



ITOC

Independent Taxpayer Oversight Committee

FY 2026 Annual Report



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ITOC Members*

Francisco Rivera

Chair, Licensed Civil/Traffic Engineer

Term ends May 2030

Sunnie House

Vice Chair, CEO, Private Sector

Term ends May 2029

Lorraine Ahlquist

Biology/Environmental Science

Term ends May 2027

Maryam Babaki

Municipal/Public Finance

Term ends May 2027

Lima Saft

Engineer/Transportation

Term ends May 2028

Jacqueline Appleton-Deane

Construction Project Management

Term ends May 2029

David Santistevan

Real Estate/Land Economics

Term ends May 2028

Tracy Drager

San Diego County Auditor

(nonvoting advisory member)

**According to the ITOC Bylaws, members of the ITOC are required to attend at least 50% of the regular ITOC meetings, not including special meetings or subcommittee meetings, in one calendar year. All ITOC members have met the established standard for attendance for calendar year 2025. In addition, all members participate in a subcommittee established to focus on ITOC activities such as triennial performance audits, annual fiscal and compliance audits, and state of the commute reports, among additional items as needed.*



Letter from the Chair

Our mission here at the Independent Taxpayer Oversight Committee (ITOC) is straightforward: to help ensure that taxpayers in the San Diego region get what they're paying for—a more mobile, convenient, and enjoyable place to live.

We do that by helping ensure that the TransNet Program is transparent, accountable, and using taxpayer dollars wisely and as intended. TransNet is the region's half-cent sales tax which helps pay for transportation improvements throughout San Diego County.

As we prepared this year's ITOC Annual Report, I wanted to highlight how the TransNet program serves all residents, in addition to reporting on the details of its operations and finances.

On the front cover of this report, we offer a snapshot of TransNet's wide reach across our region, from Camp Pendleton and Oceanside to the U.S.-Mexico border, and from the ocean to the desert. Take a look, and you'll see TransNet's many contributions to pedestrian walkways and bike paths, local streets and highways, railroads and bus lines, and to protecting our region's natural resources. Notable TransNet projects opened to the public in FY 2025 included the I-805 North Auxiliary Lanes and the Pershing Bikeway. Additionally, TransNet funding secured the delivery of 47 low-floor light rail vehicles to the San Diego Metropolitan Transit System (MTS). We have a whole section in the second half of this report called TransNet Project Highlights, which details specific projects completed and underway.

The pace of progress, nevertheless, can sometimes be frustrating. As a former engineer for the City of Chula Vista who worked on planning, environmentally approving, funding, and building local and regional projects for nearly 40 years, I've long known that you cannot cross the finish line in one day. You must work toward that goal. We live in a large and complex region, with many individual municipalities, big and small, unincorporated areas, tribal nations, and federal and international borders. Each player has its own approval process for projects, and changes in state and federal laws can throw wrenches in our best efforts to move projects forward.

Nevertheless, we recognize the need to get projects completed more quickly, and that the public expects that the San Diego Association of Governments (SANDAG), Caltrans, transit agencies, and jurisdictions will continue making meaningful progress on all the transportation projects included in its Regional Transportation Improvement Program (RTIP)—the short-term document that lays out specific milestones to move the region toward realizing SANDAG's long-term vision: the Regional Plan.

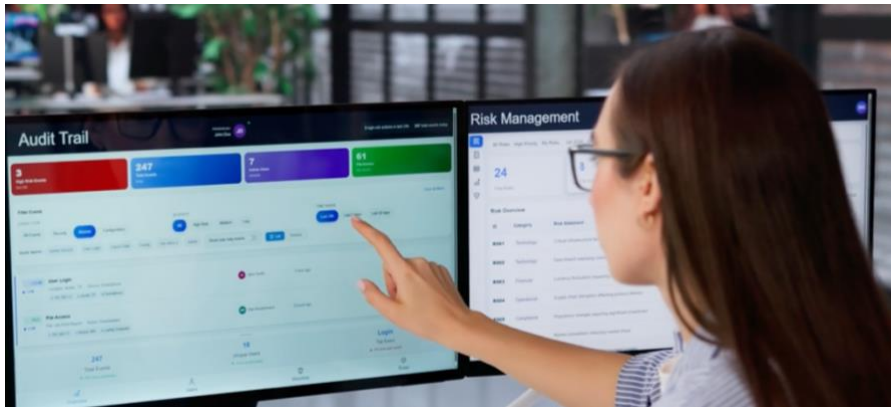
I get it. It can sometimes feel as if progress is elusive; that things grind along too slowly. Well, consider just one ongoing project where progress has been transformative: the I-5 North Coast Corridor. Interstate 5 (I-5) between Solana Beach and Carlsbad now has new freeway express lanes and reconstructed on and off ramps, new infrastructure improvements to coastal rail and transit, a new suspension bridge across San Elijo Lagoon that connects Cardiff and Encinitas, and paved biking and walking paths that run along the freeway and provide added coastal access. As part of that project, SANDAG has also added more than 400,000 cubic yards of sand to local beaches and restored hundreds of acres of wetlands in the San Elijo and San Dieguito lagoons. All of this has added up to a completely transformed subregion with improved mobility, access, and beauty for us to enjoy as we use this corridor during our regular commutes to work and play. Many other projects around the region echo the vision of what has been delivered along I-5 in North County.

In this 2026 ITOC Annual Report, you'll read about the progress SANDAG and individual jurisdictions have made in improving transportation infrastructure as it relates to the TransNet Program. Most importantly, you'll also read about the agency's progress toward making improvements in how it does business. Every year in this report, we review SANDAG's progress toward fulfilling specific recommendations for improvement, issued by an external, independent audit of its work conducted every three years. We call it the Triennial Performance Audit (TPA).

