SANDAG

FISCAL YEAR

2026

Annual Report



















Introduction

About SANDAG

SANDAG.org/about

At SANDAG, we shape the future of the San Diego region by planning and building infrastructure, preserving the environment, providing resources, and delivering the TransNet Program.

SANDAG is one of the nation's most recognized regional planning agencies. In our primary roles as the Metropolitan Planning Organization (MPO) and Regional Transportation Planning Agency (RTPA), we develop plans for how people and goods will move around the region. We are unique among MPOs in that we also design and build many of our projects. We offset our environmental impact by preserving land and investing in cleaner transportation options. SANDAG's work also includes providing vital resources such as data, transportation programs, and management of roadway operations.

Our work is informed by data and our partnership with the public. SANDAG is governed by a Board of Directors made up of elected officials representing the residents of each of our local cities and the county. The CEO reports directly to the Board. We also collaborate with tribal governments, regional transit agencies, community partners, the military, neighboring counties and Mexico, and state and federal agencies to deliver long-lasting solutions to the region's challenges.

Vision

Pursuing a brighter future for all

Mission

We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.

Commitment to Equity

We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change, and we firmly uphold equity and inclusion for every person in the San Diego region.

About This Report

State law requires SANDAG Board Members make a report to their member agencies at a public meeting each year that includes SANDAG program developments, project updates, changes to voter-approved expenditure plans, and potential ballot measures. To help facilitate these reports, SANDAG's Annual Report provides an overview of our progress and accomplishments during FY 2026 (July 1, 2025, to June 30, 2026). The T found throughout this report indicates projects that are part of the TransNet Program.

Additionally, we continued to improve agency function. Our accomplishments around FY 2026 agency goals include:

- **Focus on fundamentals:** Launched several systems, trainings, and tools
- **Oversight and transparency:** Made progress on corrective actions and continued robust public engagement
- **Leadership and structure:** Introduced core competencies and strengthened employee retention
- **Deliver on our mandates:** Reached several planning and capital project milestones
- **Ensure fiscal responsibility and accountability:** Saved more than $300 million through bond refunding
- **Strengthen collaboration:** Established standing partner meetings and received state and federal support

FY 2026 Projects and Programs

At the end of FY 2026, SANDAG's Annual Program Budget included:

122 Capital Projects



62 OWP Projects



32 Regional Operations and Services Projects



170 Active TransNet Projects



Project and Program Highlights



Plan

SANDAG.org/planning

SANDAG tackles regional issues in partnership with the communities we serve through a big-picture, coordinated approach. One of the primary roles of the agency is to plan how people and goods will move through the region for generations to come. Most of our planning work is outlined in the Overall Work Program (OWP) component of our budget.



FY 2026 Highlights

- **2025 Regional Plan:** Adopted by the Board of Directors, who also certified its accompanying Environmental Impact Report
- **Coordinated Plan:** Approved by the Transportation Committee, meeting regional and federal requirements in one concise document
- **Rapid 625:** Conducted analysis to identify potential alignments between South County and the College neighborhood of San Diego and identified initial capital and operating costs
- **Other Rapid routes:** Began environmental phase and analysis of route alternatives for routes 277 (Ramona to Sabre Springs Transit Center), 483 (Temecula to Escondido/San Marcos), 640 (U.S.-Mexico border to Central San Diego), 688 (San Ysidro to UTC/Sorrento Mesa), and 880 (East County to UC San Diego)
- **Airport Transit Connection (ATC):** Completed rail planning and final study report while incorporating input from the Transportation Committee and public agency partners
- **Route 992:** Worked with MTS to develop cost estimates for three years of enhanced Route 992 service, developed an MOU, and received Board and federal approval for use of ATC funds for enhanced service
- **San Ysidro Transit Center Improvements:** Advanced strategy and preparation for initiating the San Ysidro Transit Center Improvements environmental phase, including coordination with MTS and identifying funding sources
- **Express System:** Developed concept of operations documents for regional managed lanes and for Rapid technology
- **Reconnecting Communities Study:** Conducted outreach to identify communities harmed by transportation infrastructure and solution strategies, and equipped regional partners with a report to help them apply for state and federal funding
- **Tribal consultation and coordination:** Signed an agreement with the Southern California Tribal Chairmen's Association (SCTCA) for the 2029 Regional Plan, began work on the Rural Corridors Study, and received notice of a successful Caltrans planning grant for a Tribal Advanced Air Mobility Infrastructure Readiness and Integration Strategy
- **Tribal housing:** Increased the REAP 2.0 Tribal Housing Grant Program to more than $6.4 million, providing additional funding for each of the eight awarded tribes
- **Transit fare study:** Evaluated possible changes, presented proposal to the public, and approved phased changes

Project and Program Highlights



Build

SANDAG.org/projects

In addition to planning, we design and build near-term and long-term infrastructure projects throughout the region. This process includes identifying partnerships and seeking funding opportunities. TransNet, the half-cent sales tax administered by SANDAG, contributes to many of our capital projects, most of which can be found in the Capital Program component of our budget.





