



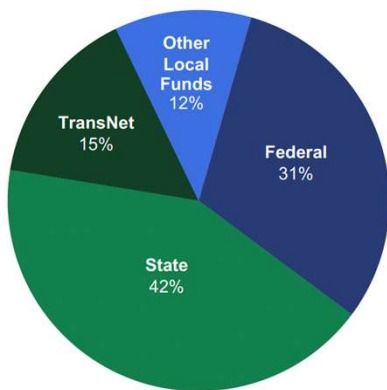
Project Funding Overview, Strategy, and Considerations

Item 5 | Board of Directors
Clint Peace, Senior Director of Capital Delivery
Susan Huntington, Director of Financial Planning and Budgets
October 10, 2025

1

Funding Sources FY 2026

FY 2026 Revenues



Program Revenue Sources

Number of Sources by Category and Program

	OWP	Operations	Capital	Total
Federal	13	3	25	42
State	2	6	19	27
Local	8	7	19	34
Total	23	16	63	102

102

Different revenue sources in FY 2026 Overall Work Program, Operations and Services Program, and Capital Program

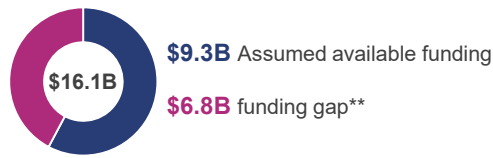
Source: FY 2026 Final Budget Program

2

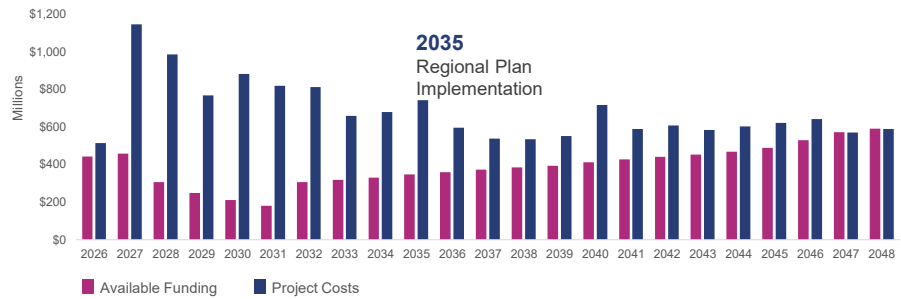
TransNet Major Corridor Project Costs vs Funding 2026–2048

Based on estimated costs, projects will most likely exceed assumed available funding.

Assumed TransNet Major Corridor Project Costs: \$16.1 Billion*



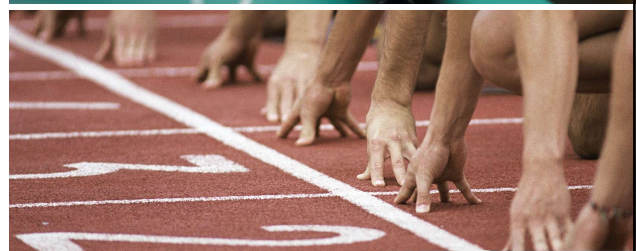
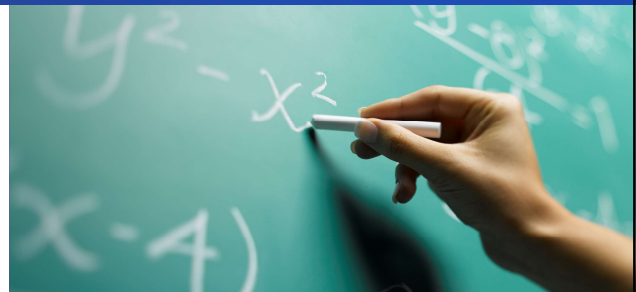
TransNet Major Corridor Estimates: Available Funding vs. Project Costs



*Source: 2021 Regional Plan, Appendix B: Implementation, actions, and recent engineer's estimates for projects in progress
 **Updated revenue assumptions and project cost estimates could impact funding gap amount.

