



# ***TransNet Independent Taxpayer Oversight Committee Agenda***

**Wednesday, February 14, 2024  
9:30 a.m.**

Welcome to SANDAG. The TransNet Independent Taxpayer Oversight Committee (ITOC) meeting scheduled for Wednesday, February 14, 2024, will be held in person in the SANDAG Board Room. While ITOC members will attend in person, members of the public will have the option of participating either in person or virtually.

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**Mission Statement:** *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

**Our Commitment to Equity:** *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

*We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.*

*We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.*

# Independent Taxpayer Oversight Committee

Wednesday, February 14, 2024

## Comments and Communications

### 1. Non-Agenda Public Comments/Member Comments

Members of the public shall have the opportunity to address the TransNet Independent Taxpayer Oversight Committee (ITOC) on any issue within the jurisdiction of the ITOC that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. ITOC members and SANDAG staff also may present brief updates and announcements under this agenda item.

## Consent

### +2. Approval of Meeting Minutes

Approve

*Tessa Lero, Francesca Webb, SANDAG*

The ITOC is asked to review and approve the minutes from its January 10, 2024, meeting.

[Meeting Minutes.pdf](#)

### +3. Quarterly TransNet Financial Reports for the Period Ending December 31, 2023, and other Financial Data

Information

*Andre Douzdzian, Marcus Pascual, SANDAG*

This report provides an update of the financial status of the TransNet Program.

[Quarterly Financial Data.pdf](#)

[Att. 1 - Discussion Memo.pdf](#)

[Att. 2 - Quarterly Report for FY 2024 2nd Qtr.pdf](#)

[Att. 3 - Estimated Annual Sales Tax Revenue.pdf](#)

[Att. 4 - ITOC Operating Budget Analysis.pdf](#)

[Att. 5 - LSI Maintenance Analysis.pdf](#)

[Att. 6 - Grant Program Balances.pdf](#)

[Att. 7 - Local Agency Street and Road Balances.pdf](#)

### +4. Quarterly Finance Report and Update on Financial Markets - Through December 31, 2023

Information

*Andre Douzdzian, Naomi Young, SANDAG*

This report provides an update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the TransNet Program.

[Quarterly Finance Report and Update on Financial Markets.pdf](#)

[Att. 1 - Financial Market Review.pdf](#)

[Att. 2 - Local Economy and Sales Tax Revenue.pdf](#)

[Att. 3 - Investments and Debt Portfolio.pdf](#)

### +5. Draft Schedule of ITOC Meeting Agenda Topics

Information

*Susan Huntington, Vanessa Leon, SANDAG*

The ITOC is asked to review the proposed upcoming draft schedule of agenda

topics.

[Draft Schedule of ITOC Meeting Agenda Topics.pdf](#)

**+6. Regional Bikeway Program Status Update: Early Action Program**

Information

*Omar Atayee, Chris Kluth, SANDAG*

This report provides an update of the progress made on the Regional Bike Plan Early Action Program, as a component of the Regional Bikeway Program, since October 2023.

[Regional Bikeway Program Status Update EAP.pdf](#)

[Att. 1 - Bike EAP Priority List 2013.pdf](#)

[Att. 2 - Bike EAP Crosswalk and Project Status.pdf](#)

[Att. 3 - TransNet Extension Flow of Funds.pdf](#)

[Att. 4 - CIP Total Expenditure, February 1, 2024.pdf](#)

**Reports**

**+7. Proposed FY 2025 ITOC Annual Operating Budget**

Recommend

*Susan Huntington, Zara Sadeghian, SANDAG*

The ITOC is asked to recommend that the Board of Directors approve the proposed ITOC Operating Budget as part of the FY 2025 SANDAG Program Budget.

[Proposed FY 2025 ITOC Annual Operating Budget.pdf](#)

[Att. 1 - ITOC Annual Project Funding Work Element.pdf](#)

**+8. 2024 ITOC Annual Report: Initial Input**

Discussion

*Susan Huntington, Vanessa Leon, Zara Sadeghian, SANDAG*

The ITOC is asked to discuss the proposed format and content for the 2024 ITOC Annual Report.

[2024 ITOC Annual Report Initial Input.pdf](#)

[Att. 1 - 2023 ITOC Annual Report.pdf](#)

**+9. FY 2025 to FY 2029 TransNet Program and Transit-Related Revenues**

Information

*Susan Huntington, Michelle Smith, Naomi Young, SANDAG*

Staff will present an update of the proposed FY 2025 to FY 2029 estimates and apportionments for Transportation Development Act, Federal Transit Administration, and TransNet funds.

[FY 2025 to FY 2029 TN Program and Transit-Related Revenues.pdf](#)

[Att. 1 - Funding Programs.pdf](#)

[Att. 2 - Forecast Methodology for TDA and TN Forecasts.pdf](#)

[Att. 3 - FY 2024 Apportionment and Estimates from FY 2025 to FY 2029.pdf](#)

**+10. TransNet Regional Transportation Congestion Improvement Program  
Proposed Fee Adjustment**

Information

*Susan Huntington, Zara Sadeghian, Naomi Young, SANDAG*

Staff will present information regarding a proposed 4.9% adjustment to the Regional Transportation Congestion Improvement Program, beginning July 1, 2024.

[TransNet RTCIP Proposed Fee Adjustment.pdf](#)

[Att. 1 - Discussion Memo.pdf](#)



## **11. Adjournment**

The next ITOC meeting is scheduled for Wednesday, March 13, 2024, at 9:30 a.m.

+ next to an agenda item indicates an attachment

February 14, 2024

## **January 10, 2024, Meeting Minutes**

### **[View Meeting Video](#)**

Chair Jonathan Frankel called the meeting of the TransNet Independent Taxpayer Oversight Committee (ITOC) to order at 9:33 a.m.

#### **1. Non-Agenda Public Comments/Member Comments**

There were no public or member comments.

#### **Consent**

#### **2. Approval of Meeting Minutes**

The ITOC was asked to approve the minutes from its November 8, 2023, meeting.

#### **3. Draft Schedule of ITOC Meeting Agenda Topics**

The ITOC was asked to review the proposed upcoming draft schedule of agenda topics.

#### **4. TransNet ITOC Member Appointment Process**

This report provided an overview of the reappointment process for ITOC members whose term expires in May 2024.

#### **5. TransNet Major Corridor and Regional Bikeway Program of Projects: Quarterly Status Report (FY 2024 Q1)**

This report provided an update on TransNet Major Corridor and Regional Bikeway Program projects.

There were no public comments on the consent agenda.

Action: Upon a motion by Sunnie House (CEO/Private Sector) and a second by Vice Chair Pedro Orso-Delgado (Contractor/Construction), the ITOC voted to approve the Consent Agenda.

The motion passed.

Yes: Chair Frankel, Vice Chair Orso-Delgado, Lorraine Ahlquist (Biology/Environmental), Sunnie House, Maryam Babaki (Finance/Budgeting), Frank Rivera (Licensed Civil/Traffic Engineer), and Les Hopper (Licensed Engineer).

No: None.

Abstain: None.

Absent: None.

#### **Reports**

#### **6. Local Agency Presentation**

Leia Cabrera and Matthew Widelski, City of Encinitas, presented an update on the city's TransNet Local Street and Road Program.

There were no public comments on this item.

Action: Information only.

## **7. Updates to Proposed Amendments to the TransNet Extension Ordinance: ITOC Membership and Selection Process**

Chair Frankel presented the item.

There were no public comments on this item.

Action: Upon a motion by Frank Rivera, and a second by Vice Chair Orso-Delgado, the ITOC voted to recommend that the Board of Directors approve the updated TransNet Extension Ordinance amendments specific to the membership makeup and selection process for the ITOC.

The motion passed.

Yes: Chair Frankel, Vice Chair Orso-Delgado, Lorraine Ahlquist, Sunnie House, Maryam Babaki, Frank Rivera, and Les Hopper.

No: None.

Abstain: None.

Absent: None.

## **8. 2023 Regional Transportation Improvement Program Amendment No. 9**

Associate Financial Analyst Richard Radcliffe presented Amendment No. 9, focusing the review on the TransNet-funded projects.

There were no public comments on this item.

Action: Discussion only.

## **9. Specialized Transportation Grant Program Cycle 13 Call for Projects Kickoff**

Associate Grants Program Analyst Zachary Rivera presented an overview of the Specialized Transportation Grant Program Cycle 13 Call for Projects.

Public Comments: Tim Bilash

Action: Information only.

## **10. TransNet Grant Programs: Biannual Status Update**

Grants Program Manager Jenny Russo, Regional Planner Lauren Lee, and Associate Grants Program Analyst Aly Vazquez presented the item.

Public Comments: The Original Dra

Action: Upon a motion by Vice Chair Delgado, and a second by Maryam Babaki, the ITOC voted to recommend that the Transportation Committee approve a 6-month schedule extension for the Sweetwater Road Protected Bikeway Smart Growth Incentive Program project.

The motion passed.

Yes: Chair Frankel, Vice Chair Orso-Delgado, Lorraine Ahlquist, Sunnie House, Maryam Babaki, Frank Rivera, and Les Hopper.

No: None.

Abstain: None.

Absent: None.

## **11. Upcoming Meeting**

The next ITOC meeting is scheduled for Wednesday, February 14, 2024, at 9:30 a.m.

## **12. Adjournment**

Chair Frankel adjourned the meeting at 11:23 a.m.

DRAFT

## Confirmed Attendance at TransNet Independent Taxpayer Oversight Committee Meeting

Jurisdiction	Name	Attended
Biology/Environmental	Lorraine Ahlquist	Yes
CEO/Private Sector	Sunnie House	Yes
Contractor/Construction	Pedro Orso-Delgado, Vice Chair	Yes
Finance/Budgeting	Maryam Babaki	No
Licensed Civil/Traffic Engineer	Frank Rivera	Yes
Licensed Engineer	Les Hopper	Yes
Real Estate/Right-of-Way Acquisition	Jonathan Frankel, Chair	Yes
<b>Advisory Members</b>		
San Diego County Auditor's Office	Tracy Drager	Yes

February 14, 2024

## Quarterly TransNet Financial Reports for the Period Ending December 31, 2023, and other Financial Data

### Overview

This report provides quarterly TransNet financial information in accordance with requests from the TransNet Independent Taxpayer Oversight Committee (ITOC) and in response to recommendations from the first and second TransNet Triennial Performance Audits.

#### Action: Information

This report provides an update of the financial status of the TransNet Program.

### Key Considerations

- SANDAG has an aggregate level debt service profile with annual debt service ranging from \$98.4 million to \$106.7 million per year through FY 2048. Maximum annual debt service coverage for the senior lien, using sales tax receipts of \$425.5 million for the last 12 months ending December 31, 2023, is 3.99 times. For every \$1 of debt service, SANDAG received \$3.99 of sales tax revenue, providing ample coverage. The debt-to-revenue ratio includes the FY 2024 debt service of the 2010, 2014, 2016, 2019, 2020, 2021, and 2023 bonds.
- Cumulative fiscal year sales tax revenues through December 31, 2023, came in 1.95% lower than last year.
- All cities and the county are within the allowable 30% limitations for Maintenance spending.
- The City of Carlsbad has cumulatively spent 44.9% of their TransNet allocation. The City is expected to be over the 75% limit by the end of the fiscal year when taking into consideration the amount programmed in FY 2024 indicated by column J on Attachment 7.

#### Fiscal Impact:

Sales tax revenues of \$215.67 million through the second quarter of FY 2024 were lower when compared to \$219.96 million of revenues received through the same quarter of the prior fiscal year.

#### Schedule/Scope Impact:

This report is presented to the ITOC on a quarterly basis.

### **André Douzajian, Chief Financial Officer**

- Attachments:
1. Discussion Memo
  2. TransNet Extension Quarterly Report for FY 2024, Second Quarter
  3. TransNet Extension Estimated Annual Sales Tax Revenue as Compared to Actual Receipts through December 31, 2023
  4. ITOC Operating Budget Analysis
  5. Local Agency Street and Road Maintenance Analysis as of December 31, 2023
  6. TransNet Grant Program Balances as of December 31, 2023
  7. Local Agency Street and Road Balances as of December 31, 2023



## Discussion Memo

The TransNet Independent Taxpayer Oversight Committee (ITOC) requests certain information on a quarterly basis and is also provided information based on recommendations from the first and second *TransNet* Triennial Performance Audits.

The first *TransNet* Triennial Performance Audit recommended the following:

- Recommendation No. 17: SANDAG should...report to the ITOC on the status of the debt-to-revenue ratio on a regular basis. (See cover page)
- Recommendation No. 18: Other data that would be valuable for the ITOC to receive is the quarterly data related to sales tax revenue collected in the particular quarter, collected to date, and distributed amongst the various Extension Ordinance projects, programs, and entities. (Attachment 2)

The Following are additional items requested by ITOC to be provided on a quarterly basis:

- *TransNet* Extension estimated annual sales tax revenue as compared to actual receipts (Attachment 3).
- The ITOC operating budget analysis (Attachment 4) includes the Board of Directors-approved FY 2024 Program Budget, along with the actual (unaudited) expenses to date for the six months ending December 2023, and the projected budgets for FY 2025 through FY 2026.
- Local Agency Street and Road Maintenance amounts paid to the local agencies (Attachment 5).
- Committed and actual spent activity of *TransNet* grant programs (Attachment 6).

Recommendation No. 7 of the second *TransNet* Triennial Performance Audit includes the following:

- Replacing the 30% fund balance limitation with a more effective measure to monitor performance... where SANDAG and ITOC could observe progress and performance through administrative processes rather than through an audit compliance mechanism.

In response to Recommendation No. 7, in November 2013, the ITOC requested minor adjustments to the Local Agency Street and Road balances attachment to assist in monitoring balances and expected use of local agency *TransNet* funds. The Local Agency Street and Road balances schedule (Attachment 7) includes unaudited balances held at SANDAG and the local jurisdictions through December 30, 2023, balance of programmed funds remaining in the Regional Transportation Improvement Program available for payment in FY 2024, estimated balance of funds that have not been programmed, and the cumulative percentage of funds anticipated to be spent through the end of FY 2024 if all funds other than those not programmed are expended. At the request of ITOC, the heading for column J has been modified to better articulate data provided.

# TransNet EXTENSION QUARTERLY REPORT

FISCAL YEAR: FY 2024      QUARTER: 2											
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements					
	Sales Tax Allocations			Other Income <sup>1</sup>	Total Allocation	Program Disbursements <sup>2</sup>			Debt Service <sup>3</sup>		Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date
SANDAG Admin	\$2,147,596	\$4,313,394	\$55,698,740	\$207,862	\$55,906,602	\$(2,200,000)	\$(4,050,000)	\$(55,163,149)	\$0	\$0	\$0
ITOC	\$126,008	\$252,017	\$4,515,515	\$65,141	\$4,580,656	\$(61,694)	\$(196,381)	\$(4,153,445)	\$0	\$0	\$0
Bicycle/Pedestrian/Neighborhood Safety	\$2,147,596	\$4,313,394	\$90,370,959	\$4,222,519	\$94,593,478	\$(4,306,468)	\$(4,306,959)	\$(186,270,087)	\$(1,323,863)	\$(2,634,258)	\$(23,312,143)
Major Corridor Capital Projects	\$39,124,272	\$78,580,540	\$1,659,825,841	\$(188,730,606)	\$1,471,095,235	\$(21,148,456)	\$(21,157,595)	\$(2,968,099,778)	\$(25,310,802)	\$(24,198,974)	\$(1,263,303,873)
Major Corridor Project EMP	\$4,530,179	\$9,098,799	\$192,190,361	\$152,667,224	\$344,857,585	\$11,497,986	\$11,496,928	\$(418,596,911)	\$(3,646,187)	\$(3,849,631)	\$(231,492,769)
Local Project EMP	\$1,853,255	\$3,722,236	\$78,623,329	\$4,028,854	\$82,652,183	\$(239,484)	\$(239,917)	\$(18,211,442)	\$0	\$0	\$(54)
Smart Growth Incentive Program	\$2,162,131	\$4,342,609	\$91,727,218	\$5,138,417	\$96,865,635	\$(695,546)	\$(696,051)	\$(50,782,104)	\$0	\$0	\$0
Local Streets and Roads											
City of Carlsbad	\$1,230,167	\$2,470,748	\$46,442,640	\$10,745,675	\$57,188,315	\$(725,096)	\$(725,383)	\$(26,996,212)	\$0	\$0	\$0
City of Chula Vista	\$2,349,456	\$4,718,900	\$92,026,513	\$6,049,539	\$98,076,052	\$(1,799,783)	\$(1,800,333)	\$(71,039,885)	\$0	\$0	\$0
City of Coronado	\$202,117	\$405,857	\$9,200,634	\$1,099,826	\$10,300,460	\$(14)	\$(60)	\$(6,965,180)	\$0	\$0	\$0
City of Del Mar	\$68,471	\$137,421	\$3,189,861	\$208,991	\$3,398,852	\$(49,070)	\$(49,083)	\$(4,915,127)	\$(33,491)	\$(55,038)	\$(2,212,817)
City of El Cajon	\$882,071	\$1,771,581	\$37,400,664	\$3,091,508	\$40,492,172	\$(1,463,213)	\$(1,463,417)	\$(28,771,877)	\$0	\$0	\$0
City of Encinitas	\$606,516	\$1,218,113	\$25,932,351	\$4,276,314	\$30,208,665	\$(47)	\$(187)	\$(26,431,514)	\$0	\$0	\$0
City of Escondido	\$1,327,693	\$2,666,636	\$55,832,466	\$6,456,293	\$62,288,759	\$(1,750,103)	\$(1,750,413)	\$(47,475,573)	\$0	\$0	\$0
City of Imperial Beach	\$232,479	\$466,840	\$10,906,256	\$597,376	\$11,503,632	\$(27,257)	\$(27,309)	\$(10,953,974)	\$(120,423)	\$(212,956)	\$(1,211,754)
City of La Mesa	\$539,776	\$1,084,060	\$23,958,602	\$3,582,571	\$27,541,173	\$(41)	\$(51,266)	\$(22,890,466)	\$(12)	\$(12)	\$(4,605,170)
City of Lemon Grove	\$242,074	\$486,112	\$10,952,627	\$695,292	\$11,647,919	\$(105,444)	\$(105,498)	\$(9,963,801)	\$0	\$0	\$0
City of National City	\$502,292	\$1,008,774	\$21,803,767	\$1,755,808	\$23,559,575	\$(39)	\$(154)	\$(18,316,464)	\$0	\$0	\$(8,233,109)
City of Oceanside	\$1,605,641	\$3,224,909	\$70,554,954	\$9,303,564	\$79,858,518	\$(126)	\$(500)	\$(63,511,476)	\$(17)	\$(17)	\$(4,915,707)
City of Poway	\$518,266	\$1,040,859	\$23,130,243	\$1,406,587	\$24,536,830	\$(40)	\$(159)	\$(19,765,580)	\$0	\$0	\$0
City of San Diego	\$11,927,664	\$23,957,244	\$506,279,231	\$29,742,205	\$536,021,436	\$(8,411,791)	\$(15,049,051)	\$(510,176,849)	\$(273,748)	\$(520,833)	\$(1,688,741)
City of San Marcos	\$817,757	\$1,642,400	\$33,615,564	\$4,320,816	\$37,936,380	\$(104,480)	\$(917,285)	\$(31,848,223)	\$(228,295)	\$(296,275)	\$(8,471,452)
City of Santee	\$489,996	\$984,076	\$22,112,963	\$1,281,347	\$23,394,310	\$(500,037)	\$(500,150)	\$(25,231,198)	\$(203,867)	\$(398,573)	\$(14,438,158)
City of Solana Beach	\$148,236	\$297,632	\$6,725,532	\$606,533	\$7,332,065	\$(10)	\$(43)	\$(8,406,385)	\$(80,485)	\$(106,534)	\$(3,009,038)

FISCAL YEAR: FY 2024      QUARTER: 2												
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income <sup>1</sup>	Total Allocation	Program Disbursements <sup>2</sup>			Debt Service <sup>3</sup>			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
City of Vista	\$840,579	\$1,688,241	\$35,682,342	\$4,095,627	\$39,777,969	\$(147,901)	\$(148,095)	\$(32,080,873)	\$0	\$0	\$0	\$(32,080,873)
San Diego County	\$5,429,704	\$10,905,746	\$235,329,943	\$20,321,003	\$255,650,946	\$(1,710,426)	\$(1,711,701)	\$(168,176,393)	\$(448,442)	\$(32,258)	\$(24,875,919)	\$(193,052,312)
<b>Total Local Streets and Roads</b>	\$29,960,955	\$60,176,149	\$1,271,077,153	\$109,636,875	\$1,380,714,028	\$(16,794,918)	\$(24,300,087)	\$(1,133,917,050)	\$(1,388,780)	\$(1,622,496)	\$(73,661,865)	\$(1,207,578,915)
Transit Services												
MTS	\$11,679,654	\$23,458,418	\$495,377,307	\$854,346	\$496,231,653	\$(11,955,687)	\$(20,786,413)	\$(492,667,649)	\$0	\$0	\$0	\$(492,667,649)
NCTD	\$4,756,401	\$9,553,164	\$201,913,344	\$335,874	\$202,249,218	\$(4,930,371)	\$(9,451,482)	\$(198,818,796)	\$(833)	\$(21,817)	\$(1,809,162)	\$(200,627,958)
Senior Grant Program	\$552,116	\$1,108,916	\$23,423,200	\$251,528	\$23,674,728	\$(252,755)	\$(252,884)	\$(21,535,191)	\$0	\$0	\$0	\$(21,535,191)
<b>Total Transit Services</b>	\$16,988,171	\$34,120,498	\$720,713,851	\$1,441,748	\$722,155,599	\$(17,138,813)	\$(30,490,779)	\$(713,021,636)	\$(833)	\$(21,817)	\$(1,809,162)	\$(714,830,798)
New Major Corridor Transit Operations	\$8,339,647	\$16,750,062	\$353,804,982	\$22,264,422	\$376,069,404	\$(7,082,877)	\$(16,338,678)	\$(229,537,890)	\$0	\$0	\$0	\$(229,537,890)
<b>TOTAL TRANSNET EXTENSION</b>	\$107,379,810	\$215,669,698	\$4,518,547,949	\$110,942,456	\$4,629,490,405	\$(58,170,270)	\$(90,279,519)	\$(5,777,753,492)	\$(31,670,465)	\$(32,327,176)	\$(1,593,579,866)	\$(7,371,333,358)

### Commercial Paper Program Activity

PROGRAM & RECIPIENT	Commercial Paper Disbursements	
	FY to Date	Program to Date
City of National City	\$0	\$(4,500,000)
City of Santee	\$0	\$(3,950,000)
NCTD	\$0	\$(34,000,000)
City of Imperial Beach	\$0	\$(1,455,000)
City of San Diego	\$0	\$(26,167,000)
City of La Mesa	\$0	\$(4,500,000)
City of Oceanside	\$0	\$(4,790,000)
City of Del Mar	\$0	\$(704,000)
Major Corridor Capital Projects	\$0	\$(99,999,679)
Major Corridor Project EMP	\$0	\$(16,052,321)
<b>Total CP Disbursements</b>	\$0	\$(196,118,000)

### Other Activity

PROGRAM & RECIPIENT	Sales Tax Revenue Transfers for EMP Debt Service Payments			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$(151,839,904)	\$0	\$0	\$(151,839,904)
Major Corridor Project EMP	\$198,646,184	\$(12,381,978)	\$(16,746,096)	\$181,900,088
Local Project EMP	\$(46,806,280)	\$12,381,978	\$16,746,096	\$(30,060,184)
<b>Total Other Activity</b>	\$0	\$0	\$0	\$0

PROGRAM & RECIPIENT	Commercial Paper Program Availability			
	Prior Years	This Quarter	FY to Date	Program to Date
CP Program	\$100,000,000	\$0	\$0	\$100,000,000
NCTD	\$(19,100,000)	\$0	\$1,350,000	\$(17,750,000)
City of La Mesa	\$(417,000)	\$0	\$417,000	\$0
City of Oceanside	\$0	\$0	\$0	\$0
City of Imperial Beach	\$(897,000)	\$0	\$297,000	\$(600,000)
Major Corridor Capital Projects	\$0	\$0	\$0	\$0
City of San Diego	\$(26,167,000)	\$6,400,000	\$6,400,000	\$(19,767,000)
Major Corridor Project EMP	\$0	\$0	\$0	\$0
CP Outstanding	\$(46,581,000)			\$(38,117,000)
<b>CP AVAILABLE FOR ISSUANCE</b>	\$53,419,000			\$61,883,000

2008 ABCD Sales Tax Revenue Bond Activity - \$600,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>4</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$16,893,500	\$0	\$0	\$16,893,500
Major Corridor Capital Projects	\$392,721,119	\$0	\$0	\$392,721,119
Major Corridor Project EMP	\$45,517,182	\$0	\$0	\$45,517,182
<i>Total 2008 Bond Disbursement</i>	\$455,131,801	\$0	\$0	\$455,131,801

2010 A Sales Tax Revenue Bond Activity - \$338,960,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>5</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of San Marcos	\$15,253,815	\$0	\$0	\$15,253,815
City of Solana Beach	\$5,515,065	\$0	\$0	\$5,515,065
Major Corridor Capital Projects	\$276,292,690	\$0	\$0	\$276,292,690
Major Corridor Project EMP	\$43,419,140	\$0	\$0	\$43,419,140
<i>Total 2010 A Bond Disbursement</i>	\$340,480,710	\$0	\$0	\$340,480,710

2010 B Sales Tax Revenue Bond Activity - \$11,040,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>5</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of National City	\$3,383,956	\$0	\$0	\$3,383,956
City of Santee	\$8,519,844	\$0	\$0	\$8,519,844
<i>Total 2010 B Bond Disbursement</i>	\$11,903,800	\$0	\$0	\$11,903,800

2020 A Sales Tax Revenue Bond Activity - 74,820,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
Bike/Pedestrian	\$85,222,973	\$1,586,740	\$4,346,776	\$89,569,749
TOTAL TRANSNET EXTENSION	\$85,222,973	\$1,586,740	\$4,346,776	\$89,569,749

2021 B Sales Tax Revenue Bond Activity - \$116,150,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$131,143,976	0	0	\$131,143,976
<i>Total 2021 B Bond Disbursement</i>	\$131,143,976	0	0	\$131,143,976

2012 A Sales Tax Revenue Bond Activity - \$420,585,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>4,5,6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$5,706,500	\$0	\$0	\$5,706,500
Major Corridor Capital Projects	\$444,770,201	\$0	\$0	\$444,770,201
Major Corridor Project EMP	\$26,812,066	\$0	\$0	\$26,812,066
<i>Total 2012 A Bond</i>	\$477,288,767	\$0	\$0	\$477,288,767

2014 A Sales Tax Revenue Bond Activity - \$350,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>5,6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of Del Mar	\$3,518,350	\$0	\$0	\$3,518,350
City of San Marcos	\$1,152,611	\$0	\$0	\$1,152,611
City of Santee	\$4,938,727	\$0	\$0	\$5,397,979
Major Corridor Capital Projects	\$343,906,117	\$0	\$0	\$343,906,117
Major Corridor Project EMP	\$52,162,768	\$0	\$0	\$52,162,768
<i>Total 2014 A Bond Disbursement</i>	\$405,678,573	\$0	\$0	\$406,137,825

2016 A Sales Tax Revenue Bond Activity - \$325,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
Bicycle/Pedestrian/Neighborhood Safety	\$31,224,192	\$0	\$0	\$31,224,192
Major Corridor Capital Projects	\$322,425,541	\$0	\$0	\$322,425,541
Major Corridor Project EMP	\$54,042,182	\$0	\$0	\$54,042,182
<i>Total 2016 A Bond Disbursement</i>	\$407,691,915	\$0	\$0	\$407,691,915

2018 A Sales Tax Revenue Bond Activity - \$537,480,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$573,453,241	\$0	\$0	\$573,453,241
<i>Total 2018 A Bond Disbursement</i>	\$573,453,241	\$0	\$0	\$573,453,241

FOOTNOTES:

1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bonds, and other debt service costs net of interest earnings.
4. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of \$17.1 million. The Program to Date total includes interest earnings. The 2008 Bonds were partially defeased with the issuance of the 2012 Bonds on June 14, 2012, thereby reducing the 2008 Bond Proceed Disbursement.
5. 2010, 2012, 2014, 2016, and 2018 Bond Proceeds have been fully disbursed and the Program to Date includes interest earnings.
6. The 2012 Bond total includes a premium of \$55.8 million, the 2014 Bond total includes a premium of \$55.3 million, the 2016 Bond total includes a premium of \$78.8 million, the 2018 Bond includes a premium of \$31.6 million and the 2020 bond includes a premium of \$20 million.
7. On March 25, 2021 the Commission issued \$265.9 million in 2021AB bonds of which \$170 million was used to refund the 2014A bonds. The bonds were issued at a premium of \$36 million with \$130 million in project funds available to be used on Major Corridor projects. All project funds as of March 31, 2023 have been expended.

**TransNet Extension Estimated Annual Sales Tax Revenue  
as Compared to Actual Receipts through December 2023**

	Annual		Current Year Actuals vs. Estimates	Current Year Actuals vs. Prior Year Actuals	Annual Forecast vs. Prior Year
	Estimates <sup>1</sup>	Actuals			
FY 2009	\$ 229,741,846	\$ 221,991,360	-3.37%	-9.07%	-6.00%
FY 2010	199,792,224	204,191,748	2.20%	-8.02%	-10.00%
FY 2011	216,443,252	221,304,014	2.25%	8.38%	6.00%
FY 2012	232,369,215	236,947,113	1.97%	7.07%	5.00%
FY 2013	249,979,204	247,221,162	-1.10%	4.34%	5.50%
FY 2014	262,478,164	260,114,931	-0.90%	5.22%	5.00%
FY 2015	269,965,509	268,840,549	-0.42%	3.35%	4.00%
FY 2016	278,249,968	275,500,023	-0.99%	2.48%	3.50%
FY 2017	287,988,716	284,456,260	-1.23%	3.25%	5.00%
FY 2018	292,132,637	301,455,493	3.19%	5.98%	3.00%
FY 2019	300,896,616	305,349,500	1.48%	1.29%	3.00%
FY 2020	309,923,514	305,851,214	-1.31%	-2.07%	3.00%
FY 2021	308,165,353	333,998,567	8.38%	9.20%	-0.57%
FY 2022	403,847,835	405,921,138	0.51%	21.53%	31.05%
FY 2023	425,804,071	429,735,181	0.92%	5.87%	5.44%
FY2024	429,992,613	215,669,698	-2.01%	-1.95%	0.98%
Cumulative		\$ 4,518,547,950			
	FY 2024 Estimates	FY 2024 Actuals <sup>2</sup>	Cumulative: FY 2024 Actuals vs. FY 2024 Estimates	Cumulative: FY 2024 Actuals vs. Same Period of FY 2023 Actuals	
July	\$ 44,505,328	\$ 43,691,260	-1.83%	-1.77%	
August	\$ 29,012,850	27,925,686	-2.59%	-2.53%	
September	\$ 36,875,139	36,672,942	-1.91%	-1.85%	
October	\$ 38,498,028	38,088,738	-1.69%	-1.63%	
November	\$ 34,517,666	33,489,426	-1.93%	-1.87%	
December	\$ 36,679,101	35,801,646	-2.01%	-1.95%	
January	\$ 33,833,796				
February	\$ 40,849,680				
March	\$ 34,716,113				
April	\$ 31,458,437				
May	\$ 34,020,342				
June	\$ 35,026,134				
	\$ 429,992,613 <sup>1</sup>	\$ 215,669,698			

<sup>1</sup>Latest SANDAG Board of Directors approved estimate.

<sup>2</sup>Reflects actual year-to-date cash receipts through December 2023.



**ITOC Operating Budget Analysis**  
**FY 2024 Approved Budget and Actual Expenses**  
**for the six Months Ending December 31, 2023**  
**and Projected Budgets for FY 2025 and FY 2026**

	FY 2024			Projected	
	Budget	Actual <sup>8</sup>	Variance	FY 2025 Budget	FY 2026 Budget <sup>9</sup>
<b>Revenues</b>					
Annual TransNet Allocation <sup>1</sup>	\$ 504,034	\$ 130,003	\$ (374,031)	\$ 515,144	\$ 528,383
Carryover TransNet Revenue - budgeted	-	-	-	-	-
Total Revenues	504,034	130,003	(374,031)	515,144	528,383
<b>Expenses</b>					
Annual Fiscal Audits <sup>2</sup>	122,485	42,870	(79,615)	122,485	122,485
Triennial Performance Audit <sup>2</sup>	320,000	115,919	(204,081)	-	-
Administration - SANDAG <sup>3</sup>	130,512	35,996	(94,516)	233,178	239,241
Mileage <sup>4</sup>	2,066	-	(2,066)	2,130	2,185
Interpretation Services	9,600	1,595	(8,005)	9,898	10,155
Advertisement	1,833	-	(1,833)	1,890	1,939
Postage/Delivery	236	-	(236)	243	249
Reserve for Outside Consulting Services <sup>5</sup>	26,057	-	(26,057)	26,865	27,563
Total Expenses	612,789	196,381	(416,408)	396,689	403,817
<b>Net Difference<sup>6</sup></b>	(108,755)	(66,377)	42,377	118,455	124,566
<b>Other Available Funds</b>					
Carryover TransNet Revenue - unbudgeted	\$362,404			\$260,829	\$386,464
Carryover TransNet Revenue - Budgeted/Actual	(108,755)			118,455	124,566
Current Year Interest Earned <sup>7</sup>	\$7,180			\$7,180	\$7,180
End of Year	<u>\$260,829</u>			<u>\$386,464</u>	<u>518,210</u>

*Notes:*

<sup>1</sup>Annual budget is \$250,000 in \$2,000 escalated annually by the most recent Consumer Price Index (CPI).

<sup>2</sup>Projected annual fiscal audits for FY 2025 and FY 2026 are based on agreed upon future rates.

<sup>3</sup>Salaries, benefits, indirect costs for SANDAG staff supporting the ITOC.

<sup>4</sup>Mileage and parking reimbursement for ITOC members.

<sup>5</sup>Reserve started at \$20,000 in FY 2013 with CPI adjustment each subsequent year.

<sup>6</sup>Any expenditures exceeding TransNet revenues will be funded by other unbudgeted available funds. Remaining (unspent)TransNet revenues will carry forward at year-end and be added to Other Available Funds.

<sup>7</sup>Current Year Interest Earned will be added to "Carryover TransNet Revenue - unbudgeted" in future years.

<sup>8</sup>Amounts are unaudited.

<sup>9</sup>FY 2025 and FY 2026 budget is adjusted by 3.1% CPI and 2.6% CPI, respectively.

