

October 3, 2025

TransNet Smart Growth Incentive Program: Cycle 6 Funding Recommendations

Overview

The Smart Growth Incentive Program (SGIP) is a grant program funded through the [TransNet Extension Ordinance and Expenditure Plan](#) that encourages the development of projects focused on smart growth principles that foster compact, transit-accessible, pedestrian-friendly, and environmentally responsible communities. By providing financial incentives, the SGIP aims to stimulate sustainable development, reduce traffic congestion, and improve transit options within the San Diego region.

The SGIP has completed five funding cycles, awarding over \$59 million to support transportation-related infrastructure and planning projects across the San Diego region. On [December 13, 2024 \(Item 11\)](#), the SANDAG Board of Directors approved the evaluation criteria and the release of a sixth SGIP cycle. This report outlines the evaluation process for SGIP Cycle 6 applications and includes projects recommended for funding.

Key Considerations

Attachment 1 provides an overview of the SGIP Cycle 6 call for projects, including the evaluation process and the projects recommended for funding. Thirty-five projects are recommended for award, including 13 Capital projects (12 fully funded and one partially funded), 15 Planning projects, and 7 Climate Action Planning projects. Attachments 2-4 provide the detailed results of the evaluation process.

On September 10, 2025, the funding recommendations were presented to the TransNet Independent Taxpayer Oversight Committee (ITOC), where they were asked to consider the eligibility of one recommended Planning project, the City of Escondido (City)'s Affordable Housing Trust Fund. While ITOC members discussed the value of the project and appreciated the City's efforts to apply for funding under the SGIP, members commented that the City's project did not include a transportation component and therefore was not eligible for Smart Growth Incentive Program funding as described in the TransNet Extension Ordinance. Additional details on the ITOC discussion are included in Attachment 1. The RPC is asked to consider comments from ITOC on the eligibility of the City's planning project and make a funding recommendation for SGIP Cycle 6 to the Board. If the City's planning project is not recommended for award, those funds would be added to the partial award recommended for the County of San Diego's capital project.

Action: Recommend

The Regional Planning Committee is asked to recommend that the Board of Directors approve the funding recommendations for the Smart Growth Incentive Program Cycle 6 call for projects.

Fiscal Impact:

Approximately \$45 million of TransNet Smart Growth Incentive Program (SGIP) funds will be awarded to local jurisdictions for capital, planning, and climate action planning projects.

Schedule/Scope Impact:

Pending Board of Directors approval in October 2025, SGIP grantees will be issued a Notice to Proceed in early 2026. All project funding must be expended 36-42 months after the Notice to Proceed is issued.

Next Steps

This item will be presented to the Transportation Committee at its meeting on October 17, 2025, and the Board on October 24, 2025. The awarded projects will be incorporated into the Regional Transportation Improvement Program, and staff will begin executing grant agreements in early 2026.

Antoinette Meier, Senior Director of Regional Planning

Attachments: 1. Discussion Memo
2. Capital Project Evaluation Workbook
3. Planning Project Evaluation Workbook
4. Climate Action Planning Project Evaluation Workbook