MEETING NOTICE AND AGENDA

TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

The ITOC may take action on any item appearing on this agenda.

Wednesday, September 11, 2013

9:30 a.m.

SANDAG
SANDAG 7th Floor Conference Room
401 B Street, 7th Floor
San Diego, CA 92101

Staff Contact: Kim Kawada
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AGENDA HIGHLIGHTS

• FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT: UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS AND GRANT PROGRAM RECOMMENDATIONS

• TransNet ENVIRONMENTAL MITIGATION PROGRAM: FY 2014 MANAGEMENT AND MONITORING ALLOCATIONS AND COMPETITIVE LAND ACQUISITION GRANT CALL FOR PROJECTS

• REGIONAL BIKE PLAN EARLY ACTION PROGRAM

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MEETING SUMMARY FOR THE JULY 10, 2013, ITOC MEETING

A summary of the July 10, 2013, ITOC meeting has been prepared for the Committee’s review and approval.

PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public shall have the opportunity to address the ITOC on any issue within the jurisdiction of the Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Committee members also may provide information and announcements under this agenda item.

OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS

(Marney Cox and André Douzdjian)

Staff will provide the quarterly briefing intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the TransNet program.

TRANSPORTATION PROJECT EVALUATION CRITERIA

(Rachel Kennedy)

At the July 10, 2013, ITOC meeting, SANDAG staff received feedback during the discussion of the preliminary draft transportation project evaluation criteria. SANDAG staff has received additional feedback from SANDAG working group meetings and San Diego Forward: The Regional Plan workshops. Based on this information, the preliminary draft evaluation criteria have been updated.
REPORTS

6. SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON TransNet-RELATED AGENDA ITEMS (Kim Kawada)

This monthly briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on TransNet-related projects and programs. Staff will provide a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed.

+7. FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT:

+A. UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS (Ariana zur Nieden)

The ITOC accepted the final FY 2012 TransNet Triennial Performance Audit (second triennial audit) report at its June 2012 meeting. Staff provided its first update on the status of implementation of recommendations at the January 9, 2013, ITOC meeting. The second update will be provided at the September 11, 2013, ITOC meeting. The ITOC is asked to review and discuss implementation of audit recommendations.

+B. IMPLEMENTATION OF GRANT PROGRAM RECOMMENDATIONS (Diane Eidam, Executive Strategic Advisor)

The FY 2012 TransNet Triennial Performance Audit included recommendations for improvements to grant processes. At the September 11, 2013, ITOC meeting, an overview of the outcome of the internal assessment will be provided. The ITOC is asked to discuss the SANDAG grants administration assessment.


+A. QUARTERLY TransNet FINANCIAL REPORTS FOR THE PERIOD ENDING JUNE 30, 2013, AND OTHER FINANCIAL DATA (Lisa Kondrat-Dauphin)

Staff provides certain TransNet financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to a recommendation from the first TransNet Triennial Performance Audit.

+B. FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT REPORT: IMPLEMENTATION OF LOCAL STREET AND ROAD PROGRAM RECOMMENDATIONS (Alex Estrella and Ariana zur Nieden; Maryam Babaki, City of San Marcos)

The ITOC is asked to discuss the proposed approach for addressing FY 2012 TransNet Triennial Performance Audit Recommendation Nos. 3 through 7.
+9. **TransNet ENVIRONMENTAL MITIGATION PROGRAM: FY 2014 MANAGEMENT AND MONITORING ALLOCATIONS AND COMPETITIVE LAND ACQUISITION GRANT CALL FOR PROJECTS (Keith Greer)**

On April 26, 2013, the SANDAG Board of Directors approved the execution of an amendment to the 2008 Memorandum of Agreement (MOA) with state and federal agencies on the implementation of the *TransNet* EMP. The amended MOA continues with annual allocation of funding for land management and biological monitoring totaling $4 million annually, as well as allocation of funding for a competitive land acquisition program. The ITOC is asked to discuss the proposed FY 2014 allocation for management and monitoring activities and the proposed land acquisition grant call for projects pursuant to the executed *TransNet* EMP MOA, focusing on *TransNet* funding eligibility.