**Local Agency Street & Road (LSI)  
Maintenance (30% LSI Funding) Analysis  
Cumulative SANDAG Activity  
As of December 31, 2023  
(in thousands)**

	A	B	C	D	E	F
			= A + B		= C + D	
	LSI: Maintenance					
	TransNet Funds Allocated at December 31, 2023	Other Funds Allocated at December 31, 2023 <sup>2</sup>	Total Funds Allocated at December 31, 2023	Expended at December 31, 2023 <sup>3</sup>	Unspent Total Balance at December 31, 2023	Cash Balances Available at December 31, 2023 <sup>4,5</sup>
City of Carlsbad	\$ 13,933	\$ 3,206	\$ 17,139	\$ (1,596)	\$ 15,543	\$ 15,543
City of Chula Vista	27,608	1,804	29,412	(19,608)	9,804	9,804
City of Coronado	2,760	323	3,083	(327)	2,756	2,756
City of Del Mar	957	62	1,019	(403)	616	<b>488</b>
City of El Cajon	11,220	919	12,139	(6,850)	5,289	5,290
City of Encinitas	7,780	1,270	9,050	(1,331)	7,719	<b>3,777</b>
City of Escondido	16,750	1,942	18,692	(16,353)	2,339	2,340
City of Imperial Beach	3,272	178	3,450	(3,087)	363	363
City of La Mesa	7,188	1,075	8,263	(4,873)	3,390	3,390
City of Lemon Grove	3,286	208	3,494	(2,948)	546	546
City of National City	6,541	509	7,050	(5)	7,045	<b>4,894</b>
City of Oceanside	21,166	2,799	23,965	(15,101)	8,864	8,865
City of Poway	6,939	420	7,359	(6,268)	1,091	1,092
City of San Diego	151,884	9,055	160,939	(158,804)	2,135	2,136
City of San Marcos	10,085	1,290	11,375	(4,187)	7,188	7,189
City of Santee	6,634	375	7,009	(5,074)	1,935	<b>1,604</b>
City of Solana Beach	2,018	179	2,197	(325)	1,872	<b>1,432</b>
City of Vista	10,705	1,242	11,947	(8,255)	3,692	<b>3,691</b>
San Diego County	70,599	5,845	76,444	(3,971)	72,472	72,473
Totals	\$ 381,325	\$ 32,701	\$ 414,026	\$ (259,366)	\$ 154,659	\$ 147,673

<sup>1</sup> Unaudited.

<sup>2</sup> Other Funds (Column B) may include *TransNet* I funds carried over to the *TransNet* Extension Program, Interest earnings, and ARRA swap.

<sup>3</sup> Expended amounts (Column D) include payments made to local jurisdictions and Program Costs.

<sup>4</sup> Maintenance activity is tracked to ensure no more than 30% of funds will be cumulatively paid to the local jurisdiction and/or used for Program Costs; however actual payment to local jurisdictions for Maintenance projects may not exceed both the Unspent Total Balance (Column E) and Cash Balances Available (Column F).

<sup>5</sup> As noted in **bold**, amounts in Column F are less than Column E when the local jurisdiction is programming and spending more than 70% LSI on Congestion Relief projects.

**TransNet Grant Program Balances  
As of December 31, 2023  
(Unaudited)**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E = C - D</b>
	Revenue Received				
	Total Revenue Received <sup>1</sup>	Non-Grant (Regional) Revenue	Awarded Grant Revenue	Grantee Expenditures <sup>2</sup>	Unspent Grant Commitment
Active Transportation Grant Program (ATGP - Bike/Ped) <sup>3,4</sup>	\$ 94,524,461	\$ 77,838,191	\$ 16,686,270	\$ 14,101,182	\$ 2,585,088
Smart Growth Program (SGIP) <sup>5</sup>	96,794,602	n/a	59,957,009	47,560,625	12,396,384
Local Environmental Mitigation Program (EMP) <sup>6</sup>	52,531,117	33,714,456 <sup>7</sup>	18,816,661 <sup>8</sup>	15,841,745	2,974,917
Senior Mini-Grant Program (SMGP) <sup>9</sup>	23,656,534	n/a	23,925,366 <sup>10</sup>	20,705,370	3,219,996

<sup>1</sup>Total Revenue Received is net of program costs.

<sup>2</sup> Grantee Expenditures may include estimated accruals for the period ending June 30, 2023.

<sup>3</sup> Includes 48 awarded projects from ATGP Cycles 1 through 4 (FY 2009-2019) that were funded by TransNet. TDA funded another 40 projects from those cycles.

<sup>4</sup> TransNet 2% (Bike/Ped) revenue allocation is used toward regional bike projects in addition to the ATGP Grant Program.

<sup>5</sup> Includes awarded SGIP Cycles 1 through 5 (FY 2009-2020).

<sup>6</sup> Local EMP revenues are used toward grant and non-grant projects. Includes awarded EMP Land Management Grants (FY 2006-2019). Land Acquisition Grants from Cycle 1 (FY 2014) are funded from Major Corridor EMP and are therefore not included in this report.

<sup>7</sup> Local EMP non-grant projects and expenditures are funded with sales tax revenue while regional projects may also receive bond proceed funding.

<sup>8</sup> All 19 of the 10th Cycle LMG contracts have been executed.

<sup>9</sup> Includes awarded SMGP Cycles 1 (FY 2009-2011), 2 (FY 2012-2013), 3 (FY 2014-2015), 4 (FY 2016-2017), 5 (FY 2018-2019), 6 (FY 2020-2021), 7 (FY 2022-2023), 8 (FY 2024-2025)

<sup>10</sup> SMGP Awarded Grant Revenue (Column C) includes TransNet allocations through FY 2024 whereas Column A represents Total Revenues Received through December 31, 2023.

(in thousands)

<sup>7</sup> May include rounding.

February 14, 2024

## **Quarterly Finance Report and Update on Financial Markets – Through December 31, 2023**

### **Overview**

Staff provides quarterly briefings on the latest developments in the financial markets, economy, sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the TransNet Program; and a quarterly report on investments as required per Board Policy No. 003.

### **Action: Information**

This report provides an update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the TransNet Program.

### **Key Considerations**

- Through December 2023 of FY 2024, sales tax revenue is 2.01% lower than FY 2023 collections through the same month, with TransNet revenue totaling \$215.7 million thus far.
- Senior lien maximum annual debt service coverage, using sales tax receipts of \$425.4 million for the 12 months ending December 31, 2023, is 3.99 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.99 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings.
- Based on the significant increase in sales tax revenue over the last four years from \$312 million in FY 2019 to \$429 million in FY 2023, the most recent TransNet Plan of Finance shows that the Major Corridor Program has the capacity to issue up to \$600 million in additional debt for projects, while maintaining its AAA ratings. However, based on sufficient current cash flows and with interest rates at multi-year highs, there are no plans to issue debt this calendar year.
- National inflation has increased slightly to 3.4% for the 12-month period ending in December 2023. Acknowledging a stabilizing inflation trend, the Fed plans to proceed cautiously with a few rate cuts anticipated through 2024.

### **Fiscal Impact:**

Senior lien debt service coverage remains strong at 3.99 times, providing ample coverage and supporting triple-A ratings.

### **Schedule/Scope Impact:**

The lasting impact of inflation, higher borrowing costs, elevated home prices, and mounting debt are expected to subdue consumer spending in the coming year.

**André Douzdjian, Chief Financial Officer**

Attachments: 1. Financial Market Review  
2. Local Economy and Sales Tax Revenue  
3. Investment and Debt Portfolio

## ***Market Review and Update***

### ***Overview***

As we start the new year, the consensus in 2024 are slower growth and moderated inflation. The inflation rate was slightly higher than anticipated in December 2023; however, the Federal Reserve acknowledged an overall stabilizing inflation trend as the economy and the labor market remain strong. The Fed anticipates a few rate cuts in 2024 though will proceed cautiously. The annual inflation rate went up to 3.4% in December 2023 from 3.1% in November. The inflation rate rose higher than forecasted 3.2% in relation to slower drop in energy prices.

### ***Interest Rates***

- **Treasury Rates:** There was high volatility in Treasury rates (industry accepted benchmark for taxable bonds) in 2023 as the market reacted to key economic indicators. However, there was a palpable shift in market tone towards the end of 2023 with rates having declined significantly from the peak levels which were highest they had been since 2007. The 2-year treasury note is currently yielding 4.39%. Long-term treasury rates have also been volatile with the 10-year treasury currently yielding 4.12% and the 30-year treasury bond yielding 4.33%.
- **Municipal Market Rates:** Tax exempt municipal bond rates, as represented by the AAA BVAL rates (benchmark for tax-exempt rates produced by Bloomberg) also backed off from the peak levels in October with significant gains in November and December of 2023. The 30-year rate, currently at 3.57%, is a whole 1.0% lower compared to October 2023.
- **Fed Funds Rate:** The Fed last raised rates to 5.25% - 5.50% range at the July 2023 meeting and has held the rates steady since then. Overall, the Fed made 11 rate hikes from March 2022 to July 2023. The Fed has signaled several rate cuts in 2024 as economic growth cools and inflation pressure slows down. At their last meeting in December the Fed acknowledged that economic growth has slowed compared to the first part of 2023. Job gains have slowed but remain strong and the unemployment rate has remained low.

**Municipal Market Supply-Demand Dynamics:** Bond funds experienced more outflows than inflows in 2023. However, that was balanced by lower issuance volume in 2023.

**Equity Markets:** Domestic equity markets experienced their fair share of volatility in 2023 but ended the year on a very strong note. S&P 500 gained nearly 25% in 2023 and hit at an all-time high of 4,839 most recently in January 2024.

### ***U.S. Economy***

- **Jobs and Unemployment:** The Initial Jobless Claims were at 187,000 for the week ending January 18, which was well below market expectations of 207,000 underscoring the tightness of the labor market and providing the Fed with justification to prolong its hawkish stance for the next quarter. The unemployment rate was at 3.7% in December 2023, unchanged from the previous month.
- **GDP:** GDP increased at an annualized rate of 4.9% in the third quarter of 2023, after the 2.1% in the second quarter. It marks the strongest growth since fourth quarter of 2021.
- **Personal Spending:** As the economy's key driver, personal spending in December 2023 increased by 0.2% from November, slightly weaker than the forecasted 0.3%.

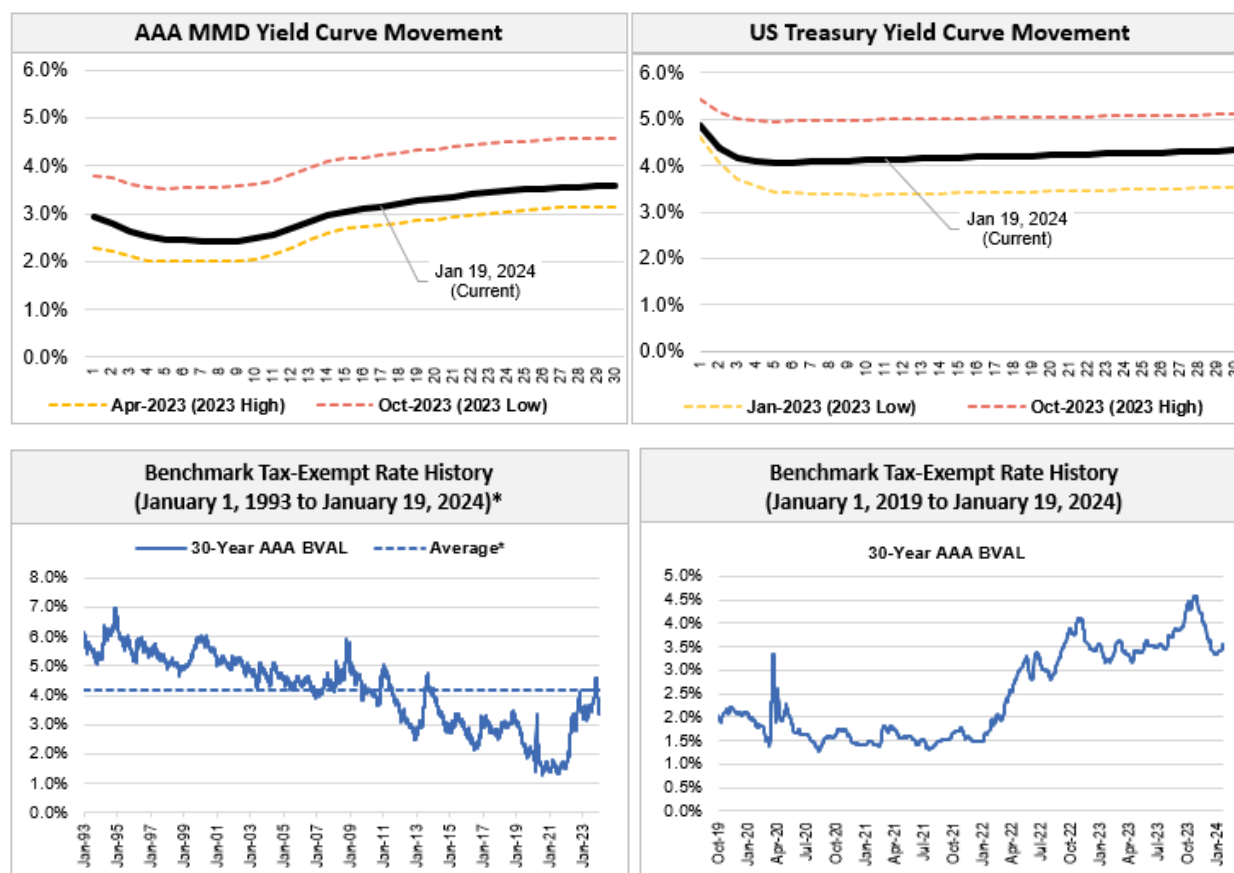


- **Manufacturing and Service Data:** The S&P Global U.S. Composite Purchasing Managers Index (PMI) declined in 2023 but stayed above 50 with the latest read for December 2023 coming in at 50.9. A reading above 50 indicates expansion in business activity and vice versa. The composite PMI has been strengthened mostly by the services sector with manufacturing PMI at or below 50 for the past 12 months indicative of contraction in manufacturing.
- **Consumer Sentiment:** The University of Michigan's consumer sentiment rose to 78.8 which is the highest it's been since July 2021. The consumer sentiment was at 71.6 in July 2023 and had been weakening since then.

### **Long-Term Tax-Exempt and Taxable Interest Rates**

The Bloomberg Valuation Service's (BVAL) AAA yield curve (i.e., the "BVAL AAA" which is a widely accepted benchmark for tax-exempt municipal bond rates) dropped significantly in the last two months of 2023 after clear signals from the Fed that the rate hike cycle which began in 2022 was concluded supported by improvement in inflation data among other economic indicators. The two charts below show current AAA BVAL yield curve and the current US Treasury yield curve (benchmark of taxable municipal bond rates) in comparison to highest and lowest they been in 2023. As seen in the chart, the BVAL AAA yield curve is 0.85% to 1.13% lower across the curve compared to its October 2023 peak. U.S. Treasury rates also declined by about 0.57% to 0.91% across the board since October 2023. Both the BVAL yield curve as well as the U.S. Treasury curve continue to reflect significant "inversion" wherein short-term rates are higher than intermediate-to-long-term rates.

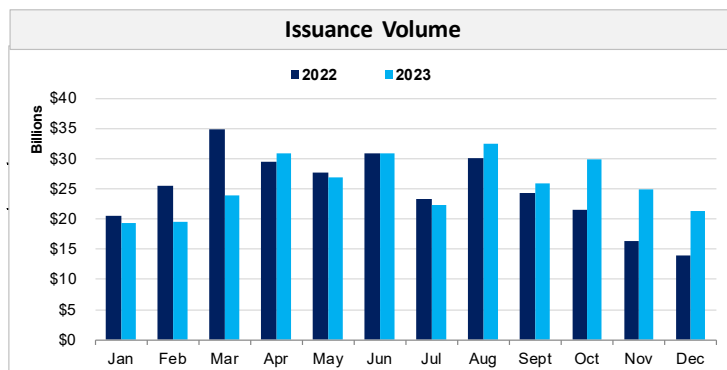
The current 30-year BVAL AAA bond yield is 3.57% which is 58 bps lower than its long-term average.



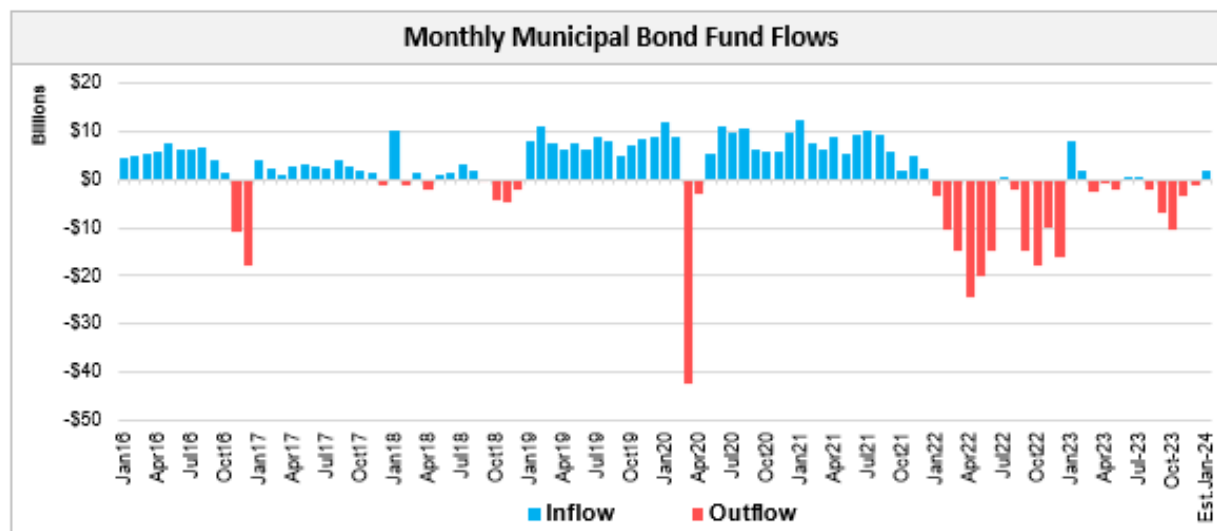
\*The 1993-2010 data represents the AAA Municipal Market Data (MMD) data which is also a widely accepted tax-exempt benchmark rate. The 2011-2024 data represents the AAA BVAL rates.

## Municipal Market Supply and Demand

Tax-exempt issuance in 2023 was \$325.8 billion, 3.4% % higher than 2022. The combined taxable and tax-exempt issuance volume of \$380 billion in 2023 was 2.8% lower than 2022. Through September 2023 the total issuance volume was lagging significantly compared to the prior year, however the rally in rates in late 2023 provided a healthy boost helping close the year stronger than anticipated.



Mutual funds are one of the largest investors in municipal bonds and the net inflow or net outflow from mutual funds is indicative of demand for municipal bonds. There were outflows from municipal bond funds for a majority of 2022 and 2023 indicating weak limited investor appetite for municipal bonds owing to a very volatile and relatively high interest rate environment. There are modest inflows for the first couple weeks in January 2024. While that is limited data to assess investor appetite, 2024 is anticipated to be more favorable relative to prior years.



## Credit Spreads

Mirroring the movements in rates, credit spreads have also been volatile for the last couple years. Spreads that had widened significantly in 2022 generally improved over the course of 2023. That in conjunction with record low issuance volume for 2023 has helped offset weak demand and bond deals are still getting done in the market.

## Interest Rate Forecasts

The Fed kept the target rate unchanged at the December meeting. The Fed dot-plot released after that meeting indicates the expectation of three rate cuts in 2024 sending a clear signal to the market that it has concluded its two-year rate tightening cycle to control inflation.

The next table provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. The market expects several rate cuts in 2024 and 2025. The two-year U.S. Treasury rate is forecasted to decline by 0.32% to 3.68% by end of 2024. The ten-year U.S. Treasury rate is forecasted to decline by 0.46% to 3.62% by end of 2024. The 30-year U.S. Treasury rate is also forecast to decline by 0.24% to 4.05% by the end the year.

### Street's Interest Rate Forecast

Forecast	1/22/24	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
30-Year UST	4.29%	4.25%	4.15%	4.05%	4.05%	3.92%	3.89%	3.87%	3.89%	3.83%
10-Year UST	4.08%	4.06%	3.89%	3.73%	3.62%	3.50%	3.44%	3.44%	3.42%	3.31%
2-Year UST	4.00%	4.39%	4.12%	3.86%	3.68%	3.49%	3.36%	3.28%	3.21%	3.11%
3M Secured Overnight Financing Rate	4.37%	5.28%	4.99%	4.60%	4.27%	3.97%	3.70%	3.48%	3.28%	3.18%
Federal Funds Target Rate Upper Bound	5.50%	5.45%	5.15%	4.70%	4.30%	3.90%	3.60%	3.40%	3.25%	3.10%
Federal Funds Target Rate Lower Bound	5.25%	5.22%	4.90%	4.46%	4.07%	3.64%	3.36%	3.17%	3.00%	2.87%



## Local Economy and Sales Tax Revenues

In the second quarter of FY2024, San Diego's regional economy displayed resilience amid a third year of elevated inflation and high interest rates. Tourism is returning to 2019 levels, and overall employment has remained healthy. At the same time, the region's households have faced headwinds from rising costs of living, only modest wage growth, and slight moderation in real estate markets.

Tourism continues its post-pandemic recovery, capitalizing on solid demand and shifts in consumer spending from goods to experiences and the tail end of the "revenge travel" phenomenon of people making up for not traveling because of the 2020 pandemic. In 2022, the region had 28.8 million visitors who spent \$13.6 billion. From January through October 2023, visits and visitor spending outpaced 2022 counts during that same 10-month period by 10.9% and 4.4%, respectively.

The region's diversified employment base has also been an anchor for the region's economy. More than 1.61 million San Diegans were in the civilian labor force as of November 2023, up 1,800 workers from the prior year. Total nonfarm, wage/salary jobs were 1.59 million in November 2023, up 21,900 from the preceding year. The largest net gains came in private Healthcare and Social Assistance (10,700 jobs) and Tourism (9,900), while Administrative and Support and Waste Management and Remediation Services (-7,000) had the largest job loss. The region's unemployment rate remained relatively low at 4.2% in November 2023. The unemployment rate for California was 4.9%, and the national unemployment rate was 3.5%.

While labor market conditions remain strong, pressure on the San Diego economy comes from its cost of living continuing to rise. San Diego's household area median income (AMI) rose to \$116,800 at the start of FY2024, but wage growth has not kept pace with inflation. Housing costs and elevated prices for household necessities have been cutting into discretionary spending and savings, making San Diego among the nation's top 5 most expensive places to live. In November 2023, San Diego inflation rose to 5.2% (after falling to 4.3% in July) and continued to track above the national level (3.1%). Necessities, such as groceries (2.6%), shelter (8.7%), electricity (16.2%), and medical care (5.2%), were the main contributors to November's rise. With three years of inflationary pressure, credit card debt and delinquencies are rising.

Both commercial and residential real estate have struggled amid economic uncertainty and higher borrowing costs for business expansion and homebuying on the heels of the Fed's rate-hike cycle that began in March 2022. Given the tighter lending standards, high cost of capital, lower business investment, and prevailing telework trends, the San Diego commercial real estate struggled with decreased demand for office space. Compared to the pre-pandemic period, leasing volume has plummeted almost 20% (Q3 2023), while availability has risen by 7 million square feet to 20.4 million square feet. While the region faced a 10.8% vacancy in late 2023, Downtown San Diego remained the hardest hit. The vacancy rate for Class A properties in the Downtown San Diego market is forecasted to reach an unprecedented 39% in 2024. This vacancy rate is caused by dwindling demand and 2.7 million square feet of new—and still uncommitted—office space expected to be delivered in the next 18 months.

In contrast, the residential real estate market remained especially tight and arguably frozen because of limited supply, near-record home prices, and elevated mortgage rates. In late December, mortgage rates fell to 6.61%. Falling rates are attracting more buyers, but only some would-be sellers have put their homes on the market. In November 2023, year-over-year home sales were down 14.5% to 1,549. The median-priced home was \$870,000, and affordability limited to just 16% of San Diego households based on a \$5,550 monthly payment on a median-priced home at a 6.82% rate for a 30-year fixed mortgage (December 2023). The region also has the nation's third-most expensive rental market, with rents up an average of 18% to \$2,830 in the past year.

While recession fears appear to be fading, the lasting impact of inflation, higher borrowing costs, elevated home prices, and mounting debt are expected to subdue consumer spending in the coming year.

## Sales Tax Revenues

TransNet and TDA revenue gains in FY2023 were very strong. However, expectations for FY2024 are significantly more modest. Consumer spending slowed in the first half of FY2024; through Q2, TransNet totaled \$215,669,698, down 2.0% (compared to collections through Q2 of FY2023). TDA was 0.6% lower compared to the same period last fiscal year. While the entirety of the holiday spending surge has yet to be captured in collections, we expect the trend to reverse and FY2024 revenues to close out the year on par with FY2023.

Looking at FY2025, the updated forecast reflects that a shallow economic downturn will be avoided and that inflation will ease. At the same time, consumer spending is expected to cool. SANDAG economists are tracking data that points to some financial stress for consumers. After two years of wage growth that has not kept pace with inflation, households have faced higher costs of living and mounting debt. A key factor influencing the forecast update is how, if at all, San Diegans will respond to easing inflation and possible interest rate cuts in FY2025. SANDAG economists conservatively forecast that financially stressed households will divert some disposable income from spending to pay down debt or bolster depleted savings rather than increase spending. The short-term forecast includes a gradual return to “normal” growth by FY2028 (matching its pre-pandemic historical average). FY2025 is estimated to grow 1%. FY2026 growth is projected at 1.2%, FY2027 at 1.3%, and FY2028 at 2.9%.

The following tables provide a breakdown of sales tax collected. Table 1 provides a comparison by month for the past two fiscal years, and Table 2 reports annual revenue beginning in FY2009 (the first year of the TransNet Extension Ordinance):

**Table 1: TransNet Revenue by Month**

Month	FY2023	FY2024
July	\$44,478,683	\$43,691,260
August	\$28,995,480	\$27,925,686
September	\$36,853,062	\$36,672,942
October	\$38,474,980	\$38,088,738
November	\$34,497,001	\$33,489,426
December	\$36,657,141	\$35,801,646
January	\$33,813,540	
February	\$40,825,224	
March	\$34,695,328	
April	\$31,439,603	
May	\$33,999,974	
June	\$35,005,164	
<b>TOTAL</b>	<b>\$429,735,181</b>	<b>\$215,669,698</b>

**Table 2: TransNet Revenue by Year**

Year	Annual Revenue
FY2009	\$221,991,360
FY2010	\$204,191,748
FY2011	\$221,304,014
FY2012	\$236,947,113
FY2013	\$247,221,162
FY2014	\$260,114,931
FY2015	\$268,840,549
FY2016	\$275,500,023
FY2017	\$284,456,260
FY2018	\$301,455,493
FY2019	\$305,349,500
FY2020	\$305,851,214
FY2021	\$333,998,567
FY2022	\$405,921,138
FY2023	\$429,735,181
FY2024*	\$215,669,698
<b>TOTAL</b>	<b>\$4,518,547,950</b>

\* FY2024 includes values through only the first six months.

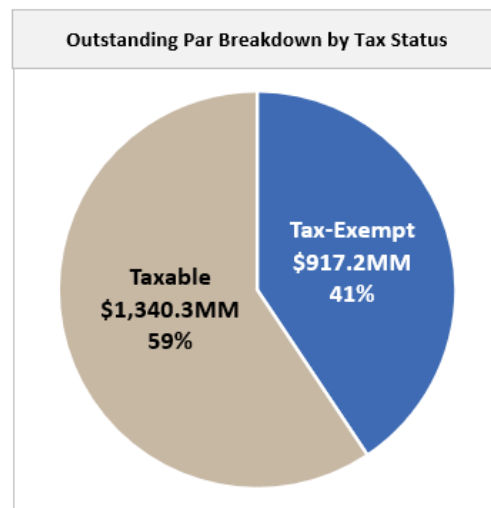
## AGENCY DEBT PORTFOLIO OVERVIEW

### *Commission Outstanding Debt Overview*

SANDAG, serving as the San Diego County Regional Transportation Commission, has \$2.26 billion of outstanding long-term debt. A summary of the outstanding bonds is tabulated and graphically presented below.

Summary of Outstanding Debt							
Series	Lien	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2010A	Senior	Taxable	Fixed Rate	\$338,960,000	338,960,000	Make-Whole	4/1/2048
2014A	Senior	Tax-Exempt	Fixed Rate	\$350,000,000	6,460,000	4/1/2024	4/1/2024
2016A	Senior	Tax-Exempt	Fixed Rate	\$325,000,000	291,265,000	4/1/2026	4/1/2048
2019A	Senior	Taxable	Fixed Rate	\$442,620,000	314,062,000	4/1/2030	4/1/2048
2020A	Senior	Tax-Exempt	Fixed Rate	\$74,820,000	69,955,000	4/1/2030	4/1/2048
2021A	Senior	Taxable	Fixed Rate	\$149,840,000	149,840,000	4/1/2031	4/1/2048
2023A	Senior	Tax-Exempt	Fixed Rate	\$433,355,000	\$433,355,000	4/1/2033	4/1/2042
2021B	Subordinate	Tax-Exempt	Fixed Rate	\$116,150,000	116,150,000	4/1/2031	4/1/2039
TIFIA	Junior Sub.	Taxable	Fixed Rate	\$537,484,439	537,484,439	Anytime	10/1/2045
<b>Total</b>					<b>\$2,257,531,439</b>		

The debt portfolio is comprised of 100% fixed-rate debt. As a result of the 2023 refunding, SANDAG has no long-term variable rate bonds and no interest rate swaps outstanding. Of the total debt portfolio, 59% consists of taxable debt, including the TIFIA loan and the remaining is tax-exempt bonds.

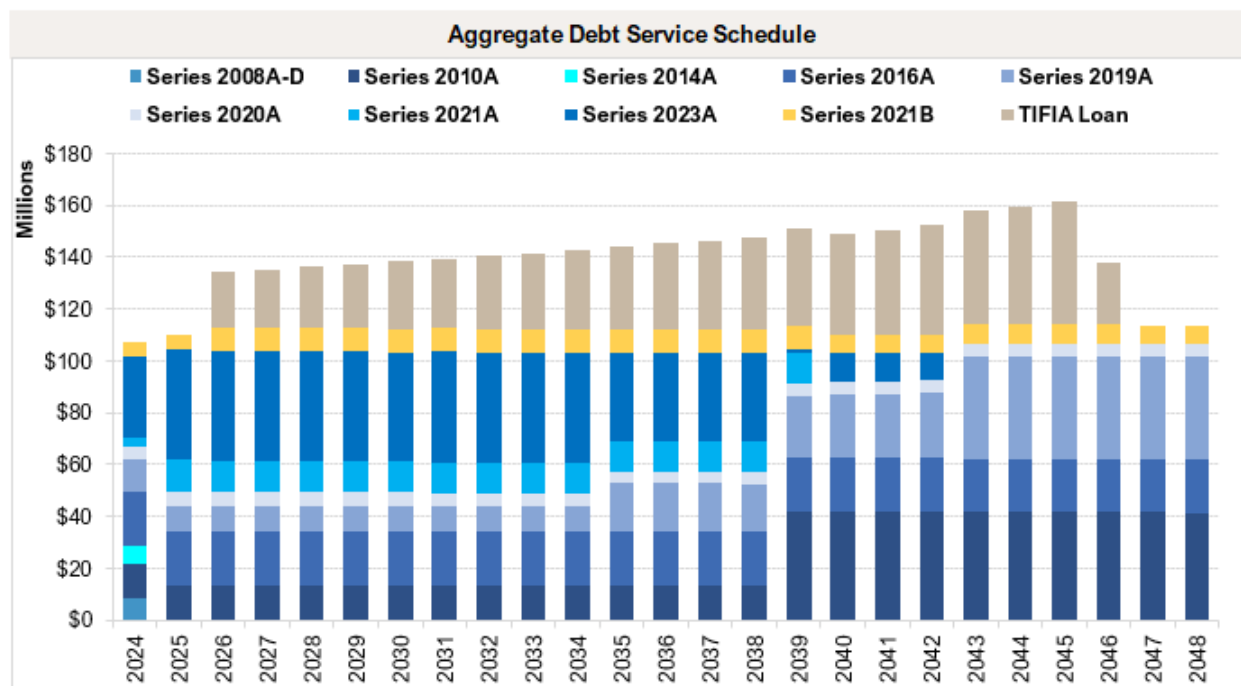


### **Debt Service and Coverage**

SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. Senior lien obligations are paid first, followed by subordinate lien obligations and then junior subordinate lien obligations (i.e., TIFIA loan). The TIFIA loan is repayable from a third lien that is subordinate to the senior lien bonds, the 2021B Bonds, the commercial paper notes, and SANDAG's revolving credit facility. This three-tiered lien structure has been



developed by SANDAG to maximize program capacity, keep senior lien ratings as high as possible, and minimize borrowing costs. Excluding the TIFIA loan, SANDAG has a level debt service profile with senior lien annual debt service ranging from \$98.4 million to \$106.7 million per year through FY 2048. The aggregate senior and subordinate lien debt service ranges from \$104.2 million to \$114.0 million. With the TIFIA loan, SANDAG's aggregate debt service is ascending with peak debt service of \$161.2 million in FY 2045.



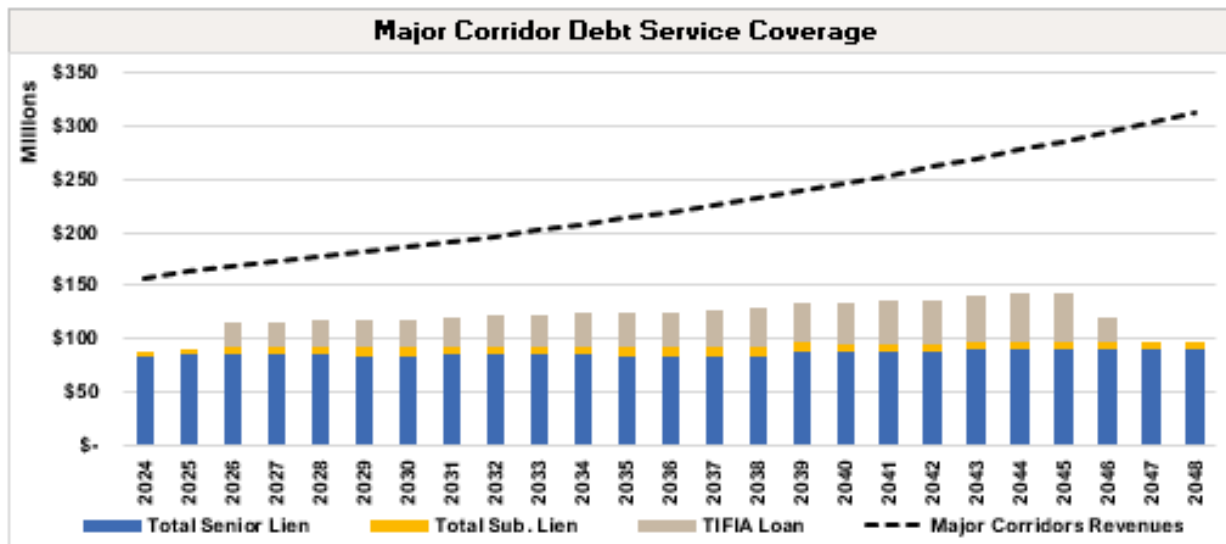
Senior lien debt service coverage, using sales tax receipts of \$425.5 million for the 12 months ending December 31, 2023, is 3.99 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.99 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings. Total coverage, when comparing the annual revenues for the 12 months ending December 31, 2023, to peak debt service in FY 2045, is 2.43 times.