Types of Funding

- **Formula**—allocated to SANDAG based on population, mileage or some other formula
- **Competitive**—awarded to SANDAG based on the merits of the project as compared to a scoring rubric vs. other agencies which apply for the funding



Funding Comes with Strings

Examples of Restrictions on the Use of Funds

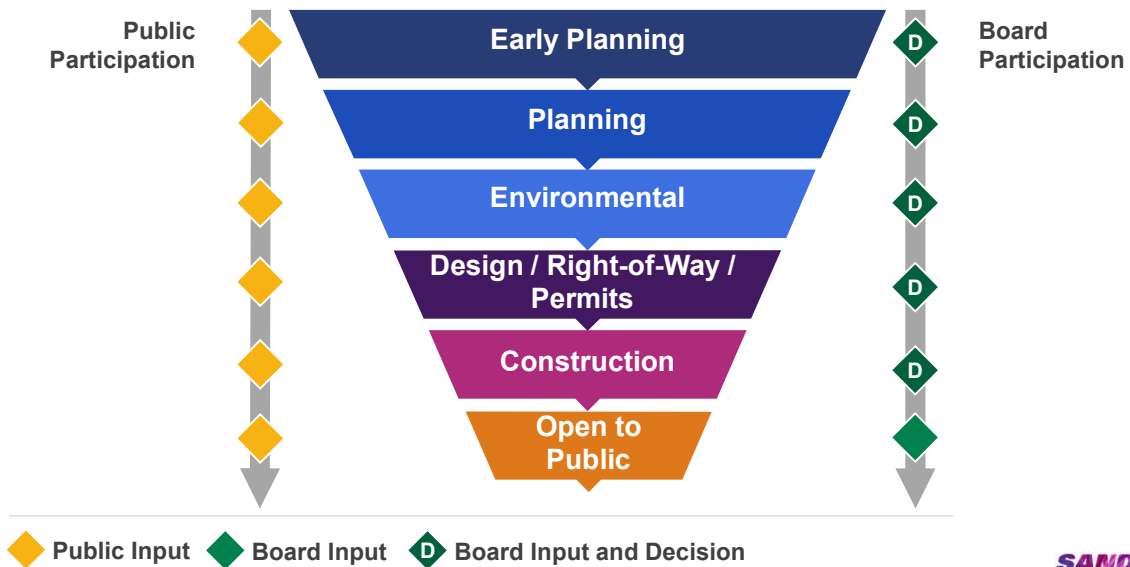
- Project eligibility
- Limited to specific phase
- Matching requirements
- Timing of using the funds
- Authorization requirements
- Reporting requirements
- Ordinance requirements
- Invoicing requirements
- Performance requirements



5

Project Phasing

Funding Often Tied to Project Phase

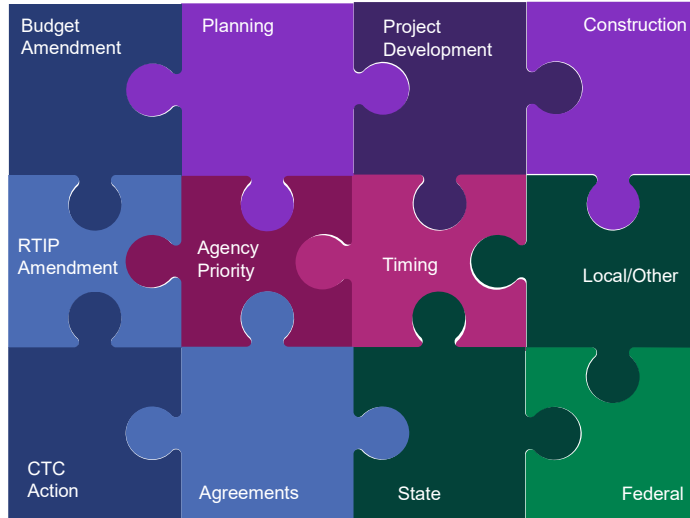


6

Connecting Project Needs with Available Funding

Funding and Expenditure Plans

Complete actions to secure funding

What phase?



