

OTAY MESA EAST

The Business Case for an Innovative New Port of Entry

The San Diego Association of Governments (SANDAG), in partnership with Caltrans, is leading the delivery of Otay Mesa East, an innovative new land port of entry between the U.S. and Mexico. This facility is purpose built, deploying state-of-the-art technology to provide fast, predictable, and secure crossings. It will be the first U.S. land port of entry to use dynamic tolling to manage demand via tolled approach roads and an intelligent transportation system to alleviate supply chain bottlenecks and deliver reliability, particularly critical for time-sensitive trips and cargo.



Why Build a New Port of Entry in the San Diego region?

The project is located in San Diego County which has some of the busiest and most economically significant border crossings in the country. **Along our southern border, the existing Otay Mesa Port of Entry is the second busiest land border crossing in number of trucks and the third largest in value.**

The region plays an integral role in the flow of trade with Mexico, our largest trade partner. Since 2018, Mexico has grown in importance to American businesses, accounting for 16% of U.S. trade with the world (imports and exports, measured value). For decades, U.S. businesses have built supply chains, and more recently vertically integrating operations, to leverage the relative cost competitiveness of labor and speed of delivery that Mexico has to offer. Underscoring these advantages, the Otay Mesa East Port of Entry will sit in a binational manufacturing center that is more than double the size of any other U.S. border region along the U.S.-Mexico border.

In addition to supporting U.S. manufacturers, the project will provide resilience and fluidity in U.S. trade corridors and the movement of U.S.-manufactured goods to domestic and international markets. The San Diego region is strategically located to enhance the flow of U.S. exports to the international market. **It is the only region with land ports of entry with access to several marine ports (on the U.S. and Mexico sides).**

Business and Foreign Direct Investment (FDI) will flow to areas that offer certainty, repeatability and dependability. With Otay Mesa East, the region offers the combination of a resilient multimodal, transborder network, the potential to grow as they grow, and manufacturing and Research and Development (R&D) talent. It has manufacturing clusters that are prepared to handle investment and growth that promotes the national economy.

Existing Ports of Entry

The San Diego region is one of the most active border-crossing regions in the world. Between the existing San Ysidro and Otay Mesa Land Ports of Entry, more than 120,000 people and 2,900 commercial vehicles cross northbound daily.

Although the U.S. and Mexico continue to improve existing border infrastructure, increasing demands on border crossings in the San Diego-Baja California region are impeding economic opportunity and costing billions of dollars annually in foregone economic output. The most impacted are manufacturing, logistics, R&D, and other technology and innovation-focused sectors.

Otay Mesa East – An Innovative New Land Port of Entry

The State Route 11 (SR 11)/Otay Mesa East Port of Entry project will use innovative technologies to deliver a 20-30-minute average wait time, delivering the reliability businesses are looking for, bolstering the regional and national economies, and generating revenue through user fees to reduce reliance on tax payer dollars.

Key project features:

- **State-of-the-art security:** The facility is designed to ensure security and reliability through the use of Non-Intrusive Inspection (NII) technology and weigh-in-motion scales to facilitate throughput and security.
- **Dynamic tolling system:** A single and seamless Back Office System (BOS) and fully integrated Roadway Toll Collection System (RTCS) with electronic toll collection of user fees.
- **Enhanced flexibility and longevity:** The master plan allows for expansion of up to 25 passenger lanes and 20 commercial vehicle lanes to accommodate anticipated growth.
- **Unmatched design standards:** The facility contains a Vehicle Enforcement Facility with dedicated space for the Federal Motor Carrier Safety Administration (FMCSA) in accordance with the Federal Project Agreement signed with GSA and CBP in January 2025.

Key performance targets for the facility:

- **Security:** Efficiently inspect 100% of vehicles and cargo.
- **User fee model:** Dynamic tolling to reliably provide crossing times under 30 minutes.
- **Revenue collection:** Primary and secondary/redundant read points to ensure toll collection.
- **Reliability:** Real time monitoring of conditions at multiple ports of entry to adjust pricing and guarantee crossing times.
- **Operations and maintenance:** Enhance CBP staffing through technology.

Key benefits for the U.S. economy:

- Facilitate more than \$60 billion in cross-border trade annually
- Provide relief valve for national supply chain bottleneck
- Supply U.S. market demand
- Attract new regional and national FDI to enhance and expand cutting edge manufacturing in fabrication, semiconductors, and bio-medical devices
- Attract more R&D, creating a dynamic advanced manufacturing cluster
- Support creation of nearly 50,000 U.S. jobs
- Create opportunity for additional revenue generating activities and economic development on adjacent properties





Project Status

The SR 11/Otay Mesa East Port of Entry project is currently in the design and early construction phase. An INFRA Grant Agreement has now been executed, providing \$150 million for project construction. Mass grading activities for the project site are underway along with the implementation of a Regional Border Management System. Caltrans completed construction of the new SR 11, which terminates at the future Otay Mesa East Port of Entry.

Mexico has already completed construction of their port of entry and access road facilities.

Project Support

Federal, state, and local funds have been secured to construct the roadway facilities leading to the Otay Mesa East Port of Entry and acquire right-of-way for the site, including \$592 million received to date. Project has already secured over half of the funds needed to deliver the project. Revenue generated from the user fees will be used to repay construction loans and support operations and maintenance of the facility, making the project financially sustainable.

What Project Sponsors are Providing Federal Partners:

- 90+ acres of federal land port of entry facility
- 7+ acres land donation for support facilities
- \$1.1 billion contribution towards operation and maintenance and repair and replace costs for the port of entry facility and technology
- \$560 million for a modernization fund to rebuild a new port of entry facility at year 40

Remaining Project Need:

- Annual appropriations request for CBP staffing for facility
- Ongoing collaboration and advocacy to get project built and operational

Total Cost: **\$1.3 billion**
Phase I Opening Date: **Early 2028**