### Major Corridors Coverage

In accordance with the *TransNet* Ordinance, the Major Corridors subprogram receives 38% of *TransNet* revenues after allocations for administrative and ITOC expenses. Major Corridors is the most capital-intensive program, funding various projects, including the Mid-Coast Corridor Transit Project. Costs associated with these projects can and have been funded with tax-exempt bonds. SANDAG Board Policy No. 036: San Diego County Regional Transportation Commission Debt Policy, dictates that the Major Corridors subprogram (and other *TransNet* subprograms) maintain an annual debt service coverage ratio of at least 1 times, meaning that for every \$1 of *TransNet* revenue, there is no more than \$1 of debt service allocated to the subprogram in any given year. Board Policy No. 036, Section 2.3, states as follows:

*2.3 Borrowing requirements are determined for each eligible sub-program and debt service is allocated to each sub-program based upon its pro rata share of bond proceeds. It is the general principal for the TransNet Plan of Finance that the annual debt service for each sub-program be less than the annual sales tax revenue allocated to a sub-program on an annual basis. This 1.0 times program debt service coverage requirement ensures that no single sub-program incurs more debt than it can afford.*

For planning purposes, debt service has been structured using a forecast of sales tax receipts. Based on this forecast, coverage in the Major Corridors Program is estimated at 1.84 times in FY 2024. Based on that revenue forecast, annual coverage is projected to dip to 1.46 times when the TIFIA loan payments start in FY 2026. The TIFIA debt service structure in the Major Corridors Program increases over time, in anticipation of increase in sales tax revenue.



### Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 2.90%.

The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89%. The 2014A, 2016A, and 2020A bonds were issued at an all-in cost of 3.85%, 3.29%, and 2.62% respectively. The 2019A refunding bonds that refunded a part of 2012A and 2014A bonds were issued at an all-in cost of 3.19%. The taxable 2021A bonds refunded a portion of the remaining 2014A bonds were issued at an all-in cost of 2.21%. The tax-exempt 2021B bonds raised new money funding as well as refunded a portion of the 2014A bonds and issued at an all-in cost of 2.71%. The 2023A bonds were issued to refund all of the variable-rate 2008 bonds as well as a portion of the 2019A bonds and issued at an all-in cost of 3.23%. The TIFIA loan has a borrowing cost of 1.75%. Taken together, SANDAG has issued over \$2.0 billion in long-term debt to accelerate project delivery and for refunding, for a WACC of 2.90%.

SANDAG's WACC Calculations		
Series	Original Par	All-in TIC
2010A	\$338,960,000	3.8871%
2014A	\$24,055,000	3.8507%
2016A	\$325,000,000	3.2947%
2019A	\$442,620,000	3.1890%
2020A	\$74,820,000	2.6226%
2021A	\$149,840,000	2.2136%
2023A	\$433,355,000	3.2264%
2021B	\$116,150,000	2.7146%
TIFIA	\$537,484,439	1.7500%
<b>Total Weighted Avg.</b>		<b>2.8967%</b>

### Credit Ratings

SANDAG's debt secured by *TransNet* sales tax revenues is rated by Standard and Poor's (S&P) and Fitch as shown here. The ratings were most recently reviewed in June 2023 in conjunction with the Series 2023A sales tax bond issuance. As part of the review S&P affirmed all the ratings. Fitch also affirmed the senior lien and TIFIA loan rating and upgraded the subordinate lien rating by one notch to 'AA+' owing to the strength of the pledged revenues and improvement in subordinate line debt service coverage ratio.

SANDAG Ratings ( <i>TransNet</i> )		
Lien	S&P	Fitch
Senior Lien	AAA/Stable	AAA/Stable
Subordinate Lien Bonds	AA/Stable	AA+/Stable
Third Lien TIFIA Loan	A+/Stable	A+/Stable

### Commercial Paper and Revolving Credit Facility

In addition to the long-term debt, SANDAG has a short-term Commercial Paper Program supported by a Letter of Credit (LOC) from Bank of America Merrill Lynch. The Commercial Paper Program was authorized at \$100 million and has a current outstanding balance of \$38.1 million as of December 31, 2023, when it was remarketed out 152 days, at a rate of 3.44%. The supporting LOC is in place through August 2024 at an annual cost of 0.30%.

In March 2022, SANDAG established a Revolving Credit Agreement with U.S. Bank National Association in the amount not-to-exceed \$100 million. This drawdown facility provides SANDAG with additional flexibility to manage short-term cash flow needs when capital expenses are incurred prior to the receipt of federal and state grant funds. The facility has a term of 3.5 years, a commitment fee of 0.20%, and a variable interest rate of SIFMA plus 0.34% on any outstanding balance. Currently there is a nominal balance of \$1 million outstanding on the Revolving Credit Agreement.

### SANDAG Outstanding Debt Overview

SANDAG has debt outstanding in conjunction with the South Bay Expressway toll road as summarized in the table below. SANDAG *had* Capital Grant Receipts Revenue Bonds outstanding in conjunction with the Mid-Coast Corridor Transit Project, that were refunded and defeased in full in October 2023, as described in more detail below.

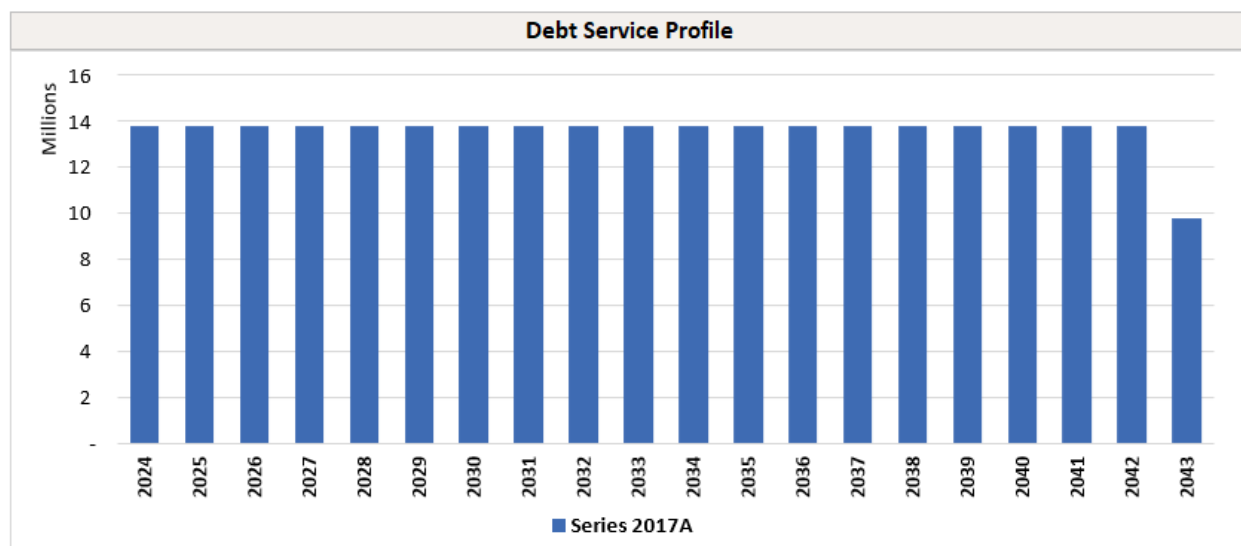
### South Bay Expressway

The SANDAG debt portfolio for South Bay Expressway (SBX) is comprised of a single bond series. In November 2017, SANDAG issued Toll Revenue First Senior Lien Bonds, 2017 Series A to refinance indebtedness incurred with the acquisition of SBX. The bonds are secured from the toll revenues generated on SBX, net of operating expenses. As of July 1, 2023, the debt outstanding is \$167.2 million.

Summary of Outstanding Debt						
Series	Tax Status	Coupon Type	Original Par	Outstanding Par	Call Date	Final Maturity
2017A	Tax-Exempt	Fixed-Rate	\$194,140,000	\$167,180,000	7/1/2027	7/1/2042

An annual debt service chart is provided presented below. The annual payment on the bonds is level at about \$13.8 million through final maturity in FY 2043. Based on unaudited annual net toll revenues of \$28.5 million for FY 2023, the coverage on future maximum annual debt service payment was 2.07 times. This demonstrates a strong recovery in traffic and revenue, compared to recent years and satisfies the rate covenant of 1.50 times in the bond documents.

S&P and Fitch maintain credit ratings on the toll-revenue bonds. S&P last affirmed their rating of 'A' in January 2023. Fitch most recently affirmed their rating of 'A' in May 2023.



### **Mid-Coast Corridor Transit Project**

SANDAG issued \$335 million Capital Grant Receipts Revenue Bonds, Series 2019A and Series 2019B in August 2019 for the Mid-Coast Project secured solely by future grants under the Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA) signed in 2016.

The accelerated receipt of federal grant funds allowed SANDAG to refund and defease all of the outstanding bonds. With the early redemption and the legal defeasance, these bonds no longer represent an obligation of SANDAG.

### **Looking Ahead**

SANDAG expects to deliver a majority of upcoming project needs on a pay-go basis. That said, SANDAG is currently evaluating increased borrowing capacity driven by strong *TransNet* sales tax revenue receipts over the past two years. Staff will evaluate borrowing capacity in the context of project delivery needs and determine any recommendation for future bond issuance that may be presented to the Board for consideration. Additionally, staff is in the process of replacing Citi as the commercial paper (CP) dealer on SANDAG's CP program. The CP dealer is responsible for marketing SANDAG's outstanding CP to new investors on a periodic basis. Citi announced their exit from the US municipal bond business in 2023, driving the need to replace them and procure a new CP dealer for SANDAG's CP program.

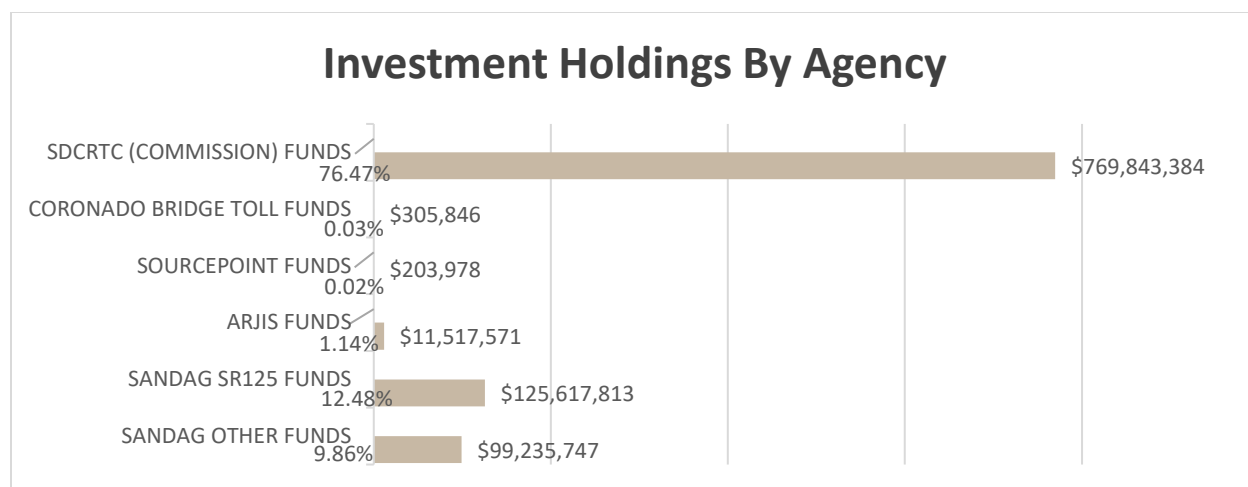
### **Quarterly Investment Data**

Included with this quarterly finance report through December 31, 2023, are a Detail of Portfolio Balances (by Account); and a Detail of Portfolio Balances (by Investment Type) for all money under the direction or care of SANDAG, including funds of the Commission, SourcePoint, and the Automated Regional Justice Information System (ARJIS).

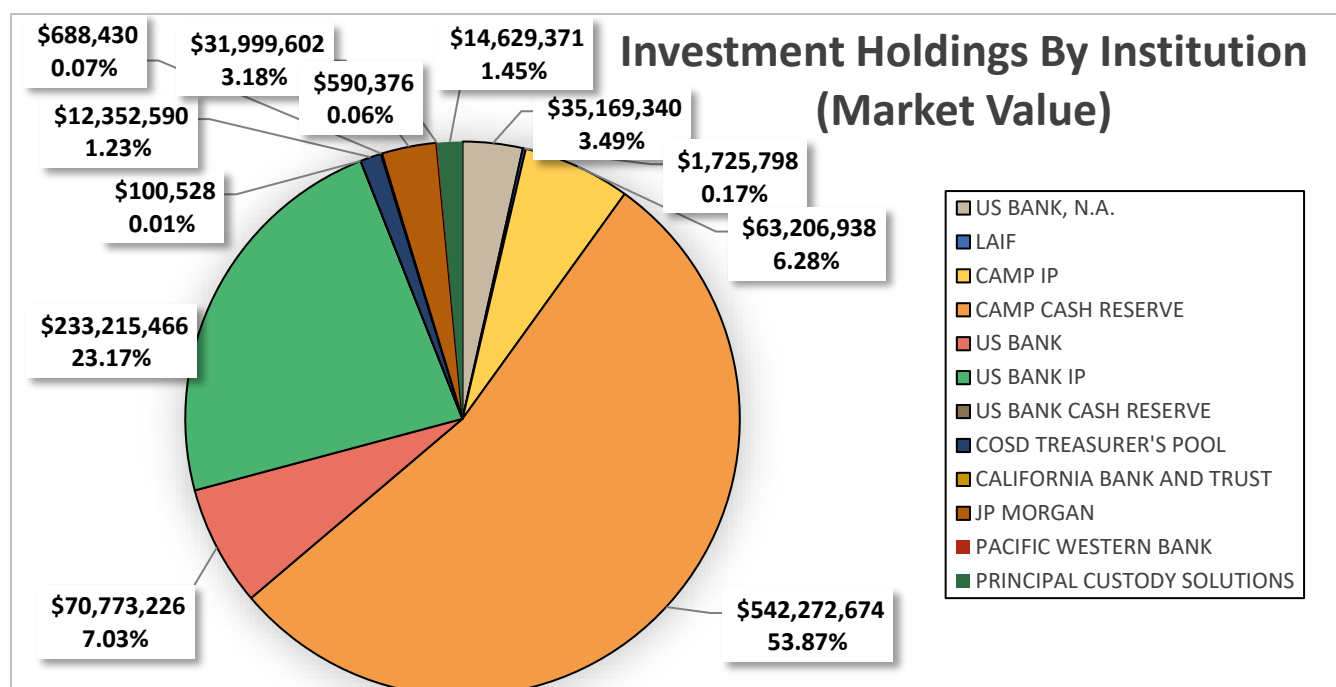
As of December 31, 2023, a total of \$1.01 billion was held by SANDAG in a number of investment accounts, in comparison to \$908.5 million held in the previous quarter. The \$98.0 million increase during the quarter is primarily due to operating activity within the investment and operating accounts.<sup>1</sup>

<sup>1</sup> Due to rounding, the numbers below may not tie to the attached detail of investments.

The chart below provides a summary of the holdings by Agency.



Approximately \$35.2 million was held in nine U.S. Bank, N.A. accounts at the end of the quarter, which are used for operating purposes. Approximately \$974.8 billion was invested in eight institutions.



The Finance Department has continued to implement the Board of Directors investment objectives of safety, liquidity, and return on investment for the SANDAG investment portfolio. These will continue to be important investment objectives for the future.

#### Certifications

The Chief Financial Officer reports that this investment portfolio, together with the authorized short-term Commercial Paper Program, will provide the necessary liquidity to meet the expenditure requirements of SANDAG, the Commission, ARJIS, and SourcePoint for the next six months. This portfolio is in compliance with state law and Board Policy No. 003: Investment Policy.

**SANDAG**  
**Summary of Portfolio Balances (by Institution)**  
as of December 31, 2023

<b>Institution</b>	<b>Book Value</b>	<b>Percent of Portfolio</b>	<b>Market Value</b>	<b>Market Price</b>	<b>Unrealized Gain/(Loss)</b>	<b>Yield on Cost</b>	<b>Wtd Avg. Days to Maturity</b>
US BANK, N.A.	\$ 35,169,339.51	3.49%	\$ 35,169,339.51	100.00%	\$ -	N/A	1
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND	1,725,797.81	0.17%	1,725,797.81	100.00%	-	3.96%	230
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO	61,106,058.99	6.07%	63,206,938.46	103.44%	2,100,879.47	4.22%	310
CAMP CASH RESERVE PORTFOLIO	542,272,673.81	53.86%	542,272,673.81	100.00%	-	5.56%	48
US BANK TRUST	70,830,189.76	7.03%	70,773,226.23	99.92%	(56,963.53)	4.57%	39
US BANK INDIVIDUAL PORTFOLIO	236,133,451.92	23.45%	233,215,466.04	98.76%	(2,917,985.88)	2.82%	780
US BANK CASH RESERVE PORTFOLIO	100,527.61	0.01%	100,527.61	100.00%	-	0.00%	1
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	12,352,589.65	1.23%	12,352,589.65	100.00%	-	3.99%	383
JP MORGAN	31,993,718.10	3.18%	31,999,601.95	100.02%	5,883.85	5.45%	51
CALIFORNIA BANK AND TRUST	688,430.58	0.07%	688,430.58	100.00%	-	N/A	1
PACIFIC WESTERN BANK	590,376.06	0.06%	590,376.06	100.00%	-	N/A	1
PRINCIPAL CUSTODY SOLUTIONS	13,915,316.84	1.38%	14,629,370.88	105.13%	714,054.04	2.56%	1
<b>TOTAL</b>	<b>\$ 1,006,878,470.64</b>	<b>100.00%</b>	<b>\$ 1,006,724,338.59</b>	<b>99.98%</b>	<b>\$ (154,132.05)</b>	<b>4.66%</b>	<b>235</b>

**Summary of Portfolio Balances (by Agency)**

<b>Agency</b>	<b>Book Value</b>	<b>Percent of Portfolio</b>	<b>Market Value</b>	<b>Market Price</b>	<b>Unrealized Gain/(Loss)</b>	<b>Yield on Cost</b>	<b>Wtd Avg. Days to Maturity</b>
SANDAG FUNDS	\$ 224,196,469.43	22.27%	\$ 224,853,559.94	100.29%	\$ 657,090.51	5.14%	48
AUTOMATED REGIONAL JUSTICE INFORMATION SYSTEM FUNDS	11,517,571.15	1.14%	11,517,571.15	100.00%	-	5.56%	41
SOURCEPOINT FUNDS	203,977.89	0.02%	203,977.89	100.00%	-	3.99%	357
CORONADO BRIDGE TOLL FUNDS	305,846.10	0.03%	305,846.10	100.00%	-	5.56%	48
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION FUNDS	770,654,606.07	76.54%	769,843,383.51	99.89%	(811,222.56)	4.53%	293
<b>TOTAL</b>	<b>\$ 1,006,878,470.64</b>	<b>100.00%</b>	<b>\$ 1,006,724,338.59</b>	<b>99.98%</b>	<b>\$ (154,132.05)</b>	<b>4.66%</b>	<b>235</b>

Note: In addition to the funds held above, there is \$5,210 petty cash held at SANDAG.

**SANDAG**  
**Detail of Portfolio Balances (by Account)**  
**as of December 31, 2023**

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
<b>US BANK, N.A.:</b>							
Checking - (ARJIS)	\$ 1,659,139.53	0.16%	\$ 1,659,139.53	100.00%	\$ -	N/A	1
Checking - (RTC) TransNet Sales Tax	6,636,065.42	0.66%	6,636,065.42	100.00%	-	N/A	1
Checking - (SANDAG) Flexible Spending Acct (FSA)	53,360.26	0.01%	53,360.26	100.00%	-	N/A	1
Checking - (SANDAG) General	9,853,531.95	0.98%	9,853,531.95	100.00%	-	N/A	1
Checking - (SANDAG) Interstate 15 (I-15) FasTrak®	6,606,600.13	0.66%	6,606,600.13	100.00%	-	N/A	1
Checking - (SANDAG) Refund Account Common	353,460.61	0.04%	353,460.61	100.00%	-	N/A	1
Checking - (SANDAG) Revenue Account Common	868,305.91	0.09%	868,305.91	100.00%	-	N/A	1
Checking - (SANDAG) SAFE Program Account	1,805,424.64	0.18%	1,805,424.64	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Collection Account	2,324,123.99	0.23%	2,324,123.99	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Payment Account	4,995,541.43	0.50%	4,995,541.43	100.00%	-	N/A	1
Checking - (SourcePoint)	13,785.64	0.00%	13,785.64	100.00%	-	N/A	1
<b>TOTAL US BANK, N.A.</b>	<b>\$ 35,169,339.51</b>	<b>3.49%</b>	<b>\$ 35,169,339.51</b>	<b>100.00%</b>	<b>\$ -</b>	<b>N/A</b>	<b>1</b>
<b>STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):</b>							
(RTC) TransNet	\$ 1,610,464.23	0.16%	\$ 1,610,464.23	100.00%	\$ -	3.96%	230
(SANDAG)	115,333.58	0.01%	115,333.58	100.00%	-	3.96%	230
<b>TOTAL LAIF</b>	<b>\$ 1,725,797.81</b>	<b>0.17%</b>	<b>\$ 1,725,797.81</b>	<b>100.00%</b>	<b>\$ -</b>	<b>3.96%</b>	<b>230</b>
<b>CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):</b>							
<b>INDIVIDUAL PORTFOLIO:</b>							
(RTC) TransNet Program Reserve	\$ 28,308,718.36	2.81%	\$ 29,029,292.17	102.55%	\$ 720,573.81	4.21%	407
(RTC) TransNet Sales Tax	32,797,340.63	3.26%	34,177,646.29	104.21%	1,380,305.66	4.22%	228
<b>TOTAL INDIVIDUAL PORTFOLIO</b>	<b>\$ 61,106,058.99</b>	<b>6.07%</b>	<b>\$ 63,206,938.46</b>	<b>103.44%</b>	<b>\$ 2,100,879.47</b>	<b>4.22%</b>	<b>310</b>
<b>CASH RESERVE PORTFOLIO:</b>							
(ARJIS)	\$ 9,852,495.36	0.98%	\$ 9,852,495.36	100.00%	\$ -	5.56%	48
(RTC) 2008 Cap Proj DSRF Release	18,383,568.83	1.83%	18,383,568.83	100.00%	-	5.56%	48
(RTC) 2008 Sales Tax Account - TransNet Extension	318,094,900.09	31.59%	318,094,900.09	100.00%	-	5.56%	48
(RTC) 2010 Bond Series A - Interest	5,038,238.33	0.50%	5,038,238.33	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Interest	1,742,951.42	0.17%	1,742,951.42	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Principal	4,899,434.25	0.49%	4,899,434.25	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Interest	3,662,350.31	0.36%	3,662,350.31	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Principal	4,630,191.64	0.46%	4,630,191.64	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Interest	832,578.11	0.08%	832,578.11	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Principal	1,353,740.99	0.13%	1,353,740.99	100.00%	-	5.56%	48
(RTC) Sage Hill Endowment	940,670.73	0.09%	940,670.73	100.00%	-	5.56%	48
(RTC) TransNet Program Reserve	30,553,917.36	3.03%	30,553,917.36	100.00%	-	5.56%	48
(RTC) Wetland Mitigation TransNet Sales Tax	333,780.45	0.03%	333,780.45	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB Cap- I Fund	108,570.79	0.01%	108,570.79	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB DSR Fund	13,431,074.61	1.33%	13,431,074.61	100.00%	-	5.56%	48
(SANDAG) California Coastal Commission	343,540.67	0.03%	343,540.67	100.00%	-	5.56%	48
(SANDAG) Coronado Bridge Toll Funds	305,846.10	0.03%	305,846.10	100.00%	-	5.56%	48

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
(SANDAG) El Portal Project	473,633.89	0.05%	473,633.89	100.00%	-	5.56%	48
(SANDAG) I-15 FasTrak®	8,848,080.22	0.88%	8,848,080.22	100.00%	-	5.56%	48
(SANDAG) SR 125	2,118,276.55	0.21%	2,118,276.55	100.00%	-	5.56%	48
(SANDAG) SR 125	36,818,465.17	3.66%	36,818,465.17	100.00%	-	5.56%	48
(SANDAG) SR 125	33,809,228.46	3.36%	33,809,228.46	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Interest	4,317,768.24	0.43%	4,317,768.24	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Principal	2,825,342.35	0.28%	2,825,342.35	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Debt Reserve Fund	20,180,295.01	2.00%	20,180,295.01	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Fastrak Customer Prepaid Fund	2,369,251.73	0.24%	2,369,251.73	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Reserve Account	14,040,403.81	1.39%	14,040,403.81	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Toll Revenue Fund	1,779,223.04	0.18%	1,779,223.04	100.00%	-	5.56%	48
(SANDAG) Shoreline Management	184,855.30	0.02%	184,855.30	100.00%	-	5.56%	48
<b>TOTAL CASH RESERVE PORTFOLIO</b>	<b>\$ 542,272,673.81</b>	<b>53.86%</b>	<b>\$ 542,272,673.81</b>	<b>100.00%</b>	<b>\$ -</b>	<b>5.56%</b>	<b>48</b>
<b>TOTAL CAMP</b>	<b>\$ 603,378,732.80</b>	<b>59.93%</b>	<b>\$ 605,479,612.27</b>	<b>100.35%</b>	<b>\$ 2,100,879.47</b>	<b>5.43%</b>	<b>75</b>
<b>US BANK TRUST:</b>							
Money Market - (RTC) 2019 Bond Series A Principal	\$ 2,517.81	0.00%	\$ 2,517.81	100.00%	\$ -	4.83%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	2,551,436.50	0.25%	2,551,436.50	100.00%	-	4.83%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	0.02	0.00%	0.02	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	743,660.24	0.07%	743,660.24	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	0.01	0.00%	0.01	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	1,455,072.91	0.14%	1,455,072.91	100.00%	-	4.98%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Interest	18,041.93	0.00%	18,041.93	100.00%	-	5.30%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Revolving Notes Project Fund	922,251.35	0.09%	922,251.35	100.00%	-	5.30%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Cost of Issuance	34,435.15	0.00%	34,435.15	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Interest	5,427,731.95	0.54%	5,427,731.95	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Principal	10,706,841.10	1.06%	10,706,841.10	100.00%	-	4.98%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	307,284.12	0.03%	307,284.12	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	180,392.34	0.02%	180,392.34	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	238,044.23	0.02%	238,044.23	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Escrow AC Account	1,520,995.06	0.15%	1,520,995.06	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	23,392.25	0.00%	23,392.25	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	1,499,436.33	0.15%	1,499,436.33	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Principal	330,698.38	0.03%	330,698.38	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Redemption Account	25,419,263.56	2.52%	25,419,263.56	100.00%	-	5.26%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	3,649.94	0.00%	3,649.94	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	2,335.44	0.00%	2,335.44	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	33,902.28	0.00%	33,902.28	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	5.75	0.00%	5.75	100.00%	-	0.00%	1
Certificates of Participation - (RTC) North County Transit District	17,750,000.00	1.76%	17,750,000.00	100.00%	-	3.44%	152
Capital Project Retention Accounts	1,658,801.11	0.16%	1,601,837.58	96.57%	(56,963.53)	N/A	1
<b>TOTAL US BANK TRUST</b>	<b>\$ 70,830,189.76</b>	<b>7.03%</b>	<b>\$ 70,773,226.23</b>	<b>99.92%</b>	<b>\$ (56,963.53)</b>	<b>4.57%</b>	<b>39</b>
<b>US BANK:</b>							
<b>INDIVIDUAL PORTFOLIO:</b>							
(RTC) TransNet Extension	\$ 236,133,451.92	23.45%	\$ 233,215,466.04	98.76%	\$ (2,917,985.88)	2.82%	780



Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
<b>TOTAL INDIVIDUAL PORTFOLIO</b>	<u>\$ 236,133,451.92</u>	<u>23.45%</u>	<u>\$ 233,215,466.04</u>	<u>98.76%</u>	<u>\$ (2,917,985.88)</u>	<u>2.82%</u>	<u>780</u>
<b>CASH RESERVE:</b>							
(RTC) TransNet Extension	<u>\$ 100,527.61</u>	<u>0.01%</u>	<u>\$ 100,527.61</u>	<u>100.00%</u>	<u>\$ -</u>	<u>0.00%</u>	<u>1</u>
<b>TOTAL CASH RESERVE</b>	<u>\$ 100,527.61</u>	<u>0.01%</u>	<u>\$ 100,527.61</u>	<u>100.00%</u>	<u>\$ -</u>	<u>0.00%</u>	<u>1</u>
<b>TOTAL US BANK</b>	<u>\$ 236,233,979.53</u>	<u>23.46%</u>	<u>\$ 233,315,993.65</u>	<u>98.76%</u>	<u>\$ (2,917,985.88)</u>	<u>2.82%</u>	<u>779</u>
<b>SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:</b>							
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	<u>\$ 5,936.26</u>	<u>0.00%</u>	<u>\$ 5,936.26</u>	<u>100.00%</u>	<u>\$ -</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	<u>2,151,414.53</u>	<u>0.21%</u>	<u>2,151,414.53</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	<u>12,694.80</u>	<u>0.00%</u>	<u>12,694.80</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	<u>106,178.30</u>	<u>0.01%</u>	<u>106,178.30</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	<u>1,547,694.86</u>	<u>0.15%</u>	<u>1,547,694.86</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	<u>8,338,478.65</u>	<u>0.83%</u>	<u>8,338,478.65</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	<u>190,192.25</u>	<u>0.02%</u>	<u>190,192.25</u>	<u>100.00%</u>	<u>-</u>	<u>3.99%</u>	<u>383</u>
<b>TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND</b>	<u>\$ 12,352,589.65</u>	<u>1.23%</u>	<u>\$ 12,352,589.65</u>	<u>100.00%</u>	<u>\$ -</u>	<u>3.99%</u>	<u>383</u>
<b>JP MORGAN:</b>							
(RTC) JPMorgan Prime Money Market Fund	<u>\$ 21,327,257.59</u>	<u>2.12%</u>	<u>\$ 21,329,899.98</u>	<u>100.01%</u>	<u>\$ 2,642.39</u>	<u>5.44%</u>	<u>47</u>
(RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	<u>10,666,460.51</u>	<u>1.06%</u>	<u>10,669,701.97</u>	<u>100.03%</u>	<u>3,241.46</u>	<u>5.45%</u>	<u>59</u>
<b>TOTAL JP MORGAN</b>	<u>\$ 31,993,718.10</u>	<u>3.18%</u>	<u>\$ 31,999,601.95</u>	<u>100.02%</u>	<u>\$ 5,883.85</u>	<u>5.45%</u>	<u>51</u>
<b>CALIFORNIA BANK AND TRUST:</b>							
Capital Project Retention Accounts	<u>\$ 688,430.58</u>	<u>0.07%</u>	<u>\$ 688,430.58</u>	<u>100.00%</u>	<u>\$ -</u>	<u>N/A</u>	<u>1</u>
<b>TOTAL CALIFORNIA BANK AND TRUST</b>	<u>\$ 688,430.58</u>	<u>0.07%</u>	<u>\$ 688,430.58</u>	<u>100.00%</u>	<u>\$ -</u>	<u>N/A</u>	<u>1</u>
<b>PACIFIC WESTERN BANK:</b>							
Capital Project Retention Accounts	<u>\$ 590,376.06</u>	<u>0.06%</u>	<u>\$ 590,376.06</u>	<u>100.00%</u>	<u>\$ -</u>	<u>N/A</u>	<u>1</u>
<b>TOTAL PACIFIC WESTERN BANK</b>	<u>\$ 590,376.06</u>	<u>0.06%</u>	<u>\$ 590,376.06</u>	<u>100.00%</u>	<u>\$ -</u>	<u>N/A</u>	<u>1</u>
<b>PRINCIPAL CUSTODY SOLUTIONS:</b>							
(SANDAG) Section 115 Pension Trust	<u>\$ 13,915,316.84</u>	<u>1.38%</u>	<u>\$ 14,629,370.88</u>	<u>105.13%</u>	<u>\$ 714,054.04</u>	<u>2.56%</u>	<u>1</u>
<b>TOTAL PRINCIPAL CUSTODY SOLUTIONS</b>	<u>\$ 13,915,316.84</u>	<u>1.38%</u>	<u>\$ 14,629,370.88</u>	<u>105.13%</u>	<u>\$ 714,054.04</u>	<u>2.56%</u>	<u>1</u>
<b>TOTAL</b>	<u><u>\$ 1,006,878,470.64</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 1,006,724,338.59</u></u>	<u><u>99.98%</u></u>	<u><u>\$ (154,132.05)</u></u>	<u><u>4.66%</u></u>	<u><u>235</u></u>

*Legend:*

Automated Regional Justice Information System (ARJIS)  
Commercial Paper (CP)  
State of California Local Agency Investment Fund (LAIF)  
North County Transit District (NCTD)  
San Diego County Regional Transportation Commission (RTC)