+10. **REGIONAL BIKE PLAN EARLY ACTION PROGRAM (Chris Kluth)**

In 2011, the Board of Directors adopted the 2050 Regional Transportation Plan/Sustainable Communities Strategy (SCS), which included integration of Riding to 2050: San Diego Regional Bicycle Plan (Bike Plan) previously approved by the Board of Directors in 2010. The Board’s action also included the development of an early action program (EAP) for the projects included in the Bike Plan. In April 2012, the Transportation Committee accepted the goals of the EAP framework and approved funding to conduct preliminary engineering work and refine construction cost estimates. The ITOC is asked to review and discuss the proposed Bike Plan EAP scenarios for consistency with the *TransNet* Extension Ordinance.

11. **FUTURE MEETING SCHEDULE**

The next regular ITOC meeting is scheduled for Wednesday, October 9, 2013, at 9:30 a.m.

12. **ADJOURNMENT**

+ next to an agenda item indicates an attachment
MEETING SUMMARY FOR THE JULY 10, 2013, INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE MEETING

Attendance
Committee Members:
- Jonathan Tibbitts, Vice Chair
- Brad Barnum
- Tracy Drager
- Carolyn Lee
- Kai Ramer
- Dick Vortmann

Absent:
- Paul Fromer, Chair
- John Chalker

Staff:
- Kim Kawada
- Ariana zur Nieden

The meeting of the TransNet Independent Taxpayer Oversight Committee (ITOC) was called to order by Vice Chair Jonathan Tibbitts at 9:33 a.m.

1. **APPROVAL OF MEETING SUMMARY**

   **Action:** Upon a motion by Kai Ramer and a second by Vice Chair Tibbitts, the ITOC approved the June 12, 2013, meeting summary.

2. **PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS**

   There were no public comments.

   Carolyn Lee commented that she attended the June 28, 2013, meeting of the SANDAG Board of Directors and presented the 2013 ITOC Annual Report to Board members.

   **CONSENT (3)**

3. **TransNet SENIOR MINI-GRANT PROGRAM STATUS UPDATE (INFORMATION)**

   The TransNet Extension Ordinance includes the provision for a competitive grant program for senior transportation projects. This report provided an overview of the progress made by each active grant recipient for the Senior Mini-Grant program through March 31, 2013.
REPORTS (4 through 9)

4. ANNUAL SELECTION OF ITOC CHAIR AND VICE CHAIR (APPROVE)

In accordance with ITOC Bylaws, at the first regular meeting following commencement of the SANDAG fiscal year, the ITOC shall select a Chair and Vice Chair to serve a term of one year.

Action: Upon a motion by Ms. Lee and a second by Dick Vortmann, the ITOC selected Vice Chair Tibbitts to serve as Chair and Mr. Ramer to serve as Vice Chair for FY 2014.

5. SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON TransNet-RELATED AGENDA ITEMS (INFORMATION)

Ariana zur Nieden, Associate Regional Planner, provided the monthly briefing to keep the ITOC informed about relevant SANDAG actions taken on TransNet-related projects and programs.

Ms. zur Nieden provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: 2013 ITOC Annual Report and the 2012 State of the Commute Report.

Action: This item was presented for information.

6. FY 2013 PROPOSED TransNet AGREED-UPON PROCEDURES (APPROVE)

The FY 2013 TransNet fiscal and compliance audit process is currently underway. The independent audit firm of Mayer Hoffman McCann, L.P., reviewed the FY 2012 Agreed-Upon Procedures (AUP) and developed the recommended FY 2013 AUP.

Lisa Kondrat-Dauphin, Senior Accountant, introduced the item.

Andrea Jayasekara, Mayer Hoffman McCann, L.P., presented the item.

The ITOC discussed the proposed AUP and the replacement of the Local Agency Balance Limitation (30 percent fund balance rule) with a more effective measure for monitoring Local Street and Road Program performance.

Action: Upon a motion by Ms. Lee and a second by Vice Chair Ramer, the ITOC approved the FY 2013 AUP.