In the following pages, you'll read that SANDAG has established a formal Corrective Action Plan to implement TPA recommendations. As part of this plan, SANDAG now tracks, reviews, and monitors all audit recommendations. The agency also submits documentation to the ITOC, which we use to evaluate and approve actions that SANDAG proposes to take to fulfill audit recommendations. The TPA is a critical tool that we use to ensure that SANDAG improves its operations as they relate to the TransNet Program. By implementing the TPA's recommendations, SANDAG makes better strategic decisions and operates more efficiently with better internal controls. As you will see in this report, SANDAG has fulfilled some long-standing recommendations, and it's making progress on others. We report on the status of each recommendation for audits conducted in 2018, 2021, and 2024.

So, as you read this 2026 ITOC Annual Report, celebrate the very real and lasting progress that our region is making, while continuing to hold us accountable—as we are holding the TransNet enterprise accountable while it strives to make our region realize its potential as one of the greatest places to live anywhere.

Francisco X. Rivera P.E., T.E.
ITOC Chair



Progress on Triennial Performance Audits

(FY 2018, 2021, and 2024)

The ITOC's mission is to provide an increased level of accountability for expenditures made under the TransNet Extension Ordinance. The committee conducts fiscal and compliance audits every year, and it also conducts Triennial Performance Audits (TPAs) of SANDAG and partner agencies involved in the implementation of TransNet-funded projects and programs. The purpose of these TPAs, which are prepared every three years, is to identify specific recommendations for improving how TransNet projects and programs are managed and implemented. The TPAs have been conducted every three years since 2009. This report focuses on recommendations from the TPAs conducted in FY 2018, 2021, and 2024, which are the audits that had recommendations that were open during the reporting period.

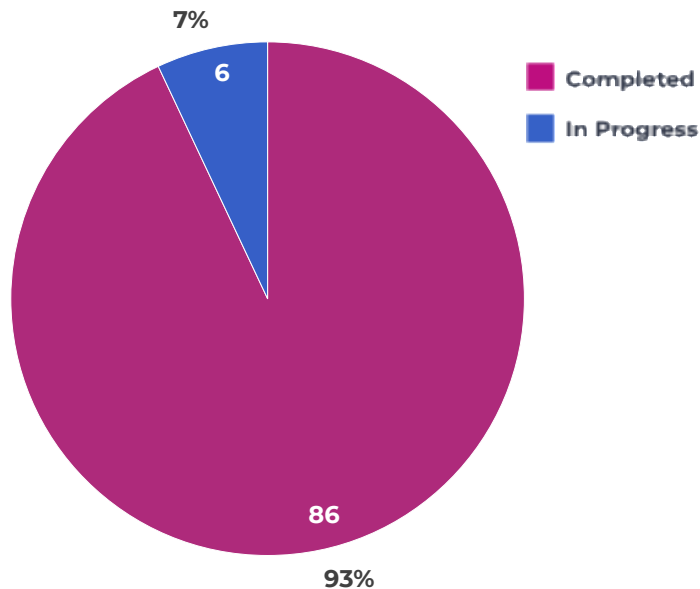
SANDAG and its partners have made significant progress completing TPA recommendations. During FY 2025, SANDAG completed 24 audit recommendations. This included:

- Ensuring that decisions pertaining to transit operating service gaps and frequency expectations are documented
- Developing a risk-based approach for Data and Analytics and Quality Assurance/Quality Control testing for modeling, planning, grants, and finance projects
- Better organizing the Peer Review process for important changes in how the agency analyzes data related to modeling, planning, grants, and finance projects.

SANDAG also established new protocols for tracking, reviewing, and monitoring progress on audit recommendations. SANDAG's Director of Internal Controls now assesses all recommendations to determine whether sufficient work, evidence, and documentation exist before submitting recommendations for completion to the ITOC committee. This internal assessment helps the agency use TPA recommendations to improve its own strategic decisions and internal controls.

TPA Recommendations, Priorities, and Completion Status

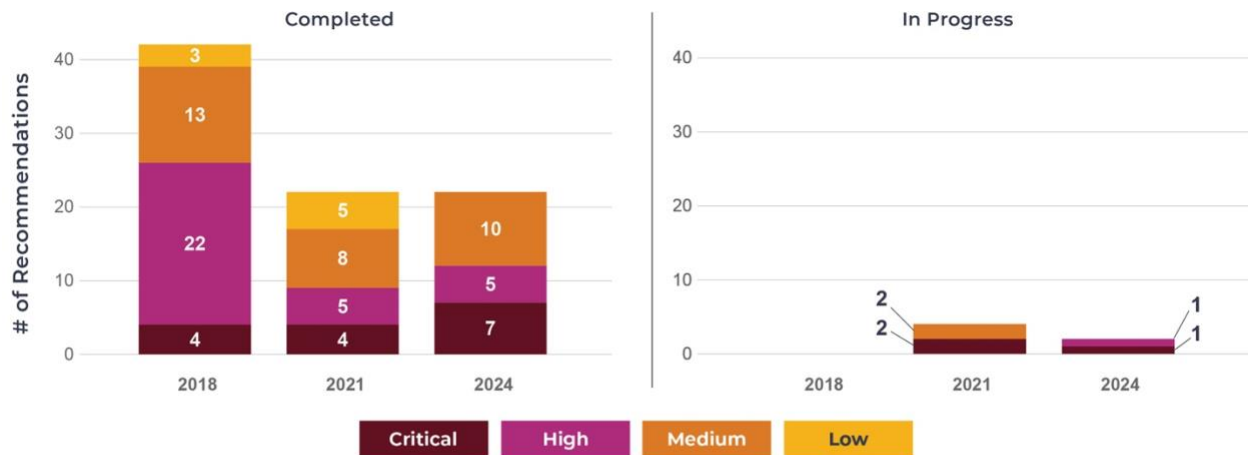
TransNet TPA Recommendation Completion Status