**SANDAG**  
**Detail of Portfolio Balances (by Investment Type)**  
**as of December 31, 2023**

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
<b>Cash and cash equivalents:</b>											
<b>Demand deposits:</b>											
(ARJIS)	N/A	N/A	\$ 1,659,139.53	\$ 1,659,139.53	\$ -	N/A	NR	NR	NR	N/A	1
(RTC) TransNet Sales Tax	N/A	N/A	6,636,065.42	6,636,065.42	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Flexible Spending Acct (FSA)	N/A	N/A	53,360.26	53,360.26	-	N/A	NR	NR	NR	N/A	1
(SANDAG) General	N/A	N/A	9,853,531.95	9,853,531.95	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Interstate 15 (I-15) FasTrak®	N/A	N/A	6,606,600.13	6,606,600.13	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Refund Account Common	N/A	N/A	353,460.61	353,460.61	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Revenue Account Common	N/A	N/A	868,305.91	868,305.91	-	N/A	NR	NR	NR	N/A	1
(SANDAG) SAFE Program Account	N/A	N/A	1,805,424.64	1,805,424.64	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Collection Account	N/A	N/A	2,324,123.99	2,324,123.99	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Payment Account	N/A	N/A	4,995,541.43	4,995,541.43	-	N/A	NR	NR	NR	N/A	1
(SourcePoint)	N/A	N/A	13,785.64	13,785.64	-	N/A	NR	NR	NR	N/A	1
<b>Total demand deposits</b>			<b>\$ 35,169,339.51</b>	<b>\$ 35,169,339.51</b>	<b>\$ -</b>	<b>\$ -</b>				<b>N/A</b>	<b>1</b>
<b>Money market accounts and funds:</b>											
CAMP Cash Reserve Portfolio - (ARJIS)	N/A	N/A	\$ 9,852,495.36	\$ 9,852,495.36	\$ -	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2008 Cap Proj DSRF Release	N/A	N/A	18,383,568.83	18,383,568.83	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2008 Sales Tax Account - TransNet Extension	N/A	N/A	318,094,900.09	318,094,900.09	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2010 Bond Series A - Interest	N/A	N/A	5,038,238.33	5,038,238.33	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Interest	N/A	N/A	1,742,951.42	1,742,951.42	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Principal	N/A	N/A	4,899,434.25	4,899,434.25	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Interest	N/A	N/A	3,662,350.31	3,662,350.31	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Principal	N/A	N/A	4,630,191.64	4,630,191.64	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Interest	N/A	N/A	832,578.11	832,578.11	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Principal	N/A	N/A	1,353,740.99	1,353,740.99	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) Sage Hill Endowment	N/A	N/A	940,670.73	940,670.73	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) TransNet Program Reserve	N/A	N/A	30,553,917.36	30,553,917.36	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (RTC) Wetland Mitigation TransNet Sales Tax	N/A	N/A	333,780.45	333,780.45	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB Cap- I Fund	N/A	N/A	108,570.79	108,570.79	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB DSR Fund	N/A	N/A	13,431,074.61	13,431,074.61	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) California Coastal Commission	N/A	N/A	343,540.67	343,540.67	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) Coronado Bridge Toll Funds	N/A	N/A	305,846.10	305,846.10	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) El Portal Project	N/A	N/A	473,633.89	473,633.89	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) I-15 FasTrak®	N/A	N/A	8,848,080.22	8,848,080.22	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SANDAG Shoreline Management	N/A	N/A	184,855.30	184,855.30	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	33,809,228.46	33,809,228.46	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	36,818,465.17	36,818,465.17	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	2,118,276.55	2,118,276.55	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Bond Fastrak Customer Prepaid Fund	N/A	N/A	2,369,251.73	2,369,251.73	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Bond Interest	N/A	N/A	4,317,768.24	4,317,768.24	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Bond Principal	N/A	N/A	2,825,342.35	2,825,342.35	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Bond Reserve Account	N/A	N/A	14,040,403.81	14,040,403.81	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Bond Toll Revenue Fund	N/A	N/A	1,779,223.04	1,779,223.04	-	N/A	AAAm	NR	NR	5.56%	48
CAMP Cash Reserve Portfolio - (SANDAG) SR 125 2017A Debt Reserve Fund	N/A	N/A	20,180,295.01	20,180,295.01	-	N/A	AAAm	NR	NR	5.56%	48
Money Market - (RTC) 2019 Bond Series A Principal	N/A	N/A	2,517.81	2,517.81	-	N/A	NR	NR	NR	4.83%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	N/A	N/A	2,551,436.50	2,551,436.50	-	N/A	NR	NR	NR	4.83%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	N/A	N/A	0.02	0.02	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	N/A	N/A	743,660.24	743,660.24	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	N/A	N/A	0.01	0.01	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	N/A	N/A	1,455,072.91	1,455,072.91	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Interest	N/A	N/A	18,041.93	18,041.93	-	N/A	NR	NR	NR	5.30%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Revolving Notes Project Fund	N/A	N/A	922,251.35	922,251.35	-	N/A	NR	NR	NR	5.30%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Cost of Issuance	N/A	N/A	34,435.15	34,435.15	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Interest	N/A	N/A	5,427,731.95	5,427,731.95	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Principal	N/A	N/A	10,706,841.10	10,706,841.10	-	N/A	NR	NR	NR	4.98%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	N/A	N/A	307,284.12	307,284.12	-	N/A	NR	NR	NR	4.83%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	N/A	N/A	180,392.34	180,392.34	-	N/A	NR	NR	NR	4.83%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	N/A	N/A	238,044.23	238,044.23	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Escrow AC Account	N/A	N/A	1,520,995.06	1,520,995.06	-	N/A	NR	NR	NR	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	N/A	N/A	23,392.25	23,392.25	-	N/A	NR	NR	NR	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	N/A	N/A	1,499,436.33	1,499,436.33	-	N/A	NR	NR	NR	5.26%	1

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
Money Market - (SANDAG) Grant Receipt 2019 AB Principal Account	N/A	N/A	330,698.38	330,698.38	-	N/A	NR	NR	NR	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Redemption Account	N/A	N/A	25,419,263.56	25,419,263.56	-	N/A	NR	NR	NR	5.26%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	N/A	N/A	3,649.94	3,649.94	-	N/A	NR	NR	NR	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	N/A	N/A	2,335.44	2,335.44	-	N/A	NR	NR	NR	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	N/A	N/A	33,902.28	33,902.28	-	N/A	NR	NR	NR	4.98%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	N/A	N/A	5.75	5.75	-	N/A	NR	NR	NR	0.00%	1
Principal Custody Solutions - (SANDAG) Section 115 Pension Trust	N/A	N/A	13,915,316.84	14,629,370.88	714,054.04	N/A	NR	NR	NR	2.56%	1
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	N/A	N/A	5,936.26	5,936.26	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	N/A	N/A	2,151,414.53	2,151,414.53	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	N/A	N/A	12,694.80	12,694.80	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	N/A	N/A	106,178.30	106,178.30	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	N/A	N/A	1,547,694.86	1,547,694.86	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	N/A	N/A	8,338,478.65	8,338,478.65	-	N/A	NR	NR	AAAf / S1	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	N/A	N/A	190,192.25	190,192.25	-	N/A	NR	NR	AAAf / S1	3.99%	383
State of CA Local Agency Investment Fund (LAIF) - (RTC) TransNet	N/A	N/A	1,610,464.23	1,610,464.23	-	N/A	NR	NR	NR	3.96%	230
State of CA Local Agency Investment Fund (LAIF) - (SANDAG)	N/A	N/A	115,333.58	115,333.58	-	N/A	NR	NR	NR	3.96%	230
US Bank Cash Reserve Portfolio - (RTC) TransNet Extension	N/A	N/A	100,527.61	100,527.61	-	N/A	NR	NR	NR	0.00%	1
JP Morgan (RTC) JPMorgan Prime Money Market Fund	N/A	N/A	21,327,257.59	21,329,899.98	2,642.39	N/A	AAAm	Aaa-mf	AAAmmf	5.44%	47
JP Morgan (RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	N/A	N/A	10,666,460.51	10,669,701.97	3,241.46	N/A	AAAm	Aaa-mf	AAAmmf	5.45%	59
Capital Project Retention Accounts - US Bank	N/A	N/A	1,658,801.11	1,601,837.58	(56,963.53)	N/A	NR	NR	NR	N/A	1
Capital Project Retention Accounts - CA Bank & Trust	N/A	N/A	688,430.58	688,430.58	-	N/A	NR	NR	NR	N/A	1
Capital Project Retention Accounts - Pacific Western Bank	N/A	N/A	590,376.06	590,376.06	-	N/A	NR	NR	NR	N/A	1
<b>Total money market accounts and funds</b>			<b>\$ 656,719,620.22</b>	<b>\$ 657,382,594.58</b>	<b>\$ 662,974.36</b>	<b>\$ -</b>				<b>5.40%</b>	<b>50</b>
<b>Total cash and cash equivalents</b>			<b>\$ 691,888,959.73</b>	<b>\$ 692,551,934.09</b>	<b>\$ 662,974.36</b>	<b>N/A</b>				<b>5.40%</b>	<b>47</b>
<b>Investments:</b>											
<b>U.S. Agencies:</b>											
FEDERAL FARM CREDIT BANK	09/28/2020	03/28/2024	\$ 5,995,500.00	\$ 5,924,460.00	\$ (71,040.00)	\$ 6,000,000.00	AA+	Aaa	AA+	0.32%	88
FEDERAL FARM CREDIT BANK	09/17/2019	09/10/2024	5,079,870.00	4,901,900.00	(177,970.00)	5,000,000.00	AA+	Aaa	AA+	1.74%	254
FEDERAL FARM CREDIT BANK	08/27/2019	07/26/2024	6,615,310.00	6,383,390.00	(231,920.00)	6,500,000.00	AA+	Aaa	AA+	1.47%	208
FEDERAL FARM CREDIT BANK	11/06/2023	10/10/2025	6,114,274.00	6,173,200.00	58,926.00	6,100,000.00	AA+	Aaa	AA+	5.00%	649
FEDERAL HOME LOAN BANK	10/12/2023	09/11/2026	5,785,152.00	5,913,390.00	128,238.00	5,800,000.00	AA+	Aaa	-	4.97%	985
FEDERAL HOME LOAN BANK	03/10/2023	03/10/2028	5,294,796.00	5,322,980.00	28,184.00	5,200,000.00	AA+	Aaa	-	4.09%	1,531
FEDERAL HOME LOAN BANK	02/08/2021	02/10/2025	6,017,160.00	5,753,700.00	(263,460.00)	6,000,000.00	AA+	Aaa	-	0.21%	407
FEDERAL HOME LOAN BANK	05/25/2023	09/10/2027	5,127,540.00	5,188,425.00	60,885.00	5,500,000.00	AA+	Aaa	-	4.12%	1,349
FEDERAL HOME LOAN MORTGAGE CORP	03/09/2021	05/15/2024	4,993,750.00	4,906,150.00	(87,600.00)	5,000,000.00	-	Aaa	AA+	0.40%	136
FEDERAL HOME LOAN MORTGAGE CORP	09/28/2020	03/29/2024	5,000,000.00	4,940,850.00	(59,150.00)	5,000,000.00	-	Aaa	AA+	0.35%	89
FEDERAL NATIONAL MORTGAGE ASSOCIATION	06/09/2021	01/07/2025	6,461,206.00	6,007,862.00	(453,344.00)	6,200,000.00	AA+	Aaa	AA+	0.44%	373
FEDERAL NATIONAL MORTGAGE ASSOCIATION	11/08/2019	07/02/2024	4,993,150.00	4,916,600.00	(76,550.00)	5,000,000.00	AA+	Aaa	AA+	1.78%	184
UNITED STATES TREASURY NOTE/BOND	10/02/2023	09/30/2028	4,386,264.74	4,541,636.00	155,371.26	4,400,000.00	AA+	Aaa	AA+	4.70%	1,735
UNITED STATES TREASURY NOTE/BOND	09/27/2019	04/30/2024	5,091,423.00	4,947,650.00	(143,773.00)	5,000,000.00	AA+	Aaa	AA+	1.58%	121
UNITED STATES TREASURY NOTE/BOND	08/19/2021	11/30/2024	5,888.61	5,528.54	(360.07)	5,700.00	AA+	Aaa	AA+	0.48%	335
UNITED STATES TREASURY NOTE/BOND	09/08/2021	11/30/2024	6,093,593.75	5,722,528.00	(371,065.75)	5,900,000.00	AA+	Aaa	AA+	0.47%	335
UNITED STATES TREASURY NOTE/BOND	03/23/2022	12/15/2024	5,111,187.50	5,111,002.00	(185.50)	5,300,000.00	AA+	Aaa	AA+	2.36%	350
UNITED STATES TREASURY NOTE/BOND	09/13/2021	12/31/2024	5,727,323.11	5,337,695.00	(389,628.11)	5,500,000.00	AA+	Aaa	AA+	0.48%	366
UNITED STATES TREASURY NOTE/BOND	03/23/2022	01/31/2025	5,322,152.34	5,175,768.00	(146,384.34)	5,300,000.00	AA+	Aaa	AA+	2.35%	397
UNITED STATES TREASURY NOTE/BOND	04/06/2022	04/30/2025	4,657,812.50	4,731,650.00	73,837.50	5,000,000.00	AA+	Aaa	AA+	2.73%	486
UNITED STATES TREASURY NOTE/BOND	11/13/2023	07/31/2025	5,009,468.75	5,075,876.00	66,407.25	5,200,000.00	AA+	Aaa	AA+	5.14%	578
UNITED STATES TREASURY NOTE/BOND	11/27/2023	09/30/2025	6,182,521.44	6,252,480.00	69,958.56	6,400,000.00	AA+	Aaa	AA+	4.96%	639
UNITED STATES TREASURY NOTE/BOND	06/23/2022	12/31/2025	5,184,328.13	5,282,532.00	98,203.87	5,700,000.00	AA+	Aaa	AA+	3.12%	731
UNITED STATES TREASURY NOTE/BOND	08/02/2022	06/30/2026	4,909,332.03	4,901,069.00	(8,263.03)	5,300,000.00	AA+	Aaa	AA+	2.88%	912
UNITED STATES TREASURY NOTE/BOND	10/27/2023	04/30/2028	4,738,493.31	4,920,500.00	182,006.69	5,000,000.00	AA+	Aaa	AA+	4.81%	1,582
UNITED STATES TREASURY NOTE/BOND	09/13/2023	06/30/2028	5,596,464.84	5,726,961.00	130,496.16	5,700,000.00	AA+	Aaa	AA+	4.42%	1,643
UNITED STATES TREASURY NOTE/BOND	08/29/2023	08/15/2028	4,837,921.66	4,917,308.00	79,386.34	4,600,000.00	AA+	Aaa	AA+	4.33%	1,689
UNITED STATES TREASURY NOTE/BOND	12/07/2022	11/15/2027	4,672,070.31	4,701,150.00	29,079.69	5,000,000.00	AA+	Aaa	AA+	3.72%	1,415
UNITED STATES TREASURY NOTE/BOND	04/03/2023	03/31/2028	3,582,200.90	3,586,880.00	4,679.10	4,000,000.00	AA+	Aaa	AA+	3.55%	1,552
US TREASURY NOTES	10/05/2022	08/15/2025	14,130,240.23	14,254,100.00	123,859.77	14,545,000.00	AA+	Aaa	AA+	4.19%	593
US TREASURY NOTES	10/05/2022	08/15/2024	32,797,340.63	34,177,646.29	1,380,305.66	35,195,000.00	AA+	Aaa	AA+	4.22%	228
US TREASURY NOTES	10/05/2022	08/15/2024	14,178,478.13	14,775,192.17	596,714.04	15,215,000.00	AA+	Aaa	AA+	4.22%	228
<b>Total U.S. Agencies</b>			<b>\$ 209,692,213.91</b>	<b>\$ 210,478,059.00</b>	<b>\$ 785,845.09</b>	<b>\$ 215,560,700.00</b>				<b>3.12%</b>	<b>597</b>
<b>Corporate Medium Term Notes:</b>											
AMAZON.COM INC	08/01/2023	05/12/2028	\$ 5,678,075.00	\$ 5,851,300.00	\$ 173,225.00	\$ 6,500,000.00	AA	A1	AA-	4.63%	1,594
AMERICAN HONDA FINANCE	03/17/2023	01/12/2028	4,926,068.00	4,941,258.00	15,190.00	4,900,000.00	A-	A3	A	4.57%	1,473
APPLE INC	12/15/2022	09/12/2027	2,559,816.00	2,585,358.00	25,542.00	2,700,000.00	AA+	Aaa	-	4.12%	1,351

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
BANK OF AMERICA CORP	10/20/2023	02/04/2028	3,974,265.00	4,168,530.00	194,265.00	4,500,000.00	A-	A1	AA-	6.56%	1,496
CHEVRON CORP	05/10/2022	05/11/2025	5,719,560.00	5,753,160.00	33,600.00	6,000,000.00	AA-	Aa2	-	3.20%	497
CITIBANK NA	12/04/2023	09/29/2028	3,072,060.00	3,132,390.00	60,330.00	3,000,000.00	A+	Aa3	A+	5.23%	1,734
CITIBANK NA	06/21/2021	01/23/2024	6,565,064.00	6,093,168.00	(471,896.00)	6,100,000.00	A+	Aa3	A+	0.67%	23
COCA-COLA CO/THE	04/20/2023	05/25/2027	3,357,025.00	3,346,980.00	(10,045.00)	3,500,000.00	A+	A1	-	3.99%	1,241
COLGATE-PALMOLIVE CO	04/03/2023	03/01/2028	3,604,160.00	3,586,800.00	(17,360.00)	3,500,000.00	AA-	Aa3	-	3.93%	1,522
HONEYWELL INTERNATIONAL	11/08/2019	08/15/2024	2,933,756.00	2,848,351.00	(85,405.00)	2,900,000.00	A	A2	A	2.04%	228
JOHN DEERE CAPITAL CORP	02/06/2023	01/20/2028	5,781,054.00	5,794,335.00	13,281.00	5,700,000.00	A	A2	A+	4.43%	1,481
MICROSOFT CORP	07/18/2019	02/06/2024	6,043,518.00	5,835,433.50	(208,084.50)	5,850,000.00	AAA	Aaa	-	2.11%	37
PEPSICO INC	05/31/2023	05/15/2028	2,626,208.00	2,645,292.00	19,084.00	2,600,000.00	A+	A1	-	4.22%	1,597
PFIZER INC	09/30/2019	05/15/2024	4,036,968.00	3,772,450.00	(264,518.00)	3,800,000.00	A	A2	A	1.98%	136
PNC BANK NA	07/20/2023	01/22/2028	2,760,870.00	2,821,710.00	60,840.00	3,000,000.00	A	A2	A+	5.27%	1,483
US BANCORP	01/20/2022	02/05/2024	5,208,050.00	4,988,150.00	(219,900.00)	5,000,000.00	A	A3	A	1.29%	36
<b>Total Corporate Medium Notes</b>			<u>\$ 68,846,517.00</u>	<u>\$ 68,164,665.50</u>	<u>\$ (681,851.50)</u>	<u>\$ 69,550,000.00</u>				<u>3.43%</u>	<u>923</u>
<b>Supra-National Agency Bond/Note</b>											
INT'L BANK FOR RECON AND DEVELOPMENT	03/08/2021	01/15/2025	\$ 6,229,560.00	\$ 5,809,440.00	\$ (420,120.00)	\$ 6,000,000.00	AAA	Aaa	-	0.62%	381
INTER-AMERICAN DEVELOPMENT BANK	11/06/2020	02/21/2024	5,436,150.00	4,982,700.00	(453,450.00)	5,000,000.00	AAA	Aaa	AAA	0.32%	52
INTER-AMERICAN DEVELOPMENT BANK	05/22/2023	01/12/2028	7,035,070.00	6,987,540.00	(47,530.00)	7,000,000.00	AAA	Aaa	-	3.88%	1,473
<b>Total Supra-National Agency Bond/Notes</b>			<u>\$ 18,700,780.00</u>	<u>\$ 17,779,680.00</u>	<u>\$ (921,100.00)</u>	<u>\$ 18,000,000.00</u>				<u>1.76%</u>	<u>718</u>
<b>Certificates of Participation:</b>											
(RTC) North County Transit District Certificates of Participation	11/30/2023	04/30/2024	\$ 17,750,000.00	\$ 17,750,000.00	\$ -	\$ 17,750,000.00	NR	A1	NR	3.44%	152
<b>Total Certificates of Participation</b>			<u>\$ 17,750,000.00</u>	<u>\$ 17,750,000.00</u>	<u>\$ -</u>	<u>\$ 17,750,000.00</u>				<u>3.44%</u>	<u>152</u>
<b>Total investments</b>			<u>\$ 314,989,510.91</u>	<u>\$ 314,172,404.50</u>	<u>\$ (817,106.41)</u>	<u>\$ 320,860,700.00</u>				<u>3.12%</u>	<u>650</u>
<b>Total Portfolio:</b>			<u>\$ 1,006,878,470.64</u>	<u>\$ 1,006,724,338.59</u>	<u>\$ (154,132.05)</u>	<u>N/A</u>				<u>4.66%</u>	<u>235</u>

Legend:  
Automated Regional Justice Information System (ARJIS)  
Commercial Paper (CP)  
State of California Local Agency Investment Fund (LAIF)  
North County Transit District (NCTD)  
San Diego County Regional Transportation Commission (RTC)

ITOC 12 Month Look Ahead  
Master Calendar

Wednesday, March 13, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
FY 2023 TransNet MAJOR CORRIDORS AND BIKEWAY PROGRAM PROJECT ANNUAL STATUS REPORT		X	X					
FY 2023-2024 ITOC GOALS UPDATE	X		X					
TENTATIVE: CITY OF SAN DIEGO TransNet PROGRAM AND TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM UPDATE		X	X					
FY 2024 TransNet TRIENNIAL PERFORMANCE AUDIT: DRAFT REPORT		X	X					
INDEPENDENT AUDITOR'S DRAFT ANNUAL REPORT ON RESULTS OF FY 2023 TransNet COMPLIANCE AUDITS		X					X	
INDIRECT COSTS FOR NONPROFIT TransNet GRANT RECIPIENTS		X		X				
DRAFT FY 2025 CAPITAL PROGRAM BUDGET UPDATE: TransNet PROGRAM OF PROJECTS		X		X				
Wednesday, April 10, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
ANNUAL SUBMITTAL OF REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FUNDING PROGRAMS BY LOCAL JURISDICTIONS	X						X	
NORTH COAST CORRIDOR STATUS UPDATE		X	X					
2024 ITOC ANNUAL REPORT: PROGRESS UPDATE		X	X					
TENTATIVE: FY 2018 AND FY 2021 TransNet TRIENNIAL PERFORMANCE AUDIT: IMPLEMENTATION OF RECOMMENDATIONS STATUS		X		X				
Wednesday, May 8, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
QUARTERLY TransNet FINANCIAL REPORTS AND OTHER FINANCIAL DATA	X		X					
QUARTERLY FINANCE REPORT AND UPDATE ON FINANCIAL MARKETS	X		X					
REGIONAL BIKEWAY PROGRAM STATUS UPDATE: EARLY ACTION PROGRAM	X		X					
TransNet MAJOR CORRIDOR AND REGIONAL BIKEWAY PROGRAM OF PROJECTS: QUARTERLY STATUS REPORT (FY 2024 Q3)	X		X					
APPOINTMENT OF SUBCOMMITTEE MEMBERS FOR FY 2024 FISCAL AND COMPLIANCE AUDIT		X						X
TRANSNET LOCAL STREET AND ROAD PROGRAM ANNUAL STATUS REPORT		X	X					
2024 ITOC ANNUAL REPORT: DRAFT REPORT		X		X				
LOCAL AGENCY PRESENTATION (TBD)		X	X					
Wednesday, June 12, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
ANNUAL SELECTION PROCESS FOR ITOC CHAIR AND VICE CHAIR	X		X					
2024 ITOC ANNUAL REPORT: FINAL REPORT		X				X		
FY 2024 TransNet TRIENNIAL PERFORMANCE AUDIT: FINAL REPORT		X					X	
ACCEPTANCE OF FY 2023 TransNet FISCAL AND COMPLIANCE AUDITS		X					X	
2023 STATE OF THE COMMUTE: ANNUAL REPORT		X		X				
FY 2023-2024 ITOC GOALS UPDATE	X		X					
Wednesday, July 10, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
TransNet GRANT PROGRAMS: BIENNIAL STATUS UPDATE	X		X					
FY 2023-2024 ITOC GOALS UPDATE	X		X					
ANNUAL SELECTION OF ITOC CHAIR AND VICE CHAIR		X						X
APPOINTMENT OF SUBCOMMITTEE MEMBERS FOR 2023 STATE OF THE COMMUTE		X						X
FY 2024 TransNet AGREED-UPON PROCEDURES		X				X		
REGIONAL ACTIVE TRANSPORTATION PROGRAM AWARDS AND FY 2024 PROGRAM BUDGET AMENDMENT		x		x				
TENTATIVE: LOCAL AGENCY PRESENTATION (TBD)		X	X					

# ITOC 12 Month Look Ahead

## Master Calendar

Wednesday, August 14, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
No meeting								
Wednesday, September 11, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
QUARTERLY TransNet FINANCIAL REPORTS AND OTHER FINANCIAL DATA	X		X					
QUARTERLY FINANCE REPORT AND UPDATE ON FINANCIAL MARKETS	X		X					
REGIONAL BIKEWAY PROGRAM STATUS UPDATE: EARLY ACTION PROGRAM	X		X					
TransNet MAJOR CORRIDOR AND REGIONAL BIKEWAY PROGRAM OF PROJECTS: QUARTERLY STATUS REPORT (FY 2024 Q4)	X		X					
Wednesday, October 09, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
2023 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT	X		X					
REGIONAL BIKEWAY PROGRAM STATUS UPDATE: EARLY ACTION PROGRAM	X		X					
FY 2018 AND FY 2021 TransNet TRIENNIAL PERFORMANCE AUDIT: IMPLEMENTATION OF RECOMMENDATIONS STATUS UPDATE		X		X				
REGIONAL SAFETY PROGRAM UPDATES		X	X					
FY 2023-2024 ITOC GOALS UPDATE	X		X					
Wednesday, November 13, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
2025 ITOC MEETING CALENDAR	X					X		
TransNet MAJOR CORRIDOR AND REGIONAL BIKEWAY PROGRAM OF PROJECTS: QUARTERLY STATUS REPORT (FY 2025 Q1)	X		X					
NORTH COAST CORRIDOR STATUS UPDATE		X	X					
TransNet ENVIRONMENTAL MITIGATION PROGRAM: ANNUAL STATUS REPORT		X	X					
TENTATIVE: UPDATE ON TransNet EXTENSION ORDINANCE AMENDMENTS		X	X					
DOWNTOWN LAYOVER FACILITY STATUS UPDATE		X	X					
Proposed FY 2024 Program Budget Amendment			X					
FIXING AMERICA'S SURFACE TRANSPORTATION ACT: PERFORMANCE MANAGEMENT SAFETY TARGETS		X		X				
DRAFT SCHEDULE OF ITOC MEETING AGENDA TOPICS	X		X					
TENTATIVE: LOCAL AGENCY PRESENTATION (TBD)		X	X					
Wednesday, December 11, 2024	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
No meeting								
Wednesday, January 8, 2025	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
TransNet ITOC MEMBER APPOINTMENT PROCESS	X		X					
TransNet GRANT PROGRAMS: BIENNIAL STATUS UPDATE	X		X					
QUARTERLY TransNet FINANCIAL REPORTS AND OTHER FINANCIAL DATA	X		X					
QUARTERLY FINANCE REPORT AND UPDATE ON FINANCIAL MARKETS	X		X					
REGIONAL BIKEWAY PROGRAM STATUS UPDATE : EARLY ACTION PROGRAM	X		X					
TENTATIVE: LOCAL AGENCY PRESENTATION (TBD)		X	X					

## ITOC 12 Month Look Ahead

### Master Calendar

Wednesday, February 12, 2025	Consent	Report	Information	Discussion	Recommend	Approve	Accept	Appoint
MASTER CALENDAR	X		X					
TransNet REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FEE ADJUSTMENT	X		X					
TransNet MAJOR CORRIDOR AND REGIONAL BIKEWAY PROGRAM OF PROJECTS: QUARTERLY STATUS REPORT (FY 2024 Q2)	X		X					
QUARTERLY TransNet FINANCIAL REPORTS AND OTHER FINANCIAL DATA	X		X					
QUARTERLY FINANCE REPORT AND UPDATE ON FINANCIAL MARKETS	X		X					
PROPOSED FY 2024 ITOC ANNUAL OPERATING BUDGET		X		X				
TENTATIVE: CITY OF SAN DIEGO TransNet PROGRAM AND TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM UPDATE		X	X					
TransNet PROGRAM REVENUE ESTIMATES		X	X					
OTAY MESA EAST PORT OF ENTRY STATUS UPDATE		X	X					
TENTATIVE: UPDATE ON TransNet EXTENSION ORDINANCE AMENDMENTS		X	X					
2024 ITOC ANNUAL REPORT: INITIAL INPUT		X		X				

February 14, 2024

## Regional Bikeway Program Status Update: Early Action Program

### Overview

In 2013, the Board of Directors approved a \$200 million initial investment over ten years to implement the Regional Bike Plan Early Action Program (EAP). The EAP (Attachment 1) is a network of high-quality bikeways comprised of new facilities designed to increase transportation options for people to make connections to transit, schools, employment, shopping, recreational centers, and other everyday destinations.

Ten years into the program, many projects have opened to the public, others are in construction, with more beginning construction in the upcoming year (Table 1). The initial investment has allowed the EAP Program to leverage outside funding consistent with the intent of TransNet. To date, 39% of expenditures have been TransNet funds while leveraging 61% of funds from outside Federal, State, or Local sources.

Typical issues of project delays and escalating construction costs have resulted in the Program's proposed schedule, described in detail for each project in Attachment 2. Staff continue returning to the ITOC with this detailed accounting of each EAP project's status since the start of the EAP. This report will provide a summary of project progress to date and an update of upcoming project milestones.

### Action: Information

This report provides an update of the progress made on the Regional Bike Plan Early Action Program, as a component of the Regional Bikeway Program, since October 2023.

### Fiscal Impact:

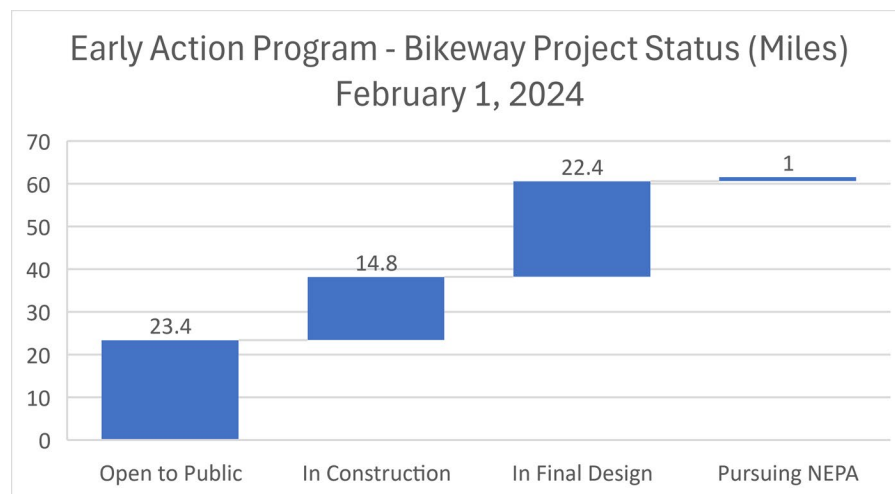
TransNet funds represent \$190 million (39%) of programmed funds. Leveraged funds have increased to \$300 million (61%).

### Schedule/Scope Impact:

Eastern Hillcrest Bikeway Invitations for Bid delayed by approximately three months. Execution of Inland Rail Trail 3B construction contract delayed by approximately one month.

### Key Considerations

#### Current Implementation Status





Imperial Avenue Bikeway has moved to construction phase. Howard Avenue Bikeway has received NEPA certification. Projects in construction are progressing and projects in final design are working toward approval and preparation for Invitations for Bid. Below is a summary of the status of projects in construction and anticipated timeline of projects heading into construction in the next 12 months.

*Projects in construction*

- Pershing Bikeway – 85% complete
- Bayshore Bikeway: Barrio Logan – 68% complete
- Border to Bayshore Bikeway – 24% complete
- Imperial Avenue Bikeway – Construction contract executed

*Projects currently in bid phase*

- Inland Rail Trail 3B

*Projects anticipated going into construction next 18 months*

- Uptown Bikeways: Eastern Hillcrest – Early 2024 bid date
- North Park | Mid-City Bikeways: University Avenue – Spring 2024 bid date
- North Park | Mid-City Bikeways: Orange Avenue – Summer/Fall 2024 bid date
- North Park | Mid-City Bikeways: Howard Avenue – Summer/Fall 2024 bid date
- Central Avenue Bikeway – Summer/Fall 2024 bid date
- Uptown Bikeways: Washington Street – Summer 2024 bid date

***Leveraging TransNet and Program Expenditures to Date***

*Leveraging local TransNet Funds to Date:* The Regional Bikeway Program projects are funded by TransNet, the regional half-cent sales tax for transportation approved by San Diego County voters. Currently, 2% of TransNet revenues are set aside for bike and pedestrian improvements (Attachment 3). Since the adoption of the Bike EAP in 2013, those TransNet funds have been successfully leveraged to bring in significant federal, state, and other local dollars so the region can gain greater economic, health, and mobility benefits. As of January 2024, the total approved funding for active and completed projects within the Regional Bikeway Program is \$490 million. TransNet funds represent \$190 million (39%) of programmed funds, which helped leverage \$300 million (61%) from federal, state, and other local sources.

*Expenditures to Date:* Approximately \$254.7 million has been spent to date (Attachment 4).

***Next Steps***

Anticipating construction costs will continue to increase the Bikeway Program will be meeting with Financial Planning, Budgets, and Grants Department to continue to explore additional funding sources and use other financial tools that utilized to address potential funding gaps for construction.

