is consistency between the regional and local levels.
Mr. Bond pointed out that the water in an aquifer is thousands of years old and it takes longer to replenish the aquifer than it does to take that water from it. He wanted to make sure that this is taken into account.

Chair Holt-Pfeiler suggested that the RPC address the smart growth opportunity matrix at this point.

Staff indicated that the recommendation is to clarify the wording for the rural community category. SANDAG staff worked with County staff to use language from the County General Plan 2020 update to reflect the County's current planning efforts. The matrix reflects that smart growth is not “one size fits all” approach—it contains the seven categories that the Working Groups and the RPC have been working on over the past several months, and some unincorporated communities can qualify as smart growth opportunity areas under other categories, such as the Community Center, if they meet the characteristics.

Councilmember Jones stated that smart growth revolves around transportation corridors. It seems to him that we designed the matrix around transportation and now we are doing it backwards. He didn’t want to see us giving up the values we started with.

Gary Gallegos, SANDAG Executive Director, said that we need to look at this as a continuing process. The goal is to update this document on a regular basis. The key will be performance monitoring.

Councilmember Madaffer (City of San Diego) disagreed with changing the smart growth priority from "highest" to "high." He said that if the region wants to benefit from smart growth, then it is going to have to play with the rules that smart growth dictates.

Supervisor Slater-Price stated that the City of San Diego likes "highest," and the smaller cities and the County like "high." It is hard to identify high density in places like Encinitas. The key is if no one except downtown San Diego can qualify for smart growth incentives, then you’ll have a hard time getting everyone onboard.

Councilmember Houlihan stated that SANDAG staff and the County were meeting to resolve the issue. She asked whether changing the wording dilutes the meaning.

Mr. Leiter noted that the real question is whether "highest" gives the impression that other considerations, such as safety or congestion management, are not that important. The weighting will be refined in the future as the new transportation funding evaluation criteria are developed. Staff’s view is that the issue of the County being properly represented in all areas of smart growth has been resolved.

Dave Druker, representing the North County Transit District (NCTD), said the question comes down to when we evaluate, who is going to get the funding. Is there a priority based on category? If the categories are equally weighted, then the priority designation of “high” vs. “highest” does not make a difference. Is there going to be a priority based upon where smart growth is going to be placed? Mr. Leiter responded that the draft RCP doesn’t take it to that level of specificity. The RCP defines the characteristics within the different categories; the weighting process will come next.
Motion Made

Councilmember Jones moved to the change the smart growth priority language to “high.” Councilmember Houlihan seconded the motion, and there was a 3-3 tied vote; the motion failed.

Chair Holt-Pfeiler said that smart growth rewards all of us for doing what we say we are going to do.

Councilmember Madaffer said that we ought to have a greater preponderance for growth in areas that can handle it.

Mr. Gallegos stated that the RCP sends a message with a higher priority. This will ultimately make a difference when the Board of Directors establishes the criteria upon which transportation projects will be gauged, given limited funding.

Public Comment

Tom Mullaney, Friends of San Diego, commented that smart growth is subject to a lot of interpretation. He agreed with it as long as there was no intention to promote growth at the expense of the quality of life. He said that the Uptown area of San Diego has more growth but less open space. Performance standards will be an important part of the Plan but they are very scratchy, and some of the measures are not meaningful. He suggested that the County of San Diego provide incentives to areas for open space in rural areas similar to what the City of San Diego gives for increased density. The RCP acknowledges the perception that development is not paying its fair share and we need to look at impact fees. At the same time, someone wrote into TransNet low impact fees. One of the reasons that the TransNet Extension will fail is that the impact fee amount included in the measure appears to be inadequate as it does not come close to covering the cost of infrastructure. He thought the impact fee should include businesses. He thought that many projects will come forward being disguised as smart growth and we will need to be vigilant in this respect.

Scott Molloy, representing the Building Industry Association (BIA), asked if a study has been conducted on development impact fees, including how long they have been in place, how many houses have been built before the institution of impact fees, and whether we would have existing deficiencies.

Councilmember Houlihan asked if we are still working on improving the performance indicators that we are discussing. Mr. Leiter replied affirmatively and said that following adoption of the RCP we will be working with Working Groups and the staffs of the local jurisdictions on developing the short-term and long-term targets for the performance measures.

Action: Councilmember Houlihan moved to substitute the word “higher” for “highest.” Councilmember Madaffer seconded the motion, and the vote was unanimously in favor.
**Action:** Councilmember Madaffer moved to recommend certification of the RCP’s program EIR to the SANDAG Board of Directors, and recommend adoption of the RCP to the SANDAG Board of Directors at its July 23, 2004, meeting. Councilmember Davis seconded the motion, and the vote was unanimously in favor.

4. REGIONAL HOUSING NEEDS ASSESSMENT UPDATE (INFORMATION/POSSIBLE ACTION)

SANDAG staff provided a status report on the work to date. Work on the next housing element update has begun and housing elements are due by June 30, 2005. SANDAG is responsible for a key housing element task, the regional housing needs assessment (RHNA), which was due to be completed by June 30, 2004. There are three parts to the process: determining the region’s share of the state’s housing needs (regional share), allocating the regional share number by jurisdiction, and allocating each jurisdiction’s regional share number by income category. SANDAG staff has been working with an ad hoc working group on this process. The California Department of Housing and Community Development (HCD) provided the region with a minimum housing need of between 107,000 and 111,000 units. SANDAG’s growth forecast, which projects 18,000 units less for the same time frame, is an estimate of the number of homes we think will actually be built based on current plans and policies including the current low vacancy rates. The working group has reached consensus on allocating 107,000 units. This is consistent with the policy objectives in the RCP, which support the need to plan for more housing choices in the region.

The Regional Housing Needs Working Group has reviewed several methodologies to allocate units based on concentrating development in the more urban areas of the region, and concentrating development around transit stations and other areas where employment and public services exist. Whichever methodology is selected, it is likely that changes to local general plans will need to be made to accommodate more multi-family housing to address the region’s low-income housing needs. A logical place to locate this additional density is in the smart growth opportunity areas. Staff noted that we will not meet the June 30, 2004, deadline set by the state. We will be talking about this delay next week with the Technical Working Group. We are not recommending an extension of the due date because jurisdictions can start preparing their housing elements without the final RHNA numbers, and we anticipate having some solid draft numbers by August. We also think there is an opportunity to consider a 60-day versus a 90-day public review period for the draft numbers. The plan is to bring a recommendation on the draft RHNA numbers to the September SANDAG Board of Directors meeting.

Ms. Baker asked whether the state would give the San Diego region credit for units built on the tribal reservations, if they were affordable to the low and very low income categories. Staff replied that that would make sense.

Councilmember Houlihan said this continues to feel like unfunded mandates from the state. We need to lobby to bring some sanity into this process. If you have infrastructure deficits, then you cannot get people to support new housing projects; the state doesn’t support the housing needs from a funding or infrastructure perspective.
Public Comment

Dutch Van Dierendonck, a member of the Stakeholders Working Group, said that housing for casino employees is being planned on the reservation, which would relieve some of the congestion in the rural areas.

Supervisor Slater-Price noted that it was also implied that casinos would provide housing to people who live on the reservation but do not work there.

Action: The Committee received this item for information.

5. STATUS REPORT ON THE ENERGY WORKING GROUP AND RECOMMENDATION ON COMMENT TO BE SUBMITTED TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC), SUBJECT TO SANDAG BOARD OF DIRECTORS APPROVAL (INFORMATION/RECOMMEND APPROVAL)

Staff reported that the Energy Working Group (EWG) started meeting on a monthly basis in March 2004. On June 11, 2004, it held a day-long retreat to identify priorities, reevaluate Regional Energy Strategy (RES) goals, and establish subcommittees to help define issues to be addressed by the EWG. Four subcommittees have since been established: public policy, resource planning - demand side, resource planning - supply side, and funding. One primary issue is the long-term administration of the Public Goods Charge Energy Efficiency funds, San Diego Gas & Electric (SDG&E) Company’s General Rate Case, and SDG&E’s request for proposals for new, local power resources by 2005. The EWG is comparing SDG&E’s Long-Term Resource Plan with the RES to determine the need for a single coordinated plan.

