

**SETTLEMENT AGREEMENT
WITH RELEASE OF ALL CLAIMS**

This Settlement With Release Of All Claims (hereinafter "Agreement") is entered into by and between Save Our Forest and Ranchlands and Duncan McFetridge (hereinafter "SOFAR"), Affordable Housing Coalition of San Diego County, Citizens for Responsible Equitable Environmental Development, and San Diego Public-Transit Riders' Alliance (hereinafter collectively referred to as "Alliance") and the SAN DIEGO ASSOCIATION OF GOVERNMENTS and its Board of Directors, employees, officers, representatives, insurers, attorneys, agents, successors, and assigns (hereinafter "SANDAG").

WHEREAS, on November 30, 2007, SANDAG and the SANDAG Board of Directors approved the 2030 Regional Transportation Plan, Pathways for the Future ("2007 RTP" or "Project"), certified the Final Environmental Impact Report ("FEIR") for the Project, and posted a Notice of Determination for the Project pursuant to the California Environmental Quality Act (Public Resources Code, § 21000 et seq.) ("Project Approval"); and

WHEREAS, Alliance and SOFAR (hereinafter collectively "Petitioners") gave notice of a claim against SANDAG under CEQA alleging insufficiencies in EIR for the Project (the "CEQA Claims") and challenging the Project Approval; and

WHEREAS, SANDAG denies Petitioners' allegations; and

WHEREAS, Petitioners and SANDAG, without admitting or acknowledging any liability and solely to avoid the expense of litigation and buy their peace, desire to settle fully and finally any and all current or future differences between them concerning the Project Approval, including, but in no way limited to the CEQA Claims, under the terms and conditions set forth below; and

WHEREAS, SANDAG is committed to addressing climate change impacts pursuant to the California Global Warming Solutions Act of 2006;

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, Petitioners and SANDAG hereby agree to all of the following conditions and terms in this Agreement:

1. Petitioners hereby release and unconditionally absolve SANDAG from any and all liabilities, debts, or obligations of any kind or character that it has had, now has, or may have in the future, which arise from or are in any way related to, the CEQA Claims or the Project Approval, relating to events that have occurred as of the date of this Agreement. Petitioners will not file any complaints, claims, grievances, or other actions against SANDAG with any state, federal, or local agency or court with regard to or related to the CEQA Claims or the Project Approval relating to events that have occurred as of the date of this Agreement. This Agreement releases and forever discharges SANDAG from any and all past, present, or future charges, complaints, claims, lawsuits, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected regarding events that have occurred as of the date of this Agreement and arising from or relating to the CEQA Claims or the Project Approval, to the maximum extent permitted by law. All such claims are forever barred by this

Agreement without regard to whether those claims are based upon any alleged breach of duty arising in a statute, contract, or tort; any alleged unlawful act; any other claim; and regardless of the forum which it might be brought.

