



CITY OF SOLANA BEACH

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February 20, 2020

San Diego Association of Governments (SANDAG)
Board of Directors
401 B Street, Suite 800
San Diego, CA 92101

SUBJECT: COMMENTS IN SUPPORT OF APPEALS BY THE CITY OF LEMON GROVE AND THE CITY OF CORONADO FOR A REVISION OF REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATIONS

Dear Chairperson and Members of the Board:

On or before January 6, 2020, the cities of Solana Beach, Lemon Grove, Coronado and Imperial Beach submitted appeals pursuant to Government Code Section 65584.05 for a revision of the shares of the regional housing need proposed to be allocated under the Regional Housing Needs Assessment (RHNA) methodology adopted for the 6th cycle. Pursuant to Government Code Section 65584.05(c), the City of Solana Beach submits the following comments in support of the appeals filed by Lemon Grove and Coronado.

A. The City of Lemon Grove's Appeal

1. The draft allocation disproportionately allocates housing units to jurisdictions based on the existence of transit stations within their boundaries

The City of Lemon Grove correctly identifies a flaw in the draft allocation that undermines the statutory objectives in Government Code Section 65584(d) with respect to the transit component of the methodology. Specifically, the draft allocation disproportionately allocates housing units to jurisdictions based on the existence of transit stations within their boundaries regardless of whether those transit stations are serving neighboring jurisdictions.

That residents within neighboring jurisdictions utilize transit stations within Lemon Grove and Solana Beach and the extent of their use was readily available information that was presented by both Lemon Grove and Solana Beach. Transit stations are regional assets. Ridership is not limited by geographic boundaries. Neighboring residents travel varying distances to reach transit stations. For example, the City of Solana Beach provided empirical data (2018 NCTD Coaster Survey Analysis) showing that 40% of passengers travel 10 minutes or less, 42% of

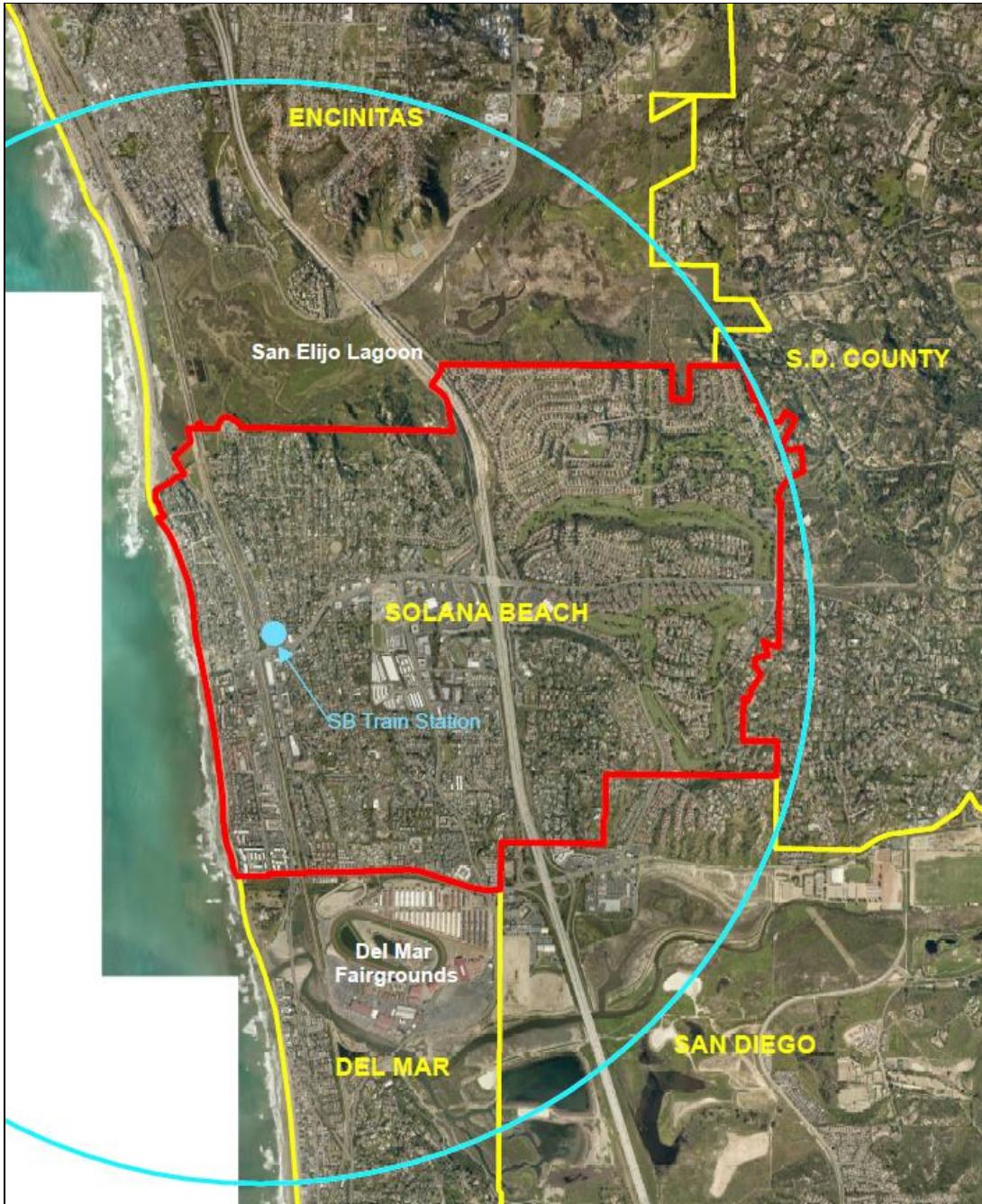
the passengers travel 10-20 minutes, and 9% of passengers travel up to 30 minutes to Coaster Stations.