Henry Abarbanel, EWG Co-Chair, stated that one of the things the group decided is that the members of the EWG should only be a member of one of the subcommittees. At their retreat they discussed the RES goals, but slightly reorganized them to separate out the broad goals and specific targets. Goal No. 10 was added because they thought it was important to identify the policy authority and funding source for implementation.

Dr. Abarbanel said that the broad view of the EWG might be encapsulated this way: SDG&E had been the sole regional presence in energy delivery decisions and, on the whole, has done a very good job. One of the goals of the EWG is for decisions to take place locally rather than being resolved in adversarial confrontations before the CPUC in San Francisco. We would like to work along with SDG&E and other utility districts to decide what we want to do here and bring that before the CPUC. How to do that is still under discussion.

Dr. Abarbanel said that they have been discussing the resource planning demand and supply with a heavy emphasis on renewables. We want to make sure that as actions are taken, renewables play a significant role. After Labor Day, the four elected officials on the EWG plan to visit each of the area city councils to gain input about what the EWG should be doing. One other matter was the suggestion that a member of the RPC should be a member of the Working Group.
Frank Urtasun, representing SDG&E, suggested that to determine what kind of agency might be formed for going forward, it might be helpful to analyze what you are trying to achieve or what void you are trying to fill.

Councilmember Jones said that the missing component here is the funding and the staffing. If SANDAG is going to be successful it has to have staff dedicated to this matter. Goal No 10 is a step towards achieving that component.

**Action:** Councilmember Jones moved to approve Goal No. 10. Councilmember Houlihan seconded the motion, and the vote was unanimously in favor.

Councilmember Jones volunteered to serve as a liaison member on the EWG.

Dr. Abarbanel stated that one of the short-term issues is consideration of the response to the CPUC on the part of SDG&E for a significant amount of energy planning and actions. One issue is the following: there is something that is collected called "public goods charges." Ratepayers contribute about $35 million in SDG&E’s territory. He was not sure this number reflects the small amount from SDG&E’s area in Orange County. The question is who should administer these funds. We are looking for someone independent. The EWG asked that you consider the letter attached to the agenda item and act on it.

Mr. Urtasun stated that SDG&E has successfully been administering those programs for a number of years. The CPUC is entertaining the idea, starting in 2005, as to how those monies should be administered and programs implemented for the long-term. SDG&E is opposed to the letter presented as it says that the administrator and the implementer should be separate entities. The monies are meant to do one thing—save energy. The CPUC requires the utility companies to be accountable for how those monies are spent, which is specifically on energy efficiency. Starting January 1, 2003, Assembly Bill (AB) 57 placed utility companies back into the role they had previously held of planning and procuring adequate sources of energy. The important part is that the CPUC is requiring the utility company to have adequate resources to implement the energy-saving programs, and the energy-saving resources are an important component of that. SDG&E is concerned that if it is being required to provide energy-saving programs, it ought to have the control and accountability of those funds. SDG&E has come together with the National Resource Defense Counsel (NRDC) on its "Reaching New Heights" proposal, with strict accountability for how these funds will be spent.

Chair Holt-Pfeiler summarized the discussion: since SDG&E is being held accountable to provide the programs, it would like control of the money; however, the EWG thinks that the administration of these funds and implementation of the programs should be kept separate.

Mr. Abarbanel stated that the EWG thought that there is an inherent conflict with SDG&E having both of these roles as it affects its profits. They would like SDG&E to be a part of the decision-making process, not the owner of it.
Mr. Urtasun clarified that the utility company does not profit from the pass-through of these funds. When you cut back on usage, it does not affect the profitability of the utility. He said there are a lot of reasons why rates go up affecting the cost of electricity. There are two main categories related to the actual commodity itself: (1) the cost of the actual generation component, and (2) the cost of the distribution component.

Councilmember Madaffer agreed that there should be some oversight, and suggested that the EWG could conduct a performance audit or have oversight ability to review SDG&E’s handling of this program. He thinks the CPUC would prefer to send the money to the utilities. He was not in favor of creating a new bureaucracy that will put more money into administration and less into the programs.

Mr. Urtasun stated that every year, SDG&E must report to the CPUC and explain how energy savings were achieved. He said that SDG&E would welcome local oversight. They want to make sure the monies are spent for what they are intended, which is achieving energy savings.

Councilmember Houlihan asked Mr. Urtasun if public input has been solicited on these energy-saving programs. Mr. Urtasun acknowledged that up until now, there has been a limited amount of solicitation from the public. However, the “Reaching New Heights” proposal calls for a customized program that is relative to individual areas. Cost effectiveness of programs is key.

Councilmember Houlihan said that to be effective, people need to know about the programs.

Councilmember Houlihan asked Dr. Abarbanel about the vote on support of the letter to CPUC. Dr. Abarbanel replied that there was a unanimous vote in favor, with two abstentions. Dr. Arbanel pointed out that this letter does not imply that SANDAG would take over those responsibilities. It was his understanding that this action would not create any more administration than at present. The goal is to provide benefit to area residents.

Councilmember Madaffer asked if SDG&E did not implement the program, who would be responsible for the energy program rebates. Dr. Arbanel responded that he did not know what the CPUC will require. Mr. Urtasun said that some monies from the CPUC are administered by the San Diego Regional Energy Office for distributed generation, and they would be handling rebates for that program.

Councilmember Madaffer suggested that we stay with the local utility and institute some kind of oversight with periodic status reports from the utility.

Ms. Baker asked if the NRDC materials and description of the program being represented here were available at the time the EWG met. Dr. Abarbanel replied affirmatively. He reiterated that the only thing the CPUC is deciding is the administration of these funds.

Ms. Baker commented that the NRDC is the leading energy organization in Sacramento.
Councilmember Jones said that both the REO and SDG&E do great work. The question is who funnels the money? There are several things to consider. The first problem is that there is a perceived conflict of interest with SDG&E handling this program. Another problem is that there hasn’t been any input on the decision-making level for energy programs. He doesn’t want to create another bureaucracy. We need to find a way for this body to have some sort of input on the front end. SDG&E should show us how elected officials can be included in the front end.

Supervisor Slater-Price agreed that public input and better public outreach efforts are the two issues that need to be fixed. She agreed that we don’t need another bureaucracy. She stated that SDG&E is the provider for us and is in the best position to conduct this program. She suggested that a well-publicized and interactive website could be a forum where people can provide suggestions.

Chair Holt-Pfeiler asked for action on the draft letter to the CPUC.

The consensus was to keep the first, fourth, and fifth bullet points in the letter, and delete the remaining bullet points. The letter would also be referred to staff to strengthen the language.

Vice Chair Davis expressed support for the EWG’s position to separate the administration from the implementation.

Mr. Bond noted that SANDAG and SDG&E could work together to contact the Federal Communications Commission (FCC) to persuade television stations to provide community information about the energy rebate programs.

Dr. Abarbanel stated that 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 before the CPUC. SDG&E has requested several times to be permitted to provide direct testimony rebutting this methodology; however, the Administrative Law Judge has denied these requests. SDG&E has appealed this decision to the CPUC. The letter supports SDG&E’s request for due process to ensure that the potential to shift more than $1 billion in additional costs to the San Diego region over the next eight years does not occur. The EWG recommended that the RPC support this letter.

Action: Councilmember Madaffer moved to send the letter of support to the CPUC. Councilmember Jones seconded the motion, and the vote was unanimously in favor.

6. UPCOMING MEETINGS

The next meeting of the RPC is September 3, 2004.
7. ADJOURNMENT

Chair Pfeiler adjourned the meeting at 2:29 p.m.

BOB LEITER  
Director of Land Use and Transportation Planning

Key Staff Contact: Carolina Gregor, (619) 699-1989, cgr@sandag.org
## CONFIRMED ATTENDANCE
### SANDAG REGIONAL PLANNING COMMITTEE MEETING
### JULY 2, 2004

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<tr>
<th>GEOGRAPHICAL AREA</th>
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SANDAG board OKs regional plans

By: KATHERINE MARKS - Staff Writer

SAN DIEGO ---- A regional board adopted two ambitious plans Friday: One that stresses "smart growth" and rewards cities that adhere to its principles, and another that calls for cooperation to pull more commuters off clogged freeways and bring more affordable housing to San Diego County.