2. SANDAG hereby releases and unconditionally absolves Petitioners from any and all liabilities, debts, or obligations of any kind or character that it has had, now has, or may have in the future, which arise from or are in any way related to, the CEQA Claims or the Project Approval. This Agreement releases and forever discharges Petitioners from any and all past, present, or future charges, complaints, claims, lawsuits, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected regarding events that have occurred as of the date of this Agreement and arising from or relating to the CEQA Claims or the Project Approval, to the maximum extent permitted by law. All such claims are forever barred by this Agreement without regard to whether those claims are based upon any alleged breach of duty arising in a statute, contract, or tort; any alleged unlawful act; any other claim; and regardless of the forum which it might be brought.
3. In consideration of the foregoing and without admitting to the viability of any of Petitioners' claims, SANDAG shall pay SOFAR \$58,000 and Alliance \$16,250 for alleged attorneys' fees, without any deductions or withholdings. These amounts shall be payable by check within 30 days following execution of this Agreement by SANDAG's Executive Director. Payment to SOFAR shall be via check made out to "Shute, Mihaly & Weinberger LLP" and mailed to SOFAR's legal counsel, Rachel Hooper, of Shute, Mihaly & Weinberger at 396 Hayes Street, San Francisco, California 94102. Payment to Alliance shall be made payable to "Briggs Law Corporation, in trust for Affordable Housing Coalition of San Diego County, Citizens for Responsible Equitable Environmental Development, and San Diego Public-Transit Riders' Alliance" and mailed to: Briggs Law Corporation, 99 East "C" Street, Suite 111, Upland, CA 91786. These amounts shall be the full and final amount of compensation paid by SANDAG to Petitioners for all Petitioners' claims relating to the CEQA Claims or Project Approval.
4. For projects requiring environmental review under CEQA (requiring, for example, an EIR or a negative declaration), SANDAG will not tier off of or otherwise rely upon the FEIR for the 2007 RTP. Furthermore, without limiting the foregoing, SANDAG agrees to conduct project level environmental documents for specific projects in the 2007 RTP instead of tiering off of the FEIR for the 2007 RTP.
5. Additionally, SANDAG agrees to do the following:

Downtown Transportation Plan

- A. Continue to participate in the development of the Downtown Transit Plan ("Study") being prepared by Center City Development Corporation ("CCDC"), the results of which Study SANDAG understands will be analyzed in an EIR and presented to the San Diego City Council to approve, reject or modify.
- B. Should the City of San Diego adopt the "Transit Oriented Alternative" (Alternative), SANDAG shall analyze the transit projects included in the Alternative as components of the preferred alternative analyzed in the environmental impact report for the 2011 Regional Transportation Plan (2011 RTP EIR). Notwithstanding the foregoing, the parties expressly recognize that SANDAG is obligated to include

in the EIR only those projects of regional importance that are typically and appropriately contained in a Regional Transportation Plan (RTP).

- C. Prior to the adoption of the 2011 RTP, seriously consider implementing transit projects included in the Alternative that do not require an RTP amendment and that are adopted by the City of San Diego.
- D. Include transit mode share goals for various regional communities and corridors, including downtown San Diego, as part of the 2011 RTP, and factoring the goals into the regional long range transit plan referenced below in this Agreement.
- E. If SANDAG places a "Quality of Life" sales tax measure on the ballot that includes a transit component, a portion of the sales tax will be allocated to fund capital and/or operating costs for transit projects to the extent they may be included in the Alternative adopted by the City of San Diego.

Transit Plan with Urban Core Emphasis

- F. Develop a regional long-range transit plan, and five-year and ten-year transit action plans ("Plans"), with emphasis given to the urban core, which for purposes of this Agreement the parties understand to mean that geographic sub-area that includes the downtown San Diego Trolley Ring and National City. The Plans would not, however, constitute an approval to implement the specific transit projects included in the Plans unless such projects are selected following all environmental reviews required by CEQA.
- G. Incorporate the work from the Downtown Transit Plan, the 2007 RTP, the Regional Comprehensive Plan, the Air/Rail Network Planning Study, Climate Change Action Plan, and other recent, relevant studies when preparing the urban core portion of the long range transit plan.
- H. Include the following components in the long range transit plan:
 - i. An investigation of regional, corridor, local, and neighborhood transit services (e.g., transit capital improvements; operational changes; fare restructuring; design of intermodal transfer facilities) that would make transit time competitive with the private car;
 - ii. An investigation of transit capital and operational funding strategies;
 - iii. A public education program regarding transit services;
 - iv. Strategies for increasing pedestrian and bicycling use;
 - v. A parking management program; and
 - vi. Identification of transit mode share targets or goals.
- I. Use SANDAG's standard process for selecting a consultant to develop the long range transit plan, which includes developing a potential list of consultants, public advertisement, consultant interviews and selection, and then working with the top ranked consultant to finalize the scope of work. As part of this consultant selection process for the long range transit plan, Petitioners will be given the opportunity to do the following, provided, however, SANDAG shall have final authority for consultant selection:

