

Discussion Memo

Background

On [December 13, 2024 \(Item 11\)](#), the Board of Directors (Board) approved the Cycle 6 Smart Growth Incentive Program (SGIP) call for projects (CFP), allocating \$45 million for Capital, Planning, and Climate Action Planning initiatives. The 90-day application window opened on January 6, 2025, and closed on April 11, 2025. SANDAG received 46 applications requesting over \$79 million from 15 cities and the County of San Diego. One application received was ultimately rescinded by the applicant after securing alternative funding, leaving a total of 45 projects for consideration.

Geographic Funding Distribution

On [March 17, 2023 \(Item 5\)](#), the Transportation Committee (TC) members discussed geographic distribution in the context of the Regional Active Transportation Program (ATP) grant funding recommendation. At that meeting, TC members expressed concern about recommended projects being overconcentrated in specific communities and requested “criteria to ensure that there is equity geographically” so that “no community is left out.” This request led to subsequent conversations on evaluation criteria and potential process changes at the TC on [July 21, 2023 \(Item 9\)](#) and the Regional Planning Committee (RPC) on [December 1, 2023 \(Item 4\)](#). It was underscored at RPC that criteria for each grant program will always go to relevant policy advisory committees and then to the Board for approval, ensuring that there will be opportunities to weigh in on grant program criteria prior to grant release.

As such, SGIP Cycle 6 evaluation criteria, which included geographic distribution, were presented to various working groups and committees throughout 2024 during the development of the SGIP Cycle 6 CFP, as listed below:

- 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](#))

On [December 13, 2024 \(Item 11\)](#), the Board approved the SGIP Cycle 6 CFP, which formally incorporated geographic funding distribution using the following scoring methodology:

1. For each project type, funding is first allocated in descending order to all applicants with a score of 50 points or higher. This continues until every high-scoring applicant has received funding for at least one project, or until funds are exhausted.
2. If funding remains after the first step, additional applications are recommended for funding in descending score order until the available funding is fully depleted.

Although the full SGIP evaluation criteria and CFP were presented for discussion at multiple working group and policy advisory committee meetings, a member agency recently expressed concern that the addition of geographic distribution criteria was not well understood and warranted more detailed presentations and discussion. Staff are committed to providing clarity and getting input on grant program criteria. Moving forward, staff will provide more details and opportunities for discussion on CFP changes and their potential impacts prior to seeking Board approval.

Evaluation Process for Capital Projects

Once all applications are received, they are evaluated internally using project eligibility screening criteria. The screening criteria were included as part of the CFP approved by the Board on December 13, 2024. Following the eligibility review, an external evaluation panel was established, and members were screened for conflicts of interest. Panel members were selected from local agencies, Caltrans, and transit authorities, bringing diverse expertise in transportation, planning, and sustainability.

The panel received comprehensive training and materials, then independently scored applications over a 4-week period in July 2025 using the evaluation criteria established in the SGIP Cycle 6 CFP. Following independent scoring, a post-evaluation debrief meeting was held in August 2025 to discuss project merits. A project's final qualitative score was determined by averaging the scores of the panel members. For the final scoring step, SANDAG Grants staff provided quantitative scores to generate the final total score for each application.

Re-Evaluation Process

The results of the SGIP Cycle 6 CFP were scheduled to be brought to the RPC on October 3, 2025; however, a scoring error was identified, prompting a re-evaluation of the SGIP scoring process. Staff identified several specific issues through the re-evaluation:

- Project Out of Order – One Capital project was not in the correct descending score order.
- Excel Spreadsheet Error – The erroneous deletion of a scoring row under “Matching Funds” within the Capital Scoring Workbook resulted in an inaccurate descending score order. This was corrected and led to score increases for nine projects.
- Inconsistent Board Policy 33 Responses – Seven agencies provided inconsistent responses to Board Policy No. 033 questions. While 33 total inconsistencies were found, these errors did not ultimately impact any final scores.
- Manual Input Errors – Manual input errors from scoring proximity project maps and project feasibility criteria led to the identification of mistakes. Six scores were adjusted following reassessment.
- Process Improvements – Inconsistencies were found with the scoring of the safety criteria. Correcting the errors resulted in five projects having their scores adjusted.

