The Regional Planning Committee meeting was called to order by Committee Chair Lori Holt-Pfeiler (North County Inland) at 12:02 p.m. The attendance sheet for the meeting is attached.

Chair Holt-Pfeiler thanked all for attending the meeting. Self introductions were made.

1. APPROVAL OF MEETING MINUTES

   1a. Joint Meeting of Transportation and Regional Planning Committees – January 21, 2005
   1b. Regional Planning Committee – January 21, 2005

   Action: Councilmember Hall (North County Coastal) made the motion and Supervisor Horn (County of San Diego) seconded the motion to approve the meeting minutes. The vote was unanimously in favor.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

   None.

REPORTS

3. SHOWCASING LOCAL EXAMPLES OF SMART GROWTH: SMART GROWTH IN OTAY RANCH (INFORMATION)

Kim Kilkenny, representing the Otay Ranch Company, and Rick Rosaler, a principal planner for the City of Chula Vista, provided the Committee with an overview of smart growth development efforts in Otay Ranch, a community within the City of Chula Vista.

Mr. Kilkenny explained that Otay Ranch has been and continues to be an extraordinary planning opportunity in the San Diego region. Otay Ranch is a large piece of property—approximately 23,000 acres—and is divided into 12 villages, including the Village of Heritage. The Village of Heritage, which is built out, serves as a model for the development of the next villages. The Otay Ranch property is only 12.9 miles from downtown San Diego, and, once the bus rapid transit (BRT) line is completed, the trip between Otay Ranch and downtown will take approximately 20 minutes.
From the outset, the Otay Ranch Company was challenged with finding a way to improve upon conventional development. Three goals were developed for the Otay Ranch Villages: (1) environmental stewardship; (2) provide facilities concurrent with need; and (3) create a sense of place.

Meeting the goal of environmental stewardship consisted of establishing a 17 square-mile managed preserve system, which later became part of the Multiple Species Conservation Program. Careful planning and location of parks, schools, pedestrian bridges, fire stations, and other infrastructure have ensured that facilities are concurrent with need. In order to create a sense of place, the Otay Ranch was divided into 12 villages, each approximately one mile square. At the heart of each village are transit stations, mixed use retail centers, activity centers, and approximately half the residential population of that village. The proximity of transit, activity centers, and residences combined with narrow, pedestrian-friendly streets creates the community's sense of place. Heritage Village, the first of the 12 villages, has been completely built out today. A key goal in creating a sense of place was to locate half of the village's population within ¼-mile of the transit station in the center of the village.

Special attention also was given to various modes of transportation. Four- to six-lane arterials expedite automobile traffic in and out of the villages, while the promenade streets, pop-through cul-de-sacs, pedestrian bridges, paseos, and regional trails encourage pedestrian activity. A right-of-way for BRT also has been reserved to connect the villages with the region’s public transportation system. Another feature of the Otay Ranch Villages is the variety of housing choices. The villages feature affordable housing units reserved for certain income groups, multifamily units, small lot single-family detached homes, as well as traditional single-family detached homes.

Rick Rosaler noted that the land use plan for Otay Ranch was jointly processed by the Chula Vista City Council and the County Board of Supervisors, and that both jurisdictions adopted an identical plan for the 23,000 acres. This is probably the only time a joint venture such as this has ever been implemented, and it will probably not be done again. He added that 1,100 acres within Otay Ranch have been reserved to attract a satellite campus of the University of California.

Mr. Kilkenny concluded that developing this project has not been an easy task. There were tremendous obstacles that needed to be overcome. However, both the City of Chula Vista and the County of San Diego have persevered in the implementation of this project and have taken significant political risks. A television clip from Channel 8 News was shown highlighting the project.

Committee Member Comments and Questions

- It was questioned whether Mello Roos fees are paid and, if so, how much they are per month. Mr. Kilkenny stated that the Community Facilities District (CFD) adds an additional 1 percent property tax, which is used to pay for infrastructure. Mr. Rosaler added that Homeowner’s Association fees (about $60/month for a single-family home) pay for private parks, landscape, maintenance, and other needs.
• One member commented that the fees are something that people can consider before they move. Mr. Kilkenny responded that the City of Chula Vista has a long history of using CFDs, especially to help finance the needs of local school districts. Chula Vista is the fastest growing city in the state and the seventh fastest growing city in the nation.

• This project sounds like a great commercial success. Is that understood within the larger development community—can this type of project be considered a business opportunity? Mr. Kilkenny replied that the demand for this type of project is so strong that a lot of developers are coming in to see what has been done and are attempting to duplicate it. However, the development community is not very big on taking risks. It just so happens that the owners of Otay Ranch were very committed to this project.