***Omar Atayee, Director of Engineering and Construction***

- Attachments:
1. Regional Bikeway Early Action Program—Project Priority List 2013
  2. Regional Bikeway Early Action Program—EAP Crosswalk and Project Status
  3. TransNet Extension Flow of Funds
  4. CIP Total Expenditures, February 1, 2024

Regional Bike Plan EAP  
Proposed Project Priority

Phasing: EAP within \$200m cap EAP exceeding \$200m cap \*\* Continued from previous phase

Priority	Facility Type	Project		Jurisdiction(s)	FY Starting	Existing Project Phase	Funding Through Project Phase	Cost	Rolling Total Cost
1	High-Priority Urban Bikeway	1	Uptown	San Diego	14	Design	Const.	\$ 22,889,000	\$ 22,889,000
1	High-Priority Urban Bikeway	3	Uptown	San Diego	14	Design	Const.	\$ 17,979,000	\$ 40,868,000
1	High-Priority Urban Bikeway	7	Uptown	San Diego	14	Design	Const.	\$ 2,579,000	\$ 43,446,000
2	High-Priority Urban Bikeway	2	North Park -- Mid-City	San Diego	14	Design	Const.	\$ 5,727,000	\$ 49,173,000
2	High-Priority Urban Bikeway	4	North Park -- Mid-City	San Diego	14	Design	Const.	\$ 5,775,000	\$ 54,948,000
2	High-Priority Urban Bikeway	5	North Park -- Mid-City	San Diego	14	Design	Const.	\$ 2,688,000	\$ 57,636,000
2	High-Priority Urban Bikeway	6	North Park -- Mid-City	San Diego	14	Design	Const.	\$ 4,869,000	\$ 62,505,000
2	High-Priority Urban Bikeway	14	North Park -- Mid-City	San Diego	14	Design	Const.	\$ 4,319,000	\$ 66,824,000
3	Class I Bikeway	31A	San Diego River Trail - Qualcomm Stadium	San Diego	14	Design	Const.	\$ 829,000	\$ 67,652,000
4	Class I Bikeway	31B	San Diego River Trail - Father Junipero Serra Trail to Santee	Santee	14	Design	ROW	\$ 2,816,000	\$ 70,469,000
5	Class I Bikeway	33	Coastal Rail Trail San Diego - Rose Creek	San Diego	14	Design	Const.	\$ 20,636,000	\$ 91,105,000
6	Class I Bikeway	36	Bayshore Bikeway - Main St to Palomar	Chula Vista/Imperial Beach	14	Enviro	Const.	\$ 2,959,000	\$ 94,064,000
7	Class I Bikeway	39C	Coastal Rail Trail Encinitas - Chesterfield to G	Encinitas	14	Design	Const.	\$ 6,885,000	\$ 100,949,000
8	Class I Bikeway	39D	Coastal Rail Trail Encinitas - Chesterfield to Solana Beach	Encinitas	14	Design	Eng.	\$ 100,000	\$ 101,050,000
9	Class I Bikeway	51 (A,B,C,D)	Inland Rail Trail	San Marcos, Vista, Co. of SD	14	Env/Design	Const.	\$ 32,691,000	\$ 133,740,000
13	Class I Bikeway	52	Coastal Rail Trail Oceanside - Wisconsin to Oceanside Blvd.	Oceanside	14	Const	Const.	\$ 200,000	\$ 133,940,000
14	Class I Bikeway	53	Plaza Bonita Bike Path	National City	14	Const	Const.	\$ 400,000	\$ 134,340,000
15	Class I Bikeway	55	Bayshore Bikeway - National City Marina to 32nds St	San Diego/National City	14	Const	Const.	\$ 1,503,000	\$ 135,843,000
16	Class I Bikeway	54	I-15 Mid-City - Adams Ave to Camino Del Rio S	San Diego	14	Engineering	Const.	\$ 9,341,000	\$ 145,184,000
17	Class I Bikeway	50	Bayshore Bikeway - Barrio Logan	San Diego	14		ROW	\$ 4,604,000	\$ 149,789,000
18	High-Priority Urban Bikeway	6A	Pershing and El Prado	San Diego	15		Const.	\$ 7,282,000	\$ 157,071,000
18	High-Priority Urban Bikeway	7A	Pershing and El Prado	San Diego	15		Const.	\$ 613,000	\$ 157,684,000
19	High-Priority Urban Bikeway	8	Downtown to Southeast connections	San Diego	15		ROW	\$ 787,000	\$ 158,471,000
19	High-Priority Urban Bikeway	9	Downtown to Southeast connections	San Diego	15		ROW	\$ 3,045,000	\$ 161,516,000
19	High-Priority Urban Bikeway	10	Downtown to Southeast connections	San Diego	15		ROW	\$ 2,825,000	\$ 164,341,000
20	High-Priority Urban Bikeway	13	San Ysidro to Imperial Beach - Bayshore Bikeway Connection	Imperial Beach/San Diego	15		ROW	\$ 1,726,000	\$ 166,067,000
20	High-Priority Urban Bikeway	21	San Ysidro to Imperial Beach - Bayshore Bikeway Connection	Imperial Beach/San Diego	15		ROW	\$ 860,000	\$ 166,927,000
21	High-Priority Urban Bikeway	18	Terrace Dr/Central Ave - Adams to Wightman	San Diego	15		Const.	\$ 1,407,000	\$ 168,334,000
22	Class I Bikeway	31C	San Diego River Trail - I 805 to Fenton	San Diego	16		Const.	\$ 1,741,000	\$ 170,075,000
23	Class I Bikeway	31D	San Diego River Trail - Short gap connections	San Diego	16		Const.	\$ 1,370,000	\$ 171,445,000
24	Class I Bikeway	39B	Coastal Rail Trail Encinitas - Leucadia to G Street	Encinitas	16		Const.	\$ 4,763,000	\$ 176,209,000
25	Class I Bikeway	45	Coastal Rail Trail San Diego - UTC	San Diego	16		ROW	\$ 791,000	\$ 177,000,000
26	Class I Bikeway	46	Coastal Rail Trail San Diego - Rose Canyon	San Diego	16	Env/Design	ROW	\$ 2,508,000	\$ 179,508,000
27	Class I Bikeway	48D	Coastal Rail Trail San Diego - Pac Hwy (W. Washington Street to Laurel Street)	San Diego	16		Const.	\$ 4,050,000	\$ 183,559,000
28	Class I Bikeway	48E	Coastal Rail Trail San Diego - Pac Hwy (Laurel Street to Santa Fe Depot)	San Diego	16		Const.	\$ 7,628,000	\$ 191,187,000
8**	Class I Bikeway	39D	Coastal Rail Trail San Diego - Encinitas Chesterfield to Solana Beach (construction phase)	Encinitas	17		Const.	\$ 127,000	\$ 191,314,000
29	Class I Bikeway	48C	Coastal Rail Trail San Diego - Pac Hwy (Taylor Street to W. Washington Street)	San Diego	17		Const.	\$ 3,994,000	\$ 195,308,000
20**	High-Priority Urban Bikeway	13, 21	San Ysidro to Imperial Beach - Bayshore Bikeway Connection	Imperial Beach/San Diego	18		Const.	\$ 6,204,000	\$ 201,513,000
30	Class I Bikeway	48B	Coastal Rail Trail San Diego- Pac Hwy (Fiesta Island Road to Taylor Street)	San Diego	18		Const.	\$ 7,270,000	\$ 208,783,000
4**	Class I Bikeway	31B	San Diego River Trail - Father Junipero Serra Trail to Santee (construction phase)	Santee	19		Const.	\$ 7,412,000	\$ 216,195,000
17**	Class I Bikeway	50	Bayshore Bikeway - Barrio Logan (construction phase)	San Diego	19		Const.	\$ 13,591,000	\$ 229,786,000
19**	High-Priority Urban Bikeway	8, 9, 10	Downtown to Southeast connections (construction phase)	San Diego	19		Const.	\$ 17,015,000	\$ 246,801,000
25**	Class I Bikeway	45	Coastal Rail Trail San Diego - UTC (construction phase)	San Diego	19		Const.	\$ 2,691,000	\$ 249,492,000
31	High-Priority Urban Bikeway	11, 16, 16A	City Heights /Encanto/Lemon Grove	Lemon Grove/San Diego	19		Const.	\$ 7,045,000	\$ 256,537,000
32	High-Priority Urban Bikeway	12, 12A	City Heights/Fairmount Corridor	San Diego	19		Const.	\$ 12,216,000	\$ 268,753,000
33	High-Priority Urban Bikeway	14A	Roland to Grossmont/La Mesa	La Mesa/El Cajon/San Diego	19		Const.	\$ 2,469,000	\$ 271,222,000
34	High-Priority Urban Bikeway	15, 15A, 20, 20A	La Mesa/Lemon Grove/El Cajon connections	Lemon Grove/La Mesa	19		Const.	\$ 5,458,000	\$ 276,680,000
26**	Class I Bikeway	46	Coastal Rail Trail - Rose Canyon (construction phase)	San Diego	20		Const.	\$ 8,433,000	\$ 285,112,000
35	Class I Bikeway	31E	San Diego River Trail - Qualcomm Stadium to Ward Rd	San Diego	20		Const.	\$ 1,568,000	\$ 286,681,000
36	Class I Bikeway	31F	San Diego River Trail - Rancho Mission Road to Camino Del Rio North	San Diego	20		Const.	\$ 263,000	\$ 286,944,000
37	Class I Bikeway	33A	Coastal Rail Trail San Diego - Rose Creek Mission Bay Connection	San Diego	20		Const.	\$ 3,990,000	\$ 290,934,000
38	Class I Bikeway	38B	Coastal Rail Trail Carlsbad - Reach 4 Cannon to Palomar Airport Rd.	Carlsbad	20		Const.	\$ 5,084,000	\$ 296,018,000
39	Class I Bikeway	38C	Coastal Rail Trail Carlsbad - Reach 5 Palomar Airport Road to Poinsettia Station	Carlsbad	20		Const.	\$ 2,738,000	\$ 298,757,000
40	Class I Bikeway	39A	Coastal Rail Trail Encinitas - Carlsbad to Leucadia	Encinitas	20		Const.	\$ 6,634,000	\$ 305,391,000
41	High-Priority Urban Bikeway	41	Coastal Rail Trail Del Mar	Del Mar	20		Const.	\$ 396,000	\$ 305,787,000
42	Class I Bikeway	42	Coastal Rail Trail San Diego - Del Mar to Sorrento via Carmel Valley	Del Mar/San Diego	20		Const.	\$ 411,000	\$ 306,199,000
43	Class I Bikeway	43	Coastal Rail Trail San Diego - Carmel Valley to Roselle via Sorrento	San Diego	20		Const.	\$ 867,000	\$ 307,066,000
44	Class I Bikeway	44	Coastal Rail Trail San Diego - Roselle Canyon	San Diego	20		Const.	\$ 4,958,000	\$ 312,024,000
45	High-Priority Urban Bikeway	13B, 24	Chula Vista National City connections	Chula Vista/National City	21		Const.	\$ 10,516,000	\$ 322,540,000
46	High-Priority Urban Bikeway	19, 30	Pacific Beach to Mission Beach	San Diego	21		Const.	\$ 9,509,000	\$ 332,049,000
47	High-Priority Urban Bikeway	25, 26, 26A	Ocean Beach to Mission Bay	San Diego	21		Const.	\$ 23,815,000	\$ 355,864,000
48	Class I Bikeway	31H	San Diego River Trail - Bridge connection (Sefton Field to Mission Valley YMCA)	San Diego	22		Const.	\$ 7,259,000	\$ 363,122,000
49	Class I Bikeway	31I	San Diego River Trail - Mast Park to Lakeside baseball park	Santee	22		Const.	\$ 10,335,000	\$ 373,458,000
50	Class I Bikeway	35	I-8 Flyover (Camino del Rio South to Camino del Rio North)	San Diego	22		Const.	\$ 9,914,000	\$ 383,371,000
51	Class I Bikeway	37B	Coastal Rail Trail Oceanside - Broadway to Eaton	Oceanside	22		Const.	\$ 445,000	\$ 383,817,000
52	High-Priority Urban Bikeway	17, 23, 29, 29A	El Cajon - Santee connections	El Cajon/La Mesa/Santee	22		Const.	\$ 12,289,000	\$ 396,106,000
53	Class I Bikeway	31J	San Diego River Trail - Father JS Trail to West Hills Parkway	San Diego	22		Const.	\$ 2,883,000	\$ 398,989,000
54	Class I Bikeway	32	Inland Rail Trail Oceanside	Oceanside	22		Const.	\$ 18,786,000	\$ 417,775,000
55	Class I Bikeway	38A	Coastal Rail Trail Carlsbad - Reach 3 Tamarack to Cannon	Carlsbad	22		Const.	\$ 4,814,000	\$ 422,589,000
56	High-Priority Urban Bikeway	22	Clairemont Drive (Mission Bay to Burgener)	San Diego	23		Const.	\$ 7,688,000	\$ 430,277,000
57	High-Priority Urban Bikeway	25A	Harbor Drive (Downtown to Ocean Beach)	San Diego	23		Const.	\$ 6,980,000	\$ 437,257,000
58	High-Priority Urban Bikeway	28	Mira Mesa Bike Boulevard	San Diego	23		Const.	\$ 3,751,000	\$ 441,008,000
59	Class I Bikeway	13C	Sweetwater River Bikeway Ramps	National City	23		Const.	\$ 8,883,000	\$ 449,891,000
60	Class I Bikeway	37A	Coastal Rail Trail Oceanside - Alta Loma Marsh bridge	Oceanside	23		Const.	\$ 4,684,000	\$ 454,575,000
61	Class I Bikeway	48A	Coastal Rail Trail San Deigo - Mission Bay (Clairemont to Tecolote)	San Diego	23		Const.	\$ 3,092,000	\$ 457,667,000
62	Class I Bikeway	49	Bayshore Bikeway Coronado - Golf course adjacent	Coronado	23		Const.	\$ 2,817,000	\$ 460,484,000

Scenario 1 - \$200M with \$1 million annual grants

SANDAG Bikeways Early Action Program (EAP) Capital Improvement Program (CIP) Crosswalk and Project Status

Project count	EAP Priority	Facility Type	EAP Project No.	EAP Segment No.	Current CIP Number(s)	Project Name(s)	Project Area	Jurisdiction (s)	EAP Planned FY Start	EAP Planned FY Complete	EAP Planned Duration (years)	2013 Project Phase Status (per EAP)	Cost 2013	Actual CIP FY Start	Actual CIP FY	Actual CIP Duration (years)	Current Miles Associated	Original EAP Miles	Comments	Project Status % Complete				Costs Through 02-01-2024 (x1000)	Additional Notes as of 02-01-2024	Status
																				Planning	Design	Construction	Date Opened			
1	1	High-Priority Urban Bikeway	1, & 3	1-7 of 9, 3-5 of 9	1223084	Uptown Bikeways: Washington St. and Mission Valley	Uptown	San Diego	14	18	5	Design	\$18,810,115	14	22	9	3.5	4.7	This CIP project combines segments from EAP Projects 1 & 3 — No. 1's Segments 1-7 from Third Ave at Upas in Hillcrest to Friars Rd was shortened to make a more direct connection from CIP 1223022 to the SD River Trail and Fashion Valley Transit Center. EAP Project No. 3's Segments 3-5 on Washington St and San Diego Ave were added to this CIP.	100	95	0	tbd	\$2,948	Currently undergoing design peer review and constructibility review. Expected to go out to bid summer 2024.	
2	1	High-Priority Urban Bikeway	1	8-9 of 9	1223022	Uptown: Fourth and Fifth Avenue	Uptown	San Diego	14	18	5	Design	\$13,220,592	14	22	9	4.5	3.3	This CIP project is Segments 8&9 from EAP Project 1. It was extended farther north to create a safer connection to CIPs 1223084 and 1223083.	100	100	100	Mar-22	\$23,973	Complete.	
3	1	High-Priority Urban Bikeway	3	1,2,&6 of 9	1223085	Uptown: Mission Hills and Old Town	Uptown	San Diego	14	18	5	Design	\$1,880,574	14	22	9	1.7	2	This CIP project is Segments 1,2,&6 from EAP Project 3. It was shortened one block in both Hillcrest and in Old Town.	100	35	0	tbd	\$173	Received Cycle 6 ATP for final design. Design work to begin in 2024.	
4	2	High-Priority Urban Bikeway	3,6,7	7-9, 1-3, 2 of 2	1223083	Uptown: Eastern Hillcrest	North Park -- Mid-City	San Diego	14	17	4	Design	\$7,797,847	14	22	9	1.5	1.5	This CIP project is Segments 1,2,&3 from EAP Project 6, and Segment 2 from Project 7. The alignments significantly changed for better connectivity to Uptown/NPMC projects.	100	100	0	tbd	\$4,145	Expected to go out to bid Early 2024.	
5	1	High-Priority Urban Bikeway	7	2-3 of 2	1223086	Uptown: Park Blvd	Uptown	San Diego	14	17	4	Design	\$84,813	14	22	9	see cell above	0.8	This CIP project (1223086) has been incorporated into Eastern Hillcrest (1223083), specifically Segment 2 from EAP Project 7. The remainder on Park Blvd from Cypress Ave to Village Place, will be built by the City of San Diego.	100	100	0	tbd	\$174	Complete.	
6	1	High-Priority Urban Bikeway	2,7	1 of 1	1223082	North Park I Mid-City Bikeways: Georgia-Meade	Uptown	San Diego	14	17	4	Design	\$5,726,867	14	22	9	3.5	3.4	2013 mileage reflects Park Blvd section of original alignment but that segment's costs were not included in this, or any other EAP project. Georgia St from Robinson St north to Meade Ave was the preferred alternative alignment built with 1223082. Costs for Preliminary Engineering of Monroe Bikeway 1223080 included here, that project was determined to be infeasible to implement and the CIP has been Closed Out.	100	100	100	Mar-22	\$26,192	Complete.	
7	2	High-Priority Urban Bikeway	4	1 of 1	1223079	NPMC: Howard Ave	North Park -- Mid-City	San Diego	14	17	4	Design	\$5,775,100	14	22	9	3.3	3.6	1223079 split into two segments. Howard Ave (1223079) from Park to I-805 is currently in DSD review. Orange Ave (1223087) segment is from I-805 to Estrella and connects to NPMC: University Ave Bikeway.	100	100	0	tbd	\$1,411	Received Cycle 6 ATP for construction. Will go out to bid in 2024.	
8	2	High-Priority Urban Bikeway	4	1 of 1	1223087	NPMC: Orange Ave	North Park -- Mid-City	San Diego	14	17	4	Design	see above	14	22	9	see cell above	see cell above	1223079 split into two segments. Howard Ave (1223079) from Park to I-805 is currently in DSD review. Orange Ave (1223087) segment is from I-805 to Estrella and connects to NPMC: University Ave Bikeway.	100	100	0	tbd	\$1,248	Received Cycle 5 ATP for construction. Will go out to bid in 2024.	
9	2	High-Priority Urban Bikeway	6,7	6-8 of 6, 2 of 2	1223078	NPMC: Landis Ave	North Park -- Mid-City	San Diego	14	17	4	Const	\$5,182,068	14	22	9	3.1	3	Construction costs for the Landis Bikeway project are included with the Georgia-Meade Bikeway, above. Planning and Design costs are included in other NPMC projects.	100	100	100	Mar-22	\$1,408	Complete.	
10	2	High-Priority Urban Bikeway	6	4-5 of 6	1223020	NPMC: Robinson	North Park -- Mid-City	San Diego	14	16	3	Design	\$1,516,750	14	22	9	0.25	0.25	Some CIP costs associated with other NPMC projects may be reflected in the costs for this project (1223020).	100	100	0	tbd	\$3,632	Received Cycle 6 ATP for construction. Will go out to bid in 2024/25.	
11	2	High-Priority Urban Bikeway	14	1 of 1	1223081	NPMC: University Ave	North Park -- Mid-City	San Diego	14	17	4	Design	\$4,318,572	14	22	9	2.9	2.8	Originally the alignment was a parallel bike boulevard through neighborhoods.The updated, current alignment, is more direct on University Ave from Chamoune Ave to the City of La Mesa.	100	100	0	tbd	\$3,477	Received December 2023 CTC construction allocation. Will go out to bid Spring 2024.	

Project count	EAP Priority	Facility Type	EAP Project No.	EAP Segment No.	Current CIP Number(s)	Project Name(s)	Project Area	Jurisdiction(s)	EAP Planned FY Start	EAP Planned FY Complete	EAP Planned Duration (years)	2013 Project Phase Status (per EAP)	Cost 2013	Actual CIP FY Start	Actual CIP FY	Actual CIP Duration (years)	Current Miles Associated	Original EAP Miles	Comments	Project Status % Complete				Costs Through 02-01-2024 (x1000)	Additional Notes as of 02-01-2024	Status
																				Planning	Design	Construction	Date Opened			
12	3	Class I Bikeway	31	A	1223052	San Diego River Trail - Qualcomm Stadium	San Diego River Trail	San Diego	14	20	7	Design	\$828,644	14	19	6	0.8	0.8	Renamed San Diego River Trail - Stadium Segment in draft FY19 budget. This connection of the San Diego River Trail will be built as part of the SDSU/Mission Valley development project. We are sharing our civil engineering design plans for connections at each end of the development site. ^Entire project to be built by others.	100	100	0	tbd	\$730	Will be done by others as part of SDSU/Snapdragon redevelopment.	
13	4	Class I Bikeway	31	B	1223053	San Diego River Trail - Carlton Oaks	San Diego River Trail	Santee	14	20	7	Design Only	\$2,816,296	14	20	7	2.1	2.1	*This project not funded through construction in original EAP list. Project most likely to be constructed by others as condition of development. Designs shared with Cities of San Diego and Santee.	100	60	tbd	tbd	\$1,249	Will be done as part of adjacent redevelopment. Coordination with Cities of San Diego and Santee to share design.	
14	5	Class I Bikeway	33	1 of 1	1223016	Coastal Rail Trail: Rose Creek Bikeway	Coastal Rail Trail San Diego	San Diego	14	20	7	Design	\$20,636,000	14	22	9	2.1	2.1	This project constructed with the same CM team working on the Mid-Coast trolley extension, Jacobs and MCTC.	100	100	100	May-21	\$27,523	Complete.	
15	6	Class I Bikeway	36	1 of 1	1144300, 1129900	Bayshore Bikeway: 8B Main Street to Palomar	Bayshore Bikeway	Chula Vista/Imperial Beach	14	20	7	Enviro	\$2,959,000	14	22	9	0.6	0.4	This project is closed out and designs have been shared with the City of Chula Vista to condition upon redevelopment.	100	60	tbd	tbd	\$1,175	Stalemate on ROW acquisition/easement. See Comments column.	
16	7	Class I Bikeway	39	C	1223017	Coastal Rail Trail Encinitas: E Street to Chesterfield Dr	Coastal Rail Trail Encinitas	Encinitas	14	17	4	Design	\$6,885,107	14	19	6	1.4	1.6	1.4 miles complete from Chesterfield Dr. to Santa Fe Dr. in spring of 2019.	100	100	100	May-19	\$9,248	Complete.	
17	7	Class I Bikeway	39	B/C	1223017	Coastal Rail Trail Encinitas: E Street to Chesterfield Dr	Coastal Rail Trail Encinitas	Encinitas	14	17	4	Design	see above	14	22	9	0.5	see cell above	Additional 0.5 miles from Santa Fe Dr. north to F St. (NCTD Coaster Station parking lot) is in final design. Note, this bikeway ends 200' south of F St., and 700' south of E St.	100	100	0	tbd	see 1123017, above	Construction funding secured. Expected begin construction in FY25.	
18	8	Class I Bikeway	39	D	1223018	Coastal Rail Trail Encinitas: Chesterfield Drive to Solana Beach	Coastal Rail Trail Encinitas	Encinitas	14	17	4	Design	\$227,167	14	21	8	1.3	1.6	The City of Encinitas has undertaken street improvements on this segment of Coast Hwy that includes Class IV bikeway. ^Project has been done by others.	100	100	100	May-20	\$5	Completed by City of Encinitas.	
19	9	Class I Bikeway	51	A-D (4 of 4)	1223023, 1223094, 1223095	Inland Rail Trail Phases 1-4	Inland Rail Trail	San Marcos/Vista/County of SD	14	20	7	Env/Design	\$32,691,000	14	22	9	7.3	7.1	Phase 1 San Marcos (1 mile), and Phase 2 County, Vista, Oceanside (3 miles) complete. Phase 3B Vista (CIP 1223094) (1 mile) in bid phase. Phase 4 Vista (CIP 1223095) (2 miles) in final design.	100	100 (Ph 1 and 2) 100 (Ph 3) 65 (Ph 4)	100 (Ph 1 and 2) 0 (Ph 3 and 4)	Feb-17 (Ph 1) Jan-21 (Ph 2) tbd (Ph 3 and 4)	\$55,355,687	Phases 1, 2, and 3A complete. Phase 3B construction anticipated spring 2024.	
20	13	Class I Bikeway	52	-	1223024	Coastal Rail Trail Oceanside: Wisconsin Ave. to Oceanside Blvd.	Coastal Rail Trail Oceanside	Oceanside	14	14	1	Const	\$200,000	14	14	1	0.4	0.4	-	100	100	100	Spr-14	\$2,471	Complete.	
21	14	Class I Bikeway	53	-	1144500	Sweetwater Bikeway: Plaza Bonita Segment	Plaza Bonita Bike Path	National City	14	14	1	Const	\$400,000	14	14	1	0.4	0.6	-	100	100	100	Spr-15	\$1,464	Complete.	
22	15	Class I Bikeway	55	-	1143700	Bayshore Bikeway: 4 & 5	Bayshore Bikeway	San Diego/National City	14	18	5	Const	\$1,503,000	14	18	5	3	2.8	Construction separated into two phases, first Segment 4 from 32nd Street in San Diego to Vesta Street, and Segment 4B/5 from Vesta Street to the National City Marina.	100	100	100	2015 and 2018	\$6,379	Complete.	
23	16	Class I Bikeway	54	-	1223014	SR15 Commuter Bikeway	I-15 Mid-City - Adams Ave to Camino Del Rio S	San Diego	14	18	5	Engineering	\$9,341,000	14	18	5	1	0	This was originally part of the Project 18 alignment - I-15 Bikeway: Mission Valley to Normal Heights. See *CIP 1223054 Central Ave Bikeway for 1.2 miles associated from original 2.4 EAP mile total. The remaining 0.2 miles was taken off SR15 project due to scope adjustment and feasibility of making a connection all the way to original termination at intersection with San Diego River Trail.	100	100	100	Aug-17	\$14,288	Complete.	
24	17	Class I Bikeway	50	1 of 1	1223055	Bayshore Bikeway - Barrio Logan	Bayshore Bikeway	San Diego	14	18	5	Env/Design	\$4,604,000	14	21	8	2.4	2.5	*Was not funded through construction in original EAP list. Construction costs estimated to be \$13,591,264 in 2013.	100	100	68	tbd	\$26,173	Construction 68% complete.	

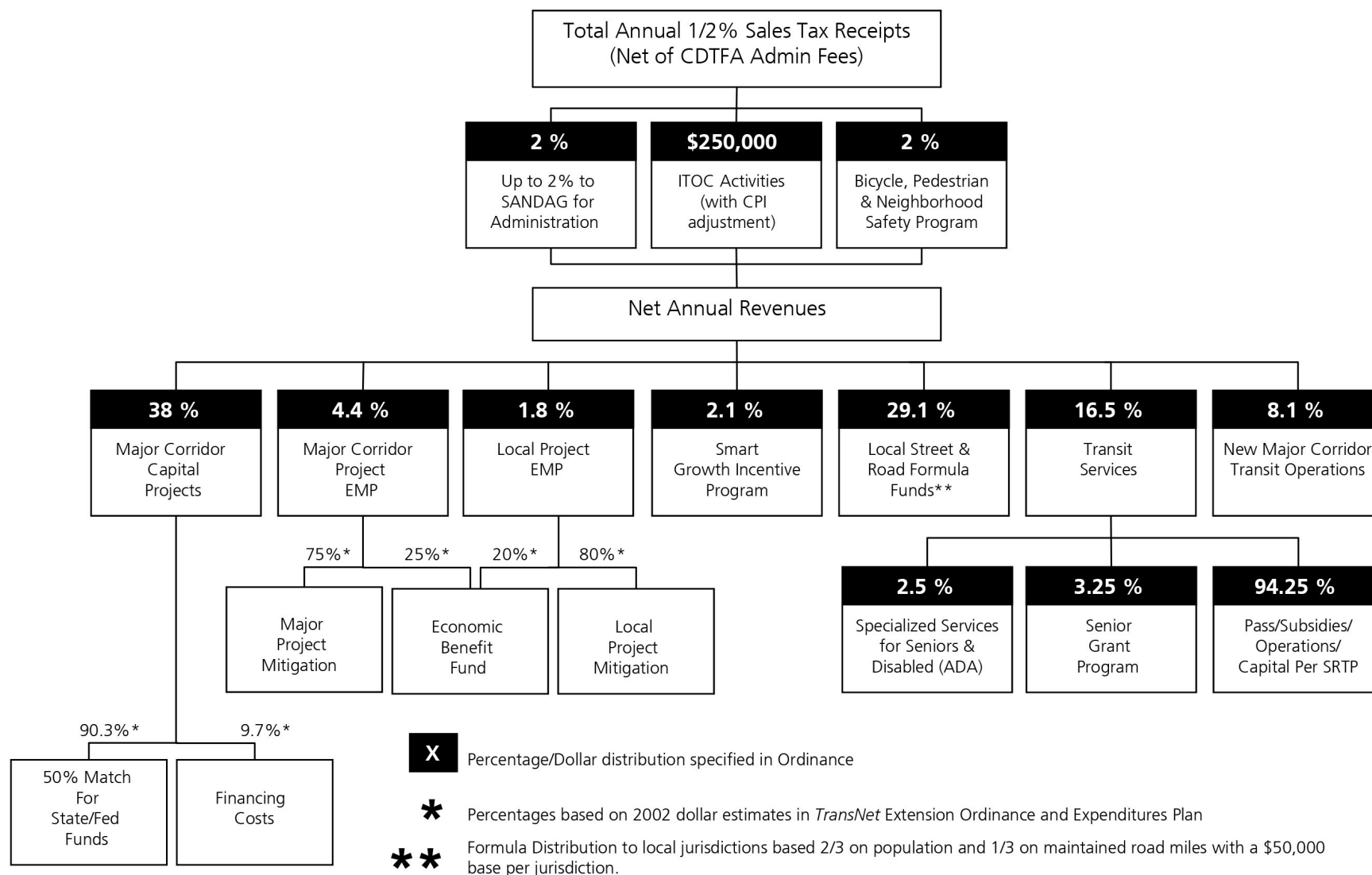
Project count	EAP Priority	Facility Type	EAP Project No.	EAP Segment No.	Current CIP Number(s)	Project Name(s)	Project Area	Jurisdiction(s)	EAP Planned FY Start	EAP Planned FY Complete	EAP Planned Duration (years)	2013 Project Phase Status (per EAP)	Cost 2013	Actual CIP FY Start	Actual CIP FY	Actual CIP Duration (years)	Current Miles Associated	Original EAP Miles	Comments	Project Status % Complete				Costs Through 02-01-2024 (x1000)	Additional Notes as of 02-01-2024	Status
																				Planning	Design	Construction	Date Opened			
25	18	High-Priority Urban Bikeway	6A	1,2&4	1223057	Pershing Bikeway	Balboa Park	San Diego	15	17	3	Env/Design	\$4,704,689	15	22	8	2.3	2.7	Construction underway with Class I path open to public. Segment 3 within Caltrans ROW moved to Project 6A.	100	100	85	tbd	\$19,329	Construction 85% complete. Expected open to public May 2024.	
26	18	High-Priority Urban Bikeway	6A, 7A	3, 1 of 1	Not in CIP yet	Pershing and El Prado	Balboa Park	San Diego	15	16	2	Planning	\$3,190,472	15	-	-	1.4	1	Caltrans retrofit and repaved the bridge in 2015 (7A). This project includes the partially designed Segment 3 from Project 6A (Pershing Bikeway 1223057) from Florida Dr to B St where the original Downtown Mobility Plan cycletrack alignment was planned (now on C St. only).	100	0	0	tbd	-	No activity.	
27	19	High-Priority Urban Bikeway	8, 9	1 of 1, 1 of 3	-	Downtown Mobility Plan Phase 3	Downtown to Southeast connections	San Diego	15	16	2	Env/Design	\$901,083	-	-	-	1.4	1.4	Segments, including this one in downtown, are now part of City of San Diego Downtown Mobility Plan Cycletrack network. Project 9 Segment 1 and a portion of Segment 2 (J St) built by City of San Diego with SANDAG SGIP Cycle 4 funds, and Final Design is complete for Project 8 Segment 1 (Park Blvd). *Was not funded through construction in original EAP list.	100	100	75	tbd	-	See Comments column.	
28	19	High-Priority Urban Bikeway	9	2-3 of 3	1223058	Imperial Ave Bikeway	Downtown to Southeast connections	San Diego	15	17	3	Env/Design	\$2,930,917	15	22	8	3.8	3.6	Ready to Advertise for Construction. Originally included downtown segments which are now part of the City of San Diego Downtown Mobility Plan, see above. *Was not funded through construction in original EAP list.	100	100	0	tbd	\$4,000	Construction contract awarded January 31, 2024.	
29	19	High-Priority Urban Bikeway	10	1-5	-	Downtown Mobility Plan Phases 2 and 3	Downtown to Southeast connections	San Diego	15	18	4	Env/Design	\$2,825,000	-	-	-	1.6	2.1	Segments, including these 5 in downtown, are now part of City of San Diego Downtown Mobility Plan Cycletrack network. Segment 2 has been built by others. *Was not funded through construction in original EAP list.	100	100	15	tbd	-	See Comments column.	
30	20	High-Priority Urban Bikeway	13, 21	1-5, 1 of 2	1223056	Border to Bayshore Bikeway	San Ysidro to Imperial Beach - Bayshore Bikeway Connection	Imperial Beach / San Diego	15	17	3	Planning	\$10,790,145	15	22	8	6.7	5.4	Construction groundbreaking anticipated February 2023. *Difference from original mileages for this project and the one below is due to their being merged, a more direct final alignment between termini determined, and some western segments in Imperial Beach done by others.	100	100	24	tbd	\$9,861	In construction. Estimated 24% complete.	
31	20	High-Priority Urban Bikeway	21	2 of 2	-	Border to Bayshore Bikeway	San Ysidro to Imperial Beach - Bayshore Bikeway Connection	Imperial Beach / San Diego	15	17	3	Planning	\$580,219	-	-	-	0.8	2.7	^Segment 1 of Project 21 merged with the above CIP Project 1223056, this project (segment 2) was completed by the City of Imperial Beach and planned with funds from SANDAG SGIP Cycles 2 and 3.	100	100	100	Aug-21	-	See Comments column.	
32	21	High-Priority Urban Bikeway	18	1 of 1	1223054	Central Ave Bikeway	Terrace Dr / Central Ave	San Diego	15	18	4	Planning	\$1,406,808	15	22	8	1.2	2.4	Project fully designed and awaiting final permitting from Caltrans and the City of San Diego. See CIP 1223014 SR15 Commuter Bikeway for 1 mile associated from original 2.4 EAP mile total.	100	100	0	tbd	\$1,336	Received Cycle 6 ATP for construction. Will go out to bid in 2024.	
33	22	Class I Bikeway	31	C	Not in CIP yet	San Diego River Trail - I-805 to Fenton	San Diego River Trail	San Diego	16	19	4	Planning	\$1,741,275	-	-	-	0.5	0.5	Will be included with Kumeyaay Corridor Comprehensive Multimodal Corridor Plan (CMCP).	100	0	0	tbd	-	See Comments column.	
34	23	Class I Bikeway	31	D	-	San Diego River Trail - Short gap connections	San Diego River Trail	San Diego	16	19	4	Planning	\$1,370,057	15	15	1	0.2	0.2	^Pedestrian Hybrid Beacon on Mission Center Rd completed by City of San Diego with SANDAG ATGP Cycle 2 funds, also installed on Camino Del Este.	100	100	100	Dec-15	-	Complete.	
35	24	Class I Bikeway	39	B	Not in CIP yet	Coastal Rail Trail Encinitas - Leucadia to G Street	Coastal Rail Trail Encinitas	Encinitas	16	19	4	Planning	\$4,763,309	-	-	-	1.7	1.7	A plan for this corridor was completed, designs were developed for portions of this segment and construction has begun on the North Coast Highway 101 Streetscape projects.	100	100	20	tbd	-	See Comments column.	
36	25	Class I Bikeway	45	1-3	Not in CIP yet	Coastal Rail Trail San Diego - UTC	Coastal Rail Trail San Diego	San Diego	16	17	2	Planning	\$791,414	-	-	-	1.4	1.4	*Was not funded through construction as part of original EAP list. Included with Coasts, Canyons, and Trails CMCP.	0	0	0	tbd	-	See Comments column.	

