STAFF REPORT
CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: David Ott, City Manager
MEETING DATE: July 8, 2009
ORIGINATING DEPT: Community Development Department
SUBJECT: SANDAG 2050 Regional Growth Forecast Update

BACKGROUND:
The purpose of this report is to provide the City Council with an update on the preparation of the 2050 Regional Growth Forecast. The San Diego Association of Governments (SANDAG) and its 19 member jurisdictions have been working on the forecast since the fall of 2008. It is a component of the region’s 2050 Regional Transportation Plan (RTP).

Federal law requires that SANDAG prepare a long-range transportation plan and make an air quality conformity determination for the region every four years. The current 2030 RTP was adopted in 2007. Initial work on the development of the 2050 Regional Transportation Plan (RTP) has been ongoing for several months. SANDAG is the first major metropolitan planning organization that will prepare an RTP according to new provisions of Senate Bill (SB) 375 (Steinberg, 2008).

A primary requirement that the 2050 RTP must address is the implementation of the regional goals to reduce greenhouse gases to 1990 levels by the year 2020. There will be several new components in this RTP update to comply with Senate Bill 375. This includes studies such as a new Sustainable Communities Strategy (SCS), Regional Climate Action Plan, Regional Energy Strategy Update, Regional Bicycle Plan, Urban Core Transit Strategy, and other subregional studies. The RTP will also include a program Environmental Impact Report (EIR). The 2050 RTP is scheduled for adoption by the SANDAG Board of Directors by July 2011.

This item will be discussed at SANDAG’s Executive Committee meeting scheduled for July 10, 2009. Councilmember Heebner is the City’s primary representative on the Executive Committee. Councilmember Heebner has requested this item to be placed on July 8, 2009 City Council agenda for discussion and to provide direction to

CITY COUNCIL ACTION:


AGENDA ITEM
C.12.
Councilmember Heebner in preparation for the July 10, 2009, Executive Committee meeting at SANDAG.

**DISCUSSION:**
Work is underway to produce the 2050 Regional Growth Forecast, which will be used in the preparation of the 2050 RTP. Recent discussions at the SANDAG Board of Directors regarding the choices to be made for land use and transportation scenarios in the forecast have a potential impact on the City of Solana Beach. It is important that local input be considered at this point in the process.

The forecast is being developed in two phases. The first phase takes into account existing land uses, planned land uses, and potential redevelopment and infill areas. The second phase involves preparing alternative land use scenarios that can be applied beyond the horizon year of local general plans. The SANDAG Board of Directors will be asked to approve the 2050 Regional Growth Forecast for planning purposes in early 2010. Additional information about the forecast, including potential transportation and transportation demand management (TDM) measures will be presented to the Board of Directors this summer. Public outreach activities for the forecast will also be scheduled. A summary of the 2050 Regional Growth Forecast includes:

- **Phase 1**
  - Collection of Existing Plans and Policies (land use inputs)
  - Creating demographic, housing and economic estimates for existing plans and policies
  - Generating a new growth forecast (population and employment) for existing plans and policies
  - Creating and testing alternative land use scenarios for capacity to 2050

- **Phase 2**
  - Review results with working groups and policy committees
  - Conduct public workshops on selected alternative land use scenarios
  - Generate preliminary draft Growth Forecast for review
  - Finalize 2050 Regional Growth Forecast

Over the last few months, SANDAG staff has been working with the Regional Planning Technical Working Group (TWG), which includes City of Solana Beach Staff, to collect existing and planned land use information from each jurisdiction as required for Phase 1 of the forecast. A summary of the SANDAG status on the 2050 Regional Growth Forecast was provided to the Regional Planning and Transportation Committees on June 5, 2009 and to the SANDAG Board of Directors on June 12, 2009 (Attachment 1).

Data collected from the jurisdictions over the last several months reveal that the region will require additional capacity for housing and jobs through the horizon year of 2050. Increased population projections will require the forecast to identify a variety of land use scenarios to accommodate the capacity “gap”, while also identifying a strategy for greenhouse gas reductions. Through a series of SANDAG committee workshops and
meetings, twelve (12) scenarios were developed for further evaluation. These scenarios largely focus on policies that SANDAG and its jurisdictions have developed for smart growth land use strategies by reducing vehicle miles traveled (VMT’s). During the review of these scenarios, the TWG recommended that five (5) of the scenarios be considered by the SANDAG Board of Directors.