• It’s interesting to see how the promenade streets, the narrow main streets, and fire districts all tie in together. Does the fact that the City of Chula Vista is a Charter City facilitate that? Mr. Kilkenny replied that it was determined that the streets should be 28 feet in the residential districts to create a sense of place. Mr. Rosaler added that the Fire Department tested the street widths three times with SUVs parked on the streets. The fire chief bought double-articulated fire trucks to allow them access through the streets.

Mr. Kilkenny added that another lesson learned pertained to roundabouts in the village. Construction trucks weren’t very sensitive to the design and continually drove over them. One roundabout had to be rebuilt three times. The lesson was that future roundabouts had to be designed and engineered correctly. Mr. Rosaler added that roundabouts have been used as traffic-calming devices in promenade streets and also have been used as traffic circles.

Mr. Kilkenny provided a special thank you to those people who were instrumental in the passage of the plan for this project: Supervisor Slater-Price, Supervisor Horn, MTS Chairman Williams (who was a County Supervisor at the time), Councilmember Patty Davis, and former Chula Vista Planning Director Bob Leiter.

Chair Pfeiler thanked Mr. Kilkenny and Mr. Rosaler for attending the meeting. She noted that this information will help the Regional Planning Committee (RPC) in implementing its Regional Comprehensive Plan (RCP) in the region.

4. APPROACH FOR DEVELOPING THE SMART GROWTH CONCEPT MAP (RECOMMEND)

Staff made a presentation on the proposed approach and timeline for developing the Smart Growth Concept Map. The RCP calls for developing the map during FY 2005 for use as a planning tool in updating the Regional Transportation Plan (RTP) and allocating future incentive funds for smart growth. Staff noted that comments from the Regional Planning Technical Working Group (TWG) had been incorporated into the staff report.

Next steps will be for staff to meet with local planning staffs to identify smart growth place types along existing and planned transit corridors included in MOBILITY 2030. The schedule for the Concept Map is tied to the 2007 RTP update schedule and the update of the Regional Growth Forecast. In order to allow sufficient time to develop the RTP land use
scenarios, the final Smart Growth Concept Map is needed by September 2005. Milestones anticipated within that time frame include: a preliminary draft concept map by March 2005, a public review period over the summer, and a final concept map by September. The Committee was asked for feedback in three areas:

1. How can local elected officials best be involved in the process, and how can SANDAG secure jurisdictional endorsements of the final map?

2. What public involvement mechanisms would the Committee like to see employed during the process?

3. Can the Committee recommend the proposed approach to the Board?

Chair Pfeiler commented that the RPC can use the Otay Ranch project as an example.

Committee Member Comments and Questions

- When will the Pilot Smart Growth Incentive Program start? Recommendations of the first phase of the program will be taken to the Board in April. The second phase of the program that passed with Proposition A will begin in 2008.

- The Chula Vista project is a good example of a smart growth development on new land, but much of our future smart growth efforts will take place on land that's already developed and is undergoing redevelopment. It will take a different kind of courage from decision-makers to pursue that kind of smart growth. The decision-makers will need to be able to convince people that change will be better, which will be difficult to do. There needs to be a way to encourage those that own large and small parcels of land to make these kinds of changes on their own.

- Smart growth will be hard for smaller cities to implement. The point is not to reinvent the wheel, but to create a more attractive wheel that can be presented in a way that people can relate to, particularly along our transportation corridors. The proposed approach of working with local staffs and local elected officials is good because it is a bottom-up approach. Staff commented that they would initially be working with the staffs of three "test case" cities that have recently updated their general plans. Those cities—the Cities of San Diego, Chula Vista, and La Mesa—will all have a variety of smart growth place types. Once identified, those place types will provide examples for other jurisdictions. Otay Ranch is a good example of smart growth, but there won't be many opportunities in other areas of the region to replicate that.

- Each jurisdiction will have its own idea of smart growth concepts.

- From a North County Coastal perspective, the Committee should engage in a relationship with the North San Diego County Transit Development Board (NCTD). They own a lot of land, and local jurisdictions could benefit from partnering with them.

- It is important to have NCTD and the Metropolitan Transit System (MTS) on board with this project and encourage them to work with their neighboring communities to develop
projects near existing and/or proposed transit stations. Staff is currently having conversations involving the staffs from the transit agencies and Caltrans in the meetings with the local planning staffs.

- There are opportunities for Vista and Escondido to develop projects along the Sprinter line.

- The ability to double-track around that area would be helpful.

- It would be ideal to move the Sprinter east toward Broadway Street in Escondido.

- The first step is to have consensus. Jurisdictional endorsements are good, but the SANDAG Board representatives should ask their respective jurisdictions what type of action on the map is best for their individual communities.