The City of Lemon Grove offered refinements to the allocations to take into consideration stations serving multiple jurisdictions. For certain stations, which are closer together and/or have more frequent service intervals, Lemon Grove proposes a half-mile radius as the geographic distance that the station services. This appears appropriate for trolley stations like those in Lemon Grove.

Lemon Grove's concept of a radius also properly recognizes that other stations, like the County of San Diego's Sprinter Station, serve multiple jurisdictions. Having a radius that accurately reflects the service area of a transit station and allocates housing units to each of the jurisdictions it serves would support the statutory objectives in Government Code Section 65584(d).

While a half-mile radius appears appropriate for trolley stations, Coaster and Amtrak Stations serve a broader geographic area. The stations are farther apart and have less frequent service intervals. Amtrak only has three stations in the entire region and these stations are truly regional assets with significant numbers of riders traveling from greater distances and even travel from outside the region all together.

Using the travel times in the 2018 NCTD Coaster Survey, and assuming an extremely conservative estimate, if the passengers' average travel speed to a Coaster Station is 10 miles per hour (mph), 51% of passengers travel between 1.7 to 5 miles to get to a Coaster station. The Station in the City of Solana Beach is about 4.1 miles from the nearest Coaster Station to the north (which is in the City of Encinitas) and about 7.9 miles from the nearest Coaster Station to the south (which is in Sorrento Valley in the City of San Diego). Drawing a two-mile radius around the Station in the City of Solana Beach looks like the following:



The above reflects the area outside of the City of Solana Beach within the City of Del Mar, City of Encinitas, City of San Diego or County of San Diego of approximately 3.9 square miles (excluding, of course, the parts that fall in the Pacific Ocean). Such extra-jurisdictional area is approximately 54% of the geographic land area served by the City of Solana Beach Station. As the Coaster Survey reflected, since more than 60% of the Coaster passengers that use the Station in Solana Beach are from jurisdictions outside Solana Beach city limits, a 2-mile radius is conservative and roughly comparable. As such, it would be an appropriate radius to use in allocating housing units associated with Coaster and Amtrak Stations.