FY 2026 Highlights

- **North Park | Mid-City Complete Streets:** Began construction on University Avenue and prepared to break ground on Orange Avenue T
- **Uptown Complete Streets:** Began construction on the Washington Street and Mission Valley project and continued construction on Eastern Hillcrest Complete Streets T
- **Inland Rail Trail Phase 3:** Continued construction on the last stretch of the project with plans to open in fall 2026 T
- **Otay Mesa East Port of Entry:** Completed construction of early work package, continued the traffic and revenue study, began construction on the border crossing facility and related infrastructure improvements, and executed contract for non-intrusive inspection technology services T
- **SR 11:** Celebrated the opening of the Siempre Viva Road Interchange and the completion of the final segment of SR 11 with Caltrans T
- **Del Mar Bluffs Stabilization:** Reached 90% completion on construction to stabilize rail trackbed
- **Batiquitos Lagoon Double Track:** Continued construction on bridge replacement and double tracking T
- **San Onofre to Pulgas Double Track Phase 2:** Began construction of new rail bridge, drainage structures, and new trackbed
- **LOSSAN Rail Realignment:** Progressed preliminary conceptual engineering and technical studies needed to support environmental clearance T
- **I-805 South Soundwalls:** Completed environmental mitigation on Sweetwater River Bridge improvements, finished building half of the soundwalls, and reached 75% to 90% completion on remaining soundwalls T

Project and Program Highlights

Preserve

SANDAG.org/environment

At SANDAG, we're committed to protecting our environment by preserving and protecting native habitats and open space, safeguarding endangered species, reducing greenhouse gas emissions, and more. Our TransNet Environmental Mitigation Program is a model for other agencies on proactively protecting and conserving the environment while responsibly delivering critical transportation infrastructure. Find details on most of our preservation work in the TransNet Program section of our budget.





FY 2026 Highlights

- **California-Baja California Border Resiliency Plan (BRP):** Completed the existing conditions summary report, community vulnerabilities and climate hazards analyses, and public outreach survey
- **Batiquitos Lagoon Double Track:** Restored the nesting area for the endangered California Least Tern back to its originally constructed size of 4.2 acres to promote long-term stability of the site and protect against erosion T
- **Climate Action Roadmap:** Completed the Regional Climate Action Roadmap in collaboration with local jurisdictions, public agencies, community-based organizations, the public, and others
- **EV charger rebate program:** Wrapped up the regional EV charger rebate program (CALeVIP: San Diego County Incentive Project) resulting in the addition of nearly 650 EV charging stations to the region's charging infrastructure network, with 55% of funds issued in disadvantaged and low-income communities
- **Lagoon restoration:** Completed 30% design for the restoration of the Buena Vista Lagoon and continued monitoring and adaptive management for the San Elijo Lagoon and San Dieguito Lagoon restorations T



Project and Program Highlights



Provide

SANDAG.org/programs

SANDAG provides valuable services, funding, and information to the people of this region. We play a leading role in administering the TransNet Program, disseminate critical economic and criminal justice data, offer funding and technical assistance to partner agencies, operate the SR 125 Toll Road and the I-15 Express Lanes, and manage services that make it easier to bike, walk, take transit, drive, and share the ride.



FY 2026 Highlights

- **Local Street and Road Program:** Funded 164 projects throughout the region, allocating $220.6 million for resurfacing, pavement overlay and pavement rehabilitation projects; ADA improvements; complete streets projects; and more T
- **Back-office system:** Executed a cooperative agreement with the Transportation Corridor Agencies (TCA) defining the toll operations services they will provide for SR 125 and the I-15 Express Lanes
- **Regional Housing Trust Fund:** Awarded $14 million of Regional Early Action Planning (REAP 2.0) funding, in partnership with the San Diego Foundation, to 10 projects which will help bring 966 much-needed affordable housing units to the region
- **Flexible Fleets Pilot Grant Program:** Developed the call for projects and began accepting applications
- **Active Transportation Grant Programs:** Prepared the Cycle 8 Active Transportation Program Call for Programs and the Cycle 5 TransNet Active Transportation Grant Program Call for Projects T
- **Access for All Grant Program:** Signed the grant agreement for AFA Cycle 2 service, providing $2 million for on-demand wheelchair-accessible vehicle services
- **Smart Growth Incentive Program:** Awarded $55 million in Smart Growth Incentive Program grants—the largest funding cycle in program history—to 36 local projects T
- **Commuter programs:** Improved commute sustainability by working with 241 employers, 18 schools, and 6 residential sites; distributing 276 Try Transit passes; serving 2,221 passengers in the SANDAG Vanpool Program; and registering 959 commuters in the Guaranteed Ride Home program
- **Transportation demand management (TDM):** Received the national TDM Excellence Award for an MPO from the Association for Commuter Transportation
- **Motorist Aid:** Assisted more than 72,000 motorists (a 9% increase over FY 2025) through Freeway Service Patrol, serving 18% more motorists per service hour; received more than 8,000 calls through the Call Box program and 68,000 calls to 511
- **Bike services:** Provided bike parking for 1,350 registered users and delivered bike education for more than 10,000 students and employees
- **Bike Anywhere Day:** Registered nearly 7,500 riders, facilitated the hosting of a record 116 pit stops, and logged 11,000 pit stop visits
- **Southeastern Connect:** Launched an on-demand, microtransit service in Southeastern San Diego
- **Data:** Launched Transit Ridership Dashboard, released 2025 State of the Commute, implemented Active Transportation Data Collection program supporting TransNet EAP and SB 1, and provided data support to priority agency projects T
- **Transportation modeling:** Successfully applied the new activity-based model (ABM3) to the 2025 Regional Plan, made key data products more accessible to local jurisdictions and the public, and improved forecasting ability through updated models
- **Economics:** Provided partners with numerous presentations, reports, and insights on regional economic growth and forecasts, and supported SANDAG projects and grants with quantified economic and safety data