The SANDAG Data Science team conducted a Quality Assurance/Quality Control (QA/QC) review of the re-evaluated scoring workbooks on November 3, 2025. Nine additional QA/QC findings were identified and addressed by Grants staff, confirming the completion and integrity of the final scoring data.

Internal Peer Review Panel Recommended Future Corrective Actions

To prevent future discrepancies, an internal Peer Review Panel (PRP) of ten SANDAG staff from Planning, Grants, Data Science, and Finance Departments was convened on October 22, 2025. The panel discussed evaluation procedures and identified corrective actions aimed at improving future grant cycles and minimizing errors. The corrective actions fell under three categories:

1. **Process Improvements:** Conduct a comprehensive review of grant programs led by other agencies to identify best practices that can be applied to SANDAG grant programs; streamline and clarify the application questions to reduce applicant errors; and improve the screening and evaluation process.
2. **Automation Opportunities:** Automate the grant submission and review process where possible to reduce manual data entry and avoid input errors.
3. **Data Integrity:** Complete additional staff reviews before finalizing scoring, and lock scoring sheets when the QA/QC process is complete.

Revised Scores for Capital Projects

Following the re-evaluation of the SGIP Cycle 6 projects, five capital projects were directly impacted. These findings, along with updated funding scenarios, were presented to the Executive Committee (EC) on [January 9, 2026 \(Item 5\)](#).

Updated Fund Estimate

The Executive Committee was presented with three financing options to consider surplus SGIP revenue:

Option 1: Re-Evaluated Funding Recommendation: Award \$34.2 million to Cycle 6 Capital projects based on the re-evaluation results (11 awards and 1 partial award to La Mesa). This would honor the original total CFP allocation of \$45 million.

Option 2: One Award Per Agency: Leverage additional available SGIP funding to allow every agency (14 jurisdictions) that submitted a capital project to receive full funding for its highest-scoring project. This option entails releasing \$41 million for capital projects.

Option 3: Exhaust All Available TransNet SGIP Funds: Exhaust all available SGIP funding (\$46.2 million) to award every agency that submitted a capital project for their highest-scoring project *and* two additional capital projects for National City (one full and one partial).

After a detailed discussion, the EC agreed on Option 3 to exhaust all available TransNet SGIP Funds. The National City member stated that National City will deny its partial award due to limited matching funds to complete the project. Therefore, the EC final recommendation to the Board is to approve \$44.56 million in SGIP Cycle 6 Capital project awards across 15 projects, as illustrated in Table 1.