Both plans, the Regional Comprehensive Plan and the I-15 Inter-regional Partnership Final Report, are the result of years of work by civic leaders and elected officials representing the San Diego Association of Governments, which received grants for the work.

The association, known as SANDAG, is the region's planning agency spearheading a variety of functions from transportation to beach restoration.

On Friday, board members said they'd work to put the recommendations of the plans into practice.

The weightier of the two plans, the 405-page "regional comprehensive plan," provides the county and its 18 cities planning guidelines for transportation, parks, open space, energy, schools, housing, water, sewage and garbage collection.

Further, jurisdictions that promote the so-called smart growth, a land-use practice that concentrates high-density housing near jobs and transportation corridors, will be given priority when the association doles out transportation money.

"We're focusing on the carrot rather than the stick approach," Escondido Mayor Lori Pfeiler said addressing her colleagues on the SANDAG board.

Transportation projects that are considered a part of smart-growth developments will be given higher priority when state and federal funds are being doled out, a task with which the association is charged. And $280 million of revenues from a 40-year extension of the half-cent sales tax known as TransNet will be dedicated to smart-growth projects.

That money depends on voters, who will decide in November whether to extend the tax that's been levied since 1988. A facet of the plan that hinges on TransNet's passage is a proposal to set aside $850 million to purchase open space.

Pfeiler said the plan would be continually updated and refined to make it a living document.

The "regional comprehensive plan" was funded largely by a $1.5 million grant from the California Department of Transportation. The work is the result of a two-year effort by dozens of elected...
officials and civic leaders.

The plan is meant to be a manual for a variety of governmental functions and is designed to provide guidelines for how the county will handle growth, SANDAG officials have said.

On Friday, the board voted unanimously to approve the plan and heralded the document itself as progress. "This is a very proud moment in the life of our region," said Poway Mayor Mickey Cafagna, who serves as the chairman for SANDAG's board.

A number of audience members who spoke had helped develop the plan, which won praise from biotech industry leaders and environmentalists alike. Most said the plan was a good starting point, but that the elected leaders on the other side of the dais would be charged with following it.

Janet Anderson, an environmentalist who helped craft the plan, called it exciting, but said, "It doesn't fix the problems per se.

Board members said they'd work hard to address issues outlined in the report such as affordable housing and traffic congestion.

"In the future, people of the region will commend us for doing what we're doing today," San Marcos Mayor Corky Smith said.

He said the region would have benefited even more if such cooperation between local cities had been around 20 years ago.

Also in the spirit of cooperation, the board unanimously accepted the final report from the I-15 Inter-regional Partnership, a joint effort of SANDAG and its Riverside County counterpart, the West Riverside Council of Governments.

The group polled commuters, studied housing and employment trends and developed a plan for easing congestion on Interstate 15, the primary inland artery linking the counties.

The partnership concluded that balancing houses and jobs in each county will help ease commutes. The number of bus routes and carpooling services has already been boosted between the areas and in the future the two regions could coordinate improvements to I-15, work to attract more employers to Riverside County and boost the construction of more moderately priced housing in San Diego County.

The proposal calls for ultimately extend San Diego's I-15 express lanes all the way north to Temecula and Murrieta.

Now 8 miles long, the lanes for buses, car pools and paying solo commuters are being extended another 8 miles from just north of Highway 56 to Centre City Parkway. Completion is expected in 2007.

The partnership was launched in 2001 with a $515,000 state Housing and Community Development grant and will continue under a $240,000 state grant announced last week. The money will go toward implementing aspects of the study.

Contact staff writer Katherine Marks at (760) 740-3529 or kmarks@nctimes.com.

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Growth proposal for region is adopted

Higher-density housing near transit lines suggested

By Lori Weisberg
STAFF WRITER

July 24, 2004

Culminating a two-year planning effort, elected leaders from throughout the county yesterday adopted a sweeping plan designed to shape the region's growth for decades to come.

Although the plan is largely advisory, elected officials are hoping that it will inspire cooperation among the 18 cities and the county in addressing the urban ills that could befall a region expected to add 1 million people by 2030.

"This is a very proud moment in the life of our region," said Poway Mayor Mickey Cafagna, chairman of the San Diego Association of Governments board, which yesterday acted on the Regional Comprehensive Plan. "Now it's up to us to make it work."

That could be a tall order. This is the fourth region-wide planning initiative in as many decades that has sought to manage the county's population growth.

While this latest regional plan does not seek to control or promote growth, it calls on local jurisdictions to embrace "smart growth" by building higher-density housing close to transit lines and jobs while preserving open spaces and environmentally sensitive lands.

The plan's adoption comes amid repeated warnings from regional planners that the county is running out of developable land to support the growing population. Part of the problem is that much of the region's vacant land continues to be developed at relatively low densities.

By 2030, regional demographers forecast, 93,000 households will be commuting to neighboring counties and Baja California because of housing shortages.

The plan embraced yesterday promotes a collaborative process that will induce neighboring jurisdictions to work together on land use and transportation projects and issues.

Key to the plan's success is a linkage of transportation and land use decisions. What some say makes this plan different from previous efforts by SANDAG are the incentives offered to localities that agree to embrace smart growth.

Because the regional planning body controls the disbursement of millions of dollars in transportation funds, it will now have the power, under the new plan, to give higher priority to jurisdictions that commit to developing smart growth projects.

But for that incentive to work, board members agreed that it is essential that voters this November agree to renew the county's half-percent sales tax for transportation.
Critic Tom Mullaney of the grass-roots group Friends of San Diego believes the regional plan is really a platform for advocating more growth. He has argued repeatedly that the plan, simply by encouraging higher-density development, will not deter people from moving to places such as Temecula for more affordable housing.

"The region will continue its downhill slide in quality of life if our leaders focus on adding more development," he said yesterday. "In fact, that's one of the biggest weaknesses in this plan -- the focus on adding more density."

Proponents of the plan acknowledge that the San Diego Association of Governments has no land use authority and, in fact, the plan goes out of its way to reassure local jurisdictions that their land use powers will not be usurped.

Former County Supervisor Leon Williams, who is an advisory member of SANDAG, cautioned that holding out incentives such as transportation money may not be enough of a "carrot" to ensure the plan's success.

"(In the absence of) some power to do something other than carrots -- we in society don't live on carrots alone -- I don't know how we'll be able to do it," said Williams, who chairs the Metropolitan Transit System board.

Now that the plan has been adopted, elected leaders and planners agree the real work has just begun.

Incorporated into the plan is a detailed monitoring scheme to track the region's progress over the next several years in a number of areas, including housing, transportation and preservation of environmentally sensitive lands.

The region also faces challenges in coming up with funding to finance the infrastructure needs that growth will bring.

Despite obstacles that lie ahead, San Marcos Mayor Corky Smith said yesterday's action marks a significant departure from the days long ago when regional cooperation was an alien concept.

"Had we had a document like what we have now," Smith said, "we wouldn't have the problems we now have."