The five scenarios include:

- Maximum General Plan densities region-wide
- Density increases in Transit Investment areas
- Added mixed-use near high-frequency transit
- Full implementation of Smart Growth Opportunity Areas (SGOA’s)
- “Stretch” land use scenarios.

A more detailed description of the five scenarios is provided on pages 14 and 15 of the SANDAG report (Attachment 1). At its June 12, 2009 meeting, the SANDAG Board of Directors did not approve the scenarios. With regard to the issues of increasing density, the Board indicated that the land use policies of each jurisdiction were not taken into account. On July 10, 2009, SANDAG staff will propose alternative scenarios that should reflect additional local input to the Board of Directors for consideration. SANDAG Staff was provided direction by the Board with the goal of preparing scenarios that would have a greater impact on reduction of VMT’s. These could include greater intensification of existing scenarios, more public transit investment and evaluation of additional areas identified on SANDAG’s Smart Growth Concept Map.

**CEQA COMPLIANCE STATEMENT:**
This action does not fit the description of a “project” under California Environmental Quality Act (CEQA) pursuant to Public Resource Code section 21065.

**FISCAL IMPACT:**
N/A

**WORKPLAN:**
N/A

**OPTIONS:**
- Approve Staff recommendation;
- Approve Staff recommendation with modifications; or
- Provide Staff with alternative direction.

**DEPARTMENT RECOMMENDATION:**
Staff recommends that the City Council:

1. Discuss and provide direction.
CITY MANAGER'S RECOMMENDATION:
Approve Department Recommendation

David Ott, City Manager

Attachments:
1. SANDAG Status Report on 2050 Regional Growth Forecast
2050 REGIONAL GROWTH FORECAST

Introduction

The 2050 Regional Growth Forecast is the first step in developing the 2050 Regional Transportation Plan (RTP). The 2050 Forecast will also support local capital improvement and water resource planning throughout the region. The forecast is completed through a multi-step, collaborative process that involves input from local jurisdictions, citizens, and elected officials over the course of eighteen months. In addition to local outreach, SANDAG staff conducts peer review by outside experts including demographers, economists, developers, and natural resource managers to review economic and demographic assumptions about fertility, migration, inflation, and other indicators. The purpose of this report is to provide the Regional Planning and Transportation Committees with an overview of the process, progress to date, and potential alternative land use scenarios for consideration in the forecast.1

Discussion

2050 Growth: Change and Challenges

Previous forecasts have consistently shown that the San Diego region will continue to grow although at reduced rates in the future. This forecast is no different, and preliminary draft projections suggest that the region will approach 4.5 million people, 1.9 million jobs, and 1.5 million housing units by 2050.2 This is a projected growth rate in population, jobs, and housing of 39 percent, 33 percent, and

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1 SANDAG denotes forecasts by a sequential series number. The current working forecast is known as the Series 12: 2050 Regional Growth Forecast.
2 Local estimates are not available at this time for population, employment, and housing for each jurisdiction at this time. Staff is still working to finalize general plan updates and amendments into the regional forecast. Staff will be able to provide local jurisdiction estimates during future updates on the 2050 Growth Forecast later this year.
35 percent, respectively. While much of the projected growth between today and 2030 can be accommodated based on adopted general plans and policies, draft estimates show the region’s housing demand exceeds housing capacity around 2030 based on existing general plans and policies.

Since October 2008, SANDAG staff has been working closely with the Regional Planning Technical Working Group (TWG) to collect existing and planned land use data and develop the forecast. Based upon the data collected, draft analysis indicates that the region has capacity for approximately 370,000 additional housing units and 775,000 additional jobs. Given that the region’s projected growth is roughly 450,000 additional housing units and 500,000 jobs, the difference (approximately 80,000 units) between projected residential growth and planned residential capacity is apparent.3

Since this forecast will extend beyond the horizon year of local general plans in the region, SANDAG staff has also been working with the TWG to identify preliminary land use scenarios that could bridge the gap between the horizon year of local general plans and the 2050 forecast year. Twelve scenarios and their variants were generated through a series of workshops and meetings with the TWG. These preliminary scenarios included a wide range of options which are shown in Attachment 1.