7. 2012 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 6 (DISCUSSION)

On September 28, 2012, the Board of Directors adopted the 2012 Regional Transportation Improvement Program (RTIP), the multiyear program of proposed major transit, highway, arterial, and bikeway projects in the San Diego region covering the period FY 2013 to FY 2017. SANDAG processes amendments to the RTIP on a quarterly basis based on requests from member agencies. This amendment represents a regular quarterly amendment to the 2012 RTIP and reflects changes as requested by member agencies.
Michelle Merino, Associate Financial Analyst, presented the item. The ITOC was asked to review and discuss the 2012 RTIP Amendment No. 6, focusing on the TransNet Program of Projects.

**Action:** This item was presented for discussion.

8. **TransNet SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM: STATUS UPDATE AND PROPOSED GRANT AMENDMENTS (RECOMMEND)**

This report provided an overview of the progress on TransNet Smart Growth Incentive Program projects and Active Transportation Program projects through March 31, 2013. The ITOC was asked to recommend that the Transportation Committee approve a no-cost, time-only schedule extension for the City of National City's Bicycle Parking Enhancements project. The ITOC also was asked to discuss two proposed budget amendments to reprogram unspent grant funds for the City of San Diego's 4th Avenue/Quince Pedestrian Crossing and Traffic Calming and 4th & 5th Avenues/Nutmeg Pedestrian Crossing and Traffic Calming projects to enable SANDAG to complete work as part of the Regional Bicycle Plan Early Action Program.

Suchi Mukherjee, Regional Planner I, presented the item.

**Action:** Upon a motion by Ms. Lee and a second by Mr. Vortmann, the ITOC recommended that the Transportation Committee approve a no-cost, time-only schedule extension for the City of National City's Bicycle Parking Enhancements project.


The SANDAG Board of Directors accepted the San Diego Forward: The Regional Plan vision and goals on May 10, 2013. In past regional transportation plans, SANDAG has utilized transportation project evaluation criteria and performance measures informed by these goals as elements of a multistep process to develop the revenue constrained multimodal transportation network. SANDAG developed preliminary draft evaluation criteria to be used for developing a prioritized list of transportation projects for San Diego Forward: The Regional Plan.

Rachel Kennedy, Senior Regional Planner, presented the item and requested that the ITOC discuss and provide input on the preliminary draft transportation project evaluation criteria.

**Action:** This item was presented for discussion

10. **FUTURE MEETING SCHEDULE**

The next regular ITOC meeting is scheduled for Wednesday, September 11, 2013, at 9:30 a.m.

11. **ADJOURNMENT**

Chair Tibbitts adjourned the meeting at 11:17 a.m.
OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS

Introduction

Staff provides quarterly briefings intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the TransNet program. At the September 11, 2013, ITOC meeting, staff will provide an update on municipal market conditions, the current SANDAG debt portfolio, the economy, and sales tax revenues.

Discussion

Market Review and Update

Overview

Interest rates trended higher for much of the second quarter of calendar year 2013, particularly in May and June as a result of the Federal Reserve suggesting it would begin tapering its quantitative easing policies by pulling back the Fed’s $85 billion per month of Treasury and mortgage-backed-security purchases, if the economy continues to improve. Since May 2013, the 2-, 10-, and 30-year AAA MMD benchmark rates have increased about 14 bps, 128 bps, and 167 bps, respectively. These increases have brought interest rates to their five-year averages. The movement on the intermediate and long-end of the yield curve has been greater than that on the short-end, resulting in a steeper yield curve as shown in the graph to the right.

In addition, headline risks concerning Detroit’s record filing bankruptcy, Chicago’s three-notch downgrade from Moody’s, and Puerto Rico’s credit quality concerns, as well as municipal bond funds experiencing substantial outflows over the past several weeks, have contributed to market volatility.

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1 Data through August 22, 2013
Municipal Market Supply

Long-term municipal bond issuance volume in the second quarter of calendar year 2013 decreased by 20.5 percent to $92.3 billion in 3,049 issues against $116.2 billion in 3,581 issues through the same period in 2012. Refunding issuance was down 40 percent, to $29.5 billion from $49.7 billion in the second quarter of 2012. New money issuance, similarly, was down 11.6 percent, to $38.5 billion from $43.6 billion in second quarter of 2012. For the transportation sector, volume decreased 36 percent, with issuance of $9.5 billion in the second quarter of 2013.