Project count	EAP Priority	Facility Type	EAP Project No.	EAP Segment No.	Current CIP Number(s)	Project Name(s)	Project Area	Jurisdiction(s)	EAP Planned FY Start	EAP Planned FY Complete	EAP Planned Duration (years)	2013 Project Phase Status (per EAP)	Cost 2013	Actual CIP FY Start	Actual CIP FY	Actual CIP Duration (years)	Current Miles Associated	Original EAP Miles	Comments	Project Status % Complete				Costs Through 02-01-2024 (x1000)	Additional Notes as of 02-01-2024	Status
																				Planning	Design	Construction	Date Opened			
37	26	Class I Bikeway	46	1 of 1	Not in CIP yet	Coastal Rail Trail San Diego - Rose Canyon	Coastal Rail Trail San Diego	San Diego	16	18	3	Env/Design	\$2,508,499	-	-	-	3.4	3.4	*Was not funded through construction as part of original EAP list. Included with Coasts, Canyons, and Trails CMCP.	0	0	0	tbd	-	See Comments column.	
38	27	Class I Bikeway	48	D	-	Coastal Rail Trail San Diego - Pac Hwy (W. Washington Street to Laurel Street)	Coastal Rail Trail San Diego	San Diego	16	16	1	Planning	\$4,050,421	16	22	7	1	1	Designs developed for the Terminal 2 San Diego Regional Airpoty Authority's Terminal 1 expansion. Likely to be built by others during that project's implementation.	100	100	0	tbd	-	See Comments column.	
39	28	Class I Bikeway	48	E	-	Coastal Rail Trail San Diego - Pac Hwy (Laurel Street to Santa Fe Depot)	Coastal Rail Trail San Diego	San Diego	16	16	1	Planning	\$7,628,464	16	21	6	1	1	Part of City of San Diego Downtown Mobility Plan Cycletrack Network and constructed during Phase 2.	100	100	100	Aug-20	-	See Comments column.	
40	29	Class I Bikeway	48	C	1223200	Coastal Rail Trail San Diego - Pac Hwy (Taylor Street to W. Washington Street)	Coastal Rail Trail San Diego	San Diego	17	17	1	Planning	\$3,993,954	17	22	6	1.5	1.5	Part of Central Mobility Hub Comprehensive Multimodal Corridor Plan.	100	10	0	tbd	-		





## TransNet Extension Flow of Funds FY 2009 – FY 2048\*



\* On May 14, 2021, the SANDAG Board of Directors, acting as the San Diego County Regional Transportation Commission, approved an adjustment to increase the administrative expense limitation from 1% to 2% beginning in FY 2022.

Revised May 2021

## CIP Total Expenditure Report

**SANDAG Expenditures: As of 2/1/2024**

Ordinance ID	Segment CIP	Project Name	Total Through End Date (x1000)
49	1129900	Bayshore Bikeway: 8B Main Street to Palomar	\$1,174
49	1143700	Bayshore Bikeway: Segments 4 & 5	\$6,379
49	1144300	Bayshore Bikeway: Segments 7 & 8A	\$2,412
49	1144500	Sweetwater Bikeway: Plaza Bonita Segment	\$1,464
49	1223014	SR 15 Commuter Bike Facility	\$14,288
49	1223016	Coastal Rail Trail San Diego: Rose Creek	\$27,523
49	1223017	Coastal Rail Trail Encinitas: E Street to Chesterfield Drive	\$9,248
49	1223018	Coastal Rail Trail Encinitas: Chesterfield Drive to Solana Beach	\$5
49	1223020	North Park/Mid-City Bikeways: Robinson Bikeway	\$3,632
49	1223021	Bicycle Facilities – Normal Heights to Balboa Park	\$9
49	1223022	Uptown Bikeways: Fourth and Fifth Avenue Bikeways	\$23,973
49	1223023	Inland Rail Trail	\$54,054
49	1223024	Coastal Rail Trail: Phase 2B - Oceanside	\$2,471
49	1223025	Regional Bikeway Program PE	\$348
49	1223052	San Diego River Trail: Stadium Segment	\$730
49	1223053	San Diego River Trail: Carlton Oaks Segment	\$1,249
49	1223054	Central Avenue Bikeway	\$1,336
49	1223055	Bayshore Bikeway: Barrio Logan	\$26,173
49	1223056	Border to Bayshore Bikeway	\$9,861
49	1223057	Pershing Drive Bikeway	\$19,329
49	1223058	Downtown to Imperial Avenue Bikeway	\$4,000
49	1223078	North Park/Mid-City Bikeways: Landis Bikeway	\$1,408
49	1223079	North Park/Mid-City Bikeways: Howard Bikeway	\$1,411
49	1223080	North Park/Mid-City Bikeways: Monroe Bikeway	\$197
49	1223081	North Park/Mid-City Bikeways: University Bikeway	\$3,477
49	1223082	North Park/Mid-City Bikeways: Georgia-Meade Bikeway	\$26,192
49	1223083	Uptown Bikeways: Eastern Hillcrest Bikeways	\$4,145
49	1223084	Uptown Bikeways: Washington Street and Mission Valley Bikeways	\$2,948
49	1223085	Uptown Bikeways: Mission Hills and Old Town Bikeways	\$173
49	1223086	Uptown Bikeways: Park Boulevard Bikeway	\$174
49	1223087	North Park/Mid-City Bikeways: Orange Bikeway	\$1,248
49	1223093	GObyBIKE San Diego: Construction Outreach Program	\$1,461
49	1223094	Inland Rail Trail Phase 3	\$2,103
49	1223095	Inland Rail Trail Phase 4	\$114
49	1223096	Bayshore Bikeway: Barrio Logan Phase 2	\$19
49	1223097	Bayshore to Imperial Bikeway	\$3
49	1223200	Pacific Coast Highway/Central Mobility Bikeway	\$0
<b>Grand Total</b>			<b>\$254,732</b>

\* Dollars In Thousands



February 14, 2024

## Proposed FY 2025 ITOC Annual Operating Budget

### Overview

The [TransNet Extension Ordinance](#) states that costs incurred in administering TransNet Independent Taxpayer Oversight Committee (ITOC) activities are to be paid from TransNet sales tax proceeds and audited annually. The TransNet Extension Ordinance also specifies that the responsibilities of the ITOC include conducting the annual fiscal and compliance audits, overseeing triennial performance audits, and developing the associated year-end report for the Board of Directors and the public. Mileage, advertisement, postage, and consulting service expenses, salaries, and benefits incurred for staff involved in administering ITOC activities are also eligible ITOC costs per the TransNet Extension Ordinance.

### Key Considerations

The TransNet Extension Ordinance states that an amount of no less than \$250,000 (2002 dollars), plus inflation, may be allocated from TransNet revenues to support ITOC activities. For FY 2025, this equals \$515,144. The proposed FY 2025 ITOC operating budget (Attachment 1) is \$396,689, which is lower than the estimated allocation amount for FY 2025. The FY 2025 ITOC operating budget includes the total estimated expenses related to the ITOC Program except for the cost associated with the TransNet Triennial Performance Audit which is expected to conclude in FY 2024. Any savings in the FY 2025 budget would be proposed to be used to pay for future years' expenses including FY 2027 TransNet Triennial Performance Audit and direct staff hours to support implementation of FY 2024 Triennial Performance Audit.

Activities included in the FY 2025 ITOC operating budget include the FY 2025 annual fiscal audits. In addition, direct staff hours spent in support of ITOC responsibilities which may include the following:

- conducting the annual fiscal audit and development of the ITOC annual report;
- meeting interpretation services; and
- set-aside for outside consulting services consistent with prior ITOC direction.

### Next Steps

The Board of Directors is scheduled to consider approval of the draft FY 2025 Overall Work Program Budget, including the proposed ITOC operating budget, at its March 22, 2024, meeting.

**Susan Huntington, Director of Financial Planning, Budgets, and Grants**

Attachment: 1. ITOC Annual Project Funding Work Element FY 2025 Proposed Budget

### Action: **Recommend**

The ITOC is asked to recommend that the Board of Directors approve the proposed ITOC Operating Budget as part of the FY 2025 SANDAG Program Budget.

### Fiscal Impact:

The proposed FY 2025 ITOC operating budget is \$396,689 which is proposed to be covered by the FY 2025 TransNet allocation.

### Schedule/Scope Impact:

The ITOC operating budget funds the administration of ITOC activities, including conducting the annual fiscal and compliance audits; overseeing triennial performance audits; and developing the associated year-end report. Mileage, advertisement, postage, consulting service expenses, salaries and benefits incurred for staff involved in administering ITOC activities also are included.

**Work Element:** 1500200 Independent Taxpayer Oversight Committee Program  
**Area of Emphasis:** TransNet

Annual Project Funding 1			
	FY 2023 Actual	FY 2024 Estimated Actual	FY 2025 Budget
TransNet ITOC Program	\$461,610	\$504,034	\$515,144
<b>Total</b>	<b>\$461,610</b>	<b>\$504,034</b>	<b>\$515,144</b>

Project Expenses			
	FY 2023	FY 2024	FY 2025
SANDAG Salaries, Benefits, Indirect <sup>2</sup>	\$135,298	\$130,512	\$233,178
Annual Fiscal Audits	\$133,524	\$122,485	\$122,485
Triennial Performance Audit	\$0	\$320,000	\$0
Other Direct Costs <sup>3</sup>	\$0	\$2,066	\$2,130
Advertisement	\$2,337	\$1,833	\$1,890
Postage/Delivery	\$0	\$236	\$243
Meeting Interpretation Services	\$7,088	\$9,600	\$9,898
Reserve for Outside Consulting Services <sup>4</sup>	\$1,251	\$26,057	\$26,865
<b>Total Project Expenses</b>	<b>\$279,498</b>	<b>\$612,789</b>	<b>\$396,689</b>
<b>Carryover Balance<sup>5</sup></b>	<b>\$173,112</b>	<b>\$362,404</b>	<b>\$260,829</b>
<b>Net Difference</b>	<b>\$182,112</b>	<b>\$(108,755)</b>	<b>\$118,455</b>
<b>Current Year Interest Earned<sup>6</sup></b>	<b>\$7,180</b>	<b>\$7,180</b>	<b>\$7,180</b>
<b>TOTAL<sup>7</sup></b>	<b>\$362,404</b>	<b>\$260,829</b>	<b>\$386,464</b>

<sup>1</sup> Annual revenue is \$250,000 (\$2000) escalated annually by the most current Consumer Price Index (CPI).

<sup>2</sup> Salaries, benefits, indirect costs for SANDAG staff supporting the ITOC.

<sup>3</sup> Mileage and parking reimbursement for ITOC members.

<sup>4</sup> Reserve started at \$20,000 in FY 2013 with CPI adjustment each subsequent year.

<sup>5</sup> Carryover balance is transferred from the prior year and includes a net difference between annual funding and expenses, prior year unspent funding, and may include interest earned.

<sup>6</sup> Current Year Interest Earned will be added to "Carryover TransNet Revenue - unbudgeted" in future years.

<sup>7</sup> Year-end carryover balance.

## Objective

The objective of this work element is to fulfill the requirements of the TransNet Extension Ordinance, which authorizes the Independent Taxpayer Oversight Committee (ITOC) to oversee a number of functions relating to independent oversight of the TransNet Program.

Emphasis in FY 2025 will be implementation of TransNet Ordinance amendments, updates to ITOC Bylaws and related SANDAG Board Policy amendments, overseeing implementation of recommendations from the FY 2024 TransNet Triennial Performance Audit, and continued implementation of recommendations from the FY 2021 TransNet Triennial Performance Audit, including the Transportation Performance Framework; and providing oversight for the continued implementation of the TransNet Program.

## Previous Accomplishments

Previous accomplishments include overseeing the annual fiscal and compliance audits, implementation of the FY 2018 and FY 2021 TransNet Triennial Performance Audit recommendations, and review of the TransNet Program Update.

## Justification

The ITOC Program fulfills a voter mandate in the TransNet Extension Ordinance.

**Project Manager:** Zara Sadeghian, TransNet ITOC and Program Oversight

**Committee(s):** Transportation Committee

**Working Group(s):** Independent Taxpayer Oversight Committee

## Products, Tasks, and Schedules for FY 2025

Task No.	Total	Task Description	Task Product	Completion Date
			<b>Product</b>	
1	\$69,953.00	Review the TransNet Program Update and oversee implementation of recommendations from the FY 2024 TransNet Triennial Performance Audit.	Status reports on progress of implementing Triennial Perform	6/30/2025
2	\$23,318.00	Produce annual ITOC report in accordance with the TransNet Extension Ordinance.	2025 ITOC Annual Report to the Board of Directors	6/30/2025
3	\$172,668.00	Provide additional review services by independent consultant, as appropriate	Independent report to the Board of Directors	6/30/2025
4	\$84,114.00	Oversee annual TransNet fiscal and compliance audits and present recommendations and findings, if any, to the ITOC, Transportation Committee, and SANDAG Board of Directors.	FY 2024 TransNet Fiscal and Compliance Audit Report	6/30/2025
5	\$46,636.00	Continue implementation of recommendations from the FY 2018 and FY 2021 TransNet Triennial Performance Audits.	Reports on implementation of recommendations from the prior TransNet Performance Audits	6/30/2025

## Future Activities

Implementation of the FY 2024 TransNet Triennial Performance Audit, as well as continued implementation of the FY 2018 and FY 2021 TransNet Triennial Performance Audit recommendations and providing oversight for the continued implementation of the TransNet Program.

February 14, 2024

## 2024 ITOC Annual Report: Initial Input

### Overview

In accordance with the TransNet Extension Ordinance, one of the responsibilities of the TransNet Independent Taxpayer Oversight Committee (ITOC) is to prepare an annual report to the Board of Directors and the public, presenting the results of its annual fiscal and compliance audits and its triennial performance audits. The most recent annual report ([2023 ITOC Annual Report](#)) was presented to the Board of Directors in [October 2023](#).

### Key Considerations

Enhancement of communication practices has been one of the ITOC's goals. Attachment 1 includes the 2023 ITOC Annual Report as reference.

SANDAG staff is seeking feedback from the ITOC on the content and updates to the 2024 ITOC Annual Report. The ITOC Annual Report generally contains the following items:

- Letter from the Chair
- ITOC and SANDAG Goals
- Triennial Performance Audit
- Fiscal and Compliance Audit
- Funding and Project Highlights
- Key Initiatives
- Grants and Local TransNet Funding
- Public Participation

Additionally, 2024 was the 35th anniversary of TransNet. A section can be added to the 2024 ITOC Annual Report to highlight the regional impact of the transportation improvement and environmental conservation projects that TransNet Program has supported.

### Next Steps

Pending ITOC feedback, staff will begin to prepare a draft annual report for consideration by the ITOC.

Staff will return with a draft annual report for the ITOC's review and feedback in spring 2024. Consideration of the final draft annual report is scheduled for the June 2024 ITOC meeting. ITOC Chair Jonathan Frankel will present the final 2024 ITOC Annual Report at the June 2024 Board of Directors meeting.

***Susan Huntington, Director of Financial Planning, Budgets, and Grants***

Attachment: 1. 2023 ITOC Annual Report

### Action: Discussion

The ITOC is asked to discuss the proposed format and content for the 2024 ITOC Annual Report.

### Fiscal Impact:

Efforts to develop the ITOC annual report are funded through Overall Work Program Element Nos. 1500100 and 1500200 in the FY 2024 Program Budget and will be supported by the services of a copywriting and editing services firm.

### Schedule/Scope Impact:

Consistent with TransNet Extension Ordinance provisions, upon completion by the ITOC, the annual report is presented to the Board of Directors and the public.

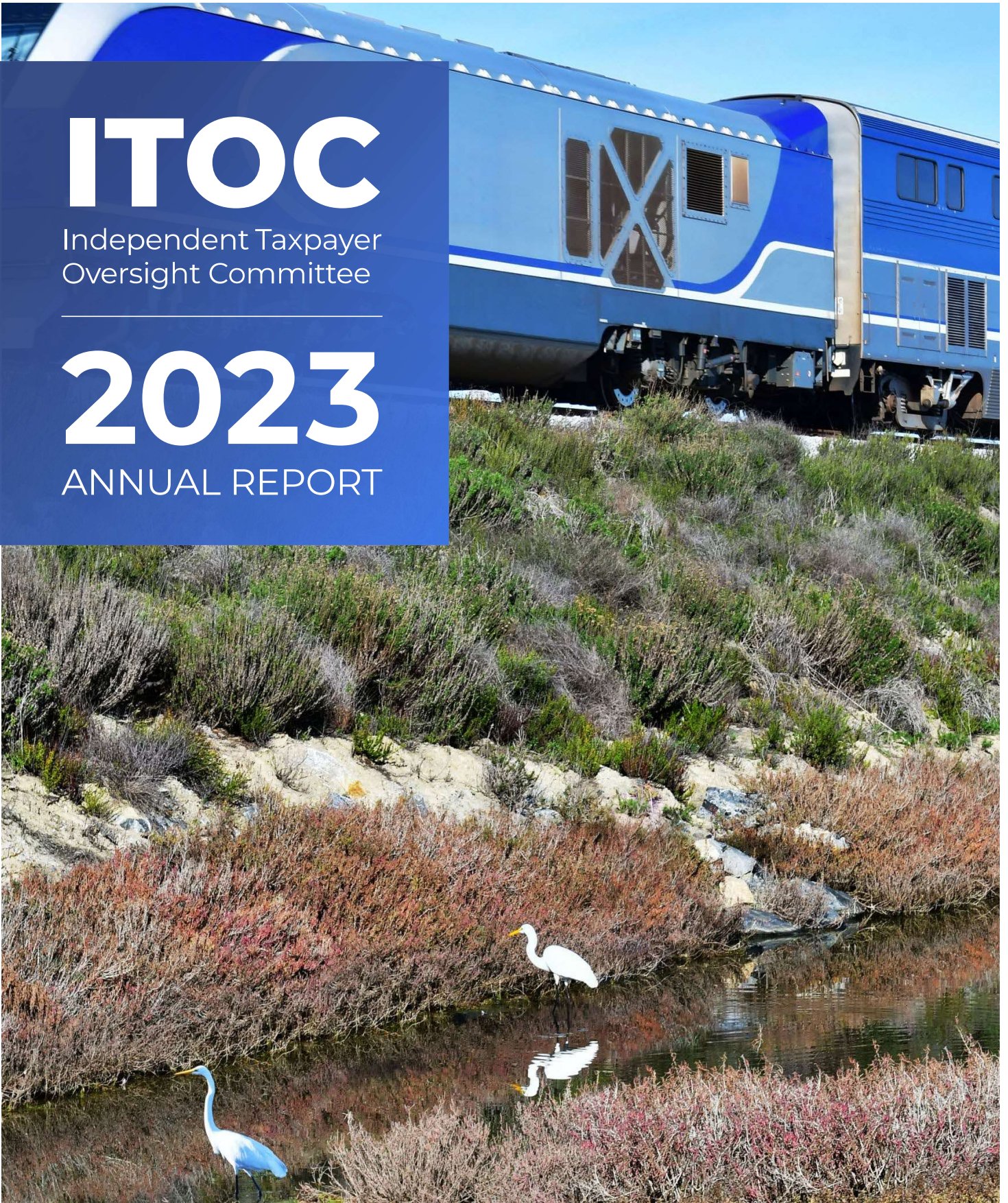


# ITOC

Independent Taxpayer  
Oversight Committee

# 2023

ANNUAL REPORT





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## ITOC Members\*

**JONATHAN FRANKEL**  
Chair, Real Estate/Land Economics  
*Term ends May 2024*

**PEDRO ORSO-DELGADO**  
Vice Chair, Construction Project  
Management  
*Term ends May 2025*

**LORRAINE AHLQUIST**  
Biology/Environmental Science  
*Term ends May 2027*

**MARYAM BABAKI**  
Municipal/Public Finance  
*Term ends May 2027*

**LES HOPPER**  
Engineer/Transportation  
*Term ends May 2024*

**SUNNIE HOUSE**  
CEO, Private Sector  
*Term ends May 2025*

**TRACY DRAGER**  
San Diego County Auditor  
(non-voting 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 2022. In addition, all members participate in subcommittees established to focus on ITOC activities such as triennial performance audits, annual fiscal and compliance audits, state of the commute reports, and ITOC goals, among others.*

## Letter from the Chair

Our mission is to ensure accountability and transparency in TransNet projects – to be stewards of valuable public tax dollars. As we conclude Fiscal Year 2023 and look forward to the future, this remains foremost in our minds.

This past year we have worked hard to develop the scope of our next Triennial Performance Audit, or TPA, the primary instrument we use to ensure the proper and transparent use of tax dollars for TransNet, the San Diego region's half-cent sales tax for transportation improvements.

The 2025 Regional Transportation Plan, under development now by the San Diego Association of Governments (SANDAG), will advance the 2021 Regional Plan and inform what our next TPA looks like because it will shape future TransNet priorities.

As we prepare for our next TPA, we are also looking at fundamental changes to the makeup of the Independent Taxpayer Oversight Committee (ITOC). Discussions are ongoing about how to add new expertise to our oversight committee and make it more reflective of our larger community – because everyone should have a voice in how our transportation future unfolds. In this regard, we are currently discussing broadening ITOC membership by two members. We are exploring the idea of adding a representative of emerging transportation technologies, which are playing such a big role in our evolving transportation system. We've also discussed adding a member who represents a regular user of our regional transportation system – because no one knows better how well our regional transportation system works than someone who uses it every day. In the coming year, ITOC's members will continue discussing how to move forward with this expansion of its membership.

This Annual Report reviews our accomplishments of the past fiscal year, while keeping an eye on the future. In the following pages you will find a review of progress on goals that the ITOC and SANDAG set in FY 2022. These include increasing communication with the transit agencies, municipalities, and other recipients of TransNet funds; working with SANDAG to follow through on TPA recommendations; and increasing the diversity of ITOC members – as I mentioned above.

Following this discussion of goals is our review of ITOC progress on Triennial Performance Review recommendations.

Next, you will find our annual reports of fiscal and compliance audit results, as well as our annual presentation of TransNet funding highlights.

Last, this Annual Report features some of the concrete accomplishments of the TransNet Program, in partnership with SANDAG and its many stakeholders. Part of ITOC's role is to show the public what its tax dollars are producing, and this Annual Report highlights progress on numerous projects around the region, including the Otay Mesa East Port of Entry, the Central Mobility Hub, stabilizing coastal bluffs in Del Mar for the LOSSAN rail corridor, and other initiatives. Also reviewed are key initiatives such as Digital Equity and the Regional Bike network, and grants and local transportation funding for environmental mitigation, promoting active transportation, and other efforts.

As the Regional Plan's vision for our transportation future evolves, taxpayers deserve to be kept informed on how tax funds are being spent. We at the Independent Taxpayer Oversight Committee will be there to ensure that public funds are spent wisely, and that projects progress on time and within budget. In the end, we play a vital role in helping to realize our collective vision for transportation and personal mobility.

Best Regards,  
Jonathan Frankel, ITOC Chair

# New ITOC Goals for FY 2023/24

The ITOC and SANDAG are pursuing goals to improve communication, transparency, and accountability for the general public and TransNet's many other stakeholders. Below is a review of four goals and progress to date adopted by the ITOC. To track more recent updates, please go online at [SANDAG.org/itoc](https://www.sandag.org/itoc).

## ITOC Goals for FY 2023

**#1**

Invite transit agencies, municipalities, and other recipients of TransNet funds to attend and highlight their TransNet program successes and/or challenges in delivering TransNet-funded projects at ITOC meetings. The goal is for at least one presentation per quarter in FY 2023.

### Progress

The cities of Chula Vista and San Diego, as well as SANDAG staff, have made presentations to ITOC on local transportation projects funded with TransNet proceeds. Other agencies, including Caltrans, have also been invited to present to the ITOC.

**#2**

Enhance effectiveness and impact of ITOC in achieving its mission to ensure voter mandates are carried out and develop recommendations for improvements to the financial integrity and performance of the program.

### Progress

The ITOC Subcommittee to Consider TransNet Ordinance Amendments drafted potential amendments to the TransNet Extension Ordinance related to ITOC membership and the selection process. Draft amendments were presented to the SANDAG Board of Directors for first and second readings in January 2023. However, the motion did not reach the required vote. Discussion on next steps has continued within the ITOC.

## SANDAG Goals for ITOC

**#1**

Consider how the TransNet program is supporting the 2021 Regional Plan priorities and policies.

### Progress

A Subcommittee of the Mobility Working Group has been formed to discuss amendments to the TransNet Extension Ordinance. The subcommittee has met several times and discussed various topics, including Transit Operations and Transit Operator Eligibility; Bicycle, Pedestrian, and Neighborhood Safety; the Local Streets and Road Program; and Dig Smart. Other topics are to be discussed in the future, continuing the effort to better align the TransNet program with the Regional Plan.

**#2**

Work closely with ITOC to develop and implement streamlining measures to enhance communication practices that continue increasing transparency and accountability, and simplify information provided to make it more digestible for ITOC members and the public.

### Progress

SANDAG staff has been working with the ITOC to improve communication practices and efficiency of the ITOC and its subcommittee meetings. As a result, the number of ITOC subcommittees was reduced, and reporting in meetings was made more streamlined and time efficient. The result has been that meetings and meeting records are now more accessible, and digestible, for the public.



# Draft Scope of Work for the FY 2024 Triennial Performance Audit

On July 1, 2023, the ITOC began conducting its sixth Triennial Performance Audit (TPA). Mandated by the TransNet Extension Ordinance, the TPA helps ensure that all voter mandates are carried out, and it develops recommendations to improve the program's financial integrity and performance.

The TPA evaluates the performance of SANDAG and other agencies involved in implementing TransNet-funded projects and programs. These agencies include Caltrans, San Diego Metropolitan Transit System (MTS), North County Transit District (NCTD), and a representative sample of consultants used by these transportation agencies. The TPA also examines the performance of the ITOC, the County of San Diego, the City of San Diego, and, as needed, a representative sample of the other 17 Cities of the San Diego region and key stakeholder groups. Interviews may be conducted with third parties, including subject matter experts, peers from similar agencies, and members of citizen advisory groups, to provide further insights into best practices.

The TPA reviews project delivery, cost control, schedule adherence, and related activities. It considers changes to contracting, construction, permitting, and related processes that could improve the efficiency and effectiveness of TransNet spending.

## What does the TPA do?

Make recommendations for improving the efficiency and effectiveness of expenditures under the TransNet Extension Ordinance

## Who conducts the audit?

- The ITOC
- Independent Performance Auditing firm under the direction of the ITOC

## What time period will the audit review?

The three-year period between July 1, 2020 and June 30, 2023

## When will the Sixth TPA be completed?

June 30, 2024





## The FY 2024 TPA will tentatively focus on 10 objectives\*

<b>Objective 1</b>	Review progress on TransNet projects, the 2021 Regional Transportation Plan, and the 5 Big Moves including proposed Ordinance amendments and timing.
<b>Objective 2</b>	Measure the impacts of SB 375 on project prioritization and consistency with the TransNet Extension Ordinance.
<b>Objective 3</b>	Evaluate the effect of Board governance and the use of AB 805 on TransNet and project delivery.
<b>Objective 4</b>	Assess status of funding (shortages, use of state and federal money, etc.), use of cost escalation methodology, and SANDAG administration costs.
<b>Objective 5</b>	Review project delivery performance data for design, construction, permitting and other procedures.
<b>Objective 6</b>	Evaluate methodology for recording metrics and outcome measurements.
<b>Objective 7</b>	Identify process changes in contracting, construction, permitting, and other procedures that could improve the efficiency and effectiveness of the TransNet program as applicable within the areas identified by the ITOC.
<b>Objective 8</b>	Track progress of the Smart Growth Incentive Program.
<b>Objective 9</b>	Assess the status of implementation of the recommendations from the fifth Triennial Performance Audit, in addition to any outstanding recommendations from previous audits, and the effectiveness of these prior recommendations.
<b>Objective 10</b>	Evaluate the efficiency and effectiveness of the ITOC, including adherence to its bylaws.

## What will the completed audit deliver?

1. Entrance and exit conferences.
2. A listing of interviewees, a schedule, and summaries of interviews and site visits.
3. A proposed Work Plan, including a proposed audit methodology.
4. Memorandums summarizing items reviewed and key issues identified.
5. Draft and final reports in accordance with TransNet Extension Ordinance requirements.
6. Draft and final presentations at Board, Policy Advisory, and/or ITOC meetings, as necessary.
7. A memorandum that specifies recommendations for potential analysis, and also for increasing the efficiency of future performance audits.

## Points of contact for the audit and coordinating the effort

- Each Agency reviewed will have a point of contact.
- Consistent with policy set by the SANDAG Board of Directors, it will be a goal not to duplicate efforts between any audits undertaken by the agency's Office of the Independent Performance Auditor (OIPA), and the Triennial Performance Audit undertaken by the ITOC.

## The Sixth TPA, and future audits

The last five TPAs conducted broad-sweeping reviews of all TransNet areas. The Sixth Triennial Performance Audit will focus on fewer areas, which will allow for deeper analyses of the ones chosen. Future audits will look further into subjects not covered by the 2024 TPA, including those pertinent to the upcoming 2025 Regional Plan.

\* This is a draft scope of work for the upcoming 2024 TPA and is subject to the ITOC's final determination.

# Triennial Performance Audits Progress (FY 2021 and FY 2018)

The Independent Taxpayer Oversight Committee (ITOC) provides an increased level of accountability for expenditures made under the TransNet Extension Ordinance. In addition to conducting independent annual fiscal and compliance audits, the ITOC also conducts Triennial Performance Audits (TPAs) of SANDAG and partner agencies involved in the implementation of TransNet-funded projects and programs in order to provide recommendations for improvement. The most recent Triennial Performance Audits were conducted in FY 2018 and FY 2021, and the next TPA is scheduled for FY 2024.

## FY 2021 TPA Implementation Status

Over the last year, SANDAG has completed several audit recommendations including a critical and high priority recommendation. These include:



- Creating a **TransNet Dashboard on the new SANDAG website**, which has improved transparency on the progress and accomplishments of TransNet Projects.
- Incorporating SANDAG conflict-of-interest policy clarifications in the ITOC member recruiting materials, which will be used for future recruiting.

Progress updates are brought quarterly to the ITOC, **Item 7** at the April 12 meeting being the most recent.

 **Implemented**    **In progress**    **Upcoming**






### Major Corridor Capital Construction

*With only 17 years of the 40-Year TransNet Extension Ordinance timeframe elapsed, SANDAG has completed many projects. However, delivery of remaining future projects depends on 2021 Regional Transportation Plan adoption.*

-  Identify whether the remaining TransNet Extension Ordinance projects will be part of the 2021 Regional Transportation Plan (Summer 2023).
-  Develop crosswalks to compare planned major corridor projects outlined in the TransNet Extension Ordinance with current improvement implementation status (Summer 2023).





### Finance

*Through renewed focus on improving revenue forecasts and expenditure models over the past few years, SANDAG identified a funding shortfall for the TransNet Extension Ordinance Major Corridor Program that needs to be addressed.*

-  Develop a formal process to address identified issues during annual Plan of Finance updates (Summer 2023).
-  Develop a risk-based approach for QA/QC testing to strengthen documentation of employed QA/QC activities and their results (Summer 2023).
-  Enhance organization of Peer Review Process supporting documents to better link plans, actions taken, and how issues were addressed (Summer 2023).
-  Describe to the Board the QA/QC sampling methodology, limitations of the data, and associated cost-benefits or risks of the approach (Summer 2023).
-  Continue efforts to formalize and implement a mature system of QA/QC policies and procedures (Summer 2023).

### Compliance, Transparency, and Accountability

*SANDAG demonstrated its commitment to compliance with TransNet Extension Ordinance provisions and focused efforts toward continued improvement, but it could further incorporate certain leading practices to better demonstrate its accountability to taxpayers.*

-  Report on actual progress and accomplishments on project scope, cost, schedule and outcomes periodically and on a regular basis (Spring 2022).
-  Demonstrate compliance with the TransNet Extension Ordinance by identifying, tracking, and reporting on various requirements and provisions (Spring 2024).
-  Implement shorter-term performance reporting while waiting on Transportation Performance Management Framework (Spring 2024).
-  Create summarized graphics to indicate TransNet Extension Ordinance status based on data in the quarterly reports (Spring 2024).

### AB 805 Impacts

*Assembly Bill 805 affected the composition of the SANDAG Board and its voting structure. The weighted voting changes, however, did not significantly impact the delivery of TransNet Extension Ordinance programs and projects.*

No recommendations for this chapter.

## Safety

*With safety as a stated TransNet Extension Ordinance goal, SANDAG conducted regional safety planning efforts, and bicycle and pedestrian safety improved in San Diego County over the past few years.*

- ◐ Consider identifying a regional safety planning coordinator to synchronize safety efforts of the region (Summer 2023).
- ◐ Prepare a regional safety plan to address regional trends, road conditions, and driving behaviors (Summer 2024).
- ◐ Consider ways to encourage emergency planning and response entities to include SANDAG in discussions and local plans related to emergency capacity (ongoing).

## Bike Early Action Program

*The Bike Early Action Program (EAP) experienced significant delays that will likely impact its 2024 completion target and may require changes to future Regional Bikeway Program projects.*

- ◐ Estimate the quantifiable impact of permit delays on the overall Regional Bikeway Program (Summer 2023).
- ◐ Work with the Board to rectify critical Bike EAP project permit issues (ongoing).
- ◐ Develop a crosswalk that compares planned Bike EAP projects outlined in the Regional Bikeway Program with project segment status (ongoing).
- ◐ Revise quarterly status reports to compare progress against initial Bike EAP plans for costs, schedules, and miles expected (ongoing).
- ◐ Modify TransNet Dashboard data or Board reports to compare actual project data against baseline budgets and schedule (Fall 2023).
- ◐ Track and analyze more granular project milestones within Bike EAP project phases (ongoing).
- ◐ Provide extra scrutiny on less certain Regional Bikeway Program funding during updates to the Plan of Finance (Summer 2023).
- Ensure that the TransNet Dashboard Bike Early Action Program schedule and budget fields include explanatory notes on why particular data may not be applicable to a project stage (Fall 2022).

## ITOC

*With recent trends in transportation planning broadening the spectrum of topics and related challenges beyond freeway expansion or adding transit routes, additional member expertise areas could further strengthen ITOC's efforts in advising SANDAG and providing taxpayer oversight of the TransNet Extension Ordinance.*

- Incorporate conflict-of-interest policy clarifications from ITOC new member on-boarding resources into recruitment materials (Winter 2022).
- Modify the TransNet Extension Ordinance language to be consistent with the service limits for all members (Winter 2022).
- ◐ Consider expanding the ITOC qualifications to include knowledge of emerging topics SANDAG represents before the committee (Winter 2023).
- ◐ Explore options and feasibility of moving ITOC candidate screening and selection process outside of the SANDAG Board to maximize transparency and minimize any bias (Winter 2023).

## FY 2018 TPA Progress on Critical Audit Recommendation

In addition, certain critical audit recommendations from the **FY 2018 TransNet Triennial Performance Audit** are in progress as follows.

### Performance Framework

Establish a comprehensive performance framework by:

- Setting targets to measure TransNet performance against TransNet Extension Ordinance goals, in line with federally mandated deadlines or at a faster pace. At minimum, some narrative could accompany performance reporting to help others understand whether data and results were favorable or unfavorable.
- Capturing performance outcome data related to safety metrics, pavement condition, and bridge condition for highways, local roadways, and bicycle and pedestrian modes.