Overall Summary (2018–2024)

- 92 total recommendations issued
- 86 completed since 2018
- 6 still in progress as of 2026

Completed and In Progress Recommendations*



*The ITOC tracks TPA recommendations based on two criteria:

Status Categories:

- "Completed" = Recommendations that are fully implemented
- "In Progress" = Recommendations that are actively being addressed but are not fully implemented

Priority Levels:

- "Critical" = Recommendations that require immediate action
- "High" = Recommendations that need significant improvements
- "Medium" = Recommendations that focus on enhancing efficiency or effectiveness
- "Low" = Recommendations that identify work of minor importance

**As of this report, all recommendations from FY 2018 TransNet Triennial Performance Audit have been fully implemented.

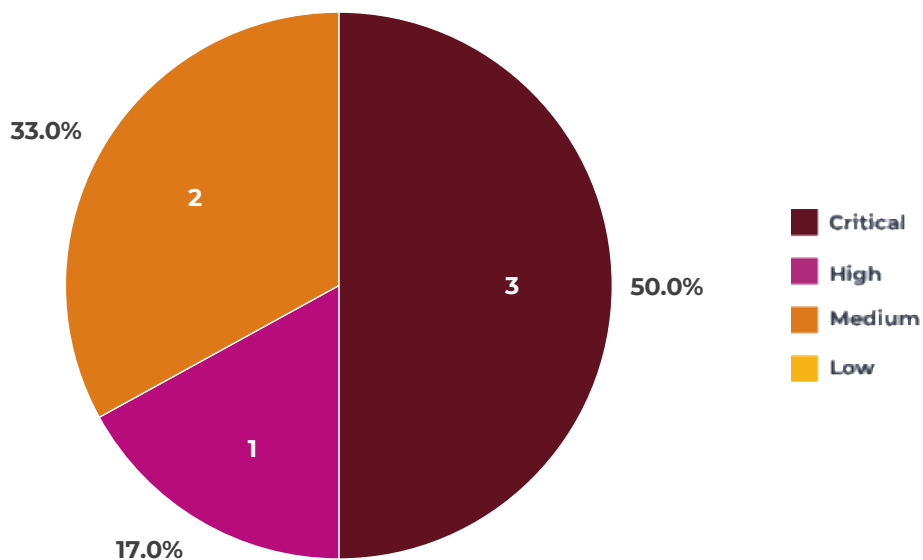
Observations and Next Steps

As the 2027 Triennial Performance Audit approaches, SANDAG continues to address outstanding recommendations. Staff turnover, vacancies in key technical and oversight roles, and other challenges have impacted how quickly SANDAG can complete outstanding recommendations. Nevertheless, under the guidance of the ITOC, SANDAG is committed to making operational and performance improvements and completing all TPA recommendations.

As of June 2026, six recommendations still must be completed, out of a total of 92 recommendations identified by three audits (2018, 2021, and 2024). SANDAG is working now to complete these final remaining ones. Four of the remaining recommendations are largely related to data and data dashboard improvements that will help staff better track progress on projects. Completing these recommendations is requiring more time to ensure successful data migration, data reliability, and testing prior to release. A fifth recommendation relates to coordination efforts between the City of San Diego and SANDAG to make the bike project permit process more efficient. Efforts between entities typically take time for discussion and finalizing agreements. A sixth recommendation is related to an internal effort to formalize procedures for the Plan of Finance. Additional time is needed for this.

By monitoring SANDAG's progress on all TPA recommendations, the ITOC continues to promote transparency, accountability, and improved program effectiveness in the management of TransNet funds.

In Progress Recommendations by Priority



FY 2025 Fiscal and Compliance Audit Results

In addition to the Triennial Performance Audit, the ITOC oversees annual fiscal and compliance audits to determine whether TransNet funds are being spent in accordance with the TransNet Extension Ordinance, and related Board of Directors policies. The FY 2025 audit results are summarized below.

Requirement	Audit Results
As required by SANDAG Board Policy No. 031, each recipient agency is required to account for TransNet activities in a separate fund , or if an alternative approach is used it must be approved by SANDAG.	Revenues for each recipient agency were recorded, and expenditures reported by all recipient agencies were allowable in accordance with the TransNet Ordinance, TransNet Extension Ordinance, and SANDAG Board Policy No. 031.
In accordance with Section 8 of the TransNet Extension Ordinance, each recipient agency receiving revenues pursuant to Section 4(D) shall annually maintain, at a minimum, the same level of local discretionary funds expended for street and road purposes on average over the last three fiscal years (FY) completed prior to the operative date of the TransNet Extension Ordinance.	All local street and road recipient agencies met their Maintenance of Effort (MOE) requirement for the year ended June 30, 2025, ensuring that TransNet revenues were used to augment and not supplant local revenues.
In accordance with the 30% Rule, a recipient agency that maintains a balance of more than 30% of its annual apportionment (after debt service payments) must use the remaining balance to fund projects . SANDAG will defer payment until the recipient agency's Director of Finance, or equivalent, submits a certification that the unused balance has fallen below the 30% threshold, and will remain below the threshold until such time that a new threshold is determined.	All reporting agencies, except for Lemon Grove, complied with Board Policy No. 031, Rule #17, Section IV, which requires TransNet recipient agencies to maintain fund balances that do not exceed 30% of their annual apportionments. CORRECTIVE ACTION: Future payments will be deferred for Lemon Grove until certification is provided that the city is within the 30% threshold.
As specified in Section 2(C)(I) of the TransNet Extension Ordinance, at least 70% of the revenues provided for local street and road purposes should be used for congestion relief , and the cities may not spend more than 30% for maintenance purposes .	SANDAG appropriately allocated TransNet revenues – at least 70% for congestion relief and up to 30% for maintenance – in accordance with the Ordinance. All recipient agencies complied with this requirement.