- i. Consult with SANDAG on the RFP Scope of Work;
 - ii. Supplement the list of consultants that will be sent a notice of the RFP;
 - iii. Provide input regarding the evaluation criteria that will be used to select a consultant;
 - iv. Review the proposals of the consultants short-listed for interviews by the SANDAG evaluation committee; and
 - v. Conduct separate interviews of the short-listed consultants and provide feedback to the evaluation committee.
- J. Provide petitioners with the opportunity to participate in the long range transit plan work, including meetings and review of draft plans after such plans have been reviewed internally by SANDAG staff and approved for release to the Petitioners by SANDAG's attorneys.
- K. Analyze the transit projects included in the Plans in the environmental impact report for the 2011 Regional Transportation Plan ("2011 RTP EIR") at a level at least equal to the EIR's analysis of projects located in the urban core that are included in the 2011 RTP EIR's preferred alternative. Notwithstanding the foregoing, the parties expressly recognize that SANDAG is obligated to include in the EIR only those projects of regional importance that are typically and appropriately contained in a Regional Transportation Plan.

Study Regarding Impediments to Public Transit

- L. SANDAG shall undertake a comprehensive study, and thereafter issue a final report that identifies and analyzes (i) all known and reasonably foreseeable financial impediments to maintaining long-term public-transit service levels throughout San Diego County; (ii) all known and reasonably foreseeable impediments to maintaining long-term public-transit ridership throughout San Diego County; and (iii) all known and reasonably foreseeable recurring sources (i.e., not one-time sources) that provide or can provide funding to cover operational expenses for public transit throughout San Diego County. The study and report may be completed independently or in conjunction with any other project or activity undertaken by SANDAG. The identification and analysis of financial impediments shall include, but not be limited to, information on the third-party requirements for SANDAG to obtain and use such funding. The identification and analysis of ridership impediments shall include, but not be limited to, surveys of actual and potential riders for the purpose of determining how best to structure public transit so as to increase and maintain long-term ridership. The final report shall include alternatives SANDAG could implement in order to overcome impediments identified in the report, increase and maintain service levels, and increase and maintain funding for operational expenses to the fullest extent possible. SANDAG's Board of Directors shall consider implementation of the alternatives at a public meeting to be held not more than 60 days after issuance of the final report. The final report, along with all supporting and other back-up materials, shall be available to the public. The report shall be completed and posted on SANDAG's Web not more than 12 months after the execution of the Agreement.

Double Track Coastal Rail

- M. Not later than 12 months after the execution of this Agreement, provide a status report of double-tracking projects to the Petitioners, which includes identifying those segments that are to be implemented within next five years.
- N. Seek the funding to implement an expeditious schedule for remaining segments that have been identified for double tracking in the coastal rail corridor.
- O. Prepare a schedule to estimate when the remaining double track segments will be constructed, based on estimates of future available/pending funding.
- P. Provide matching funds for coastal rail segments if Proposition 1B funds or other early funding sources become available for double track projects.
- Q. Continue to work with NCTD, Caltrans, and Amtrak on improvements to the coastal rail corridor.
- R. Continue to work at the regional, state, and federal levels to make improvements to the rail corridor as funding becomes available.
- S. If SANDAG places a sales tax measure on the ballot, it will consider and fully evaluate dedicating a portion of the proceeds from the measure to unfunded segments of double-tracking of the Coastal Rail.

Smart Growth Incentive Program

- T. Invite feedback from Petitioners in developing Smart Growth Incentive Program criteria.
- U. Update the Smart Growth Concept Map to delineate areas that are served by existing and/or planned and "funded" transit.
- V. When developing the criteria for eligibility, SANDAG will give priority when ranking projects to areas near transit and areas with the greatest potential for increasing walking and biking and shortening vehicle trips.
- W. Explore opportunities for increasing funding of the Smart Growth Incentive Program and leverage Smart Growth Incentive Program funds with federal, state, and other local funds when they are available.