Powering Our Progress

Partnership Makes It Possible

SANDAG.org/partners

The work we do is made possible by the leadership from our Board of Directors, expertise of our staff, and critical input from the public and our partners. The Board (SANDAG.org/board) carries out the agency's mandates and sets agency direction, revises policies, and prioritizes budget resources. Our staff (SANDAG.org/ourteam) brings expertise in a broad range of professional, technical, and business functions.



The success of SANDAG's regional projects and programs depends on fostering a close relationship with communities throughout our region. We partner with community-based organizations and community collaboratives to help us engage with people around the region and listen to their concerns. As the forum for regional decision-making, we are committed to making sure all voices are heard. Earning and maintaining the confidence of our residents and partners is the key to successfully bringing projects to life.

TransNet Program

SANDAG.org/transnet

For nearly four decades, TransNet has been the driving force for improving transportation infrastructure in the San Diego region. TransNet is the half-cent sales tax administered by SANDAG to fund local transportation projects consistent with the Regional Plan. It accounted for about 15% of the FY 2026 SANDAG Program Budget revenue and is critical when competing for state and federal grant programs that require a funding match.

The TransNet Program helps fund capital projects which improve transit, highways, freight movement, and active transportation. TransNet also funds a variety of competitive grant programs plus an environmental conservation program. The majority of TransNet funding flows through SANDAG to transit operators and local jurisdictions for local street and road improvement projects.

Working with our partners at Caltrans, MTS, NCTD, and local jurisdictions, SANDAG has delivered more than 700 TransNet projects for our communities, and we'll continue to deliver more through 2048 when the TransNet measure expires.

700+ TransNet projects delivered since 1988



Leveraging Power

For every **$1 of TransNet funding**, SANDAG leverages **close to $3 in federal, state, and other local funds**—nearly tripling the matching ratio mandated by the TransNet Extension Ordinance.

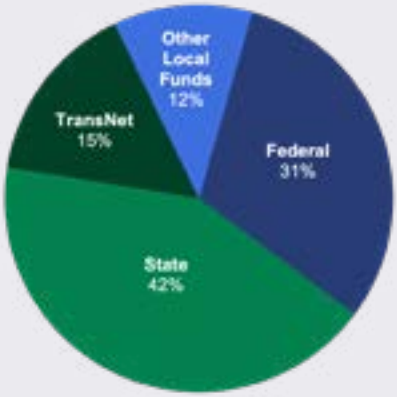


T Look for this symbol throughout this report, indicating projects that are part of the TransNet Program.

Powering Our Progress

FY 2026 Budget Revenue

for Overall Work Program, Capital Program, and Regional Operations and Services



Funding

SANDAG.org/funding

The SANDAG budget includes more than 100 different revenue sources representing a mix of state, federal, and local funding.

SANDAG receives both formula and competitive funding from state and federal governments. Collectively, state and federal funding typically make up between 70% to 75% of the annual budget. Formula funding and competitive grants provide funding for many projects and programs. Federal formula funding in FY 2026 increased 2% over FY 2025 per the mandate of the 2021 Infrastructure Investment and Jobs Act (IIJA).

Local funds comprise 25% to 30% of the annual budget, and more than half of that comes from TransNet. Other local funding sources include member assessments and revenues from express lanes and the SR 125 Toll Road.

FY 2026 Highlights

- **Credit rating:** Received two credit rating upgrades—including earning the highest rating from S&P and Fitch for sound fiscal management of the TransNet Program—which improve the agency's ability to issue debt at lower interest rates
- **Bond refunding:** Successfully issued more than $324 million in sales tax revenue bonds, saving the region approximately $61.6 million through 2048
- **California Transportation Commission grants:** Received approval to start spending substantial construction grant funding of $214 million on the San Dieguito Lagoon Double-Track project and $255.1 million on the Otay Mesa East Port of Entry project's northbound vehicle facility
- **2026 STIP:** Received approval from the California Transportation Commission
- **Project delivery strategy:** Established a five-year strategy to strategically leverage available funding, maintain flexibility, and advance priority regional projects and programs based on Board guidance



SANDAG.org

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Free Language Assistance | Ayuda gratuita con el idioma | Hỗ trợ ngôn ngữ miễn phí | Libreng Tulong sa Wika
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