Requirement	Audit Results
In accordance with Section 9(A) of the TransNet Extension Ordinance and Expenditure Plan, each local agency in the San Diego region shall contribute a minimum of \$2,000, subject to an annual adjustment based upon an index, in exactions from the private sector, for each newly constructed residential housing unit in that jurisdiction to the RTCIP. However, each jurisdiction may use their own fee schedule, if the fees are at a minimum the adjusted amount as approved by the SANDAG Board of Directors annually. The RTCIP revenue is to be used to construct improvements to the Regional Arterial System.	Local agencies in the San Diego region, except for Encinitas and National City, complied with Section 9(A) of the TransNet Extension Ordinance and Expenditure Plan regarding the Regional Transportation Congestion Improvement Program (RTCIP) requirement described (\$2,875.06 per unit in FY25). CORRECTIVE ACTION: The Cities of Encinitas and National City are in the process of collecting their respective \$1,170 and \$6,060 shortfall in funds.
In accordance with the TransNet Extension Ordinance, each jurisdiction shall have up to, but no more than, seven fiscal years to expend Funding Program revenues on the Regional Arterial Systems projects (RTCIP funding), unless a planned need for such fees can be demonstrated and a justification for the delay can be provided that is acceptable to the ITOC. Funds not committed or expended within ten years of collection shall be refunded to the current record owner of the development project on a prorated basis.	RTCIP funding collected during FY 2017 was committed or expended within seven years of collection for each city and the County of San Diego. All recipient agencies complied with this requirement.
In accordance with the TransNet Extension Ordinance, for transit operators to maintain eligibility for receipt of funds, the operator must limit the increase in its total operating cost per revenue vehicle hour for bus or revenue vehicle mile for rail services from one fiscal year to the next, to no more than the increase in the consumer price index (CPI) for San Diego County over the same period.	Both the Metropolitan Transit System (MTS) and North County Transit District (NCTD) did not comply with their operator eligibility requirements for bus and rail services. CORRECTIVE ACTION: In accordance with ordinance provisions, the Board, acting as the San Diego County Regional Transportation Commission, approved cost increase exclusions for the calculation of requirements for MTS and NCTD due to unusual circumstances. This brings both transit operators in compliance for bus and rail services. The ITOC did not recommend that these requests be approved, see following section for more detail.

Transit Operator Eligibility Requests

Pursuant to Section 4(C)(5) of the TransNet Extension Ordinance, transit operators are required to limit the year-over-year increase in total operating cost per revenue vehicle hour for bus services and per revenue vehicle mile for rail services to the increase in the Consumer Price Index (CPI) for San Diego County.

At the same time, the ordinance recognizes that extraordinary circumstances may result in increased operating costs, and so it allows operators to seek approval from the Board (acting as the Commission) to either calculate compliance using a three-year average or exclude specific cost increases resulting from external events beyond the operator's control. This includes increases in fuel costs and insurance premiums, new state and federal mandates, and other developments.

For Fiscal Year 2025, both MTS and NCTD experienced operating cost increases for bus and rail services that exceeded the CPI benchmark. Consistent with ordinance provisions, the agencies submitted eligibility requests to exclude qualifying cost increases. These requests were presented to the Independent Taxpayer Oversight Committee (ITOC) on April 8, 2026.

Following its review, the ITOC recommended that the Board (acting as the Commission) not approve the FY 2025 eligibility requests. In making its recommendation, the ITOC noted that many significant transit cost drivers have become increasingly disconnected from CPI since the ordinance was adopted, making the current eligibility metric more difficult to satisfy despite operators' efforts to manage costs. The ITOC recommended that the Board consider amendments to the ordinance to establish a more appropriate methodology for evaluating operator cost increases. This recommendation was subsequently shared with the Transportation Committee and the Board for consideration as part of a broader discussion of potential amendments to the TransNet Extension Ordinance.

Historically, transit operators have periodically relied on the ordinance's eligibility provisions when operating cost increases have exceeded CPI. Over the past 16 fiscal years, bus operating costs exceeded the CPI benchmark during six of those years, while rail operating costs exceeded the benchmark during 13 of those years for one or both operators. This historical information is provided to illustrate that eligibility requests have occurred periodically under the existing ordinance and reflect the challenges of applying a CPI-based metric to transit operating costs.

Non-compliance of Operators Prior to Board Action Since 2010:

		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
MTS								
	Bus	No	Yes	No	No	Yes	Yes	Yes
	Rail	Yes	Yes	No	No	Yes	No	No
NCTD								
	Bus	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Rail	Yes	Yes	No	No	No	No	Yes

		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
MTS										
	Bus	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No
	Rail	No	No	Yes	No	Yes	Yes	No	No	No
NCTD										
	Bus	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No
	Rail	Yes	No	No	No	No	Yes	No	No	No

**No" = not in compliance

TransNet Funding Highlights

TransNet Compared with Other Sources

TransNet is a major contributor to the total funding reserved for the 2025 Regional Transportation Improvement Program (RTIP), a multibillion-dollar program of projects planned by SANDAG and jurisdictions throughout the county between FY 2025 and 2029.