In July 2013, bond issuance volume decreased slightly to $28.4 billion against $28.6 billion in July 2012. Refunding volume plunged almost 50 percent in July from a year earlier.

Interest Rate Forecasts

The volatility through the second quarter of calendar year 2013 saw significant rises in intermediate to long-term interest rates and lower increases on the short end of the yield curve. The Federal Open Market Committee (FOMC) met twice during the second quarter of 2013 and affirmed its commitment to a zero interest rate policy for short-term and overnight rates. The Federal Reserve has stated that it is appropriate to keep the federal funds rate exceptionally low (in the 0.00 percent to 0.25 percent range) at least as long as the unemployment rate remains above 6.5 percent and inflation remains no more than half a percentage point above the FOMC’s 2 percent longer-run goal. These low short-term rates are expected to persist into 2015.

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2 Issuance data from Thomson Reuters, compiled by The Bond Buyer
On the longer end of the curve, the tax-exempt and U.S. Treasury markets weakened significantly due to the prospect of the Fed slowing its $85 billion per month of Treasury and Mortgage-backed-security purchases. If the economy stays on track, asset purchases could begin to wind down starting this fall and be discontinued by mid-2014. Despite all the prospective changes, officials at the Fed have tried to calm investors by emphasizing that bond purchases will not halt until the economy strengthens.

The table below provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. As noted, the 10-year U.S. Treasury rate is forecast to increase 0.25 percent to 3.14 percent by the third quarter of calendar year 2014. The 30-year U.S. Treasury is forecast to increase to 4.11 percent by the third quarter of calendar year 2014, an increase of 0.24 percent. These increases in long-term rates over the next 12 months are expected to be coupled with continued low rates in the short-term. This will continue to support relatively low long-term borrowing rates for SANDAG, while creating challenges for SANDAG short-term investments.

<table>
<thead>
<tr>
<th>The Street’s Interest Rate Forecast³</th>
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<tbody>
<tr>
<td>30-Year UST</td>
</tr>
<tr>
<td>Forecast Q3 13</td>
</tr>
<tr>
<td>Forecast Q3 13</td>
</tr>
<tr>
<td>Average 3.69%</td>
</tr>
<tr>
<td>10-Year UST</td>
</tr>
<tr>
<td>Forecast Q3 13</td>
</tr>
<tr>
<td>Forecast Q3 13</td>
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<tr>
<td>Average 2.63%</td>
</tr>
</tbody>
</table>

**Debt Portfolio Overview and Update**

**Outstanding Debt Overview**

SANDAG has $1.15 billion of outstanding long-term debt, consisting of the Series 2008 variable-rate bonds, the 2010 Series A taxable Build America Bonds (BABs), the 2010 Series B tax-exempt fixed-rate bonds, and the 2012 Series A tax-exempt fixed-rate bonds. Of the total debt portfolio, 35 percent consists of synthetic fixed-rate bonds (variable-rate bonds hedged with fixed-payer interest rate swaps) and the remaining 65 percent are fixed-rate bonds. A summary of the outstanding bonds is tabulated and graphically presented below and on the next page.

<table>
<thead>
<tr>
<th>Summary of Outstanding Debt</th>
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<tbody>
<tr>
<td>Series</td>
</tr>
<tr>
<td>2008A</td>
</tr>
<tr>
<td>2008B</td>
</tr>
<tr>
<td>2008C</td>
</tr>
<tr>
<td>2008D</td>
</tr>
<tr>
<td>2010A</td>
</tr>
<tr>
<td>2010B</td>
</tr>
<tr>
<td>2012A</td>
</tr>
</tbody>
</table>

$1,153,225,000

³ Bloomberg Survey as of August 22, 2013
Debt Service and Coverage

As seen in the figure below, SANDAG has an aggregate level debt service profile with approximately $62.3 million in debt service per year through FY 2048. Debt service coverage, using actual sales tax receipts for FY 2013, is 3.97. For every $1.00 of debt service, SANDAG will receive $3.97 of sales tax revenue providing ample coverage.