Table 1. TransNet SGIP Cycle 6 Capital Project Funding Recommendations

Available Funding*:	\$ 44,565,530
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Application ID	Agency Name	Project Title	Qualitative Criteria (Evaluators)						Quantitative Criteria (Grants & Data Science Team)	Total Application Score (Quantitative + Qualitative)	SGIP Funding Request	SGIP Funding Recommendation	Remaining Available Funding
			E1	E2	E3	E4	E5	Average Score					
OC-2	Oceanside	Coast Highway Corridor Improvements Phase 1	31.0	30.0	40.0	33.0	36.0	34.0	59.0	93.00	\$ 3,499,474	\$ 3,499,474	\$ 41,066,056
NC-7	National City	National City Boulevard Smart Growth Revitalization Project	37.0	32.0	33.0	32.0	32.0	33.2	57.0	90.20	\$ 3,499,450	\$ 3,499,450	\$ 37,566,606
NC-1	National City	16th and 18th Street Community Corridors	36.0	36.0	34.0	36.0	27.0	33.8	55.0	88.80	\$ 3,477,895	\$ 3,477,895	\$ 34,088,711
EL-1	El Cajon	El Cajon Boulevard Streetscape Phase 2	36.0	33.0	39.0	31.0	28.0	33.4	53.5	86.90	\$ 2,712,275	\$ 2,712,275	\$ 31,376,436
ESC-2	Escondido	Grand Avenue Vision Project	32.0	19.0	39.0	28.0	19.0	27.4	58.0	85.40	\$ 2,000,000	\$ 2,000,000	\$ 29,376,436
NC-5	National City	Highland Avenue Mobility Mini-Hubs	34.0	32.0	33.0	35.0	31.0	33.0	52.0	85.00	\$ 3,500,000	\$ -	\$ 29,376,436
SD-2	San Diego	Chollas Creek to Bayshore Bikeway	37.0	36.0	35.0	30.0	32.0	34.0	51.0	85.00	\$ 3,500,000	\$ 3,500,000	\$ 25,876,436
SD-4	San Diego	La Jolla Streetscape Project	31.0	27.0	26.0	27.0	25.0	27.2	57.0	84.20	\$ 3,500,000	\$ -	\$ 25,876,436
NC-3	National City	Civic Center Drive Bicycle Connections	35.0	37.0	36.0	34.0	33.0	35.0	49.0	84.00	\$ 3,116,740	\$ -	\$ 25,876,436
VS-2	Vista	City of Vista W. Bobier Dr. Complete Streets	34.0	30.0	37.0	30.0	36.0	33.4	50.0	83.40	\$ 3,500,000	\$ 3,500,000	\$ 22,376,436
SD-7	San Diego	Vibrant C: Redefining the C Street Corridor	35.0	33.0	35.0	28.0	26.0	31.4	51.0	82.40	\$ 3,250,000	\$ -	\$ 22,376,436
SM-3	San Marcos	San Marcos Boulevard Multi-Modal Improvements	32.0	29.0	36.0	29.0	30.0	31.2	50.0	81.20	\$ 3,500,000	\$ 3,500,000	\$ 18,876,436
SB-2	Solana Beach	Lomas Santa Fe Corridor Improvements - West of Interstate 5	28.0	24.0	33.0	29.0	31.0	29.0	51.0	80.00	\$ 3,500,000	\$ 3,500,000	\$ 15,376,436
ENC-1	Encinitas	La Costa Avenue Pedestrian Path	31.0	32.0	30.0	29.0	29.0	30.2	48.0	78.20	\$ 1,197,238	\$ 1,197,238	\$ 14,179,198
SB-1	Solana Beach	Connect Glencrest - Glencrest Drive Pedestrian Connectivity Project	30.0	28.0	34.0	31.0	31.0	30.8	47.0	77.80	\$ 605,000	\$ -	\$ 14,179,198
LG-1	Lemon Grove	Broadway and Sweetwater Road Intersection Improvements	36.0	23.0	29.0	28.0	39.0	31.0	46.0	77.00	\$ 3,500,000	\$ 3,500,000	\$ 10,679,198
IB-2	Imperial Beach	Palm Avenue Streetscape and Gateway Project	34.0	32.0	36.0	25.0	18.0	29.0	47.5	76.50	\$ 2,399,000	\$ 2,399,000	\$ 8,280,198
LM-1	La Mesa	La Mesa Boulevard (Blvd.) Complete Streets Gateway Roundabout	37.0	31.0	34.0	32.0	30.0	32.8	43.5	76.30	\$ 3,500,000	\$ 3,500,000	\$ 4,780,198
EL-3	El Cajon	Safety Corridors Traffic Signal Optimizations	34.0	19.0	25.0	16.0	32.0	25.2	47.5	72.70	\$ 1,395,760	\$ -	\$ 4,780,198
ENC-2	Encinitas	Trail 82 - Rancho Santa Fe Road Improvements	30.0	24.0	30.0	26.0	27.0	27.4	45.0	72.40	\$ 3,477,310	\$ -	\$ 4,780,198
DM-3	Del Mar	Camino Del Mar Bridge Replacement Project	29.0	29.0	24.0	27.0	20.0	25.8	46.0	71.80	\$ 2,700,000	\$ 2,700,000	\$ 2,080,198
CNTY-2	County	Poinsettia Avenue Active Transportation Improvements Project	32.0	29.0	29.0	29.0	34.0	30.6	41.0	71.60	\$ 2,080,198	\$ 2,080,198	\$ -
DM-1	Del Mar	City of Del Mar 10th Street Affordable Housing	30.0	26.0	31.0	25.0	32.0	28.8	42.0	70.80	\$ 3,500,000	\$ -	\$ -
Total										\$ 66,910,341	\$ 44,565,530		

*Available funding is \$44,565,530 - the amount of SGIP TransNet Revenue after committing \$10.8 million to SGIP Cycle 6 Planning and CAP projects and factoring in the denied partial award.

Recommended for full funding
Not recommended for funding due to the application of geographic funding distribution for the first round
Recommended partial funding in the second round of funding, but the agency denied a partial award of \$1,670,201
Not recommended for funding due to the funding being exhausted during the second round of funding