TransNet is expected to contribute \$1.68 billion to the RTIP between FY 2025 and 2029 — about 22% of the total. Other sources of funding for the RTIP include the federal government, the State of California, and local sources.

The ITOC reviews projects proposed for funding with TransNet funds as part of its review of the RTIP. Local sales tax dollars raised by TransNet represent a relatively stable source of funding.

Focus on Major Corridors and Local Streets

TransNet funding between FY 2025 and 2029 is expected to improve the quality of life for people in the region as it pays for improvements to major corridors where people travel to and from work, and local streets and roads where people live, shop, and go to school.

Planned spending includes:

- About \$239 million to improve I-5, I-15, SR 78, and other major corridors
- \$841 million to improve local streets
- More than \$183 million for Transit System Improvements
- More than \$169 million for Bus Rapid Transit and Rail Operations
- More than \$32 million to improve safety for bike riders, pedestrians, and others in neighborhoods around the region
- More than \$21 million to protect the region's natural environment

The Regional Transportation Improvement Program (RTIP)

[SANDAG.org/rtip](https://sandag.org/rtip)

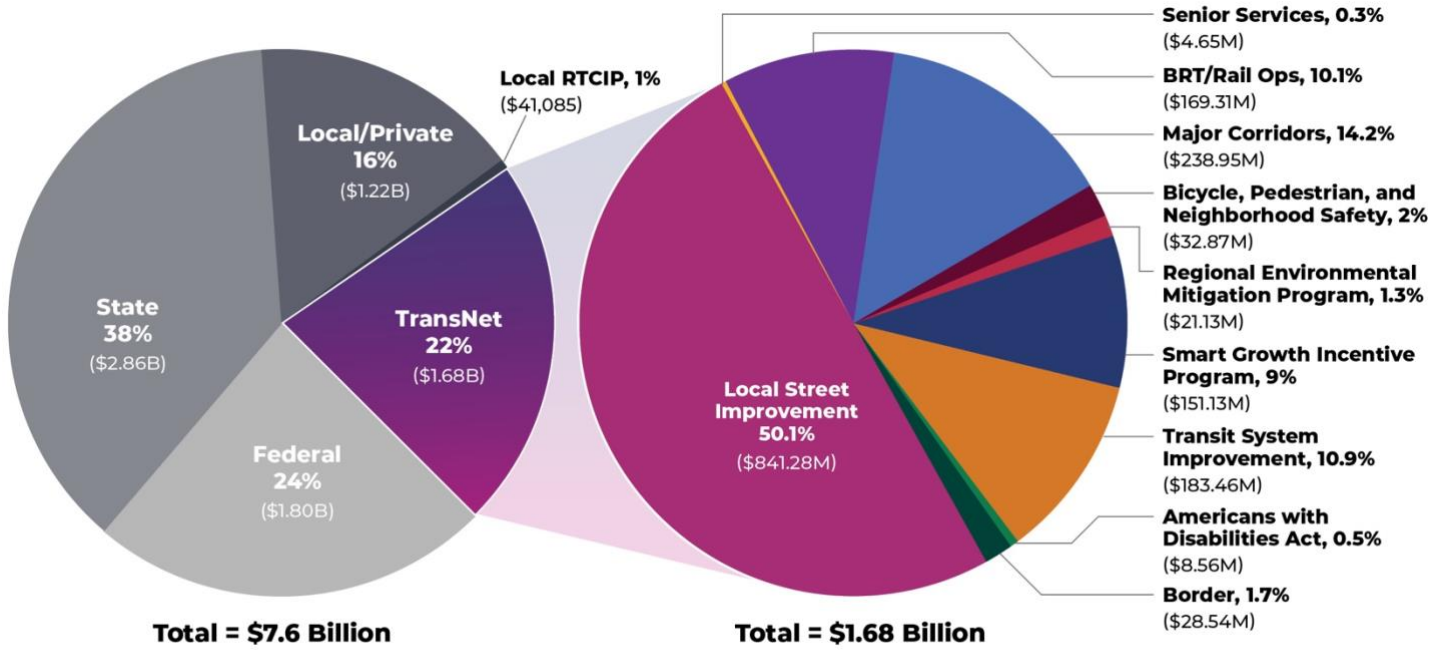
Financial programming in the RTIP is a central responsibility of SANDAG. This work requires budgeting, forecasting, and an understanding of the eligible uses for different types of funds. The federal government requires SANDAG to detail projects in the RTIP before the agency can receive funding for those projects.

The RTIP is a five-year funding document that details projects to be implemented during the first five years of SANDAG's Regional Plan. It outlines near-term funding which is committed to projects in both the Regional Plan and the SANDAG Program Budget.

The RTIP includes projects funded with federal, state, TransNet, and local dollars, and it includes the TransNet Program of Projects.

The RTIP allows local jurisdictions to access TransNet funding that is allocated to them.

TransNet and Other Funding | FY 2025–2029



Source: 2025 Regional Transportation Improvement Program



TransNet Project Highlights

For more than three decades, TransNet has been the driving force for improving transportation infrastructure in the San Diego region. TransNet is vital in helping SANDAG secure additional federal, state, and local funds.

TransNet helps pay for capital projects on the region's major corridors and bikeways, which impact transit, highways, freight movement, and active transportation such as biking and walking. TransNet also funds a variety of competitive grant programs to promote smart growth, active transportation, and transportation services for older adults and people with disabilities. Beyond its commitment to transportation, TransNet further supports an environmental conservation program that protects natural resources throughout the region. SANDAG also distributes TransNet funds to help jurisdictions complete local street and road improvement projects.