Looking carefully at the map above, we can see that the service radius for the Solana Beach Station is actually greater than two miles. The map reflects that the vast majority of land use inside the two-mile radius and outside Solana Beach city limits is taken up by the San Elijo Lagoon, the Del Mar Fairgrounds, and other non-residential uses. Because passengers are not living in those areas, it stands to reason that they must be traveling from even farther distances than two miles.

In addition, as roughly half a two-mile radius falls in the Pacific Ocean, the above map also reflects the unique circumstances presented by the specifics of the locations of certain transit stations in relation to both jurisdictional boundaries and population centers. Obviously, populations must be located on land. These types of unique circumstances must be taken into account when assigning the allocations related to transit stations, which is what Lemon Grove points out with examples from their city and the County of San Diego Stations.

By ignoring these types of factors and failing to take into account the extent to which neighboring jurisdictions and their populations utilize transit stations, the draft allocation fails to further the intent of the statutorily mandated objectives listed in Government Code Section 65584(d). It should be revised to include a service radius of two (2) miles for Coaster and Amtrak Stations and a half-mile for all other rapid and rail stations.

B. The City of Coronado's Appeal

1. SANDAG failed to adequately consider information submitted related to Government Code Section 65584.04(e)(2)

The City of Coronado correctly identified in its appeal that SANDAG ignored the “opportunities and constraints to development of additional housing in each member jurisdiction” in contravention of Government Code Section 65584.04(e)(2). Coronado’s draft allocation is inconsistent with the Coastal Act because housing production and/or residential use (i.e., residential development) is the lowest priority land use within the Coastal Act. (See Pub. Res. Code Sections 30001.5,30222). The Coastal Act does not allow cities to intensify or prioritize residential use over visitor-serving development and coastal-dependent uses that would otherwise create an adverse impact on coastal access to the general public. That Coronado, like Solana Beach, is located entirely within the California Coastal Zone creates additional restrictions and limitations to development, particularly residential development. Coronado, like Solana Beach, is also a very small jurisdictional size and is densely developed and largely built-out.

SANDAG’s failure to consider Coronado’s and other jurisdictions’ geographic and regulatory constraints makes the draft allocation flawed. A revision to the allocations taking Government Code Section 65584.04(e)(2) into account is in order.

C. Regional Population is Decreasing

On February 6, 2020, SANDAG Chief Economist and Chief Analytics Officer, Ray Major, sent a letter to the Board regarding the California Department of Finance's ("DOF's") updated population projections for the county, which were released in January 2020. Mr. Major indicated that DOF's "new forecast indicates a 6.6% decrease in our total regional population when compared to the previous" forecasts.¹

Because the Department of Housing and Community Development uses DOF population projections in determining the RHNA that SANDAG oversees, the Board should consider the appeals in light of the 6.6% projected population decrease. Jurisdictions should not be required to plan for and/or build more housing units based on the flawed premise that population is going up when it is actually expected to go down. Moreover, the same and best available data should be used when deciding any population or transportation based decisions.

D. Reconsider Due Process Requirements

On February 14, 2020, the Executive Committee adopted procedures for hearing the RHNA appeals. The Board now has the opportunity to correct those procedures so that they comply with federal and state constitutional law of due process, state law (including Public Utilities Code section 120102.5²) and Article IV, Section 5(a) of SANDAG Bylaws,³ by adopting a tally vote only for deciding quasi-judicial appeals like the current RHNA appeals. The City of Solana Beach requests that it do so to ensure a fair hearing before an impartial decision maker where the outcome is not predetermined.

E. Modified Allocations Based on Appeals by Lemon Grove and Coronado

Based on the above, the City of Solana Beach respectfully requests that SANDAG recognize the valid points raised in the appeals filed by the City of Lemon Grove and the City of Coronado and take the following actions:

1. Modify the RHNA Appeal Procedures to include the procedural safeguard of a straight majority vote (a tally vote only with no weighted option) in deciding the RHNA appeals;
2. Modify the allocations to Lemon Grove and other jurisdictions with transit stations serving neighboring jurisdictions by applying a two-mile radius for Coaster and Amtrak Stations and a half-mile radius for other rapid and rail Stations to fairly and adequately

¹ See Attachment 1.