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Sandag approves regional plan; others point out possible flaws
Cities throughout San Diego now have one vision for growth thanks to the San Diego Association of Governments Board of Directors' unanimous approval of the Regional Comprehensive Plan on Friday. The plan provides a framework for how future growth in the county should occur -- in denser pockets closer to transportation corridors. The document was a major milestone for San Diego, said Poway Mayor Mickey Cafagna, who is also the chair of the Sandag Board of Directors. "I'm not sure this has been accomplished anywhere else, this is a very proud moment," Cafagna said. "Now it's up to us to make it work." When Cafagna refers to "us," he means the 18 municipalities that make up Sandag; the RCP is an advisory tool without any enforcement authority. Sandag hopes to have cities come on board by offering perhaps the greatest incentive of all -- money. While much of Friday's discussion outlined the positive elements of the plan, many claimed the work was incomplete. Speakers referred to the document as a strong "starting point" to address growth in the region but that it didn't deal with other important issues such as industrial and residential collocation. Specifically, members of the business community were in force asking for greater protection of industrial lands. A problem surfacing around the county, thanks to the region-wide housing shortage, is developers are looking to build residential developments next to land zoned for industrial uses. Industrial users include integral members of the San Diego economy, specifically the biotech industry. Garry Bonelli, spokesman for Sandag, said in an interview that there was no direction for protecting industrial land in the RCP, other than mentioning there needs to be a balance with residential uses. Marney Cox, economist with Sandag, said in an interview that the county needs to come up with some kind for co-location policy for the county. Preliminary research from Sandag shows about 60,000 industrial employment sites in the county, of which 15 percent to 20 percent are incompatible with residential uses. That leaves about 80 percent of the sites compatible, Cox said. "These look like the areas where we should create co-location policies," Cox said. Patti Krebs, executive director of the Industrial Environmental Association, said at the meeting that allowing this kind of co-location will stop a company's abilities to expand which is a serious deterrent when companies are looking to move into an area. "These are major issues for expanding and sometimes it's a major issue for keeping up operations," Krebs said later in an interview. "We want to make sure that there is adequate separation." There was also concern expressed about the shortage of land zoned for multifamily residential development in the document. The multiresidential issue has been a problem for some communities in updating their community plans because re-zoning land for this kind of development can mean increased density. One specific problem, zoning in cities throughout the county are set for single-family homes. Rosemary Johnston, program director for the Interfaith Shelter Network, said at the meeting that of the 28,000 acres of residentially zoned land in San Diego's cities, only 7 percent is set for multiresidential housing. "This clearly is not in synch with community needs when only 10 percent of the people living here can afford the median priced home," Johnston said at the meeting. Bonelli said in an interview that the RCP aims to spark more development of multifamily units in the existing urban cores of the
communities around the county by offering incentive packages. Sandag plans to use about $250 million from TransNet for smart growth projects, pending approval on the November ballot. City of San Diego Mayor Dick Murphy said that the RCP "is a very important document that will define the future of the region." The document identifies the county's main traffic corridors, residential and business areas and describes how future "smart growth" can occur to maximize existing infrastructure and most effectively plan for new projects, said Lori Holt Pfeiler, mayor of Escondido and member of the Sandag Board of Directors. Specifically, Sandag views "smart growth" as more dense development around existing urban centers and infrastructure.

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SANDAG approves regional comprehensive plan

After countless hours of collaboration among SANDAG, city and county municipalities, and involved citizen groups – the much anticipated Regional Comprehensive Plan (RCP) was unanimously approved today by SANDAG's Board of Directors.

The RCP is the strategic planning blueprint for the San Diego region. It provides a broad context in which local and regional decisions can be made that foster a healthy environment, a vibrant economy, and a high quality of life for all residents. In doing so, the RCP balances regional population, housing, and employment growth with habitat preservation, agriculture, open space, and infrastructure needs. The intended result is a sustainable future — one with more choices and opportunities for all residents. True to its name, the RCP is comprehensive in its scope. It looks beyond San Diego's borders and considers the planning and growth underway in Imperial, Orange, and Riverside Counties as well as in Baja California, Mexico.

SANDAG has created a truly innovative document that intertwines such areas as land use, transportation, environmental mitigation, energy use, and cross-border relations. "I don't know of any other public agency in the United States and certainly California which has taken such a broad-based and comprehensive regional approach to planning," said SANDAG Chair and Poway Mayor Mickey Cafagna. "The RCP is an innovative planning tool which will be a valuable asset to the region for many years. This will be a reference guide for communities to use when planning for their growth which will allow them to plan regionally. It is also a true testament for regional cooperation - 18 cities and the county government getting together to agree on a regional plan is revolutionary."

At the root of the RCP is the goal of better connecting San Diego's land use and transportation plans to promote "Smart Growth" areas. In an effort to combat urban sprawl and unfettered growth, the concept of "Smart Growth" refers to new and redeveloped areas that are compact in nature, situated near existing employment, and offer convenient access to efficient and viable transportation choices and public facilities.

For example, more than half of the residents in the master planned community of Otay Ranch in Eastern Chula Vista will live within a quarter-mile of future regional transit service. A state-of-the-art regional transit system was integrated into the master plan from the onset to provide convenient access to downtown San Diego and surrounding vicinities. Some of its residents reside above commercial facilities to make better use of shared space, and centralized parks and open space utilize drought tolerant landscaping.

"The Regional Comprehensive Plan is a great way for cities to work together and recognize that we are no longer separate communities unto ourselves," explained Lori Holt Pfeiffer, Chair of SANDAG's Regional Planning Committee and Mayor of Escondido. "Each of us impacts the other - we all drive and share in each other's roads, movie theaters, and employment centers. The lines in the road that indicate we've left one community and have entered another are blurred, so we must all work together to keep the great quality of life we expect in San Diego."

SANDAG allocates incentive funds, such as those generated from TransNet, to cities and communities that follow the RCP's principles and underlying planning philosophy. TransNet is this region's 1/2-penny sales tax dedicated to transportation improvements which will be up for renewal as "Proposition A" in November. Money generated from this
tax helps pay for highway, transit, and local street improvements, as well as bicycle and traffic safety projects throughout the region. Specifically, $250 million is allocated to area smart growth projects and $850 million to acquire and maintain open space.

As emphasized throughout the RCP, the need for smart, planned and more concentrated growth with integrated and reliable transportation, permanent open space, more affordable housing, and improved cross-border collaboration is more critical than ever before as the region continues to grow at an unprecedented rate. San Diego County’s population of approximately three million is roughly equal to the population of the entire state of California a century ago, and 62 percent of area’s homes were built after 1970. SANDAG is confident that the plan can serve as a bridge to guide the county and its cities to a better quality of life for years to come.

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San Diego's Regional Comprehensive Plan: Reason for optimism?

By Keith Pezzoli
July 30, 2004

San Diego just reached an important milestone in regional planning. Last Friday, the San Diego Association of Governments board of directors unanimously approved a new Regional Comprehensive Plan. I had the privilege to serve on the Stakeholders Working Group convened by SANDAG to help draft the RCP. The RCP is now the officially sanctioned long-term (2030) planning framework for the San Diego region—"It 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. It moves us toward a sustainable future."

Does this sound too good to be true? Perhaps. But there are at least three good reasons why we can be optimistic that the RCP will help put us on the right track to improving regional quality of life and habitat.

First, the RCP embraces the sustainability challenge. That is, the RCP aims to balance the so-called three E's of sustainable development: social equity, economic prosperity, and environmental stewardship.

Numerous government agencies, nonprofit groups, industry associations, and research-based consortia around the world are engaged in efforts to define and implement sustainable development. Major international efforts have helped set the stage. Over the past two decades a great deal has been learned about barriers and bridges to sustainability (commonly defined as development that meets the needs of the current generation without undermining the capacity of future generations to meet their needs). The RCP promises to build upon this work and move it in new directions through performance-based evaluation over the long haul.

The regional geography of globalization gives us the second reason for optimism.

Until recently, efforts to promote sustainable development have focused mainly on the national scale or on large-scale natural resource issues, like forest management and biological conservation. SANDAG's RCP represents a newly emergent approach to enabling sustainability at the scale of a city-region.

The growing interdependence among cities, suburbs, tribal and rural areas of Southern California-Baja California creates an imperative to approach certain problems on a regional scale. San Diego has spectacular coastlines, mountains, deserts, mesas, bays and winding canyons all within a one-hour drive of the region's center.

While not perfect, the RCP gives us a much needed long-term planning framework for our city-region's development. It takes into account ecosystems, globalization and transborder relationships. City-regions that succeed in getting their metropolitan act together (defining/implementing cross-jurisdictional approaches to sustainability) are most likely to gain competitive advantage in the new global economy. This is deemed crucial enough that the RCP included a chapter dedicated to "borders."
On a recent visit up Mount Soledad, I scanned the landscape below. The visibility was good so I could see into Mexico and far in other directions. From this bird's-eye view it is hard to see jurisdictional boundaries; rather one sees a crisscrossing set of infrastructures (rail, roads, telecommunications, power lines) embedded in a sprawling metropolitan area. This is the RCP's object of study, our collective home, a complicated and dynamic place worthy of our thoughtful stewardship.