- These are helpful meetings and discussions. The notion of coordinating the intensity of development and transit services makes sense. There are tremendous opportunities in areas such as University City, and the concept of redeveloping a more affluent neighborhood is an excellent opportunity to bring in private partners. In less affluent communities the land is cheaper, but people have to believe that their quality of life will be better. Positive change takes a lot of work in any community.

- Residents need to believe that the changes will make their communities better.

Chair Pfeiler stated that the Committee is not trying to solve the fiscal aspect in every community. We will have to wrestle with the fiscal pieces at the state level.

**Action:** Councilmember Peters (City of San Diego) made the motion and Councilmember Jones (East County) seconded the motion to recommend the proposed approach for developing the smart growth concept map to the SANDAG Board of Directors.

5. REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) FOR THE 2005-2010 HOUSING ELEMENT CYCLE (RECOMMEND)

Chair Pfeiler indicated that she had requested that this item be brought back before the Committee for discussion. When this item was discussed previously, the Committee could not come to a consensus. She noted that the RPC should determine whether it can make a recommendation to the Board on the RHNA.

Staff indicated that the RPC is being asked to make a recommendation to the SANDAG Board, which will be holding a public hearing on the final RHNA for the 2005-2010 housing element cycle on February 25, 2005. In December 2004, at the request of the City/County Management Association (CCMA), the SANDAG Chairman agreed to a 30-day extension of the RHNA public review period to January 31, 2005.

The discussion and comments received during the public review period have focused on the income allocation methodology for the Draft RHNA. In addition to allocating the region’s overall housing need (107,301 units) by jurisdiction, each jurisdiction’s housing need number
is required to be allocated into four categories: very low, low, moderate, and above moderate.

A number of alternatives for allocating each jurisdiction's regional share have been discussed and considered by the RPC. The Draft RHNA and Alternative 3 were accepted for distribution by the Board for a 90-day public review period in September 2004. Alternatives 1 and 2 also were distributed for information. During the public review period, the lower-income allocation methodologies used by the Association of Bay Area Governments (ABAG) and Southern California Association of Governments (SCAG), and a sixth alternative suggested by the City of Poway (Modified Alternative 1), were reviewed by the Regional Planning Technical Working Group (TWG) (planning directors). The TWG met twice in January 2005 to discuss the income allocation alternatives with the goal of forwarding a recommendation to the RPC. Although the group was not able to reach a clear consensus on one alternative, they narrowed the focus to two alternatives—Alternative 3 and Modified Alternative 1.

Committee Member Discussion

- Why is the methodology continually changing? What happened to the jobs/housing balance? Staff replied that the jobs/housing balance was a factor used in the methodology for allocating the housing need numbers by jurisdiction. A portion of the RHNA numbers was allocated based on each jurisdiction's share of projected employment growth between 2000 and 2010.

- It was noted that the gross number of housing units to be distributed throughout the region has now been determined. What is now being debated is how they are distributed. Staff responded that there are three parts to the RHNA: (1) the 107,301 units needed to be distributed throughout the region; (2) each jurisdiction's share of the overall allocation; and (3) what is currently under debate, the allocation of units within each jurisdiction by income category. State law requires that in allocating the regional share numbers by jurisdiction, the distribution must seek to reduce the concentration of lower-income households in areas with a disproportionate share of such households. In other words, the region needs to try to ensure that the location of lower-income households and housing units are distributed throughout the region.

- The location of lower income housing isn't the only issue. Lower-income housing increases services needed in the community in which they are located.

- We need to provide jurisdictions with incentives to improve neighborhoods through residential development. How do the RHNA allocation numbers relate to the region's transportation system? Also, if a jurisdiction takes a greater responsibility for lower-income housing, what sort of incentives does it get? Staff indicated that the allocation of the RHNA numbers by jurisdiction was largely based on SANDAG's regional growth forecast, which factors in the region's commuting patterns and transportation system.

- The most important point is that all jurisdictions are not going to be happy with the final outcome. We should try to reach some consensus here today, and then the issue should be forwarded to the Board for consideration.
• We've divided up the puzzle into 19 parts, but are not looking at the region as a whole or sub-regionally. We need to look at transportation corridors such as the SR 78 corridor as a unit. The region has to consider what is available and what can be done. The unincorporated area has vacant land, and we can build more livable communities like Del Mar Heights and Penasquitos.

• Future housing allocations can be distributed that way, but we need to decide on the numbers for the upcoming housing element cycle now based on existing state law.

• The region should not let the state dictate what's best for us. This is a local/regional issue, which should be determined regionally. In addition, there should be incentives involved to create density.