Does the project qualify?



When are funds needed?



7

Strategy

Policy
Consider policy and directives at local/state/federal levels.



Delivery

Project/program readiness and risk

Funding

Cost, current funding, funding needs, current funding constraints.

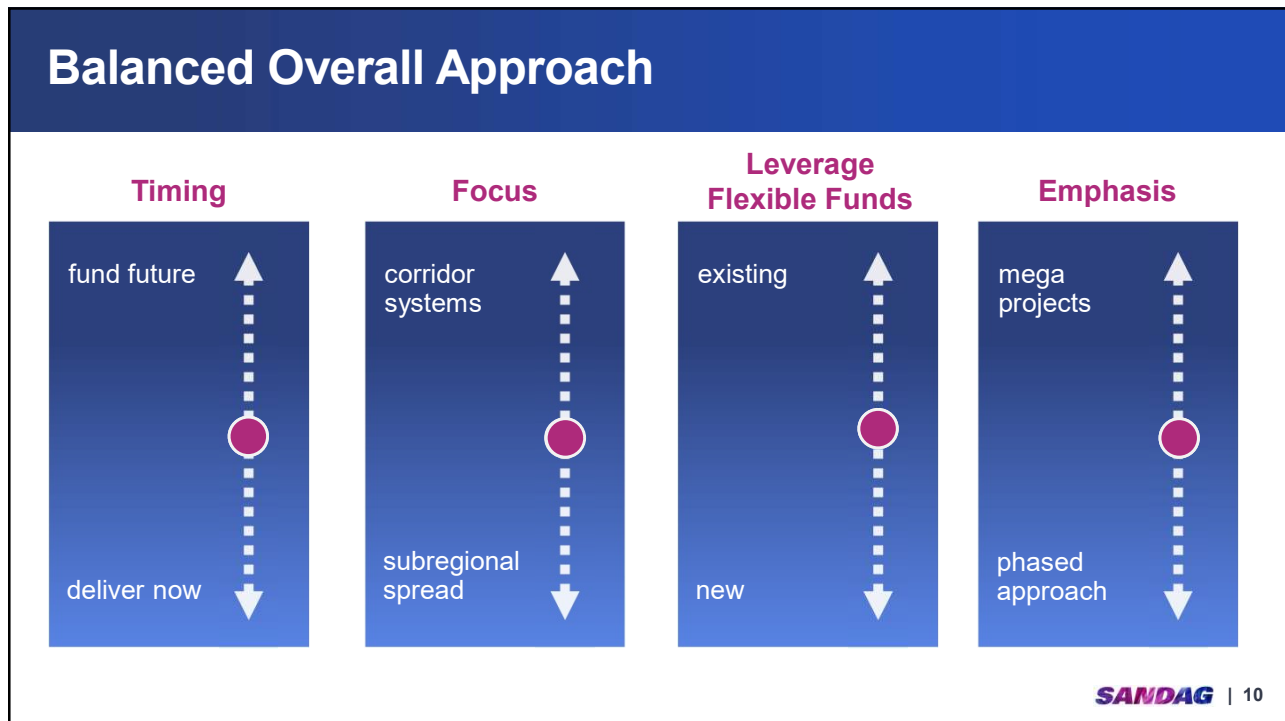
8

Strategic Considerations

Policy <i>Consider policy and directives at local/state/federal levels.</i>	Funding <i>Cost, current funding, funding needs, current funding constraints.</i>	Delivery <i>Project/program readiness and risk</i>
<ul style="list-style-type: none"> • regional impact • multimodal • safety • TransNet ordinance • BOD direction and priorities • public input • partner input and partnerships 	<ul style="list-style-type: none"> • timing use of funds • matching opportunities • availability • flexibility • limitations on phase • programming rules • revenue projections • previous investments 	<ul style="list-style-type: none"> • “backbone” of transportation system • readiness • balancing short- and long-term • costs of completion • phasing • risks

9

Balanced Overall Approach



10