From atop Mount Soledad, one can see a great number of regional treasures: excellent universities, recreational facilities, hospitals, a downtown glinting in sunshine, and industrial parks that have become world-class milieus of innovation in the life sciences, communications, computer and environmental technology, among other cutting-edge industrial clusters.

But one can also see a fragmented landscape and coastal zone where biodiversity suffers death by a thousand tiny cuts. Congested freeways connect low-density urban sprawl in a far-flung patchwork quilt that is becoming less and less sustainable, not just ecologically but also economically and socially in terms of a threatened quality of life.

From this perspective, the RCP does well documenting both crisis and opportunity, and it does so using the city-region as an important new unit of regional analysis.

"Through the RCP, our region collectively determines where future growth should be encouraged and where it should be avoided. The RCP identifies smart growth opportunity areas and provides a policy framework for prioritizing infrastructure investments in those areas."

The historic timing of the RCP gives us a third reason for optimism. We live in turbulent and uncertain times that shake the political, economic and cultural foundations of our institutions and social systems. This uncertainty creates peril. It also creates opportunities to re-evaluate our approaches to enduring problems of poverty, social equity, health, infrastructure, security, urban form and environmental degradation. This is crucial. Albert Einstein cleverly notes: "Problems cannot be solved at the same level of awareness that created them."

Fortunately, San Diego is a dynamically creative place. Our research universities and our industrial clusters based on the life sciences and information/communications technologies are providing us with the knowledge and cyberinfrastructure necessary to thrive in the global economy of the 21st century.

The RCP provides us with the power of the imaginary – a collective vision of a healthier, more prosperous and socially just city-region. It is a "living document" that can help guide our way forward to making this vision a reality, especially if it lives up to its promise to empower effective and equitable civic engagement.

Pezzoli is a lecturer and the director of field research in the Urban Studies and Planning Program at the University of California San Diego. He also directs the Regional Workbench Consortium, a Web-based research, outreach and educational network dedicated to enabling sustainable development.
Regional Planning Technical Working Group (TWG) - planning directors;
Regional Housing Task Force (RHTF) - elected officials, housing advocates, and housing-related industry representatives; and
Regional Housing Needs Working Group (RHNWG) - an ad hoc group made up of members of the TWG, RHTF, and other interested parties, which was established specifically to work on the RHNA.

The purpose of this report is to provide the Regional Planning Committee (RPC) with information on the Regional Housing Needs Assessment (RHNA) process and the RHNA recommendations of the three groups listed above.

Recommendation

After considering the recommendations of the RHNWG, TWG and the RHTF, the RPC should make a recommendation regarding the Draft RHNA for 2005-2010. The recommendation of the RPC will be presented to the SANDAG Board of Directors on September 24, 2004. The RHNWG, TWG and the RHTF made the following recommendations regarding the Draft RHNA:

1. The region’s share of the state's housing need (regional share) for the 2005-2010 housing element cycle should be 107,000 units. (The regional share number is calculated from a baseline of January 1, 2003 through the end of the housing element cycle - June 30, 2010.)
2. The allocation by jurisdiction should be based on the methodology that uses SANDAG’s 2030 forecast to allocate the 88,922 units forecast for the 2003-2010 time period, and allocates the 18,078 units remaining based on each jurisdiction's projected share of the region's 2000-2010 employment growth with two modifications described in the report. (Methodology C – Forecast with 2000-2010 Employment Allocation Factor).
3. The allocation by income category should be based on the methodology that seeks to reduce the concentration of lower income households to the greatest degree (Alternative 3). This alternative was the one adopted by the SANDAG Board for the 1999-2004 element cycle.

4. In addition, it should be acknowledged that action on the RHNA by the SANDAG Board is based on existing state law, which requires that jurisdictions identify adequate sites in their housing elements to address their RHNA numbers. SANDAG should consider revising the RHNA numbers if state law is changed to require housing production to be based on RHNA numbers and/or to attach incentives or penalties to production in relation to these numbers.

Discussion

Regional Housing Needs Assessment (RHNA) Background and Schedule

State law requires periodic updates by local jurisdictions of their housing elements. The next housing element cycle covers the 2005-2010 time frame; 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). 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.

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 the one-year extension that local jurisdictions in the San Diego region (and the rest of the state) received with the passage of SB 491 (Ducheny) in July 2003.

Because of issues related to the completion and adoption of the Regional Comprehensive Plan (RCP), SANDAG was not able to meet the June 30, 2004, deadline. The current schedule (Attachment 1) shows the SANDAG Board accepting the draft RHNA numbers for distribution on September 24, 2004, with final adoption in January 2005 (following a 90-day public review period and assuming no appeals are filed).

At its July 8 meeting, the TWG agreed that local jurisdictions should work toward completion of their housing elements by the June 30, 2005, deadline. Most jurisdictions are already working on their housing elements or are in the process of contracting with a consultant to do the work. The draft RHNA numbers will be available for use in the housing element updates by the end of September.
RHNA Process

Determining the Region’s Share of the State’s Housing Need (Regional Share)

In mid-September 2003, HCD provided SANDAG with a minimum regional housing need determination for the 2005-2010 housing element cycle of between 107,000 and 111,000 units. These alternatives were 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 the number of housing units we think will actually be built between January 1, 2003, and June 30, 2010, and assumes continued low vacancy rates (about 2.4 percent based on the 2000 Census). The RHNGW, TWG and RHTF recommend using HCD’s 107,000 housing need number for the upcoming housing element cycle. This recommendation is consistent with the state’s determination regarding the San Diego region’s future housing needs. It also is consistent with the goals and objectives in the Regional Comprehensive Plan (RCP), which recognizes that the region needs to plan for more housing than is currently included in existing plans and policies to help address jobs/housing balance, long distance commuting, and housing affordability issues facing the region.

Allocation by Jurisdiction

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.

Each jurisdiction’s regional share number also must be allocated by four income categories—very low, low, moderate, and above moderate—which jurisdictions need to plan for in their housing elements. For housing element purposes, density is typically used as a surrogate for income levels. For example, to show that it has capacity for very low and low income housing, a jurisdiction typically needs to demonstrate that it has an adequate amount of higher density (e.g., 15-30 dwelling units/acre) multifamily-zoned land, or can otherwise accommodate the number of dwelling units in each category. The principles and guidelines used to allocate the region’s housing need by jurisdiction and income category are included in Attachment 2.

The RHNGW reviewed numerous alternative methodologies for allocating the regional housing need by jurisdiction. These methodologies can be grouped into two main categories. The first category includes alternatives that are based on the methodology used by the Association of Bay Area Governments (ABAG). During its most recent RHNA process, ABAG adopted an allocation methodology that was based on the average of each local jurisdiction’s share of employment and residential growth—resulting in a 50-50 weighting of these two factors. This methodology ties the generation of employment to the location of and planning for housing. Staff looked at several modifications to this basic idea including using different employment and housing weightings. (Methodology A, which was voted on by the RHNGW at its August 2, 2004 meeting (Attachment 3), is a variation on the ABAG methodology, which gives a 25 percent weight to employment and a 75 percent weight to housing.)
The second category includes methodologies that use SANDAG's forecast to allocate the 88,922 units forecasted for the 2003-2010 time period, and then use an employment factor to allocate the remaining 18,078 units that must be planned for to meet the 107,000 total regional housing need. (Methodology C, which was recommended by the RHNWG at its August 2 meeting, uses the SANDAG forecast to allocate 88,922 units, and allocates the remaining 18,078 units based on each jurisdiction's projected share of the region's 2000-2010 employment growth.

Allocation by Income Category

In addition to allocating the region's housing need by jurisdiction, SANDAG is required to allocate each jurisdiction's RHNA number by four income categories: very low, low income, moderate, and above moderate income. In the San Diego region, 40 percent of the total regional housing need must be allocated to the very low and low income categories. As required by state law, the allocation must seek to reduce the concentration of lower income households in jurisdictions that have a higher share of lower income households than the region.