Progress updates are brought quarterly to the ITOC, **Item 7** at the April 12 meeting being the most recent.

# Fiscal and Compliance Audit Results

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.	<p>All local street and road recipient agencies met their Maintenance of Effort (MOE) requirement, with the exception of cities of Del Mar and San Marcos, for the year ended June 30, 2022, ensuring that TransNet revenues were used to augment and not supplant local revenues.</p> <p><b>CORRECTIVE ACTION:</b> The Cities of Del Mar and San Marcos will have the next two years to make up an FY21 shortfall, and the City of San Marcos will have the next three years to make up the additional shortfall incurred in FY22.</p>
In accordance with the 30% Rule, a recipient agency that maintains a balance of more than 30 percent 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 percent threshold, and will remain below the threshold until such time that a new threshold is determined.	<p>All reporting agencies, with the exception of the cities of National City, were in compliance with Board Policy No. 031, Rule #17, Section IV, requiring TransNet recipient agencies to maintain a fund balance that does not exceed 30 percent of its annual apportionment.</p> <p><b>CORRECTIVE ACTION:</b> The City of National City has certified that it is currently below the 30% threshold and will continue to remain below the threshold for the remainder of fiscal year 2023.</p>
As specified in Section 2(C)(1) 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.	<p>SANDAG appropriately allocated TransNet revenues – at least 70 percent for congestion relief purposes and up to 30 percent for maintenance purposes – in accordance with the Ordinance.</p> <p>All recipient agencies were in compliance with this requirement.</p>
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, as long as 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.	<p>Each city and the County of San Diego under the Regional Transportation Congestion Improvement Program were compliant with the TransNet Extension Ordinance and Board Policy No. 31, except for the cities of Coronado, Escondido, La Mesa, and Lemon Grove.</p> <p><b>CORRECTIVE ACTION:</b> The cities of Coronado, La Mesa, and Lemon Grove are in the process of collecting their shortfalls. The City of Escondido has recovered all under-collected exaction fees.</p>
In accordance with the TransNet Extension Ordinance, in order 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.	<p>Transit operators appropriately limited the increase in operating costs per revenue vehicle hour for bus and rail to the increase in CPI.</p> <p>All transit operators were in compliance with this requirement.</p>



# Funding Highlights

## TransNet Dollars, Compared with Other Sources

The 2023 Regional Transportation Improvement Program (RTIP) is a multi-billion-dollar program of projects planned by SANDAG and jurisdictions throughout the county between FY 2023 and FY 2027. The RTIP relies on several sources of funding, which include TransNet funds and contributions from the federal government, the State of California, and other 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. However, when compared with the total number of dollars contributed by federal, state, and other funding sources, TransNet represents about 25 percent of the approximately \$5.91 billion projected between FY 2023 and FY 2027.

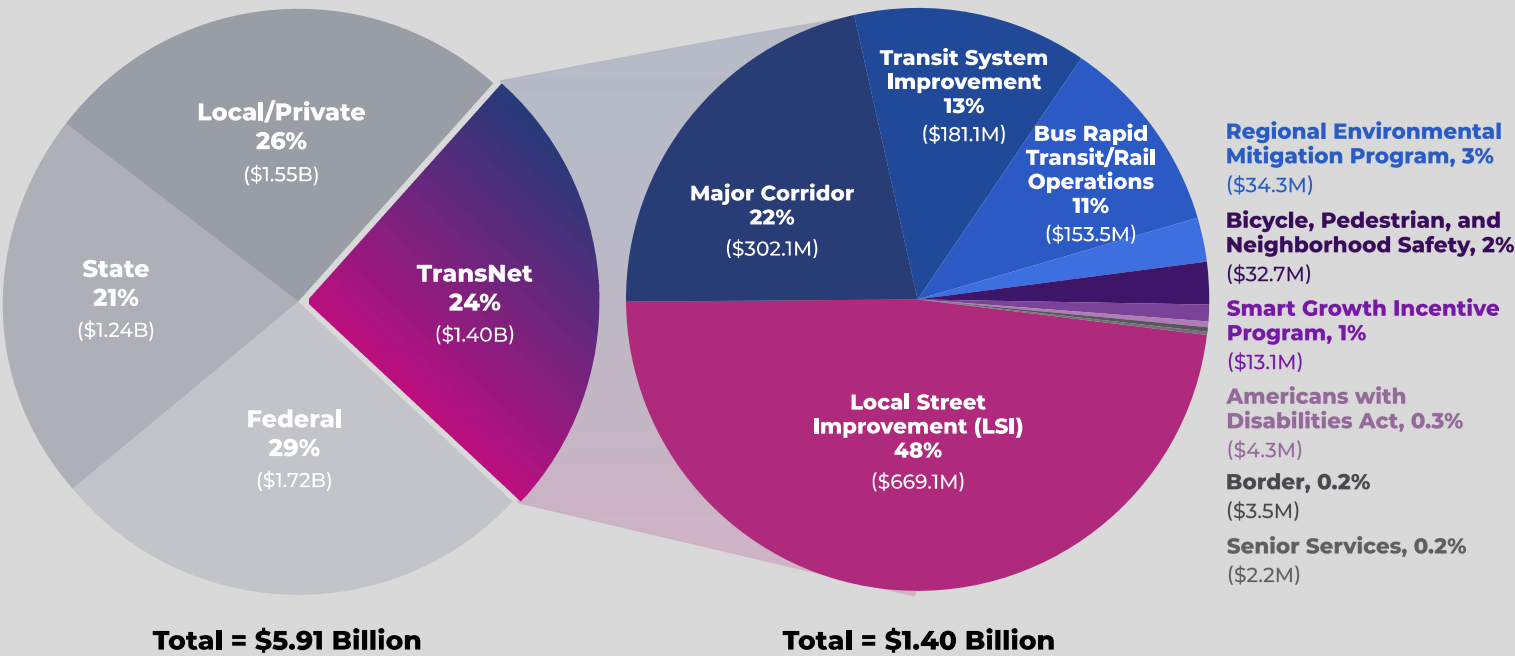
## TransNet Focuses Resources on Improving Major Corridors and Local Street Improvements

TransNet funding between FY 2023 and FY 2027 is expected to improve the quality of life for people in the region as the program focuses funding on major corridors where many people travel to and from work, and local streets and roads where people live, shop, and go to school. Between FY 2023 and FY 2027, more than \$300 million is earmarked for improving major corridors in the region such as I-5, I-15, and SR78, while \$669 million is planned for local street improvements. Meanwhile, more than \$181 million is planned for improving the regional transit system; more than \$153 million will go to operating Bus Rapid Transit and rail service; and \$32 million is budgeted for bicycle, pedestrian, and neighborhood safety improvements. More than \$34 million is earmarked for the region’s environmental mitigation program.



## TransNet and Other Funding

FY 2023–FY 2027



Source: 2023 Regional Transportation Improvement Program

## Project Highlights

SANDAG allocates millions of dollars annually to make the region's streets safer, give people more travel choices, better connect places throughout the region, and protect the environment. TransNet funding\* plays an important role in moving these initiatives forward and bringing the Regional Plan to life through priority projects and key initiatives. Local jurisdictions, nonprofit organizations, community groups, and transportation partners also receive funding through the TransNet half-cent sales tax and competitive grant programs. Ongoing revenues from the TransNet Extension Ordinance pave the way for a transformative transportation system. ITOC provides an increased level of accountability and transparency for TransNet expenditures and helps ensure that projects are progressing on schedule and on budget.

## PRIORITY PROJECTS

SANDAG connects people, places, and innovative ideas with solutions that benefit the region's unique and diverse communities. Priority projects represent the big ideas in the Regional Plan.



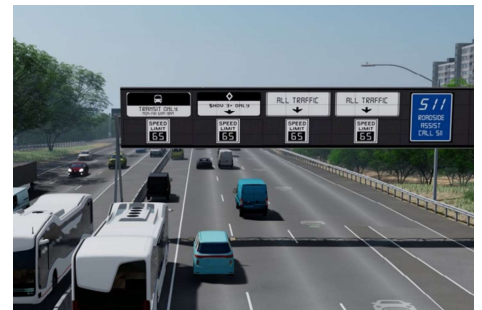
### Otay Mesa East Port of Entry

The Otay Mesa East Port of Entry will be a modern border crossing that uses innovative technology to strengthen border security, bolster the binational economy, enhance mobility, and improve regional air quality. In FY 2023, this project celebrated its historic groundbreaking, a binational Toll Revenue Sharing Agreement, and widespread federal support. Work continues to deliver this historic project, with recent legislation streamlining contracting methods. In FY 2024, SANDAG will begin designing the facility in collaboration with federal partners.



### Airport Transit Connection: Central Mobility Hub

The Central Mobility Hub will bring together all modes of transit and provide fast and convenient connections to San Diego International Airport. It will improve mobility, reduce traffic, advance climate action goals, and boost economic development. In FY 2023, project staff began a concept study to analyze several alternatives for airport transit connections. In FY 2024, SANDAG will complete the study, gather input, and begin the environmental clearance process.



### Smart Connections

Smart Connections use data and technology to provide people with choices as they travel to the places that matter most. Whether people are driving, riding, rolling, or walking, the goal is to reduce gridlock and keep the region running smoothly and safely. Smart Connections make the smartest use of taxpayer money by getting the most out of infrastructure already in place. In FY 2024, SANDAG will explore customizing lane usage based on traffic, providing right-sized, on-demand ride services, creating more access to transit options, and more.



### LOSSAN Corridor/Del Mar Bluffs

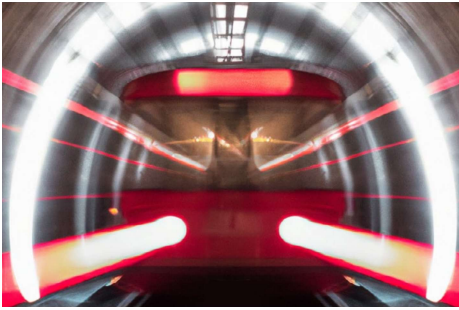
The Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor is the second busiest intercity rail corridor in the nation and the only viable rail freight link from the San Diego region to the rest of the country. SANDAG continues to move forward with double tracking the corridor and stabilizing the Del Mar Bluffs, while planning to relocate the tracks off the bluffs by 2035. In FY 2023, state and federal leadership demonstrated widespread support, and SANDAG completed project design and construction arrangements for Phase 5 of the bluffs stabilization, as well as a relocation planning study. In FY 2024, stabilization, double tracking, and infrastructure work will continue. For the relocation project, SANDAG will advance the environmental clearance and refine alignment concepts.





## Blue Line Expansion

On November 21, 2022, SANDAG celebrated the one-year anniversary of the Mid-Coast Trolley Extension, the largest completed infrastructure project in the history of the San Diego region. The community continues to share how the heavily used Blue Line can better serve the region's residents. In FY 2024, SANDAG will explore possible improvements including extending the Trolley across the border, providing first- and last-mile connections, building a San Ysidro Mobility Hub, and providing a safer, more comfortable, and convenient ride with added express options.



## Purple Line Study (M) (T)

The Purple Line is a new priority project for FY 2024. This new, high-speed transit line is designed to connect the most populated areas of our region with major job centers, carrying people from San Ysidro to Sorrento Mesa via National City, City Heights, and Kearny Mesa. In FY 2024, relief may come in the form of rapid buses and other corridor improvements. Long-term, this transit line will transform the San Diego region by connecting Mobility Hubs and biking/walking paths to provide a fast and useful transit option for tens of thousands of residents.

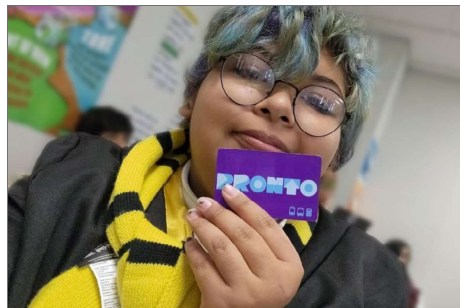
## KEY INITIATIVES

Many of the San Diego region's transportation challenges are deeply connected to larger societal issues that impact everyone's quality of life. To address the many challenges that face our region, SANDAG is leading several initiatives focused on mobility options, increased safety, and access to opportunities.



### Digital Equity

The Digital Equity Program is working to close the digital divide and ensure that everyone has equal access to educational, economic, and social opportunities through a reliable, affordable internet connection. In FY 2023, SANDAG worked to accelerate broadband infrastructure deployment and raise awareness of available resources by collaborating with state, regional, and local partners. In FY 2024, SANDAG will continue to develop the Broadband Master Plan, implement the Digital Equity Strategy and Action Plan, and streamline the permitting process.



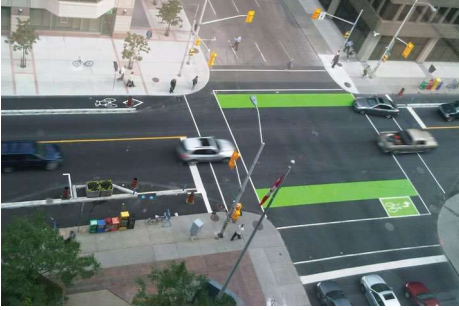
### Transit Equity and Youth Opportunity Pass

The Transit Equity Pilot includes the Youth Opportunity Pass pilot program, which provides free transit for anyone age 18 and under and educates youth and families about transit options. Since its launch, SANDAG has distributed more than 40,000 free transit passes and provided more than 5 million rides to San Diego County youth, with up to three times as many monthly youth riders as before. In FY 2024, SANDAG has identified funding to extend the program and is working on expanding it to riders age 24 and under.



### Housing Acceleration Program

The Housing Acceleration Program promotes fair and equitable housing for all by providing technical assistance, educational outreach, and financial resources that contribute to accelerating affordable housing production and preventing displacement. In FY 2023, SANDAG continued education on housing policies and legislation and program implementation. In FY 2024, SANDAG will work with partners to expand the program, support a housing trust fund, and release \$16 million in grants to local jurisdictions.



## Regional Bike Network

Safe, accessible bikeways encourage active transportation by providing convenient routes within and between communities. As of March 2023, SANDAG has built nearly 25 miles of bikeways as part of the Regional Bike Plan Early Action Program. By 2028, SANDAG will more than double that number. In FY 2023, SANDAG broke ground on 6.5 miles of new bikeways and construction progressed on an additional 5.3 miles. In FY 2024, SANDAG plans to break ground on 8.7 miles of new bikeways and open 2.3 miles to the public.



## Safety and Vision Zero

In FY 2023, the SANDAG Board of Directors adopted a Regional Vision Zero Resolution with the intention of eliminating all traffic fatalities and severe injuries while increasing safe, healthy, and equitable mobility options. Vision Zero views traffic crashes as preventable incidents and recommends proven roadway safety strategies. The Safety Dashboard will be released in FY 2023. By the end of FY 2024, the Regional Vision Zero Action Plan will be complete and the team will be applying for additional funds to implement the plan.



## People, Processes, and Technology

In FY 2024, SANDAG will invest in new technologies, its employees, and agency process improvements to ensure that it is efficient, effective, and ultimately a world-class agency. SANDAG will streamline its processes, putting into practice what it's learned from its audits. And by bringing on the proper skill sets and training staff, SANDAG will continue to be an innovative and data-driven agency.



## Data, Research, and Analytics

SANDAG conducts original research and maintains a tremendous amount of data. The agency also uses emerging datasets to better understand the needs of the region and translate data into actionable information. Unlike most other MPOs, SANDAG compiles public safety data, conducts independent program evaluations, and provides partner organizations with regional economic updates. In FY 2023, SANDAG launched the Open Data Portal, making a variety of data publicly and readily available, and began the process of building forecasts and models for the 2025 Regional Plan. In FY 2024, the team will continue to work on the Regional Plan and provide actionable information.

# GRANTS AND LOCAL TRANSNET FUNDING



## Local Streets and Roads

Since 1988, nearly \$2 billion in TransNet funding (plus more than \$700 million from federal, state, and local sources) has been provided to help each city and the county with street improvement projects. These funds have been used to build new major roads, repave and widen streets, repair potholes, improve local bikeways and walkways, complete median and landscaping projects, repair bridges, improve drainage, install traffic-calming infrastructure, and complete other major congestion relief and rehabilitation projects. In FY 2023, TransNet provided more than \$80 million toward projects in progress, and 13 projects were completed. In FY 2024 allocations and improvements will continue.





## Environmental Mitigation Program

To date, SANDAG has awarded about \$18.8 million in TransNet Land Management grants over ten cycles. This competitive program awards funding for projects that protect threatened, rare, and endangered species and their habitats. In FY 2023, SANDAG executed 19 grants totaling \$2.4 million, bringing the total number of grants to 136. In FY 2024, the San Dieguito Lagoon Restoration Project Phase II will enter its second year of construction, with completion estimated in 2025. SANDAG and Caltrans will coordinate with the County of San Diego to develop a Resource Management Plan as part of Phase I for the Rancho Lilac property.



## Active Transportation Program and Smart Growth Incentive Program

Since 2009, \$59 million in TransNet Smart Growth Incentive Program funding and more than \$28 million in Active Transportation funding has helped build more walkable, bike-friendly, and transit-oriented communities. These projects have revitalized downtown areas, created economic growth, beautified public spaces, and increased connectivity. In FY 2023, 12 projects were completed and many more that received funding in past years moved forward with planning and construction. In FY 2024, SANDAG will launch its sixth Smart Growth Incentive Program funding cycle.



## Housing Acceleration Grant Program

SANDAG launched the Housing Acceleration Grant Program in 2022 to support jurisdictions, developers, and transit agencies by funding projects that accelerate housing production while also creating sustainable and climate resilient communities. In FY 2023, SANDAG launched its second funding cycle, which includes planning and capital components. In FY 2024, the first cycle of projects will be completed, resulting in policies and programs that offer people across the San Diego region more affordable housing choices.



## Senior Mini-Grant Program

The Senior Mini-Grant Program uses TransNet funding to provide San Diego County residents who are age 60 and older with specialized transportation options. In FY 2023, 4,375 older adults benefitted from funded services, and SANDAG released a call for more projects, awarding more than \$2 million in Senior Mini-Grant funds. In FY 2024, SANDAG will begin the eighth cycle of the program.

See also the 2022 SANDAG Annual Report.

*\*Local TransNet funding is a key component in the SANDAG budget and helps the agency leverage other local, state, and federal funds. Not all projects and programs listed in this section are funded by TransNet.*



## How to Get Involved

According to SANDAG's most recent data, 60 percent of the 48 major corridor capital construction projects were completed and 28 percent were in progress as of June 30, 2023 — a significant accomplishment 13 years into the 40-year program. Completed projects include the modernization of the Blue and Orange Trolley lines; construction of the I-15 Express Lanes; the widening of SR 76; I-15, Mid-City, and South Bay Rapid Transit projects; and others. For specific information on the status of projects under the TransNet program, readers can go to the following sources online:

- **FY 2021 TransNet Triennial Performance Audit (FY 2021 TPA)**  
Appendix C details the status of major corridor projects.
- A status of all TransNet Major Corridor projects can be found on the TransNet Dashboard at [transnetdashboard.sandag.org](https://transnetdashboard.sandag.org).



### **KeepSanDiegoMoving.com**

Offers real time information about TransNet projects, including a dashboard that shows budgets and schedules.



### **SANDAG.org/TransNet**

Contains key documents related to the TransNet Extension Ordinance.



### **Meetings**

ITOC meets on a regular basis, usually the second Wednesday of the month at 9:30 a.m. at SANDAG offices 401 B Street, Suite 800, San Diego, CA 92101. A list of past and upcoming agendas for all ITOC meetings can be found at [sandag.org/itoc](https://sandag.org/itoc).



### **Questions?**

The ITOC encourages your feedback on this report and other TransNet-related matters. Inquiries can be directed to [itoc@sandag.org](mailto:itoc@sandag.org). Individuals interested in serving on the committee, as vacancies occur, are encouraged to email [itoc@sandag.org](mailto:itoc@sandag.org) to be placed on the vacancy notification list.



February 14, 2024

## **FY 2025 to FY 2029 TransNet Program and Transit-Related Revenues**

### **Overview**

Each year, SANDAG provides funding estimates for Transportation Development Act (TDA), Federal Transit Administration (FTA), and TransNet funds for the upcoming fiscal year as well as a projection for the next four fiscal years to allow the transit and local agencies to plan for capital projects and determine operating subsidies. An overview of these funding sources is provided in Attachment 1.

### **Key Considerations**

#### ***FY 2025 TransNet, TDA, and FTA Estimates***

For FY 2025, the TransNet estimate is approximately \$434 million and reflects an estimated growth rate of approximately 1.0% over anticipated revenues for FY 2024 of \$429.7 million. Of this total, the TransNet Transit System Improvements, which includes funding for transit operations and capital improvements, Americans with Disabilities, and competitive grant program funding for senior transportation services, estimate is approximately \$68 million.

The TDA estimate for FY 2025 is approximately \$205.7 million and reflects similar growth as confirmed by the County of San Diego.

The FTA estimate for FY 2025 is approximately \$164 million. Estimates for FY 2025 are based on the Federal Register which provides the FTA apportionment based on the new federal transportation bill passed in the Bipartisan Infrastructure Law as enacted in the Infrastructure Investment and Jobs Act (IIJA).

### **Forecast Methodology**

The forecast methodology used to develop the TransNet and TDA estimates is described in Attachment 2. The revenue estimates for each of the funding sources for FY 2025 through FY 2029 are shown in Attachment 3.

### **Peer Review Process**

Consistent with the SANDAG Data Accuracy and Modeling Work Plan, on December 12, 2023, a Peer Review Process (PRP) meeting, consisting of subject matter experts and an external economic forecasting expert panel<sup>1</sup> was convened to review the proposed forecast methodology. The PRP expert panel concurred with the proposed forecast methodology. In addition, the current forecast went through the SANDAG Quality Assurance/Quality Control process in December 2023.

### **Action: Information**

Staff will present an update of the proposed FY 2025 to FY 2029 estimates and apportionments for Transportation Development Act, Federal Transit Administration, and TransNet funds.

### **Fiscal Impact:**

SANDAG estimates that approximately \$800 million will be available in Transportation Development Act (TDA), Federal Transit Administration (FTA), and TransNet funds in FY 2025.

### **Schedule/Scope Impact:**

Pending approval by the Board of Directors, SANDAG and the transit agencies will use the FY 2025 to FY 2029 TDA, FTA, and TransNet estimates to inform the FY 2025 budget development process. The transit operators also would use the FY 2024 TDA and TransNet revised estimates to inform any amendments to its Capital Improvement Program budgets and amend its FY 2024 TDA claims.

<sup>1</sup> Peer Review Panel participants: Mark Bryson, Fran Mancina, and Thomas Adams (Avenu Insights); Andre Douzdjian, Ray Major, Susan Huntington, Naomi Young, Marcia Smith, Mike Duncan, Purva Singh, Michelle Smith and Zara Sadeghian (SANDAG staff).

**Next Steps**

Upon approval by the Board, SANDAG and the transit agencies will use these estimates to inform the FY 2025 budget development process and any proposed FY 2024 amendments to Capital Improvement Program budgets and/or TDA claims.

***Susan Huntington, Director of Financial Planning, Budgets, and Grants***

Attachments: 

1. Funding Programs
2. Forecast Methodology for Transportation Development Act and TransNet Forecasts
3. FY 2024 Apportionment and Estimates from FY 2025 to FY 2029

## Funding Programs

### Transportation Development Act – Local Transportation Fund

The Transportation Development Act's Local Transportation Fund (TDA) program is the major funding source that supports the region's public transit operators and nonmotorized transportation projects like bicycle and pedestrian projects. The Local Transportation Fund (LTF) portion of the TDA funds comes from a quarter of a percent of state sales tax assessed in the region. The San Diego Association of Governments (SANDAG), as the Regional Transportation Planning Agency, is responsible for apportionment of TDA funds each year in conformance with state statute. The transit operators and other member agencies submit their annual TDA claims based on the annual apportionment and in compliance with [SANDAG Board Policy No. 027](#).

Pursuant to state statute, the County of San Diego Auditor has the responsibility for providing the TDA apportionment for the upcoming fiscal year. The County Auditor develops the apportionment in consultation with SANDAG staff and with the transit operators, based on actual sales tax receipts and projections. The annual apportionment determines the amount of funds available to each agency to claim. SANDAG is required to notify prospective claimants of the apportionment by March 1, necessitating action by the Board of Directors in February each year.

The legislative priorities established by state law include certain categories for which TDA funds are taken "off the top." These include the allocation to SANDAG for various planning, programming, and administrative-related expenses, funding of bike and pedestrian facilities, and support of community transit services. In addition, the County Auditor receives an allocation based on estimates of its costs to administer the TDA program. The remaining apportionment, along with any prior year carryover funds, is available to be claimed by the North County Transit District (NCTD) and Metropolitan Transit System (MTS). The balance of current-year funds is allocated based upon the population of the service area served by the two transit agencies.

Pursuant to provisions of Senate Bill 1703 (Peace, 2002) and as agreed to by MTS, NCTD, and SANDAG, regional transit capital projects are implemented by SANDAG with funding transferred from both MTS and NCTD. The transit agencies may choose to transfer a portion of their TDA share for purposes of matching federal formula funds for the capital projects to be implemented by SANDAG on behalf of MTS or NCTD. Transfers of federal funds and/or TDA as the match are based on the draft five-year transit Capital Improvement Program (CIP). The final list of projects and associated funding will be included with the transit CIP scheduled for Transportation Committee and Board action in March or April of each year. An additional apportionment to SANDAG covers those indirect administrative functions not directly funded by projects. The calculation for the cost of these administrative functions was memorialized in Addenda Nos. 3 and 4 to the Memorandum of Understanding between SANDAG, MTS, and NCTD.

### TransNet

The TransNet Extension, a 40-year half-cent sales tax transportation funding measure approved by the voters in 2004, became effective in FY 2009. TransNet provides funding for major transportation projects in the region. After deducting costs associated with administrative expenses; the operation of the TransNet Independent Taxpayer Oversight Committee (ITOC); and the Bicycle, Pedestrian, and Neighborhood Safety program; the TransNet program is divided into Major Corridor (42.4%), New Bus Rapid Transit/Rail Operations (8.1%), Local System Improvements (33%), and Transit System Improvements (16.5%).

Within the Transit System Improvements, services provided pursuant to the Americans with Disabilities Act of 1990 (ADA) and subsidies for seniors have specific earmarks (2.5% and 3.25%, respectively). The remaining revenues can be used by the transit agencies for operating or miscellaneous capital purposes. Similar to TDA, the transit share between NCTD and MTS is allocated based upon the respective population of the two transit agencies' service areas.

The ITOC reviews the TransNet estimates for the entire program at its meeting in February each year. Significant comments from the ITOC are shared with the Transportation Committee and Board.

### **Federal Transit Administration Formula Programs**

**Section 5307:** FTA 49 USC Section 5307 provides for transit capital and operating assistance in urbanized areas and for transportation-related planning. For areas with populations of 200,000 and more, such as San Diego County, the formula is based on a combination of bus/vanpool revenue vehicle miles, bus/vanpool passenger miles, fixed-guideway revenue vehicle miles, and fixed-guideway route miles, as well as population and population density. Eligible activities under this program include planning, engineering design, and an evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities; construction of maintenance and passenger facilities; and capital investments in new and existing fixed-guideway systems, including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. Preventive maintenance and some ADA complementary paratransit service, while recorded as operating expenditures, are considered capital costs for purposes of eligibility.

The Infrastructure Investment and Jobs Act (IIJA) includes a provision that requires the transit agencies to maintain equipment and facilities in accordance with the transit asset management plan and that transit agencies are no longer required to expend 1% for associated transit improvements. These requirements did not substantively impact how SANDAG or the transit agencies use this program.

**Section 5337:** This State of Good Repair (SGR) program provides funding to transit agencies that operate rail fixed-guideway and high-intensity motorbus systems for the maintenance, replacement, and rehabilitation of capital assets, along with the development and implementation of transit asset management plans. This program reflects a commitment to ensuring that public transit operates safely, efficiently, reliably, and sustainably so that communities can offer balanced transportation choices that help to improve mobility, reduce congestion, and encourage economic development. Eligible activities include projects that maintain, rehabilitate and replace capital assets as well as projects that implement transit asset management plans. The Infrastructure Investment and Jobs Act clarifies that high-intensity motorbus tier funds can only be used for vehicle SGR costs and not for roadway SGR repair costs.

**Section 5339:** The Infrastructure Investment and Jobs Act provides both formula and discretionary funding for this section, and there is also a sub-program that provides competitive grants for bus and bus facility projects that support low- and zero-emission vehicles. The purpose of both formula and competitive programs is to provide capital funding to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities.

As stated above, the Section 5307 program is based on a number of factors, including data from the vanpool program. Over the years, the Regional Vanpool program has contributed substantially to the overall funding that comes to the region. In recognition of its contribution, the transit agencies have agreed to update the funding level to fully fund the Regional Vanpool program from the total apportionment based on prior year actual expenditure. After deducting for the cost of the Regional Vanpool program, Section 5307 funds are allocated 70% for MTS and 30% for NCTD. The same 70/30 formula was used to allocate the Sections 5337 and 5339 between MTS and NCTD. SANDAG does not directly receive funds from either Section 5337 or Section 5339.

## Forecast Methodology for Transportation Development Act and TransNet Forecasts

### **Forecast Methods**

SANDAG updates its forecast of sales tax revenue each year. The near-term forecast covers FY 2024 through FY 2028, and long-term estimates extend the forecast through FY 2048.

The sales tax revenue forecast relies on two key variables: (1) a consensus (arithmetic mean) of three independent nationally recognized forecasts of growth in per-capita nominal retail sales (IHS Markit, Moody's Analytics, and Oxford Economics<sup>1</sup>); and (2) San Diego regional population growth as projected by the SANDAG Series 15 forecast (2022-2060). The per-capita nominal sales growth rate is considered the most reliable predictor of how retail sales—and ultimately, TransNet and Transportation Development Act Local Transportation Fund (TDA) revenues—are likely to behave.<sup>2</sup>

SANDAG uses quarterly data (rather than annual) to inform the forecast. It made this shift to quarterly data in 2020 in response to COVID-19-related disruptions. The quarterly data better captured evolving economic conditions and responses to social-distancing protocols, business restrictions, fiscal stimulus payments and tax credits, increased telework, shifting consumer spending patterns on taxable goods, and inflation. Given the continuing level of economic uncertainty, quarterly data remains preferred for its sensitivity to current conditions.

The above methodology allows for adjustments to the near-term forecast (five-year window). The adjustments are based on the professional judgment of SANDAG staff and informed by a variety of sources. These sources include the California Department of Tax and Fee Administration's (CDTFA, formerly known as the California Board of Equalization) sales tax revenue allocation formula; the year-to-date sales tax collections; the forecasts provided by SANDAG's sales tax revenue consultant, Avenu Insights & Analytics; and current and forecasted general economic conditions.

### **Forecast Overview**

TransNet sales tax revenues in FY 2023 posted a record year totaling \$429.7 million, marking a healthy gain of 5.9% and the third consecutive year of higher-than-normal growth. TDA collections also showed solid growth, increasing 4.4% to \$202.7 million in FY 2023.

Expectations for FY 2024 are significantly more modest despite FY 2023's strong revenue gains for TransNet and TDA. The collections in the first half of FY 2024 signal slowing consumer spending. Through December of FY 2024, sales tax revenue has been pacing below FY 2023 collections. TransNet revenue is down 2.0%, and TDA is down 0.6% compared to the same period last fiscal year. While the entirety of the reported holiday spending surge has yet to be captured in collections, we expect this slowing trend to reverse enough for FY 2024 revenues to close out the year on par with FY 2023.

The updated forecast also reflects that, while a shallow economic downturn appears to have been avoided, consumer spending cools in FY 2025. While inflation is expected to ease, SANDAG economists are tracking data that points to some financial stress for consumers. After two years of wage growth that has not kept pace with inflation, households have faced higher costs of living and mounting debt. A key factor influencing the forecast update is how, if at all, San Diegans will respond to easing inflation and the Fed's signaling of interest-rate cuts beginning in FY 2025. SANDAG economists conservatively forecast that financially stressed households will divert some disposable income from spending to pay down debt or bolster depleted savings. The short-term forecast includes a gradual return to "normal" growth by

<sup>1</sup> Woods & Poole Economics and Caltrans forecasts were dropped from the consensus forecasts because they are only available in calendar years and updated only once a year (July for Woods & Poole, November for Caltrans).

<sup>2</sup> Based on SANDAG's forecast of TransNet revenue growth, TDA revenue growth is projected to follow the same pattern but at half a percent lower.

FY 2028 (matching its pre-pandemic historical average). FY 2025 is estimated to grow 1%. FY 2026 growth is projected at 1.2%; FY 2027 at 1.3%; and FY 2028 at 2.9%.

For TDA, SANDAG generally projects its revenue growth to be half a percent lower than TransNet. However, mid-way through FY 2024, TDA collections do not show the same slowing seen in TransNet revenue. As a result, SANDAG adjusted the TDA projection upwards for FY 2024; annual growth is projected to be 1%. Starting in FY 2025, TDA growth projects return to being 0.5% lower than TransNet. Projected growth for TDA revenue is 0.5% for FY 2025, 0.7% for FY 2026, 0.8% for FY 2027 and 2.4% in FY 2028.

The table below shows actual and projected TransNet Extension Ordinance revenues, starting in FY 2009, the first year of collections. Given economic uncertainty and a desire to exercise caution with revenue projections, this forecast is intended to be conservative.

***Growth in TransNet Extension Ordinance Sales Tax Receipts***

<b>Fiscal Year</b>	<b>Amount</b>	<b>Percent Change</b>
2009 (Actual)	\$222.0M	-9.2%
2010 (Actual)	\$204.2M	-8.0%
2011 (Actual)	\$221.3M	8.4%
2012 (Actual)	\$236.9M	7.1%
2013 (Actual)	\$247.2M	4.3%
2014 (Actual)	\$260.1M	5.2%
2015 (Actual)	\$268.8M	3.4%
2016 (Actual)	\$275.5M	2.5%
2017 (Actual)	\$284.5M	3.3%
2018 (Actual)	\$301.5M	6.0%
2019 (Actual)	\$305.3M	1.3%
2020 (Actual)	\$305.9M	0.2%
2021 (Actual)	\$334.0M	9.2%
2022 (Actual)	\$405.9M	21.5%
2023 (Actual)	\$429.7M	5.9%
2024 (Forecast)	\$429.7M	0.0%
2025 (Forecast)	\$434.0M	1.0%
2026 (Forecast)	\$439.3M	1.2%
2027 (Forecast)	\$444.8M	1.3%
2028 (Forecast)	\$457.5M	2.9%

***Peer Review Process***

Based on a request by the TransNet Independent Taxpayer Oversight Committee (ITOC) and consistent with the [SANDAG Data Accuracy and Modeling Work Plan](#), on December 12, 2023, a Peer Review Process (PRP) meeting, consisting of subject matter experts and an external economic forecasting expert panel, was convened to review the proposed forecast methodology. The PRP expert panel concurred with the proposed forecast methodology. In addition, the current forecast went through the SANDAG Quality Assurance/Quality Control process in December 2023.