At its May meeting, the TWG recommended that SANDAG staff continue to examine five land use scenarios. The TWG further recommended the Regional Planning and Transportation Committees recommend that the Board of Directors accept and distribute the selected alternative land use scenarios for public review and use in public workshops scheduled for this July.

The five scenarios include:

1. **Maximum general plan density region-wide**
   Assumes (re)development throughout the region to the highest possible density based on existing general plans. This scenario excludes redevelopment of mobile home parks and all sites currently under construction.

2. **Density increases in Transit Investment Areas**
   Assumes (re)development of sites within the Transit Investment Areas (See Attachment 2) to a minimum of 25 dwelling units (du)/acre, which are of 0.1 acre or larger with planned land use of multi-family, mixed-use, commercial, or office, and with current residential density less than 15 du/acre. This scenario excludes sites currently under construction.

3. **Added mixed-use near high-frequency transit**
   Assumes that all areas identified for commercial development that are located within a 10-minute walk of high-frequency transit stations are developed as mixed-use (residential and commercial) with multi-family housing at 25 du/acre. This scenario excludes sites currently under construction or already planned for redevelopment at a higher density.

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3 These figures are draft results as of May 21, 2009.
4. **Full implementation of Smart Growth Opportunity Areas (SGOAs)**
   Assumes that all Existing/Planned and Potential SGOAs identified on the Smart Growth Concept Map (See Attachment 3) are developed to the greater of either maximum of existing plan density or the minimum smart growth place type density.

5. **“Stretch” land use scenario**
   The stretch scenario was recommended in concept by the TWG as an aggressive land use scenario encouraging walkable communities throughout the region as a means to increase non-motorized mode share for shopping, school, and other non-work trips.

The TWG also recommended continuing to include draft general plan updates into the 2050 Forecast. Inclusion of draft plan updates is already an ongoing process, and SANDAG staff will continue to incorporate draft plans into the forecast through the summer as they become available.

The TWG based its recommendation upon core values outlined in the Regional Comprehensive Plan and the goal of providing a range of options for public review and comment. Additionally, the TWG provided feedback to staff that the scenarios should avoid development in sensitive habitat, agricultural, and historic areas, should reflect airport safety zone regulations, and should reflect the need for parks, schools, and other amenities related to additional population demands.

**Past Growth: Alternatives**

In previous forecasting efforts SANDAG has applied a variety of strategies to the long-range land use plans to accommodate growth beyond general plan capacity. These strategies have included the following:

- General intensification (Series 8)
- Transit Focus Areas (Series 9)
- Interregional Commute (Series 10 and 11)
- Smart Growth Alternative (Series 11 – used for Regional Transportation Plan Environmental Impact Report, and Regional Climate Action Plan analysis)

**Planning for the Next 40 Years**

When considering growth patterns for the next 40 years, it is important to keep in mind the scope of technological, environmental, social, and political change that occurred in the prior forty.

In 1970 the population of the San Diego region was less than half of today’s population at 1,357,854 residents. At that time the region had no light rail service and State Routes 52 and 56 did not exist. The cities of Encinitas, Lemon Grove, Poway, Santee, and Solana Beach had not yet incorporated. The San Diego Bay Bridge will be celebrating its 40th anniversary of service this year. State Route 15 was still 40th Street through the City of San Diego. The Otay Mesa Land Port of Entry, which handles over $31 billion of goods annually, would not open until 1985.

From an economic perspective, in the last 40 years the San Diego region has weathered seven economic downturns, including two protracted recessions during early 1970s and 1980s. As a result, the San Diego region’s economy has transformed from an economy largely focused on defense
services during the Cold War to a diversified economy based on biotechnology, healthcare, tourism, education, and defense services.

Growth between the present and 2050 is likely to encompass a similar magnitude of change and challenges.

Next Steps

Upon the recommendation of the Regional Planning and Transportation Committees, the Board of Directors will be asked at its June 12 meeting to accept the proposed five land use scenarios for public review and comment. A series of workshops will be held in July for that purpose.

Once the workshops are complete, SANDAG staff will report back to the TWG, Regional Planning Committee, Transportation Committee, and Board of Directors on comments and suggestions arising from the public review process. These groups will then work together to take the existing information, public feedback, and any necessary follow-up analysis to develop the 2050 land use alternative that will be incorporated into the 2050 Regional Growth Forecast. The final draft Forecast is anticipated for consideration by the Board of Directors in early 2010 for use in the 2050 RTP.