The RHNWG considered three alternatives for allocating the regional share numbers by income category. Each alternative seeks to reduce the concentration of lower income households, but by varying degrees. Alternative 1 applies the overall regional percentages for very low (23 percent), low (17 percent), moderate (19 percent) and above moderate (41 percent) income households to each jurisdiction's housing need number. Alternative 3 is derived by adding to or subtracting from the overall regional percentage the difference between a jurisdiction's existing share of lower income households and the overall regional share. Alternative 2 is the midpoint between Alternatives 1 and 3. For all three alternatives, the moderate income allocation was derived by applying the overall regional percentage of moderate income households (19 percent) to each jurisdiction's housing need number. The above moderate income allocation is derived by subtracting the very low, low, and moderate income allocation from the housing need total for each jurisdiction.

For the 1999-2004 housing element cycle, the SANDAG Board adopted Alternative 3 as the most equitable way to reduce the concentration of lower income households. Alternative 3 requires jurisdictions with a lesser share of lower income households than the overall regional percentage to plan for more lower income housing, and jurisdictions with greater share of lower income households to plan for less lower income housing.

As required by HCD, when added together, the income allocations for the jurisdictions equal the overall regional income distributions of 23 percent very low, 17 percent low, 19 percent moderate, and 41 percent above moderate income.

RHNWG, TWG, and RHTF Recommendation – Allocation by Jurisdiction and Income Category

On August 2, the RHNWG voted to recommend the use of “Methodology C” and “Alternative 3” to allocate the regional housing need by jurisdiction and income category. The TWG and the RHTF also voted to recommend the use of these methodologies at their August 12 and August 26 meetings. Detailed results of the votes that were taken at each of these meetings are shown in Attachment 3.
Using Methodology C and Alternative 3 is consistent with and furthers the goals and objectives of the RCP (described in Attachment 2). Table 1 below shows the recommended allocation methodologies applied to the recommended 107,000 regional housing need.

City of San Diego/County of San Diego Transfer

Table 1 includes a transfer of lower income units from the County of San Diego to the City of San Diego, and a subsequent transfer of above moderate income units from the City of San Diego to the County of San Diego. This transfer is based upon an agreement between the City of San Diego and the County of San Diego and is in response to a request from the County that any portion of their housing allocation that is higher than the 2003 – 2010 forecast for the time period be allocated to the above moderate income (or low density single-family unit) category. This agreement is consistent with the Regional Comprehensive Plan policy objective to locate higher density housing in appropriate locations close to public transportation, employment, and other services.

Under this agreement, using Allocation Methodology C, the County of San Diego is allocated 12,323 units, which is 1,533 units higher than the forecast. Under Income Allocation Alternative 3, 45 percent, or 695 units of the 1,533 additional unit allocation, would be for very low and low income households. The City of San Diego has agreed to add these 695 units to their very low and low income allocation. These 695 units are then subtracted from the City of San Diego’s above moderate income allocation and added to the County of San Diego’s above moderate income allocation.

Santee Adjustment

Table 1 also includes an upward adjustment to the City of Santee’s allocation numbers that reflect 761 additional units that have been approved or are under construction, which were not reflected in the 2030 Regional Growth Forecast. Santee's original allocation for the 7.5 year time frame was 616 units, which some members of the TWG felt was too low based on recent reports of housing activity and the residential capacity of the city. Based on the discussion of the TWG, SANDAG and Santee staff met to determine whether an adjustment to Santee’s regional share number was warranted. The 2030 Forecast for the City of Santee included only 175 site specific units because at the time the data for the forecast was being collected, Santee was experiencing very little housing growth. Since that time, however, an additional 761 units have been approved or are currently under construction. Santee staff has agreed to increase their regional share by this amount. The income categories also reflect the adjusted number. In addition, the allocations for the other jurisdictions have been adjusted downward to reflect this change.
### Table 1
Regional Share Allocation using Methodology C and Alternative 3

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Regional Share - Methodology C</th>
<th>Regional Share Allocation by Income Category - Alternative 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Very Low*</td>
</tr>
<tr>
<td>Carlsbad</td>
<td>8,353</td>
<td>2,499</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>17,176</td>
<td>3,731</td>
</tr>
<tr>
<td>Coronado</td>
<td>64</td>
<td>20</td>
</tr>
<tr>
<td>Del Mar</td>
<td>26</td>
<td>7</td>
</tr>
<tr>
<td>El Cajon</td>
<td>619</td>
<td>86</td>
</tr>
<tr>
<td>Encinitas</td>
<td>1,707</td>
<td>502</td>
</tr>
<tr>
<td>Escondido</td>
<td>2,429</td>
<td>485</td>
</tr>
<tr>
<td>Imperial Beach</td>
<td>88</td>
<td>14</td>
</tr>
<tr>
<td>La Mesa</td>
<td>394</td>
<td>79</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td>241</td>
<td>45</td>
</tr>
<tr>
<td>National City</td>
<td>318</td>
<td>18</td>
</tr>
<tr>
<td>Oceanside</td>
<td>6,404</td>
<td>1,454</td>
</tr>
<tr>
<td>Poway</td>
<td>1,239</td>
<td>418</td>
</tr>
<tr>
<td>San Diego – Original</td>
<td>45,613</td>
<td>9,171</td>
</tr>
<tr>
<td><strong>Units to/From Unincorporated Area</strong></td>
<td></td>
<td>375</td>
</tr>
<tr>
<td>San Diego – Revised</td>
<td>45,613</td>
<td>9,546</td>
</tr>
<tr>
<td>San Marcos</td>
<td>6,237</td>
<td>1,434</td>
</tr>
<tr>
<td>Santee</td>
<td>1,377</td>
<td>382</td>
</tr>
<tr>
<td>Solana Beach</td>
<td>131</td>
<td>37</td>
</tr>
<tr>
<td>Vista</td>
<td>2,262</td>
<td>509</td>
</tr>
<tr>
<td>Unincorporated Area</td>
<td>12,323</td>
<td>3,209</td>
</tr>
<tr>
<td><strong>Units to/From City of San Diego</strong></td>
<td></td>
<td>(375)</td>
</tr>
<tr>
<td>Unincorporated Area – Revised</td>
<td>12,323</td>
<td>2,834</td>
</tr>
<tr>
<td>San Diego Region</td>
<td>107,000</td>
<td>24,101</td>
</tr>
</tbody>
</table>

*Revised to equal regional percentages.

## Issues Raised During RHNA Discussions

Based on the discussions at the meetings that have been held on the RHNA, it is important to note that working group members were not in complete agreement on the methodologies used to allocate the regional housing need number by jurisdiction and income category. The issues that have been raised are discussed below. Attachment 5 includes letters from the County of San Diego and City of Chula Vista on the RHNA process.
Allocation by Jurisdiction

Some members of the working groups preferred methodologies that put a greater emphasis on projected employment growth. These members argued that a greater emphasis on projected employment growth would promote a better jobs/housing balance by requiring those jurisdictions that are planning for job growth to plan for a proportionate amount of housing growth. However, jurisdictions that are major employment generators for the region believed that the concept of jobs/housing balance should be more subregional in nature, and not be based on jurisdictional boundaries. Additionally, it was argued that methodologies that put a greater focus on projected employment growth do not take into account the fact that some jurisdictions may already have a high proportion of housing in relation to employment, and are planning for future employment growth to “catch up.”

Other members argued that the allocation should be closer to SANDAG’s housing forecast, as this forecast was adopted by the SANDAG Board of Directors and is used for planning purposes. A counter argument noted that the forecast relies too heavily upon a jurisdiction’s existing plans and policies. Therefore, jurisdictions not planning to accommodate future residential growth would receive a lower allocation, despite the fact that they may be planning for future employment growth. Many members see the RHNA process as a method of ensuring that jurisdictions are planning for a better jobs/housing balance, consistent with the goals and objectives of the RCP.