The ITOC will review the TransNet program revenue estimates at its February 14, 2024, meeting.



## ***Economic Conditions***

In the second quarter of FY 2024, San Diego's regional economy displayed resilience amid a third year of elevated inflation, high interest rates, and countervailing pressures. Tourism is returning to 2019 levels, and overall employment has remained healthy. At the same time, the region's households have faced headwinds from inflation-impacted rising costs of living accompanied by only modest wage growth and slight moderation in real estate markets.

Tourism continues its post-pandemic recovery, capitalizing on solid demand and shifts in consumer spending from goods to experiences and the tail end of the "revenge travel" phenomenon of people making up for not having traveled because of the 2020 pandemic. In 2022, the region had 28.8 million visitors who spent \$13.6 billion. From January through October 2023, visits and visitor spending outpaced 2022 counts during that same 10-month period by 10.9% and 4.4%, respectively.

Another strength of the region's economy has been its diversified employment base. More than 1.61 million San Diegans were in the civilian labor force as of November 2023, up 1,800 workers from the prior year. Total nonfarm, wage/salary jobs were 1.59 million in November 2023, up 21,900 from the prior year. The largest net gains came in private Healthcare and Social Assistance (10,700 jobs) and Tourism (9,900), while Administrative and Support and Waste Management and Remediation Services (-7,000) had the largest net job loss.

The unemployment rate remained relatively low at 4.2% in November 2023, though 15,100 more persons were unemployed than in November 2022 (3.3% unemployment rate). Unemployment rates also ticked up in California to 4.9% and nationally to 3.5% in November 2023.

While labor market conditions remain strong, the cost of living in the region continues to rise. Modest wage increases contributed to San Diego's household area median income (AMI) rising to \$116,800 in FY 2024, but wage growth has not kept pace with inflation. Sticky housing costs and elevated prices for household necessities have been cutting into both discretionary spending and savings, making San Diego among the nation's top 5 most expensive places to live. In November 2023, San Diego inflation rose to 5.2%, after falling to 4.3% in July. San Diego also continues to track above the national level (3.1%). The San Diego price increases (measured against November 2022) were seen mainly in necessities, such as groceries (2.6%), shelter (8.7%), electricity (16.2%), and medical care (5.2%).

For more than three years, inflationary pressures have stretched household budgets, especially for low-income families. San Diegans have been making ends meet by cutting back on discretionary spending; trading down to less-expensive, discounted goods and services; putting more on credit cards; and taking second jobs. Moreover, credit card debt and delinquencies are on the rise. The impact of mounting debt, compounded by record-high interest rates (21.5% from large commercial banks in November 2023), will likely become more burdensome in the coming year.

Given the tighter lending standards, high cost of capital, lower business investment, and prevailing telework trends, the San Diego commercial real estate struggled with decreased demand for office space. Compared to the pre-pandemic period, leasing volume has plummeted almost 20% while availability has risen by 7 million square feet to 20.4 million square feet. While the region faced a 10.8% vacancy in late 2023, Downtown remained the hardest hit, with vacancy rates at 26.5% and climbing. Downtown San Diego's vacancy rates are projected to reach an unprecedented 39% in 2024. The high vacancy rate is due to dwindling demand and the expected delivery of 2.7 million square feet of new, yet uncommitted, office space in the next 18 months,

In contrast, the residential real estate market remained especially tight and arguably frozen because of limited supply, near-record home prices, and elevated mortgage rates, which reached a 23-year-high of 7.79% in late October 2023 and receded to 6.61% in late December 2023. The falling rates have attracted more buyers, but few would-be sellers have put their homes on the market. In November 2023, year-over-year home sales were down 14.5% to 1,549. The median-priced home was \$870,000, and affordability limited to just 16% of San Diego households can afford the \$5,550 monthly payment on a median-priced home at a 6.82% rate for a 30-year fixed mortgage (December 2023). The region also has the nation's third-most expensive rental market, with rents up an average of 18% to \$2,830 in the past year.

While recession fears appear to be fading, the lasting impact of inflation, higher costs of borrowing, rising home prices, and mounting debt create uncertainty about consumer spending in the coming year. Also, numerous macroeconomic factors—\$38 billion state budget shortfall, U.S. Presidential election, wars in Russia-Ukraine and the Middle East, and trade tensions with China, among others—could become impactful economic headwinds.

**Transportation Development Act**  
**FY 2024 Apportionment and Estimates from FY 2025 - FY 2029**

*Estimated amounts are in \$000s*

Column1	FY 2025 Apportionment	FY 2026 Estimate	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate
Total Apportionment <sup>1,2</sup>	<b>\$205,736,668</b>	<b>\$207,178</b>	<b>\$208,769</b>	<b>\$213,679</b>	<b>\$218,076</b>
Less County Auditor Expenses (PUC 99233.1)	(50,000)	(51)	(52)	(53)	(54)
Less SANDAG Administration (PUC 99233.1) <sup>3</sup>	(563,777)	(778)	(574)	(587)	(809)
Less 3% Planning Funds (PUC 99233.2)	(6,153,687)	(6,190)	(6,244)	(6,391)	(6,516)
Less 2% Bicycle/Pedestrian Funds (PUC 99233.3)	(3,979,384)	(4,003)	(4,038)	(4,133)	(4,214)
Less 5%Community Transit Service (PUC 99233.7)	(9,749,491)	(9,808)	(9,893)	(10,126)	(10,324)
<b>Subtotal</b>	<b>\$185,240,329</b>	<b>\$186,348</b>	<b>\$187,968</b>	<b>\$192,389</b>	<b>\$196,158</b>
Total Available for MTS	131,457,281	132,243	133,393	136,530	139,205
Less Regional Planning/Capital Projects <sup>4</sup>	(284,392)	(296)	(302)	(308)	(314)
Less Transferred Functions <sup>5</sup>	(2,647,252)	(2,663)	(2,686)	(2,749)	(2,803)
Total Community Transit Service	6,780,428	6,821	6,880	7,042	7,180
<b>Total Available to Claim</b>	<b>\$135,306,066</b>	<b>\$136,105</b>	<b>\$137,285</b>	<b>\$140,515</b>	<b>\$143,268</b>
Total Available for NCTD	53,783,048	54,105	54,575	55,859	56,953
Less Regional Planning/Capital Projects <sup>4</sup>					
Less Transferred Functions <sup>5</sup>	(900,866)	(906)	(914)	(936)	(954)
Total Community Transit Service	2,774,073	2,791	2,815	2,881	2,938
<b>Total Available to Claim</b>	<b>\$55,656,255</b>	<b>\$55,989</b>	<b>\$56,476</b>	<b>\$57,804</b>	<b>\$58,936</b>
Total Available for SANDAG					
Regional Planning/Capital Projects	284,392	296	302	308	314
Transferred Functions	3,548,118	3,569	3,600	3,685	3,757
SANDAG Expenses <sup>3</sup>	563,777	778	574	587	809
3% Planning Funds	6,153,687	6,190	6,244	6,391	6,516
Prior Year Carryover	0				
<b>Total Available to Claim</b>	<b>\$10,549,974</b>	<b>\$10,833</b>	<b>\$10,720</b>	<b>\$10,972</b>	<b>\$11,397</b>
Total Community Transit Service (CTSA)	<b>\$194,990</b>	\$196	\$198	\$203	\$206
Prior Year Carryover	\$0				
<b>Total Available to Claim</b>	<b>\$194,990</b>	<b>\$196</b>	<b>\$198</b>	<b>\$203</b>	<b>\$206</b>

\*Totals may not add up due to rounding

<sup>1</sup> The County Auditor provided the apportionment for FY 2024. The projected estimates for FY 2025 to FY 2028 are based on the growth rate in retail sales as forecasted by SANDAG and excludes interest and prior year excess funds.

<sup>2</sup> Apportionment distribution is based on the population estimates published by the California Department of Finance (DOF) estimates as of January 2022 - approximately 71% for MTS and 29% for NCTD.

<sup>3</sup> The SANDAG Administration cost rises in FY 2025 and FY 2028 disproportionately due to costs associated with the triennial performance audit. All other annual increases in SANDAG administrative share are consistent with the estimated growth in the TDA.

<sup>4</sup> Represents the local match for federally funded regional planning and transit capital development projects identified in the FY 2024 transit CIP as provided by MTS and NCTD. The projects funded will be included as part of the FY 2024 Capital Improvement Program presented to the Transportation Committee/Board at their March/April meetings.

<sup>5</sup> Based on Addendums No. 3 and No. 4 to the Master Memorandum of Understanding between MTS, NCTD, and SANDAG. For NCTD, 26.09% of this share is transferred back to NCTD to be used for TDA-eligible purposes.

TransNet Program  
Estimates from FY 2025 to FY 2029 (in \$000s)

FY 2024	FY 2025			FY 2026			FY 2027			FY 2028			FY 2029			
TransNet Program Revenues	105%	95%		105%	95%		105%	95%		105%	95%		105%	95%		
Estimated Sales Tax Receipts	\$429,736	\$455,743	\$434,040	\$412,338	\$461,215	\$439,252	\$417,290	\$467,063	\$444,822	\$422,581	\$480,382	\$457,507	\$434,631	\$492,668	\$469,208	\$445,748
TransNet Program Allocations																
Administrative Allocations <sup>1</sup>			\$8,681			\$8,785			\$8,896			\$9,150			\$9,384	
Independent Taxpayer Oversight Committee <sup>2</sup>			\$515			\$528			\$540			\$551			\$563	
Bike, Pedestrian & Neighborhood Safety <sup>3</sup>			\$8,681			\$8,785			\$8,896			\$9,150			\$9,384	
Total off-the-top Programs			\$17,877			\$18,098			\$18,332			\$18,851			\$19,331	
Net Available for Subprograms*			\$416,164			\$421,154			\$426,489			\$438,656			\$449,877	
Program Allocations																
Major Corridors Program <sup>4</sup>			\$176,453			\$178,569			\$180,831			\$185,990			\$190,748	
New BRT/Rail Operations <sup>5</sup>			\$33,709			\$34,113			\$34,546			\$35,531			\$36,440	
Transit System Improvements <sup>6</sup>			\$68,667			\$69,490			\$70,371			\$72,378			\$74,230	
Local System Improvement <sup>7</sup>			\$137,334			\$138,981			\$140,741			\$144,756			\$148,459	
Total Program Allocations*			\$416,164			\$421,154			\$426,489			\$438,656			\$449,877	

\*Totals may not add up due to rounding

NOTES:

The TransNet Extension Ordinance established the rules for the allocation of all Commission revenues. Commission funds are allocated according to the following priorities:

<sup>1</sup> Up to 2% of the annual revenues shall be allocated for administrative expenses, which includes Commission/Board expenses, administrative reserve.

<sup>2</sup> The ITOC allocation is based on the annual increase in CPI using \$250,000 as the starting base.

<sup>3</sup> Total of 2% shall be allocated for bicycle facilities.

<sup>4</sup> 42.4% of the total revenues less off the top programs shall be allocated for Major Corridor projects which include transportation mitigation under the Environmental Mitigation program (EMP) and any finance charges incurred.

<sup>5</sup> 8.1% of the total revenues less off the top programs shall be allocated to operate new rail or bus rapid transit (BRT) services.

<sup>6</sup> 16.5% of the total revenues less off the top programs shall be allocated for purposes of public transit services including providing for senior and American with Disabilities Act (ADA)-related services.

<sup>7</sup> 33% of total revenues less off the top programs shall be allocated for local street improvement services, which includes roadway projects, as well as local EMP and smart growth incentive programs.

TransNet Revenue Forecast - Transit System Improvement Program  
Estimates for FY 2025 to FY 2029 (in \$000s)

	FY 2024	FY 2025 (Proposed)	FY 2026 (Estimate)		FY 2027 (Estimate)		FY 2028 (Estimate)		FY 2029 (Estimate)	
		Mid-Range	Mid-Range	Low	Mid-Range	Low	Mid-Range	Low	Mid-Range	Low
Total Available For Transit Purposes <sup>1,2</sup> :	\$67,988	\$68,667	\$69,490	\$66,016	\$70,371	\$66,852	\$72,378	\$68,759	\$74,230	\$70,518
Less 2.5% for ADA-related Services	(\$1,700)	(\$1,717)	(\$1,737)	(\$1,650)	(\$1,759)	(\$1,671)	(\$1,809)	(\$1,719)	(\$1,856)	(\$1,763)
Less 3.25% for Senior Services	(\$2,210)	(\$2,232)	(\$2,258)	(\$2,146)	(\$2,287)	(\$2,173)	(\$2,352)	(\$2,235)	(\$2,412)	(\$2,292)
<b>Subtotal</b>	<b>\$64,078</b>	<b>\$64,719</b>	<b>\$65,495</b>	<b>\$62,220</b>	<b>\$66,324</b>	<b>\$63,008</b>	<b>\$68,216</b>	<b>\$64,806</b>	<b>\$69,961</b>	<b>\$66,463</b>
<b>MTS Projects And Services:</b>										
Transit Service Improvements (Operations and Supporting Capital)	\$45,535	\$45,928	\$46,479	\$44,155	\$47,068	\$44,715	\$48,410	\$45,990	\$49,649	\$47,167
ADA Services	\$1,206	\$1,218	\$1,233	\$1,171	\$1,248	\$1,186	\$1,284	\$1,220	\$1,317	\$1,251
<b>NCTD Projects And Services:</b>										
Transit Service Improvements (Operations and Supporting Capital)	\$18,543	\$18,791	\$19,016	\$18,065	\$19,256	\$18,294	\$19,806	\$18,816	\$20,312	\$19,297
ADA Services	\$493	\$498	\$504	\$479	\$511	\$485	\$525	\$499	\$539	\$512
<b>Regional Discretionary Programs<sup>3</sup>:</b>										
Competitive Grant Program for Senior Transportation Services	\$2,210	\$2,232	\$2,258	\$2,146	\$2,287	\$2,173	\$2,352	\$2,235	\$2,412	\$2,292

\*Totals may not add up due to rounding

<sup>1</sup> The Transit System Services Improvements share is 16.5% of net available revenues. After deducting for ADA and Senior Services, the balance is available for operations and miscellaneous capital projects by the transit agencies.

<sup>2</sup> Distribution between the 2 agencies for FY 2025 through 2029 are based on Jan. 2022 population.

<sup>3</sup> The funds are allocated via a Call for Projects process by SANDAG.

Other Notes:

A. The estimated revenues are based on growth rate in taxable sales as forecasted by SANDAG and excludes interest and prior year excess funds.

B. Distribution of revenue estimates are based on the 2004 Proposition A Extension: San Diego Transportation Improvement Program and Expenditure Plan.

### SUMMARY OF FY 2025 TRANSIT RELATED REVENUES (\$1000s)

	Transportation Development Act TDA <sup>1</sup>	TransNet Transit System Improvements	Federal Transit Administration (FTA) 2024 <sup>1</sup>	Total
<b>Total Estimated</b>	\$ 205,737	\$ 68,667	\$ 163,875	\$ 438,279
<b>County Administration Fee</b>	\$ (50)			\$ (50)
<b>Amounts Distributed</b>	\$ 205,687	\$ 68,667	\$ 163,875	\$ 438,229
<b>Metropolitan Transit System</b>	\$ 135,306	\$ 47,146	\$ 109,722	\$ 292,174
<b>North County Transit District</b>	\$ 55,656	\$ 19,289	\$ 47,519	\$ 122,464
<b>SANDAG</b>	\$ 10,550		\$ 6,635	\$ 17,185
<b>Community Transit Services (CTSA)</b>	\$ 195			\$ 195
<b>Discretionary Programs<sup>2</sup></b>	\$ 3,979	\$ 2,232		\$ 6,211

<sup>1</sup> Distribution between transit agencies and SANDAG subject to change based on final transit CIPs and capital project transfers

<sup>2</sup> Reflects TDA funds for bike/ped projects and TransNet TSI funds for competitive grants

\*Totals may not add up due to rounding.

Federal Transit Administration Formula Programs  
FY 2025 Apportionment and Estimates from FY 2026 - FY 2029

		FY 2025			FY 2026 (\$000s)			FY 2027 (\$000s)			FY 2028 (\$000s)			FY 2029 (\$000s)		
	Carryover Apportionment	Apportion- ment <sup>1</sup>	Regional Capital Projects	Regional Planning	Apportion- ment <sup>1</sup>	Regional Capital Projects	Regional Planning	Apportion- ment <sup>1</sup>	Regional Capital Projects	Regional Planning	Apportion- ment <sup>1</sup>	Regional Capital Projects	Regional Planning	Apportion- ment <sup>1</sup>	Regional Capital Projects	Regional Planning
<b>Section 5307 Urbanized Area Formula Funds</b>																
MTS		\$62,473,841	\$0	(\$1,137,567)	\$63,780	\$0	(\$1,184)	\$65,113	\$0	(\$1,207)	\$66,473	\$0	(\$1,231)	\$67,863	\$0	(\$1,256)
NCTD		\$26,774,503	\$0	N/A	\$27,334	\$0	N/A	\$27,905	\$0	N/A	\$28,489	\$0	N/A	\$29,084	\$0	N/A
SANDAG (Vanpool Program) <sup>2</sup>		\$5,497,451	N/A	\$1,137,567	\$5,612	N/A	\$1,184	\$5,730	N/A	\$1,207	\$5,849	N/A	\$1,231	\$5,972	N/A	\$1,256
SANDAG (Capital Projects) <sup>3</sup>		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$94,745,795</b>	<b>\$0</b>	<b>\$0</b>	<b>\$96,726</b>	<b>\$0</b>	<b>\$0</b>	<b>\$98,748</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,811</b>	<b>\$0</b>	<b>\$0</b>	<b>\$102,918</b>	<b>\$0</b>	<b>\$0</b>
<b>Section 5337 State of Good Repair/ High Intensity</b>																
MTS		\$44,062,511	\$0	N/A	\$44,775	\$0	N/A	\$45,500	\$0	N/A	\$46,236	\$0	N/A	\$46,984	\$0	N/A
NCTD		\$18,891,431	\$0	N/A	\$19,197	\$0	N/A	\$19,508	\$0	N/A	\$19,823	\$0	N/A	\$20,144	\$0	N/A
<b>Total</b>	<b>\$0</b>	<b>\$62,953,942</b>	<b>\$0</b>	<b>N/A</b>	<b>\$63,973</b>	<b>\$0</b>	<b>N/A</b>	<b>\$65,008</b>	<b>\$0</b>	<b>N/A</b>	<b>\$66,059</b>	<b>\$0</b>	<b>N/A</b>	<b>\$67,128</b>	<b>\$0</b>	<b>N/A</b>
<b>Section 5339 Bus/Bus Facilities</b>																
MTS		\$4,322,792	\$0	N/A	\$4,368	\$0	N/A	\$4,414	\$0	N/A	\$4,460	\$0	N/A	\$4,506	\$0	N/A
NCTD		\$1,852,625	\$0	N/A	\$1,872	\$0	N/A	\$1,892	\$0	N/A	\$1,911	\$0	N/A	\$1,931	\$0	N/A
<b>Total</b>	<b>\$0</b>	<b>\$6,175,417</b>	<b>\$0</b>	<b>N/A</b>	<b>\$6,240</b>	<b>\$0</b>	<b>N/A</b>	<b>\$6,305</b>	<b>\$0</b>	<b>N/A</b>	<b>\$6,371</b>	<b>\$0</b>	<b>N/A</b>	<b>\$6,438</b>	<b>\$0</b>	<b>N/A</b>

<sup>1</sup> A federal transportation bill was passed in the Bipartisan Infrastructure Law (as enacted in the Infrastructure Investment and Jobs Act (IIJA)). The Federal Register (FR) provides the FTA apportionment based on the IIJA, which increases funding each year through FY 2026, as reflected in the outyear's estimate except FY 2027 - FY 2029 which is outside of the last year of the IIJA.

<sup>2</sup> SANDAG and transit agencies have agreed to fully fund the rideshare portion of the regional Transportation Demand Management program in recognition of the vanpool program's contribution to the funding level apportioned to the region. Prior year is reconciled with next year's estimate based on consultation with the transit agencies.

<sup>3</sup> Regional Capital Projects refer to projects and associated funding transferred to SANDAG to implement on behalf of MTS and NCTD based on the draft FY 2025 MTS/NCTD Capital budget. The specific projects and funding recommendation would be presented to the Transportation Committee/Board of Directors as part of the FY 2025 Transit Capital Improvement Program at their respective meetings in March/April.

Note:  
SANDAG share is based on the estimated costs to operate the regional vanpool program and its estimated increase in future years. The balance of 5307 funds are allocated 70% to MTS and 30% to NCTD. The same 70/30 split applies to the 5337 and 5339 funds (SANDAG does not share in these programs).

February 14, 2024

## **TransNet Regional Transportation Congestion Improvement Program Proposed Fee Adjustment**

### **Overview**

The [TransNet Extension Ordinance](#) requires the 18 cities in the San Diego region and the County of San Diego to collect a [Regional Transportation Congestion Improvement Program \(RTCIP\)](#) fee from the private sector for each new housing unit constructed in its jurisdiction, with certain exceptions, including low income residential units and accessory dwelling units.

The fee's purpose is to help ensure that future development contributes its proportional share of the funding needed to pay for the impact of new growth on the Regional Arterial System and related regional transportation facility improvements as defined in the most recent Regional Transportation Plan adopted by SANDAG.

### **Key Considerations**

SANDAG is required to adjust the minimum RTCIP fee amount on July 1 of each year based on an analysis of construction cost indices, but never less than 2%. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the Regional Arterial System.

Based on an analysis of construction cost trends and relevant indices, staff recommends a 4.9% fee adjustment to the RTCIP, raising the minimum RTCIP fee from \$2,741.97 to \$2,875.06 beginning July 1, 2024 (Attachment 1). This increase accounts for recent years' inflation and the Construction Cost Index, which has accelerated from its previous low pace. It helps to ensure that the RTCIP fee maintains its purchasing power to complete necessary transportation improvements.

### **Next Steps**

In accordance with TransNet Extension Ordinance provisions<sup>1</sup>, each jurisdiction's RTCIP funding program must be submitted for review by the TransNet Independent Taxpayer Oversight Committee (ITOC) by April 1 of each year to remain eligible for TransNet Local Street and Road funding. The annual submittal of RTCIP funding programs by local jurisdictions is scheduled for review at the ITOC meeting on April 10, 2024.

***Susan Huntington, Director of Financial Planning, Budgets, and Grants***

Attachment: 1. Discussion Memo

### **Action: Information**

Staff will present information regarding a proposed 4.9% adjustment to the Regional Transportation Congestion Improvement Program, beginning July 1, 2024.

### **Fiscal Impact:**

The Regional Transportation Congestion Improvement Program (RTCIP) fee would increase from \$2,741.97 to \$2,875.06 beginning July 1, 2024.

### **Schedule/Scope Impact:**

The Board of Directors will be asked to approve the 4.9% adjustment to the RTCIP at its upcoming meeting. Pending Board approval, the adjusted RTCIP fee will become effective on July 1, 2024.

<sup>1</sup> Section 9 of the TransNet Extension Ordinance requires that local jurisdictions establish a program or mechanism for funding the Regional Arterial System. For purposes of the RTCIP, the Regional Arterial System is defined in the most recent Regional Transportation Plan adopted by SANDAG.



# Discussion Memo

## Background

The [TransNet Extension Ordinance](#) requires the 18 cities and the County of San Diego to collect a fee from the private sector for each new housing unit<sup>1</sup> constructed in that jurisdiction for contribution to the Regional Transportation Congestion Improvement Program (RTCIP). RTCIP revenue is required to be used to construct improvements on the Regional Arterial System, such as new or widened arterials, traffic signal coordination and other traffic improvements, freeway interchange and related freeway improvements, railroad grade separations, and improvements required for express bus and rail transit.

The Ordinance further requires SANDAG to adjust the RTCIP fee amount each year and states that in no event shall the adjustment be less than 2% per year or more than the percentage increase set forth in the Engineering Construction Cost Index (CCI) published by the Engineering News-Record (ENR), or a similar CCI. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the Regional Arterial System and to help ensure future development contributes its proportional share of the funding needed to pay for the impact of new growth on the Regional Arterial System and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG.

The RTCIP funding programs fall under the responsibility of the 19 local jurisdictions, which must maintain their RTCIP funding programs and comply with specific administrative requirements to remain eligible for TransNet local street and road funding.

The RTCIP has been implemented in the San Diego region since July 1, 2008. Annual RTCIP fee adjustments, funding program reports, and related audits can be found on the [RTCIP page](#) of the SANDAG Website. Relevant excerpts can be referenced in the [TransNet Extension Ordinance](#) and [SANDAG Board Policy No. 031: TransNet Ordinance and Expenditure Plan Rules](#).

## Construction Cost Increases

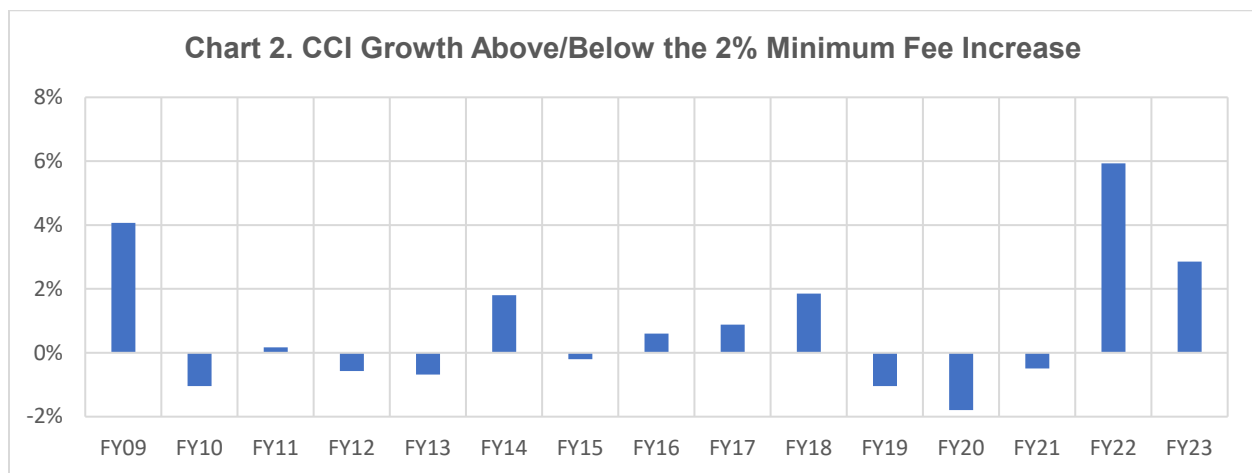
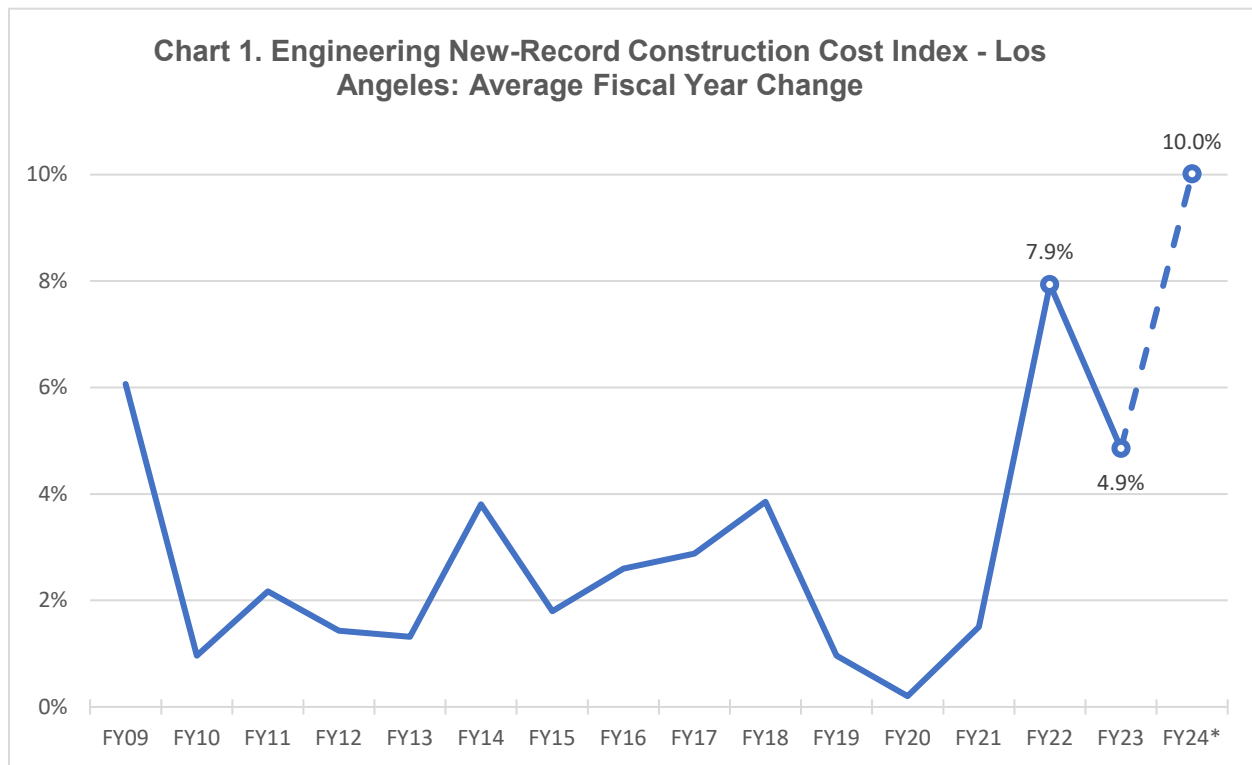
SANDAG staff evaluated changes recorded in the ENR Construction Cost Index for Los Angeles (ENR CCI-LA).<sup>2</sup> The index is based on monthly price changes in four areas: lumber, cement, structural steel, and labor. It helps track month-to-month fluctuations in construction costs, and when tracked over time, it measures year-over-year price increases.

Chart 1 shows annual increases in the ENR CCI-LA since Fiscal Year 2009. For about ten years (from FY 2010 through FY 2021), construction costs rose by less than 4% per year. FY 2022 marked the first sharp rise in costs (7.9%) and was followed by another strong year of cost increase (4.9% in FY 2023). Only the first six months of data are available for FY 2024, suggesting another year of strong cost escalation.

Chart 2 shows how much construction cost growth in each fiscal year varied from (above or below) the 2% minimum specified by the Ordinance. Between FY 2009 and FY 2023, there were eight years where construction costs rose by more than 2% minimum (as specified by the Ordinance) and seven years where the costs rose by less than the 2% minimum requirement.

<sup>1</sup> Some types of new construction can be exempted, such as low to moderate-income housing.

<sup>2</sup> ENR produces construction cost indices for 20 US cities. SANDAG uses the Los Angeles index since it is the closest approximation of construction cost trends for San Diego.



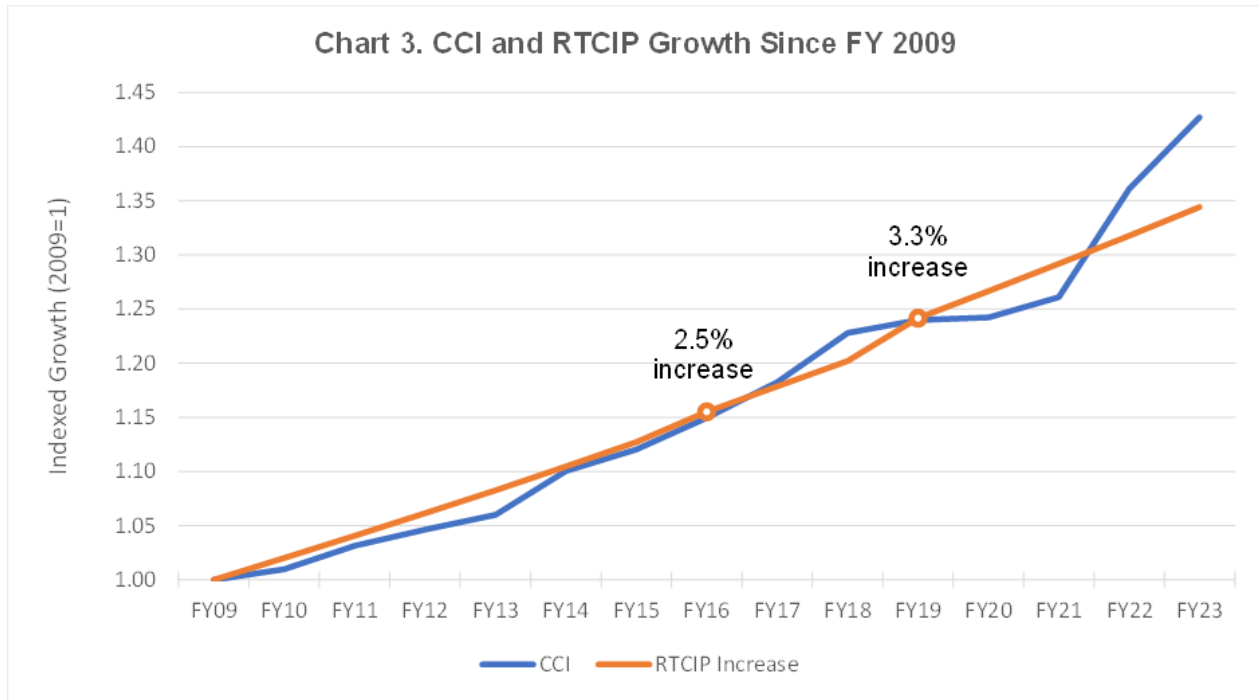
### ***Recommendation on the RTCIP Fee Increase***

Each year, SANDAG recommends an increase in the RTCIP fee to ITOC. Staff usually bring the recommendation to ITOC in February, and the fee increase takes effect in the new fiscal year (starting July 1).

Strong construction cost increases mark the last two years. Despite this, SANDAG staff had recommended the 2% minimum, maintaining that the RTCIP fee could preserve the purchasing power needed to complete necessary transportation improvements. Chart 3 shows that through FY2021, RTCIP fee growth was in line with construction cost increases. However, the region is now entering its third year

of construction costs rising well above 2%, even as general economic conditions are improving (inflation is easing and fears of a recession are receding). Between FY 2021 and FY 2023, construction costs increased by 13% while the RTCIP fee grew by 4%. The gap is likely to widen in FY 2024 based on how construction costs are rising in the first half of FY 2024.

As a result of these conditions, staff recommend a 4.9% increase (\$133.09) to the RTCIP fee for FY 2025. The increase will bring the RTCIP fee to \$2,875.06. The proposed 4.9% increase will be the third time (since FY2009) that staff recommends an increase above the 2% minimum.



**Note:** The RTCIP fee has increased by more than 2% only two times since FY 2009. In FY 2016, the fee increase was 2.5%; in FY 2019, the increase was 3.3%.