

Fiscal Year 2025 Annual Report to the Legislature on Public Transit in the San Diego Region

Purpose and Scope

Assembly Bill 805 (Gonzalez, 2017) requires the SANDAG Board of Directors to provide an annual report, developed through the Transportation Committee, to the State Legislature that outlines the region's efforts to support public transportation.

As written in California Code, Public Utilities Code - PUC § 132351.4 (a) (2) (C) The board shall provide a report, developed by the transportation committee, to the Legislature on or before December 31 of each year that outlines the public transit needs, transit funding criteria, recommended transit funding levels, and additional work on public transit, as delegated to the transportation committee by the board. The report shall specify the funds spent explicitly on public transportation. The report shall be submitted consistent with Section 9795 of the Government Code.

This annual report meets the criteria required in the legislation and covers fiscal year (FY) 2025: July 1, 2024, through June 30, 2025.

Public Transit Needs

A comprehensive list of transit projects identified by SANDAG and the region's transit operators that would meet the transit needs of the San Diego region is included in the Regional Plan. The Regional Plan is updated every four years and presents the overall vision for how the San Diego region will grow through 2050, including all the transportation-related investments that will be needed to support that vision.

Each year, the Metropolitan Transit System (MTS) and North County Transit District (NCTD) are required to submit a Service Implementation Plan (SIP) to SANDAG in advance of the budget approval process. The SIPs list the operational changes each transit operator implemented or plans to implement to balance proposed fiscal year budgets.

Regional-Identified Public Transit Needs

Long-range transit planning begins with SANDAG's development of the Regional Plan. Each Regional Plan is developed in collaboration with MTS, NCTD, Caltrans, local jurisdictions, and many other organizations. The plan defines projects, programs, and policies that are analyzed and incorporated into a revenue-constrained financial plan with list of programs and projects with estimated costs and reasonably expected revenues.

The SANDAG Board of Directors adopted the 2021 Regional Plan on December 10, 2021, and subsequently adopted an Amendment to the 2021 Regional Plan on October 13, 2023. The 2021 Regional Plan identifies 56 public transit projects across a variety of modes and jurisdictions and 124 active transportation projects that support the regional transit network. The full list of identified projects is available in [Appendix A of SANDAG's 2021 Regional Plan](#).

The SANDAG Board of Directors is expected to adopt the 2025 Regional Plan in December 2025. The updated list of transit and active transportation projects can be found in [Appendix A of the Draft 2025 Regional Plan](#). Once finalized and adopted, the final Appendix A will be posted online with the full list of transit and other transportation projects anticipated to be delivered over the next 25 years.

Operator-Identified Service Area Needs

MTS is projecting a budget shortfall of \$120 million as early as 2028. The agency is conducting a Comprehensive Operational Analysis which will evaluate current system performance, analyze travel patterns and demographics in the service area, and review projects that were recommended in the Elevate SD 2020 potential sales tax measure that was ultimately not pursued. More information is included in the [MTS SIP](#), included as part of the proposed final 2025 Coordinated Plan.

NCTD has established the following key strategic service priorities for the five-year horizon of its SIP:

- Strategically expand first-last mile services through NCTD+ microtransit as funding permits
- Conduct a Bus Network Redesign to restructure the BREEZE network of routes under a variety of funding scenarios
- Complete grant-funded construction of two new stations along the COASTER corridor that will serve major regional events
- Advance project activities that will support the future implementation of 15-minute frequencies on SPRINTER

More information is included in the [NCTD SIP](#), included as part of the proposed final 2025 Coordinated Plan.

SANDAG, MTS, and NCTD are conducting a transit fare change study in FY 2026. Through this study, the agencies will evaluate potential fare changes and estimate related changes in fare revenue and ridership based on survey data and research-supported elasticities.

Transit Project Evaluation and Funding Criteria

SANDAG prioritizes projects and their phasing through the development of project evaluation criteria and network-based performance measures as part of the Regional Plan, among other factors. Input for the criteria is received through public workshops, as well as from the region's planning directors, the transit operators, SANDAG policy committees, and the Board of Directors.