Working with partners at Caltrans, Metropolitan Transit System (MTS), North County Transit District (NCTD), and local jurisdictions, SANDAG has contributed to the delivery of more than 700 TransNet projects for the region's communities. SANDAG will continue to deliver more through 2048 when the TransNet measure expires.

As of January 1, 2026, 23% of the 48 major corridor capital construction projects listed in the TransNet Extension Ordinance were completed and/or open to the public, 58% were in progress, and 19% were planned (based on project status in the FY 2026 SANDAG Program Budget, inclusive of midyear budget changes). Major TransNet Extension Ordinance accomplishments include:

- I-5 HOV lanes and related improvements
- Mid-Coast Trolley Blue Line Extension from Downtown San Diego to UTC mall in La Jolla
- Blue and Orange Trolley lines modernization
- I-15 Express Lanes construction
- SR 52 extension
- SR 76 widening
- I-15, Mid-City, and South Bay Rapid Transit projects
- SR 125 toll road purchase



Learn more about TransNet and TransNet projects by visiting [SANDAG.org/transnet](https://sandag.org/transnet). Find links to Appendix A of the FY 2024 TransNet Triennial Performance Audit (TPA), which details the status of major corridor projects, at [SANDAG.org/transnetreporting](https://sandag.org/transnetreporting). The TransNet Dashboard (transnetdashboard.sandag.org) provides the status of all TransNet Major Corridor and Regional Bikeway projects and a comprehensive matrix of TransNet projects, corresponding Regional Plan projects, and capital improvement projects.

In the highlights below, find the FY 2026 capital improvement project (CIP) number in parentheses after each description.

The Regional Plan

[SANDAG.org/regionalplan](https://sandag.org/regionalplan)

Planning is SANDAG's core responsibility, encompassing budgeting, data and research, community engagement, and many other important functions. The Regional Plan is SANDAG's guiding document for much of its work, and its vision has provided the impetus for many of the agency's major projects. TransNet is an important funding source for many projects and programs in the Regional Plan. In late 2025, the Board adopted the 2025 Regional Plan and its accompanying Environmental Impact Report.

TransNet Projects Completed in FY 2025

Pershing Bikeway

Along 2.3 miles of the Pershing Drive corridor, new bike and pedestrian facilities were constructed between North Park and Downtown San Diego. This project opened to the public on July 27, 2024, and it included the following traffic and safety improvements:

- Roundabout at Pershing Drive and Redwood Street
- Traffic circle at Redwood Street and 28th Street
- 13 enhanced crosswalks
- 10 curb extensions
- More than two miles of new sidewalk
- 180 newly planted trees
- Approximately 70 new path lights along the length of the Pershing Drive corridor.
- Significant storm drain enhancements

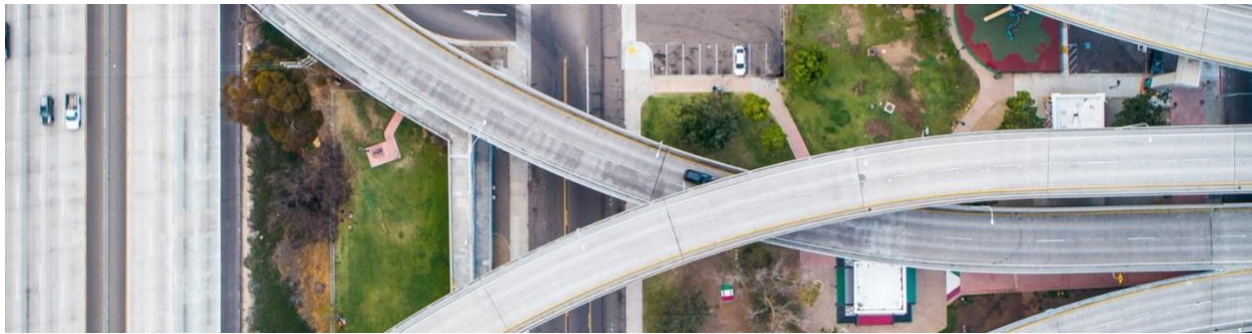


I-805 North Auxiliary Lanes

One northbound auxiliary lane and one southbound auxiliary lane were designed and constructed on I-805 from SR 52 to Nobel Drive. This project opened to traffic on June 30, 2025.

Low-Floor Light Rail Transit Vehicles

Procured 47 light rail vehicles to replace the existing SD-100 fleet and support more frequent trolley service. All vehicles were delivered to MTS by June 2025, and they have been placed in revenue service.



Major Corridors and Regional Bikeway Program

The Capital Program component of SANDAG's budget includes the multiyear TransNet Major Corridors and Regional Bikeway Program and other transit and capital improvements. Capital projects include near-term and long-term infrastructure projects and encompass activities such as environmental clearance efforts, design, outreach, engineering, and construction.