Recent Variable-Rate Demand Bond Performance and Swap Mark-to-Markets

SANDAG has $402.3 million of outstanding variable-rate demand bonds (Series 2008 A, B, C, and D) as shown on the next page. These variable-rate demand bonds (VRDBs) are backed by Standby Bond Purchase Agreements from certain financial institutions. The interest rate on these bonds resets weekly through a remarketing process. SANDAG VRDBs have been trading well, with their interest rate resets at or below the Securities Industry and Financial Markets Association (SIFMA) Index (the benchmark short-term municipal index) resets. On average, SANDAG VRDBs have reset at a rate of 0.12 percent to 0.13 percent since September 29, 2011.
SANDAG Series 2008ABCD VRDB Resets Since September 29, 2011

<table>
<thead>
<tr>
<th>Series</th>
<th>SBPA Provider</th>
<th>Remarketing Agent</th>
<th>Reset Average</th>
<th>SIFMA Average</th>
<th>Spread to SIFMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008A</td>
<td>JP Morgan Chase Bank NA</td>
<td>Barclays Capital Inc.</td>
<td>0.13%</td>
<td>0.14%</td>
<td>-1 bps</td>
</tr>
<tr>
<td>2008B</td>
<td>JP Morgan Chase Bank NA</td>
<td>Goldman Sachs &amp; Company</td>
<td>0.13%</td>
<td>0.14%</td>
<td>-1 bps</td>
</tr>
<tr>
<td>2008C</td>
<td>Mizuho Corporate Bank</td>
<td>J.P. Morgan Securities LLC</td>
<td>0.13%</td>
<td>0.14%</td>
<td>-1 bps</td>
</tr>
<tr>
<td>2008D</td>
<td>State Street/CALSTRS</td>
<td>E.J. De La Rosa &amp; Company</td>
<td>0.12%</td>
<td>0.14%</td>
<td>-2 bps</td>
</tr>
</tbody>
</table>

SANDAG also has $402.3 million of fixed-payer interest rate swaps outstanding (listed below), the purpose of which is to hedge the interest rate variability associated with the $402.3 million of variable-rate bonds. Additionally, SANDAG has $313.2 million of basis swaps outstanding. Under the basis swaps, which become effective on April 1, 2018, when the existing fixed-payer swaps are scheduled to convert from LIBOR (London Interbank Offered Rate) to SIFMA based indices, SANDAG will pay its counterparty a floating interest rate payment based upon the SIFMA Index and will receive a floating payment based upon 107.4 percent of 3-month LIBOR. The market value of the SANDAG swap portfolio changes with interest rate fluctuations. The mark-to-market valuation, as of August 23, 2013, is approximately ($30,667,304), meaning SANDAG would need to pay approximately $30.7 million to terminate the entire swap portfolio in the current market. However, the swaps are performing as expected and currently there are no reasons that SANDAG would terminate the swaps. On an annual basis and in accordance with Board Policy No. 032: San Diego County Regional Transportation Commission Interest Rate Swap Policy, an annual written description of the swaps and an evaluation of the risks associated with outstanding interest rate swaps are presented to the Board for review.

<table>
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<tr>
<th>Swap Portfolio Overview</th>
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<tbody>
<tr>
<td>Associated Series</td>
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<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Series 2008 3.8165%</td>
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<tr>
<td>Series 2008 3.8165%</td>
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<tr>
<td>Series 2008 3.4100%</td>
</tr>
<tr>
<td>Total Fixed Payer Swaps</td>
</tr>
<tr>
<td>Series 2008 SIFMA Swap Index 107.4% of 3 Month LIBOR</td>
</tr>
<tr>
<td>Series 2008 SIFMA Swap Index 107.4% of 3 Month LIBOR</td>
</tr>
<tr>
<td>Total Index Conversion Swaps</td>
</tr>
</tbody>
</table>
Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 3.96 percent. This cost can vary based upon swap performance and the cost of liquidity to support the variable-rate debt.