Allocation by Income Category

While the majority of the working group and RHTF members selected Alternative 3 as the preferred income allocation methodology, several jurisdictions with existing low percentages of lower income households voted for Alternative 1. Issues were raised regarding the appropriateness of requiring high cost jurisdictions to plan for larger amounts of lower income housing, when in reality the development of this type of housing is limited to the amount of subsidies available, and will not likely result in the construction of lower income housing. Additionally, some jurisdictions were concerned that the RHNA goals, especially the lower income RHNA goals, might eventually be changed from planning requirements to housing production requirements.

Other members argued, however, that without higher-density, multifamily-zoned land, affordable housing development is nearly impossible, and that all jurisdictions should be providing opportunities for its development. Additionally, state law requires that the allocation work toward reducing the existing concentration of lower income households.

To address the concerns regarding the potential use of RHNA as housing production goals rather than planning goals, it was the consensus of the groups the that the action by the SANDAG Board should acknowledge that the RNHA numbers are based on existing state law, which requires that
local jurisdictions identify adequate sites in their housing elements. SANDAG will consider revising the RHNA numbers if state law is changed to require housing production to be based on RHNA numbers and/or to attach incentives or penalties to the production of these numbers.

Regional Housing Task Force Recommendation Regarding Incentives

At its August 26 meeting, the Regional Housing Task Force recommended that SANDAG work on ways to reward jurisdictions for affordable housing production and to provide incentives for increasing the region's housing supply.

BOB LEITER
Director of Land Use and Transportation Planning

Attachments:

1. Regional Housing Needs Assessment (RHNA) Schedule
2. Regional Housing Needs Allocation Principles/Guidelines
3. RHNWG, TWG, and RHTF Votes on RHNA Allocation Methodologies
4. Letters from County of San Diego and City of Chula Vista

Key Staff Contact: Susan Baldwin, 619-699-1943; sba@sandag.org
REGIONAL HOUSING NEEDS ASSESSMENT SCHEDULE

August 12, 2004 - Regional Planning Technical Working Group (RPTWG) makes recommendation on Regional Housing Needs Assessment (RHNA)

August 26, 2004 - Regional Housing Task Force makes recommendation on RHNA

September 3, 2004 - Regional Planning Committee makes recommendation on RHNA

September 24, 2004 – SANDAG Board accepts RHNA for distribution

January 2005 – SANDAG Board adopts final RHNA
REGIONAL HOUSING NEED ALLOCATION PRINCIPLES/GUIDELINES

The following principles and guidelines should be taken into account when allocating the region’s housing needs by jurisdiction and income category.

State Housing Element Law

1. Allocation should take into account:
   a. Market demand for housing
   b. Employment opportunities
   c. Availability of suitable sites and public facilities
   d. Commuting patterns
   e. Type and tenure of housing need
   f. Loss of units in assisted developments
   g. Farmworker housing need

   Note: The majority of these factors were included in the development of the 2030 Cities/County Forecast.

2. The distribution shall seek to reduce the concentration of lower income households in cities or counties which already have disproportionately high proportions of lower income households.

Attorney General’s Opinion

A council of governments must consider the availability of suitable housing sites based not only upon the existing zoning ordinances and land use restrictions of the locality but also based upon the potential for increased residential development under alternative zoning ordinances and land use restrictions when determining a locality’s share of the regional housing needs.

Regional Comprehensive Plan (RCP) Goals and Policy Objectives

1. Focus future population and job growth away from rural areas and closer to existing and planned job centers and public facilities. (Urban Form chapter)

2. Integrate the development of land use with that of transportation, recognizing the interdependence of these two activities. (Urban Form chapter)

3. Provide a variety of affordable and quality housing choices for people of all income levels and abilities throughout the region. (Housing chapter)

4. Integrate housing with jobs, transit, schools, recreation, and services, creating more livable neighborhoods and diverse mixed use communities. (Housing chapter)

5. Provide an adequate supply of housing for our region’s workforce to minimize interregional and long distance commuting. (Housing chapter)

6. Achieve a better mix of, and accessibility to, jobs and housing throughout our international and interregional borders, and with the tribal governments. (Borders chapter)

7. Encourage better job accessibility in housing-rich areas and housing accessibility in jobs-rich areas in our greater binational and interregional area. (Borders chapter)
REGIONAL HOUSING NEEDS WORKING GROUP, REGIONAL PLANNING TECHNICAL WORKING GROUP, AND REGIONAL HOUSING TASK FORCE VOTES ON ALLOCATION METHODOLOGIES

Regional Housing Needs Working Group
At its August 2, 2004, meeting, the Regional Housing Needs Working Group (RHNWG) voted on the methodology for allocating the regional housing need by jurisdiction and the methodology for allocating the regional housing need by income category. The following tables show the alternatives that the Working Group voted on, and the results of the votes.

Table 3A shows the two methodologies to allocate the regional housing need by jurisdiction that were voted upon by the RHNWG: The 25 Employment/75 Housing ABAG methodology or “Methodology A,” and the 2000-2010 Employment Allocation Factor methodology or “Methodology C.”

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Methodologies A</th>
<th>Methodologies C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25 employment/75 housing ABAG</td>
<td>SANDAG Forecast, remainder allocated using 2000-2010 Employment Allocation Factor</td>
</tr>
<tr>
<td>Carlsbad</td>
<td>8,558</td>
<td>8,413</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>15,128</td>
<td>17,300</td>
</tr>
<tr>
<td>Coronado</td>
<td>78</td>
<td>64</td>
</tr>
<tr>
<td>Del Mar</td>
<td>31</td>
<td>26</td>
</tr>
<tr>
<td>El Cajon</td>
<td>637</td>
<td>623</td>
</tr>
<tr>
<td>Encinitas</td>
<td>1,868</td>
<td>1,719</td>
</tr>
<tr>
<td>Escondido</td>
<td>2,468</td>
<td>2,446</td>
</tr>
<tr>
<td>Imperial Beach</td>
<td>127</td>
<td>89</td>
</tr>
<tr>
<td>La Mesa</td>
<td>347</td>
<td>397</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td>211</td>
<td>243</td>
</tr>
<tr>
<td>National City</td>
<td>272</td>
<td>320</td>
</tr>
<tr>
<td>Oceanside</td>
<td>6,172</td>
<td>6,450</td>
</tr>
<tr>
<td>Poway</td>
<td>1,471</td>
<td>1,248</td>
</tr>
<tr>
<td>San Diego</td>
<td>48,505</td>
<td>45,941</td>
</tr>
<tr>
<td>San Marcos</td>
<td>6,012</td>
<td>6,282</td>
</tr>
<tr>
<td>Santee</td>
<td>600</td>
<td>616</td>
</tr>
<tr>
<td>Solana Beach</td>
<td>175</td>
<td>132</td>
</tr>
<tr>
<td>Vista</td>
<td>2,444</td>
<td>2,278</td>
</tr>
<tr>
<td>Unincorporated</td>
<td>11,896</td>
<td>12,412</td>
</tr>
<tr>
<td>San Diego Region</td>
<td>107,000</td>
<td>107,000</td>
</tr>
</tbody>
</table>
Table B shows the results of the vote on Methodologies A and C. As shown, Methodology C received the majority (15 out of 20) of the votes.

Table 3B
RHNWG Votes on Methodology to Allocate Regional Housing Need by Jurisdiction

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Methodology A</th>
<th>Methodology C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Chula Vista</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Coronado</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Del Mar</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>El Cajon</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Encinitas</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Escondido</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Imperial Beach</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>La Mesa</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>National City</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Oceanside</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Poway</td>
<td>Abstained(^1)</td>
<td></td>
</tr>
<tr>
<td>San Diego</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>San Marcos</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Santee</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Solana Beach</td>
<td>Not in Attendance</td>
<td></td>
</tr>
<tr>
<td>Vista</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>County of San Diego</td>
<td></td>
<td>X(^2)</td>
</tr>
</tbody>
</table>

Stakeholders

<table>
<thead>
<tr>
<th>Catherine Rodman, San Diego Advocates for Social Justice</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dutch Van Dierendonck, Ramona Community Planning Group</td>
<td>X</td>
</tr>
<tr>
<td>Tom Scott, San Diego Housing Federation</td>
<td>X</td>
</tr>
</tbody>
</table>

\(^1\) The City of Poway abstained from the vote, noting that they could not support either methodology.