The project evaluation criteria for the 2021 Regional Plan are organized within the three goals established by the Board of Directors: (1) Environment & Quality of Life; (2) Mobility & Safety; and (3) Economy. Each individual criterion is nested into one of the three goals. The full list of criteria is available in [Appendix T of SANDAG's 2021 Regional Plan](#).

Project evaluation criteria included in the 2025 Regional Plan, anticipated to be adopted in December 2025, will be used for the Fiscal Year 2026 Annual Report to the Legislature on Public Transit in the San Diego Region.

Recommended Transit Funding Levels

SANDAG, as the Metropolitan Planning Organization and the Regional Transportation Planning Agency, is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP). The RTIP is a multi-billion-dollar, multi-year program of proposed projects for major transportation improvements in the San Diego Region. All public transit funding that is recommended for expenditure in the five-year period covered by the RTIP is SANDAG Board approved as part of the FY 2026 Transit Capital Improvement Program. The RTIP includes committed funds of \$4.2 billion by the region through FY 2034. The full list of expenditures and funding levels is available in [the latest update to the Regional Transportation Improvement Program](#).

Additional Work on Public Transit

In addition to the regular work that SANDAG undertakes as part of its core mission to develop transportation programs and projects, there are a variety of additional efforts that are undertaken at the direction of the SANDAG Board of Directors which support transit. The transit-supportive studies and work that SANDAG implemented in FY 2025 total over \$20 million. The full list of expenditures is available in Chapters 2 and 5 of [SANDAG's Fiscal Year 2026 Budget](#).

Funds Spent Specifically on Public Transit

Each year, SANDAG expends funding on transit-specific projects and operations. Examples of transit-specific projects and operations include the Mid-Coast Trolley, South Bay Rapid, and double tracking of the COASTER corridor. MTS and NCTD also expend transit-specific funding, including for operation of transit services, vehicles, and facility replacements. SANDAG's estimated expenditures total \$182 million. MTS combined operational and capital expenditures were budgeted at \$698 million, and NCTD's combined operational and capital expenditures were \$251 million. The full list of expenditures is available in [SANDAG's Fiscal Year 2026 Budget](#), as well as the Annual Comprehensive Financial Reports for MTS and NCTD, when available in December 2025.

Reporting Requirements

Consistent with Section 9795 of the California State Government Code:

9795. (a) (1) (A) Any report required or requested by law, or identified in the Legislative Analyst's Supplemental Report of the Budget Act, to be submitted by a state or local agency to a committee of the Legislature or the Members of either house of the Legislature generally, shall instead be submitted as a printed copy to the Secretary of the Senate, as an electronic copy to the Chief Clerk of the Assembly, and as an electronic or printed copy to the Legislative Counsel. Each report shall include a summary of its contents, not to exceed one page in length. If the report is submitted by a state agency, that agency shall also provide an electronic copy of the summary directly to each member of the appropriate house or houses of the Legislature. Notice of receipt of the report shall also be recorded in the journal of the appropriate house or houses of the Legislature by the secretary or clerk of that house.

(B) Notwithstanding subparagraph (A), reports of the State Bar of California may be submitted electronically to the Secretary of the Senate.

(2) In addition to, and as part of, the information made available to the public in electronic form pursuant to Section 10248, the Legislative Counsel shall make available a list of the reports submitted by state and local agencies, as specified in paragraph (1). If the Legislative Counsel receives a request from a member of the public for a report contained in the list, the Legislative Counsel is not required to provide a copy of the report and may refer the requester to the state or local agency, as the case may be, that authored the report, or to the California State Library as the final repository of public information.

(b) A report shall not be distributed to a Member of the Legislature unless specifically requested by that Member.

(c) Compliance with subdivision (a) shall be deemed to be full compliance with subdivision (c) of Section 10242.5.

(d) A state agency report and summary subject to this section shall include an Internet Web site where the report can be downloaded and telephone number to call to order a hard copy of the report. A report submitted by a state agency subject to this section shall also be posted at the agency's Internet Web site.

(e) For purposes of this section, "report" includes any study or audit.