• This issue is going to be tough to gain consensus on from this point forward. Carlsbad will have difficulty complying with Modified Alternative 1, and even greater difficulty with Alternative 3.

MOTION

Councilmember Hall (North County Coastal) made the motion to recommend approval of Modified Alternative 1 to the SANDAG Board of Directors. Supervisor Horn (County of San Diego) seconded the motion for discussion.

DISCUSSION ON THE MOTION

Chair Pfeiler stated that she doesn’t feel that a consensus exists for Modified Alternative 1 based on previous discussions.

• The City of Carlsbad is second to the City of Chula Vista when it comes to building homes. There isn’t enough money in the world to build enough affordable housing in Carlsbad, which has a 15 percent inclusionary requirement.

• It is important to remember that density doesn’t equal affordability.

• The City of Chula Vista supports Alternative 3.

• Is there a way to provide jurisdictions with tax credits to help jurisdictions meet the service needs of lower-income households? That would be helpful.

• The City of La Mesa is okay with Modified Alternative 1. Are we doing this because the state mandates that we do it, or because it's the right thing to do? The mandate is to plan for, not build, the housing. Also, does the state enforce housing element law, or do the RHNA numbers just sit on a shelf somewhere? The Committee should try to come to consensus on an alternative to forward to the SANDAG Board for discussion.
Action: The Committee members voted on the motion made by Councilmember Hall (North County Coastal) and seconded by Supervisor Horn (County of San Diego) to recommend Modified Alternative 1 to the Board. The vote was tied: Yes - 3; No - 3.

6. STATUS REPORT AND RECOMMENDATIONS FROM THE ENERGY WORKING GROUP (RECOMMEND)

Councilmember Abarbanel, Co-Chair of the Energy Working Group (EWG), reported on the actions of the EWG to date. He also thanked the RPC for allowing Councilmember Jones to participate on the EWG on its behalf.

In December 2004, an Energy Efficiency pilot project for energy in municipal buildings was distributed by SANDAG’s EWG; all 18 local jurisdictions were encouraged to apply. So far, there have been three responses. This pilot project will enable the EWG to go to the California Public Utilities Commission (CPUC) for potential funding support. SDG&E is required to submit a long-term Resource Plan to the CPUC, and it has been agreed that the EWG will participate in the preparation of the plan that gets submitted to the CPUC. The agreement is to work with SDG&E to develop the Plan that needs to be submitted in July 2006.

Approval of the EWG’s Work Plan would provide the EWG the necessary direction to work with SDG&E to determine what the San Diego region wants regarding its energy needs. The EWG is sponsoring an Energy Transmission Workshop on March 15, 2005, at the SANDAG offices. Councilmember Abarbanel announced that he will attend the Harvard Energy Research Group meeting in Del Mar. He also noted that he participated in composing and sending letters to the CPUC on various regulatory issues that are consistent with SANDAG’s adopted Regional Energy Strategy.

He concluded that he has two action items that require the Committee’s approval: (1) to approve EWG’s request to solicit funding from several sources; and (2) to approve the EWG’s ability to work directly through the Executive Committee on time-sensitive issues.

Committee Member Comments

• It was asked what other members are having discussions with the EWG. Councilmember Abarbanel commented that large businesses, small businesses, the Port of San Diego, the San Diego County Water Authority, the San Diego Regional Chamber of Commerce, and the San Diego Regional Energy Office are currently discussing the region’s energy issues.

• It was asked who else would benefit from having these discussions. Councilmember Abarbanel responded that the County of San Diego, University of California, San Diego (UCSD), and San Diego State University (SDSU) have all been asked to join in. He requested that the Committee approve that action.

• The Committee indicated that that sounds like a reasonable request.

• It was noted that the District Attorney’s office just reached a settlement regarding energy issues. Why doesn’t the EWG have any access to that funding—shouldn’t the funds be
given back to the ratepayers? Councilmember Abarbanel indicated that it was unclear how the funds will be distributed, but he will take those concerns to the CPUC.

- If some of those funds could be distributed back to the San Diego ratepayers, then maybe the increases in energy rates could be minimized.

**Action:** Councilmember Jones (East County) made the motion and Councilmember Ritter (North County Inland) seconded the motion to accept the EWG’s proposed work plan and funding recommendation and its request to work directly through the Executive Committee on time-sensitive issues. The Committee voted unanimously in favor of the motion.

7. **UPCOMING MEETINGS**

The next meeting of the RPC is scheduled for 12 p.m. to 2 p.m. on Friday, March 4, 2005.

8. **ADJOURNMENT**

Chair Pfeiler adjourned the meeting at 1:59 p.m.
## CONFIRMED ATTENDANCE
### SANDAG REGIONAL PLANNING COMMITTEE MEETING
### February 4, 2005

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