\(^2\) The County of San Diego voted yes on Methodology C with the caveat that they would only support it if they received a reduced lower income allocation.
Table 3C shows the results of the RHNWG vote on the three income allocation alternatives. As shown, Alternative 3 received the majority (15 out of 20) of the votes.

### Table 3C

**RHNWG Votes on Methodology to Allocate Regional Housing Need by Jurisdiction**

<table>
<thead>
<tr>
<th>Jurisdictions</th>
<th>Alternative 1</th>
<th>Alternative 2</th>
<th>Alternative 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Chula Vista</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coronado</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Del Mar</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>El Cajon</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Encinitas</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Escondido</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Imperial Beach</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>La Mesa</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Lemon Grove</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>National City</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Oceanside</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poway</td>
<td></td>
<td></td>
<td>Abstained¹</td>
</tr>
<tr>
<td>San Diego</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>San Marcos</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Santee</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Solana Beach</td>
<td></td>
<td></td>
<td>Not in Attendance</td>
</tr>
<tr>
<td>Vista</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>County of San Diego</td>
<td></td>
<td></td>
<td>X²</td>
</tr>
</tbody>
</table>

**RHTF & Other Interested Parties**

| Catherine Rodman, San Diego Advocates for Social Justice | X |
| Dutch Van Dierendonck, Ramona Community Planning Group | X |
| Tom Scott, San Diego Housing Federation                 | X |

1. The City of Poway abstained from the vote, noting that they could not support either methodology.
2. The County of San Diego voted yes on Methodology C, with the caveat that they would only support it if they received a reduced lower income allocation.
Regional Planning Technical Working Group
Based upon the Regional Housing Needs Working Group recommendation, the Regional Planning Technical Working Group (RPTWG) was asked to recommend the use of Allocation Methodology C and Income Allocation Alternative 3 to allocate the regional housing need. The RPTWG voted on this recommendation, with the caveat that Santee’s allocation be reviewed and potentially increased, and that the remaining jurisdictions have their allocations proportionately decreased. The RPTWG vote is shown in the Table 3D.

Table 3D
RPTWG Votes on RHNWG Recommendation to use Methodology C and Alternative 3

<table>
<thead>
<tr>
<th>Jurisdictions</th>
<th>Methodology C *</th>
<th>Income Allocation Alternative 3</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad</td>
<td>Y</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>Chula Vista</td>
<td>Y</td>
<td>Y</td>
<td>In the next RHNA cycle we should do a better job of connecting to RCP</td>
</tr>
<tr>
<td>Coronado</td>
<td>Y</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>Del Mar</td>
<td>Not in Attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>El Cajon</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Encinitas</td>
<td>Y</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>Escondido</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Imperial Beach</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>La Mesa</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Lemon Grove</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>National City</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Oceanside</td>
<td>Not in Attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poway</td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>San Diego</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Marcos</td>
<td>N</td>
<td></td>
<td>Methodologies are not equitable. Santee issue.</td>
</tr>
<tr>
<td>Santee</td>
<td>Not in Attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solana Beach</td>
<td>Not in Attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vista</td>
<td>Not in Attendance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>County of San Diego</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
</tbody>
</table>

*With the caveat that Santee’s allocation be reviewed and potentially increased, and that the remaining jurisdictions have their allocations proportionately decreased.
Regional Housing Task Force

The Regional Housing Task Force (RHTF) reviewed the recommendations of the Regional Housing Needs Working Group (RHNWG) and Regional Planning Technical Working Group (TWG) at its August 26 meeting. The RHTF voted 10 – 6 to recommend Allocation Methodology C and Income Allocation Alternative 3 to the Regional Planning Committee.

Voting yes: City of Carlsbad, City of Coronado, City of La Mesa, City of Lemon Grove, City of Poway, City of San Diego, City of Solana Beach, Regional Task Force on the Homeless, San Diego County Alliance of Tenants, and San Diego Housing Federation.


Comments from members of the RHTF who voted no included:

- Income Alternative 1 is fairer than Alternative 3.
- The reductions from the Santee adjustment should be allocated to cities that got the highest numbers or have produced the most affordable housing.
- The Santee adjustment is too small to make a difference.
- 107,000 should be the minimum number that jurisdictions plan for; the region should be planning for a higher number.
- Multifamily housing does not result in affordable housing.
July 30, 2004

Mr. Rebecca Davis
Associate Regional Planner
San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101

Dear Ms. Davis:

I'm taking this opportunity to comment on the Regional Share Allocation numbers, which the SANDAG Regional Housing Needs Working Group has been attempting to achieve a consensus on.

The City of Chula Vista concurs with and has taken to heart the recently adopted Regional Comprehensive Plan (RCP). This is evidenced by the fact that we are strongly reflecting the RCP principles as we complete our Comprehensive General Plan Update. One of the major premises of the RCP is the need to balance housing and jobs in the region. In our Update, we are expanding our currently planned employment base, as well as housing capacity, to respond to the substantial housing growth projections for Chula Vista in the regional forecast. As related in previous forums, we believe that the appropriate way to achieve better jobs/housing balance in terms of the regional share allocation, is by using the 50/50 employment housing formula that is utilized by the Association of Bay Area Governments (ABAG). As we understand it, that approach equally considers a jurisdiction's planned housing and employment capacity (as a percentage of the region's total housing and employment capacity) to derive a factor used to distribute regional housing needs. The effect is that those who plan for jobs also plan proportionately for housing, and vice versa.

Even if it is determined that this is not the direction the region chooses in this current cycle, we believe it should be the basis for all future regional housing needs allocations. To ensure that this is done, it would be worthwhile to reach an agreement at this time to utilize this alternative or a similar approach that recognizes employment as a significant factor for the next cycle through acknowledgment as an implementation strategy or policy of the Regional Comprehensive Plan.

Regardless of the alternative that is chosen, the City of Chula Vista will continue to be a leader in the region in providing a range of safe affordable housing opportunities consistent with the Smart Growth and Sustainability principles, which are the backbone of the Regional Comprehensive Plan. We also expect that our extensive efforts will be recognized when determining what cities/county are considered for financial assistance in creating smart growth developments.
Sincerely,

James D. Sandoval, AICP
Director of Planning and Building

Cc: Mayor Steve Padilla
    Councilmember Davis
    David D. Rowlands Jr., City Manager
    George Krempl, Assistant City Manager
    Laurie Madigan, Community Development Director
    Ed Batchelder, Planning Manager
    Mark Stephens, Principal Planner
    Leilani Hines, Senior Community Development Specialist
    Robert Leiter, SANDAG Director of Land Use and Transportation
July 22, 2004

Dear Mr. Leiter:

At the next meeting of the Regional Housing Needs Working Group, the members will be voting on a methodology to allocate the regional share housing needs number among the nineteen jurisdictions. I would like to clarify the unincorporated County's position on the selection process.

Under the methodologies presented at the July 19 meeting, the County's share of housing ranged from 10,790 units to 12,412. As I stated at the meeting, the County is willing to accept a number that is higher than 10,790 units based on the caveat that we will not be expected to take an equal increase in the percentage of very low and low income units.

The planning principals of the Regional Comprehensive Plan support population and job growth away from rural areas and closer to existing public facilities. The provision of very low and low income units has traditionally been equated to multifamily densities of at least 20 dwelling units per acre. This level of development is best served by urbanized areas with nearby medical, emergency, fire, sewer, transit, and social services. These essential services are lacking in the rural areas of the unincorporated County. Consequently, the region should not expect these rural areas to accommodate the same proportion of multifamily housing that would be expected to occur in urban jurisdictions.

If the County supports a methodology that gives us a number higher than 10,790 units and we do not receive a lower percentage of very low and low income units, we will request that the Group revisit the allocation methodologies.

Sincerely,

GARY L. PRYOR, Director
Department of Planning and Land Use

cc: Susan Baldwin