² A weighted vote is not mandatory. PUC section 120102.5(a) provides: "All official acts of the board require the affirmative vote of the majority of the members of the board present. However, after a vote of the members is taken, a weighted vote **may** be called...." PUC section 120102.5(f) states the Board (not the Executive Committee) shall adopt a policy and procedure to implement when a weighted vote is to be used.

³ With respect to voting procedures, Article IV, Section 5(a) of SANDAG's Bylaws provides that: "After the tally vote of the Board Members is taken, a weighted vote **may** be called by the Board Members of any two Member Agencies **unless otherwise required by law.**" (Emphasis added.) Accordingly, where the law requires otherwise, a tally vote only is to be taken.

account for the regional impact of transit use and appropriately adjust the allocations based on the estimated actual transit usage rather than jurisdictional boundaries alone;

3. Modify the allocations to Coronado and other small jurisdictions with populations of 25,000 or less by 55% to account for constraints to development imposed by geography and regulatory restrictions, like the Coastal Act; and
4. Analyze and modify the allocations based on the DOF projections that show a decrease in population for the region of 6.6%.

These adjustments are necessary to further the RHNA statutory objectives and ensure due process. Proper consideration of all factors and correct is mandatory. The adjustments described above are not far reaching; however, they would greatly increase the likelihood of regional success heading into this next RHNA cycle.

Should you have any questions, please feel free to contact the City's Community Development Director, Joseph Lim, at (858) 720-2434 or by e-mail at jlim@cosb.org.

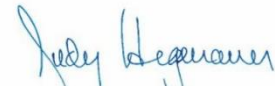
Respectfully Submitted,



Jewel Edson, Mayor
City of Solana Beach



David A. Zito, Councilmember
City of Solana Beach



Judy Hegenauer, Deputy Mayor
City of Solana Beach



Kristi Becker, Councilmember
City of Solana Beach



Kelly Harless, Councilmember
City of Solana Beach

cc: Hasan Ikharta, Executive Director, SANDAG
Seth Litchney, Senior Regional Planner, SANDAG
Coleen Clementson, Director of Planning and Land Use, SANDAG
Tessa Lero, Clerk of the Board, SANDAG
Gregory Wade, City Manager, City of Solana Beach

Attachment 1: February 6, 2020 Letter from Ray Major to SANDAG Board



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February 6, 2020

File Number 2300400

Dear: SANDAG Board of Directors


Subject: California Department of Finance Population Projections

Approximately every three years the California Department of Finance releases updated population projections for each county in the state. The Department of Finance (DOF) released new population projections in January 2020 (v2019.01.10.2020). This new forecast indicates a 6.6 % decrease in our total regional population when compared to the previous DOF 2017 (v2017.02.02.2018) projected population forecast. In 2017, DOF estimated that the region's January 1, 2050 population would be 3,989,372. The new population projections for 2020 set the region's January 1, 2050 population at 3,728,056. This represents a decrease of 261,316 by 2050 as compared to the previous forecast.

As you know, the projections are used by SANDAG in the regional growth forecast, the activity-based transportation model, and the *TransNet* revenue forecast. Additionally, the state Department of Housing and Community Development uses DOF population projections, in part in determining the Regional Housing Needs Assessment (RHNA) that SANDAG oversees regionally for the state. Housing and Community Development Department used the 2017 (v2017.02.02.2018) projections for the current RHNA process.

SANDAG staff has reached out to the DOF to understand the technical assumptions and methodology used in the new 2020 projections. Staff is also seeking guidance from Housing and Community Development Department on how the new population projections may or may not affect the current RHNA process. Staff is currently working to determine the impact of the updated population projections on the forecasting and modeling products that we use in our work. We expect to have an update at the February 14, 2020 Board of Directors meeting.

Sincerely,



Ray Major
 Chief Economist and Chief Analytics Officer

RMA/pla/mpo

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