Safe Routes to School Strategy

- X. Work through its Bicycle and Pedestrian Working Group to determine how SANDAG can expand Safe Routes to School programs in the region.
- Y. Leverage state and federal funding for Safe Routes to School programs with other funding that may be available to accomplish the same or similar goals.
- Z. Prepare, adopt and implement a Safe Routes Strategy ("Strategy") and provide the resources necessary for SANDAG to carry out its responsibilities under the Strategy.

AA. Include recommendations on steps for implementation and identify the roles and responsibilities of entities who should be involved in the implementation of the Strategy.

BB. Research efforts in Marin County and SACOG to determine how programs such as these can be implemented in the San Diego region as part of preparing the Strategy.

CC. Work with school districts in the region on Safe Routes to School Programs by:

- i. Offering technical expertise and training (including holding workshops);
- ii. Working with jurisdictions to identify necessary infrastructure improvements as part of preparing the Strategy;
- iii. Collaborating on a public awareness campaign to educate parents, teachers, and students about the benefits of walking and biking to school; and
- iv. Serving as a clearinghouse for Safe Routes to School programs and opportunities upon request by a school district.

5. The parties hereto hereby agree that all rights under section 1542 of the Civil Code of the State of California are hereby waived by the Parties. Section 1542 provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Notwithstanding the provisions of section 1542 of the Civil Code of the State of California, Petitioners hereby irrevocably and unconditionally release and forever discharge SANDAG and all persons acting by, through, under, or in concert with any of them from any and all charges, complaints, claims, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected which Petitioners at any time heretofore had or claimed to have or which Petitioners may have or claim to have regarding events that have occurred as of the date of this Agreement, including, without limitation, any and all claims related to or in any manner incidental to the CEQA Claims or the Project Approval.

6. Petitioners and SANDAG acknowledge and agree that they:

- A. Have had a reasonable opportunity and a reasonable time to consider this Agreement before ratifying and executing it.
- B. Knowingly and voluntarily agree to all the terms and conditions in this Agreement.
- C. Knowingly and voluntarily agree to be completely legally bound by and to all the terms and conditions in this Agreement.
- D. Have been advised and hereby are advised again in writing to consult with an attorney prior to ratifying and executing this Agreement.

- E. Have consulted with an attorney prior to ratifying and executing this Agreement.
7. Petitioners understand that this Agreement shall not be binding on SANDAG unless or until it is approved and executed by SANDAG's Executive Director.
 8. The parties hereby represent and acknowledge that in executing this Agreement they do not rely and have not relied upon any representation or statement made by any of the parties, agents, officers, employees or representatives with regard to the subject matter, basis, or effect of this Agreement or otherwise, other than those specifically stated in this written Agreement.
 9. This Agreement shall be binding upon the parties hereto and upon their heirs, administrators, representatives, executors, successors, assigns; and shall inure the benefit of said parties and to their heirs, administrators, representatives, executors, successors and assigns. Petitioners expressly warrant that they have not transferred to any person or entity any rights, causes of action, or claims released in this Agreement.
 10. This Agreement shall be governed and construed under the laws of the State of California. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and said illegal, invalid, or unenforceable part, term, condition or provision shall be severed from this Agreement.
 11. The individual executing this Agreement hereby represent that they are authorized to bind the parties they represent to this Agreement.
 12. This Agreement sets forth the complete and entire agreement between the parties hereto and fully supersedes any and all prior agreements or understandings, written or oral, between the parties hereto pertaining to the subject matter hereof. No modification or addendum to this Agreement shall be effective or binding unless in writing and signed by the parties hereto. This Agreement may be signed in counterparts. Each signed copy of the Agreement shall be treated as an original.
 13. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties hereto.
 14. This Agreement may be executed in counterparts, all of which, when taken together shall constitute a fully executed original.
 15. Each party agrees to cooperate and to perform such further acts and to execute and deliver any and all further analysis that may be reasonably necessary to effectuate the express purpose of this Agreement.
 16. It is further understood and agreed that if, at any time, a violation of any term of this Agreement is asserted by any party hereto, that party shall have the right to seek specific performance of that term and/or any other necessary and proper relief, including but not limited to damages, from any court of competent jurisdiction, and the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees.

