

Discussion Memo

Background

At its meeting on [December 13, 2024 \(Item 11\)](#), the Board of Directors approved the Cycle 6 Smart Growth Incentive Program (SGIP) call for projects, including the release of \$45 million in funding for three project types: Capital, Planning, and Climate Action Planning. On January 6, 2025, the call for projects was released, initiating a 90-day application window. The call for projects closed on April 11, 2025, and SANDAG received 46 applications from 15 cities and the County of San Diego, requesting over \$79 million. One application was rescinded by the applicant because the project secured other grant funding, leaving 45 projects for consideration.

Evaluation Process

A separate evaluation panel was assembled for each project type, and prospective evaluators were screened for conflicts of interest with applications. All panel members were external to SANDAG and collectively held experience in active transportation, community planning and design, complete streets, economic development, green infrastructure, housing, public health, sustainability and climate, and transit. The evaluation panel was composed of planning and public works staff from local agencies, staff from Caltrans, transit agencies, and non-profit agencies. The Planning and Climate Action Planning panels had three members, while the Capital panel had five members.

Once evaluation panel members were selected, an evaluator training webinar was provided to each panel. The training covered the evaluation process, application submittal access, detailed explanations of the evaluation criteria included in the call for projects, and submittal of the completed evaluation materials. Panel members were equipped with an evaluator packet, which included the Cycle 6 call for projects, the scoring workbook, the evaluator training presentation, and all project application files. The evaluators had 2-4 weeks to complete their scoring.

Each evaluation panel member scored the applications based on qualitative criteria established in the SGIP Cycle 6 call for projects. Once all application scores were submitted for a project type, a post-evaluation debrief meeting was held with all evaluators to discuss the scores, project strengths and weaknesses, and feedback on the evaluation process. Following this discussion, an application's final qualitative score was calculated by averaging the scores of panel members. Then, each application was given a quantitative score determined by SANDAG Grants staff using the instructions provided in the call for projects, which was subsequently added to the average qualitative score, generating a final total score. The scores were then independently reviewed by SANDAG Data Science staff to ensure there were no errors or inconsistencies.

Funding Recommendation and Geographic Funding Distribution

Due to concerns raised by members of the Transportation Committee (TC) in 2023 about the call for projects process SANDAG utilizes to award funding through its grant programs, staff were asked to analyze the process and bring information that could be used to inform changes to future competitive cycles. Among the items staff were asked to review was the utilization of geographic distribution of grant funding to avoid overconcentration of grant awards to one applicant. This analysis and the results of the review were brought to the TC and Regional Planning Committees at their respective meetings on [July 21, 2023 \(Item 9\)](#) and [December 1, 2023 \(Item 4\)](#), where it was recommended that the use of geographic funding distribution be considered with the development of each call for projects.

When developing the SGIP Cycle 6 Call for Projects, Grant staff brought the topic of geographic distribution to the working groups, TC, and RPC, at the following meetings:

- June 13, 2024 - Mobility Working Group ([Item 5](#))
- June 20, 2024 - Sustainable Communities Working Group ([Item 3](#))
- June 27, 2024 - Social Equity Working Group ([Item 5](#))
- July 19, 2024 - Transportation Committee ([Item 9](#))
- September 6, 2024 - Regional Planning Committee ([Item 4](#))
- November 13, 2024 – Independent Taxpayer Oversight Committee ([Item 9](#))

The Board of Directors approved the call for projects which included the geographic funding distribution at its meeting on [December 13, 2024 \(Item 11\)](#). Following the scoring process outlined above, applications in each project type were placed in descending Total Application Score order (from the highest to lowest). Projects were recommended to receive funding based on this order and the following, as outlined in the call for projects:

- First, for each project type, the applications were recommended to receive funding in descending Total Application Score order, until all Applicants with applications receiving scores of 50 points or higher have received funding for at least one project, or funding is exhausted, whichever comes first.
- If funding remains, additional applications will be recommended to receive funding in descending Total Application Score order until funding is exhausted.

Based on the project scores and geographic funding distribution, 35 projects from local jurisdictions and the County of San Diego are collectively recommended to be awarded \$45 million SGIP funding. See Tables 1– 3 below for a list of the projects recommended for award. Detailed Evaluation Score Workbooks for each project type are provided as Attachments 2-4.

Jurisdiction	Abbreviated Project Name	Requested Funding	Recommended Funding
Oceanside	Coast Highway Corridor Improvements Phase 1	\$3,499,474	\$3,499,474
National City	National City Boulevard Smart Growth Revitalization Project	\$3,499,450	\$3,499,450
El Cajon	El Cajon Boulevard Streetscape Phase 2	\$2,712,275	\$2,712,275
Escondido	Grand Avenue Vision Project	\$2,000,000	\$2,000,000
San Diego	Vibrant C: Redefining the C Street Corridor	\$3,250,000	\$3,250,000
Vista	City of Vista W. Bobier Dr. Complete Streets	\$3,500,000	\$3,500,000
Solana Beach	Connect Glencrest - Glencrest Drive Pedestrian Connectivity Project	\$605,000	\$605,000
San Marcos	San Marcos Boulevard Multi-Modal Improvements	\$3,500,000	\$3,500,000
Imperial Beach	Palm Avenue Streetscape and Gateway Project	\$2,399,000	\$2,399,000
Encinitas	La Costa Avenue Pedestrian Path	\$1,197,238	\$1,197,238
Lemon Grove	Broadway and Sweetwater Road Intersection Improvements	\$3,500,000	\$3,500,000
Del Mar	Camino Del Mar Bridge Replacement Project	\$2,700,000	\$2,700,000
County of San Diego	Poinsettia Avenue Active Transportation Improvements Project	\$2,080,198	\$1,375,457
TOTAL:		\$34,442,635	\$33,737,894