The 2008A-D bonds with the current swap rate and associated fees provides a cost of capital equal to 4.30 percent. The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89 percent. The 2010B tax-exempt bonds have a borrowing cost of 3.14 percent. The most recent 2012A bonds were sold at an all-in cost of 3.72 percent. Taken together, SANDAG has issued approximately $1.19 billion in bonds, to accelerate project delivery, for a weighted average cost of 3.96 percent.
Commercial Paper

In addition to the long-term debt, SANDAG has a short-term commercial paper program supported by a Letter of Credit from Union Bank. The commercial program is authorized at $75 million with $33.9 million outstanding, and the paper was most recently remarketed out 91 days at a rate of 13 basis points.

Looking Ahead

The next new money bond transaction is currently expected to take place during FY 2015. SANDAG and its advisors will continue to monitor the municipal bond market and identify opportunities that best allow SANDAG to meet its financing needs and objectives.

The Local Economy and Sales Tax Revenues

Three important trends have emerged locally that have led to positive gains in the economy, providing a solid foundation for a continuation in the growth of taxable sales. First is the growth in new jobs. According to the California Employment Development Department, for the second year in a row, the rate of local job growth is outpacing the nation; through July of 2013 the San Diego region has added more than 19,000 new jobs. Second, the pace of job growth combined with slow labor force growth has pushed the unemployment rate down to 7.8 percent from 9.5 percent recorded in July 2012. Third, the average price of a house, according to the Case-Shiller Home Price Index, has risen nearly 20 percent over the past year, driven by a growing demand on a depleted inventory of units for sale. Despite some concerns early in the year over the possible impacts of sequestration, the local economy, for the most part, seems to have shrugged it off. All three of these trends are improving the financial condition of households in the region, which if the trends continue would lead to similar to slightly higher rates of growth in taxable retail sales during the coming year as experienced during the previous year. During FY 2013 TransNet sales tax revenue increased 4.34 percent.

Although the local economy seems to be moving progressively forward and most economists are expecting the second half of this year to be better than the first half, with the growth in gross domestic product (GDP) averaging 2.5 percent from 1.5 percent during the first half of the year, there are some broader concerns that could affect this trend. One is the actions of the Federal Reserve and its decision whether to begin to taper the Quantitative Easing (QE) program, designed to keep mid-to long-term interest rates low. Most public discussions concerning reducing the QE program have unexpectedly sent shock waves into the financial markets increasing uncertainty and sending interest rates higher. Some economists have expressed concern that the spike in interest rates could dampen the turnaround currently underway in the housing market. This reaction has forced the Fed to re-think its plan to taper QE. The civil conflict in Syria has now become an international problem due to the use of chemical weapons, sending the price of commodities such as oil up sharply. As a rule of thumb, for every $10 rise in the price per barrel of oil, GDP growth slows by 0.5 percent.

In addition to these emerging concerns, the national and local economies have not yet fully recovered from the effects of the Great Recession. Most economists believe it will require additional time to repair the damage caused by the Great Recession; for example, the consensus expects 2014 to look more like the second half of 2013, with growth in GDP staying at or above 2.5 percent. Even with this expected improvement, the unemployment rate is projected to stay above pre-recession levels through 2015. The transition to more normal rates of economic growth will produce needed jobs and eventually bring down the unemployment rate. If the trends to a more robust economy continue, it will mean SANDAG will face a different market when it receives construction bids for future projects.
Material costs will likely rise and the number of bidders per project may be reduced. Both trends would likely push the cost of projects up.

Through the first two months of FY 2014, sales tax revenue received from the State Board of Equalization was approximately 8.0 percent higher than revenue received during the same period last year. The positive growth in sales tax receipts is consistent with the SANDAG expectation that revenue increases will occur as the economy begins to experience increased job growth, which has occurred nationwide and locally over the past two-plus fiscal years. However, each year since the end of the recession, the rate of growth in sales tax revenue has been less than the previous year. This trend of smaller growth rates indicates that the economy may not be out of the woods yet, and likely faces challenges during the next couple of years. The SANDAG forecast of sales tax revenue growth of 5.0 percent for FY 2014 reflects this expected longer recovery period.