17. Any notice to be given or other document to be delivered by any party to another party under this Agreement may be deposited in the United States mail in the State of California, duly certified or registered, return receipt requested, with postage prepaid, or by Federal Express or other similar overnight delivery service, or by facsimile addressed to the party for whom intended as follows:

To Alliance: Briggs Law Corporation
5663 Balboa Avenue, No. 376
San Diego, CA, 92111-2705
Attn: Cory J. Briggs
Phone No: (909) 949-7115
Facsimile No: (909) 949-7121

To SANDAG: 401 B Street, Suite 800
San Diego, California 92101
Attn: Julie Wiley, General Counsel
Phone No: (619) 699-1900
Facsimile No: (619) 699-1995

To SOFAR: PO Box 475
Descanso, CA 91916.
Attn: Duncan McFetridge
Phone No: 619-445-9638
Facsimile No: 619-659-8962

To SOFAR Counsel: Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, CA 94102
Attn: Rachel B. Hooper
Phone No: (415) 552-7272
Facsimile No: (415) 552-5816

To SOFAR Counsel: Coast Law Group
169 Saxony Road, Suite 204
Encinitas, CA 92024
Attn: Marco Gonzalez
Phone No: 760-942-8505
Facsimile No: 760-942-8515

Any party may from time to time, by written notice to the other, designate a different address, which shall be substituted for the one above specified. Unless otherwise specifically provided for in this Agreement, all notices, payments, demands, or other communications shall be in writing and shall be deemed to have been duly given and received (i) upon personal delivery, or (ii) as of the business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, or (iii) the immediately succeeding business day after timely deposit with Federal Express or other equivalent overnight delivery system, or (iv) if sent by facsimile, upon confirmation if sent before 5:00 p.m. on a business day or otherwise on the business day following confirmation of such facsimile, and provided that notice is

facsimile, upon confirmation if sent before 5:00 p.m. on a business day or otherwise on the business day following confirmation of such facsimile, and provided that notice is also sent on the same day by one of the methods described above.

- 18. Failure to insist on compliance with any term, covenant, or condition contained in this Agreement shall not be deemed a waiver of that term, covenant or condition, nor shall an waiver or relinquishment of any right or power contained in this Agreement at any one time or more times be deemed a waiver or relinquishment of any right or power at any other time or times.

SAN DIEGO ASSOCIATION OF GOVERNMENTS

SOFAR

Gary L. Gallegos 4/30/08
 GARY L. GALLEGOS Date
 Executive Director

Duncan McFetridge 4/29/08
 DUNCAN MCFETRIDGE Date

Approved as to form

Approved as to form by counsel for SOFAR

Julie D. Wiley 4/30/08
 JULIE D. WILEY Date
 Office Of General Counsel

Rachel Hooper 4/29/08
 RACHEL HOOPER Date
 Shute, Mihaly & Weinberger

AFFORDABLE HOUSING COALITION OF
 SAN DIEGO COUNTY, CITIZENS FOR
 RESPONSIBLE EQUITABLE ENVIRONMENTAL
 DEVELOPMENT, AND SAN DIEGO PUBLIC-
 TRANSIT RIDERS' ALLIANCE BY THEIR
 ATTORNEY: CORY BRIGGS OF BRIGGS LAW
 CORPORATION

Cory Briggs 29 APR 08
 CORY BRIGGS Date
 Briggs Law Corporation