Legend: Recommended for full funding

Recommended for partial funding

Table 2: Planning Project Funding Recommendations			
Jurisdiction	Abbreviated Project Name	Requested Funding	Recommended Funding
National City	National City Downtown Specific Plan Update	\$500,000	\$500,000
San Diego	Otay Mesa-Nestor Community Plan Update	\$1,000,000	\$1,000,000
Vista	City of Vista Active Transportation Plan	\$407,900	\$407,900
Lemon Grove	Lemon Grove Massachusetts Avenue Safe Routes to Transit Connectivity Plan	\$465,067	\$465,067
Lemon Grove	Lemon Grove Regional Bikeway Corridor Study	\$632,500	\$632,500
El Cajon	Parkway Specific Plan	\$650,000	\$650,000
San Diego	Balboa Park Master Plan: Connecting Parks, People and Places	\$1,000,000	\$1,000,000
National City	Housing Supportive Infrastructure Assessment	\$599,000	\$599,000
El Cajon	Mixed Use Overlay	\$500,000	\$500,000
San Diego	Rancho Bernardo Community Plan Update	\$1,000,000	\$1,000,000
La Mesa	La Mesa Downtown Village Specific Plan	\$372,289	\$372,289
County	Buena Creek Specific Plan	\$751,500	\$751,500
San Marcos	San Marcos Boulevard Corridor Plan	\$920,350	\$920,350
Escondido	Affordable Housing Trust Fund	\$315,000	\$315,000
Coronado	Electric Vehicle Charging Infrastructure Needs Assessment & Master Plan	\$150,000	\$150,000
TOTAL:		\$9,263,606	\$9,263,606

Legend: Recommended for full funding

Table 3. Climate Action Planning Project Funding Recommendations			
Jurisdiction	Abbreviated Project Name	Requested Funding	Recommended Funding
San Diego	City of San Diego Climate Action Plan Update	\$400,000	\$400,000
Del Mar	Climate Action Plan Update and Greenhouse Gas Emissions Inventory Project	\$164,000	\$164,000
Vista	Updating the City of Vista's Climate Action Plan	\$335,000	\$335,000
National City	National City Climate Action Plan Implementation Monitoring	\$234,500	\$234,500
Imperial Beach	Climate Action Plan Update	\$150,000	\$150,000
Solana Beach	Regional Greenhouse Gas Emission Inventory Project	\$400,000	\$400,000
San Marcos	Climate Action Plan (CAP)	\$315,000	\$315,000
TOTAL:		\$1,998,500	\$1,998,500

Legend: Recommended for full funding

Eligibility Review

Grants staff reviewed all applications to determine if they met the eligibility requirements outlined in the call for projects. Staff identified two projects whose eligibility could benefit from input from ITOC, should those projects be recommended for funding. Following the evaluation process, one of those projects was recommended for funding.

The City of Escondido's Affordable Housing Trust Fund will establish an Affordable Housing Trust Fund to assist in the delivery of affordable housing within central Escondido. The project will establish an associated in-lieu fee for Escondido's East Valley Specific Plan area. This would entail creation of the trust fund program and procedure for distribution from the fund; an ordinance for incorporation into the Escondido Zoning Code, and establishment of an in-lieu fee to be paid into the fund as required by the East Valley Specific Plan. Public outreach and engagement would occur as part of this project. The Fund will be used to provide affordable housing for lower and middle-income households.

While the project application describes how it will expand housing options, the application does not mention transportation-related infrastructure improvements that will be made. Section C.3. of the TransNet Extension & Ordinance describes the Smart Growth Incentive Program as follows (underline added for emphasis):

An estimated \$280 million will be allocated to the Smart Growth Incentive Program to provide funding for a broad array of transportation-related infrastructure improvements that will assist local agencies in better integrating transportation and land use, such as enhancements to streets and public places, funding of infrastructure needed to support development in smart growth opportunity areas consistent with the Regional Comprehensive Plan, and community planning efforts related to smart growth and improved land use/transportation coordination.

On [September 10, 2025 \(Item 4\)](#), staff requested that ITOC review the City of Escondido's Affordable Housing Trust Fund and make a recommendation to the Board regarding eligibility under the TransNet Extension Ordinance. ITOC members discussed the substantial merits of the project to develop affordable high-density housing within a transit priority area where light rail and bus transit services currently exist and are anticipated to expand in the future. ITOC members appreciated the City's efforts to apply for funding under the SGIP and expressed their support for the project; however, they noted that the project was relying on the current transportation infrastructure to support the development of housing, which is not the intent of the Ordinance, as the Ordinance seeks to develop transportation infrastructure to support future housing development. ITOC members recommended that the Board find the City of Escondido's project ineligible, citing that it did not fit the intention of the Smart Growth Incentive Program described in the TransNet Extension Ordinance. The RPC is also asked to consider whether the City of Escondido planning project should be recommended for award. If the City of Escondido's project is not recommended for funding, their planning grant award amount would be reallocated to the partially funded capital project – the County of San Diego's Poinsettia Avenue Active Transportation Improvements Project.