KURT KRONINGER
Director of Technical Services

Attachments: 1. Draft Alternative Land Use Scenarios
2. Transit Investment Area Map
3. Smart Growth Concept Map

Key Staff Contacts: Ed Schafer, (619) 699-1967, esc@sandag.org
Beth Jarosz, (619) 699-6997, bja@sandag.org
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<th>ID</th>
<th>Description</th>
<th>TWG Recommendation</th>
<th>Housing Capacity</th>
<th>+/-% Target</th>
<th>% Housing with 1/4 mile transit</th>
<th>Job Capacity</th>
<th>+/-% Target</th>
<th>% Job Capacity with 1/2 Mile Transit</th>
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<td>450,000</td>
<td>510,000</td>
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<td>TARGET CAPACITY (DEMAND)</td>
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<td>&quot;EP&quot; existing plans and policies (base case)</td>
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<td>361,129 (68,871)</td>
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<p>| <strong>SELECTED</strong> | | | 494,441 | 44,441 | 38.6% | 774,887 | 264,887 | 43.3% | No |</p>
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<th>+/-% Target</th>
<th>% Job Capacity with 1/2 Mile Transit</th>
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<td>1</td>
<td>Maximum general plan density regionwide</td>
<td>USE: as-is for public workshops</td>
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<td>2</td>
<td>Density Increases in Transit Investment Areas</td>
<td>USE: with modifications to exclude historic districts, airport height restriction zones, habitat preserves, and other sensitive areas</td>
<td>533,013</td>
<td>83,013</td>
<td>42.7%</td>
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<td>3</td>
<td>Added mixed use near high frequency transit</td>
<td>USE: with modifications to exclude historic districts, airport height restriction zones, habitat preserves, and other sensitive areas</td>
<td>466,921</td>
<td>16,921</td>
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<td>Full implementation of Smart Growth Opportunity Areas (SGOAs)</td>
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<td>&quot;Stretch&quot; land use scenario</td>
<td>DEVELOP: an aggressive Smart Growth alternative encouraging walkable communities throughout the region as a means to increase non-motorized mode share for shopping, school, and other non-work trips.</td>
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<td>+/- Target</td>
<td>% Housing w/ 1/4 mile transit</td>
<td>Job Capacity</td>
<td>+/- Target</td>
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<td>6</td>
<td>Allow second dwelling units in the transit investment areas</td>
<td>DROP: not a viable policy option</td>
<td>437,303</td>
<td>(12,597)</td>
<td>39.4%</td>
<td>776,439</td>
<td>266,439</td>
<td>43.1%</td>
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<td>Convert mobile home parks to higher-density multifamily</td>
<td>DROP: not a viable policy option</td>
<td>457,330</td>
<td>7,330</td>
<td>37.3%</td>
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<td>8</td>
<td>Increase density to 125 percent of minimum targets for metropolitan, urban, and town centers**</td>
<td>GROUP: into a combined Smart Growth alternative (see 4 above)</td>
<td>396,677</td>
<td>(53,323)</td>
<td>44.8%</td>
<td>999,126</td>
<td>489,126</td>
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<td>Increase density to 115 percent of minimum targets for selected** Smart Growth areas within the transit priority area</td>
<td>GROUP: Into a combined Smart Growth alternative (see 4 above)</td>
<td>423,846</td>
<td>(26,054)</td>
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<td>10</td>
<td>Increase density to 110 percent of minimum targets for all selected** Smart Growth areas regionwide</td>
<td>GROUP: into a combined Smart Growth alternative (see 4 above)</td>
<td>433,429</td>
<td>(16,571)</td>
<td>45.5%</td>
<td>1,009,062</td>
<td>499,062</td>
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<td>11</td>
<td>Upgrade place types and related density assumptions for selected** Smart Growth areas</td>
<td>GROUP: into a combined Smart Growth alternative (see 4 above)</td>
<td>418,371</td>
<td>(31,629)</td>
<td>46.7%</td>
<td>1,303,950</td>
<td>793,950</td>
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<td>Residential infill in existing major employment areas (exclude industrial sites)</td>
<td>DROP: scenario 3 is the preferred alternative to scenario 12</td>
<td>422,245</td>
<td>(27,755)</td>
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<td>783,974</td>
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<td>42.7%</td>
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Note: All figures are draft as of May 12, 2009, and are subject to change.