Corridor Projects

[SANDAG.org/highwayprojects](https://sandag.org/highwayprojects)

SANDAG plans and constructs improvements to the region's highways and freeways and plans new transit routes. All this work helps improve traffic flow, save commuters time, enhance safety, and reduce greenhouse gas emissions. Caltrans, MTS, and NCTD are major partners in this work, and TransNet is a key funding source. Improvement projects on corridors throughout the region are progressing through various phases:

Environmental

- **I-15 and SR 78:** HOV/managed lanes and direct connectors (1207802, 1207803, 1207804)
- **I-805:** Transit priority lanes (1280518, 1280519)
- **SR 52:** Operational improvements (1205204)
- **SR 67:** Enhanced evacuation capacity (1206701)
- **SR 94 and SR 125:** Auxiliary lanes (1212501)

Design

- **I-5:** HOV lanes from SR 78 to SR 76 (1200516) and conversion of HOV lanes to express lanes (1200515)
- **I-805:** HOV lanes, transit connectors, and conversion of HOV lanes to express lanes (1200515, 1280520, 1280521)

Construction

- **I-5:** HOV lanes, soundwalls, and other improvements from Manchester Avenue to north of SR 78 (1200504, 1200510)
- **I-805:** Soundwalls and Sweetwater River Bridge improvements (1280515)

Bikeway Projects

[SANDAG.org/bikeprojects](https://sandag.org/bikeprojects)

An important priority for SANDAG is to provide the region with an extensive network of bikeways and walkways so that biking, walking, and rolling are comfortable, convenient and safe. Several bikeway projects are in construction:

- **Bayshore Bikeway: Barrio Logan:** 2.3 miles of new bikeway (1223055)
- **Border to Bayshore Bikeway:** 6.7 miles of new bikeway (1223056)
- **Downtown to Imperial Bikeway:** 3.5 miles of urban on-street bikeway (1223058)
- **Eastern Hillcrest Bikeways:** 1.1 miles of on-street bikeway and creation of the Normal Street Promenade (1223083)
- **University Bikeway:** 2.8 miles of on-street protected bikeway (1223081)
- **Washington Street and Mission Valley Bikeways:** 3.3 miles of on-street bikeways (1223084)
- **Inland Rail Trail Phase 3:** 1 mile of Class 1 bike path (1223094)



SR 11/Otay Mesa East Port of Entry

[SANDAG.org/ome](https://sandag.org/ome)

The SR 11/Otay Mesa East Port of Entry (1201101, 1201107, 1201108), now under construction, is projected to cut wait times at the border, strengthen border security, improve mobility and air quality in the border region, fuel economic growth, and bolster binational trade. The port of entry will include a new commercial vehicle enforcement facility, infrastructure to



accommodate 100% non-intrusive inspections, and SR 11, a four-lane highway that will connect directly to the new port of entry. The project will use dynamic tolling to enable fast, secure, and predictable crossings with the goal of delivering an average wait time of 20 to 30 minutes at the new facility.

SANDAG has finalized the Federal Project Agreement with U.S. Customs and Border Protection and U.S. General Services Administration and reached the 60% design threshold. Construction has begun, enabling the opening of the highway and Siempre Viva Bridge to local traffic. SANDAG has also hired a construction manager/general contractor for the port of entry facility and started negotiating construction work packages.



Rail Projects

SANDAG rail projects include improvements to heavy and light rail infrastructure. Many of the region's capital rail projects aim to enhance the heavy rail of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Corridor—the only rail connection between San Diego and the rest of the state and nation. Many LOSSAN projects are partially funded by TransNet. SANDAG also plans and builds light rail systems operated by MTS and NCTD. All rail projects aim to improve the movement of people and goods through the region. Rail projects in the LOSSAN Corridor are progressing through the necessary phases:

Environmental

- **Carlsbad Village Double Track** project includes one mile of double track, a new bridge across Buena Vista Lagoon, and new signals (1239810).
- **San Dieguito to Sorrento Valley Double Track** project is evaluating potential options for relocating the rail tracks away from the Del Mar bluffs with a double-track system (1239823).

Design

- **Eastbrook to Shell Double Track** project will build 0.6 miles of double track, a new bridge over San Luis Rey River, and new signals (1239809).
- **San Dieguito Lagoon Double Track** project includes 2.1 miles of double track, a special events platform, replacement of the San Dieguito Bridge, and more (1239813).
- **Sorrento to Miramar Phase 2** project includes 1.9 miles of double track, curve straightening, and new signals (1239812).

Construction

- **Batiquitos Lagoon Double Track** project is building 0.8 miles of double track and a new bridge over the lagoon (1239816). Additionally, design work has begun for the **Palomar Street Rail Grade Separation** (1210091) project, which will move the rail line at Palomar Street and Industrial Boulevard in Chula Vista away from street level. Meanwhile, construction on **Wall 508** (1239825) continues in an emergency stabilization effort.

Local Streets and Roads

As the Regional Transportation Commission, SANDAG approves a multiyear program of transportation projects submitted by local jurisdictions. Since 1988, more than \$1 billion in TransNet funding has been provided to San Diego County and individual cities to help pay for street improvement projects. These TransNet-funded projects are included in the RTIP. In FY 2026, SANDAG allocated \$91.1 million of TransNet Local Streets and Roads funding for many projects throughout the region. This included:

1. **Chula Vista** pavement rehabilitation
2. **Escondido** Grand Avenue Vision Complete Streets improvements
3. **City of San Diego** citywide street resurfacing
4. **Vista** street construction and overlay
5. **Oceanside** Neighborhood Sidewalk/ADA/Traffic improvements



Environmental Mitigation and Grants

[SANDAG.org/emp](https://sandag.org/emp)

In addition to planning and building major infrastructure projects, SANDAG uses the TransNet Environmental Mitigation program to help mitigate the environmental impacts of transportation projects while protecting natural habitats, endangered species, wetlands, coastal lagoons, and other regional resources. Importantly, SANDAG drives initiatives to reduce per capita greenhouse gas emissions regionwide and address the regional impacts of global climate change.



The **TransNet Environmental Mitigation Program (EMP)** is a model for proactively protecting and conserving the environment while also delivering critical transportation infrastructure. SANDAG has awarded approximately \$18.8 million in **TransNet Environmental Mitigation Program Land Management Grants** over a total of 10 cycles. This competitive program awards projects to land managers to protect threatened, rare, and endangered species and their habitats.

Environmental projects during FY 2026 included:

- **Nature Collective's Rare Dune Plant Restoration Project:** This grantee restored dune habitat and implemented conservation efforts at two sites in coastal North County by seeding targeted species, container planting, and removing invasive species. The efforts resulted in the reestablishment of several native plant species and the roosting of multiple threatened bird species, including the western snowy plover.
- **San Diego Zoo Wildlife Alliance's Safari Park Biodiversity Preserve Stinknet Removal II Project:** This grantee harvested more than 500 pads of cactus and will plant them in the restoration area. They also acquired new steam weeding equipment to enhance their efforts and collaborated with the San Pasqual Band of Mission Indians to redefine the plant restoration area to protect cultural artifacts.



Transportation Grants

[SANDAG.org/grants](https://sandag.org/grants)

TransNet funding provides a variety of competitive grant programs to local jurisdictions, nonprofit organizations, community groups, and transportation partners.

Specialized Transportation Programs

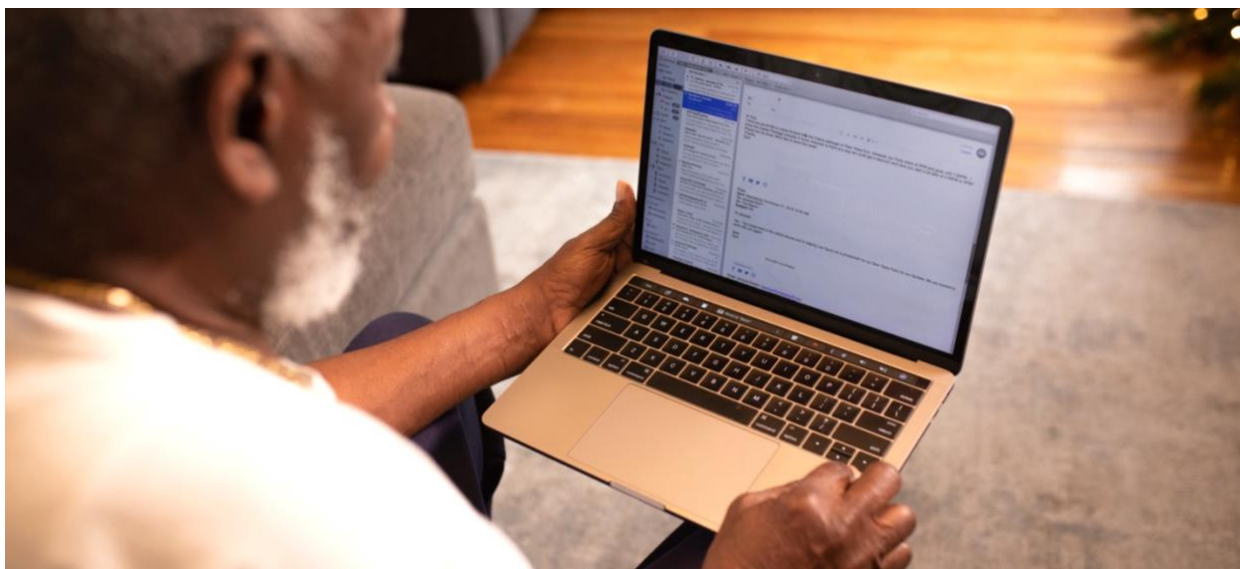
The Specialized Transportation Grant Program (STGP) is designed to offer older adults and individuals with disabilities more options for mobility. STGP consists of two programs: the Senior Mini-Grant (SMG) Program and Section 5310. These programs have awarded more than \$24 million and \$22 million, respectively, to private nonprofits and public agencies. TransNet funds SMG, and the federal government funds Section 5310. In FY 2026, the STGP provided more than 500,000 trips for older adults and individuals with disabilities. The SMG program accounted for over 219,000 of those trips.

Smart Growth Incentive Program

SANDAG provides jurisdictions with funds to revitalize downtown areas by improving walking and biking facilities, creating transit-oriented communities, enhancing streetscapes, beautifying public spaces, and increasing connectivity. Since 2009, \$115 million from the TransNet Smart Growth Incentive Program (SGIP) has fueled projects throughout the region.

During FY 2026, applications for the SGIP Cycle 6 Call for Projects were evaluated, scored, and awarded. In December 2025 and January 2026, the Board awarded approximately \$55 million for 36 planning and capital projects, the largest grant release since the program began.

Read the most recent [SANDAG Annual Report](#) for more agency highlights.



Get Involved

SANDAG.org

Visit [SANDAG.org/transnet](https://www.sandag.org/transnet) to find information and key documents related to TransNet.

Visit [SANDAG.org/subscribe](https://www.sandag.org/subscribe) to sign up to receive the SANDAG Newsletter with monthly updates about our projects, programs, and more.

Meetings

Members of the Independent Taxpayer Oversight Committee (ITOC) meet regularly, usually on the second Wednesday of the month at 9:30 a.m. in the SANDAG Boardroom at 1011 Union Street, San Diego, CA 92101. Find meeting agendas for all ITOC meetings at [SANDAG.org/itoc](https://www.sandag.org/itoc).

Questions

The ITOC encourages feedback on this report and other matters related to TransNet.

Individuals interested in serving on the committee can be placed on the vacancy notification list. Contact itoc@sandag.org with feedback or inquiries.