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Marney Cox, (619) 699-1960, marney.cox@sandag.org
TransNet ENVIRONMENTAL MITIGATION PROGRAM:
LAND MANAGEMENT GRANT PROGRAM QUARTERLY STATUS UPDATE File Number 3200100

Introduction

On February 22, 2008, the Board of Directors entered into a Memorandum of Agreement (MOA) with state and federal agencies on the implementation of the Environmental Mitigation Program (EMP). A provision of the MOA allocates $4 million annually for ten years to implement regional habitat management and monitoring efforts to help maintain the region’s biological integrity, thus avoiding the future listing of endangered species. Allocation of the $4 million is done on an annual basis by the Board of Directors pursuant to a Five-Year Funding Strategy (originally approved on December 15, 2006, and last updated by the Board on December 21, 2012).

The Five-Year Funding Strategy is designed to strategically allocate funding for land management and monitoring activities under the EMP as approved annually by the Board. The Board of Directors allocates a portion of the $4 million annually for the TransNet EMP Land Management Grant Program. The purpose of this report is to provide information to the TransNet Independent Taxpayer Oversight Committee (ITOC) on the quarterly status of active land management grant projects (Attachment 1).

Discussion

The TransNet Extension Ordinance and Expenditure Plan, approved by the voters in November 2004, includes the EMP, which provides funding to mitigate habitat impacts from regional and local transportation projects, and provides funding for regional land management and biological monitoring. A portion of this funding is distributed through a competitive land management grant program, which is administered consistent with the requirements identified in Board Policy No. 035: Competitive Grant Program Procedures.

Seventy land management grants totaling $11.5 million in TransNet funding have been provided to land management entities in the region through a competitive grant program. Eligible applicants include land managers from private nonprofit organizations, local jurisdictions, and other government agencies. Twenty-eight grants were completed as of April 10, 2013, when the FY 2013 3rd Quarter status report was presented to the ITOC. Subsequently, three more grant projects have been completed, including one project that was on the “watch list.”

Projects under the EMP Land Management Grant Program are placed on the “watch list” if a grantee is not making timely progress toward their milestones (which are defined in Board Policy No. 035 and the Use-It-or-Lose-It Policy) and not yet sought corrective action. Delays in tasks leading up to either the award of a contract or project completion may place grantees on the watch list.
One grantee (City of San Diego) was placed on the “watch list,” due to delays that would result in the grantee not meeting their project deadlines. The delay is due to a more time intensive contracting process than previously planned. On August 5, 2013, SANDAG staff met with the grantee to discuss corrective actions. SANDAG and the grantee have worked out a timeline that will conclude the project within six months of its current contract deadline without additional cost to SANDAG. As such, the grantee has requested, and SANDAG is administratively processing, a six-month time-only extension for approval by the SANDAG Executive Director, or designee, pursuant to Board Policy No. 035.

Attachment 1 provides the FY 2013 4th Quarter status report of the 24 active land management grants as of June 30, 2013. The Board of Directors approved 15 projects under the FY 2013 Call for Projects that are in the process of contract execution, and will be added to the next quarterly status report.

Grant Oversight

SANDAG staff provides ongoing oversight of projects under the TransNet-funded EMP Land Management Grant Program through review of quarterly reports and invoices. Annual and quarterly status updates are provided to the ITOC and Regional Planning and Transportation Committees.

Staff reviews quarterly reports to ensure that grantees are making timely progress with respect to Board Policy No. 035 provisions (described below), and to ensure that the project submission of deliverables match the scopes of work in their grant contract agreements.

Policy Governing Timely Use of Grant Funds (Board Policy No. 035)

The applicable Board Policy No. 035 states that all projects must be completed according to the project schedule provided in the grantee’s respective grant agreement, and that at the latest, operations projects must award any necessary services contracts within one year of an executed grant agreement with SANDAG and start the project within six months of an executed contract. Board Policy No. 035 also states that, if no services contract for operations is necessary, the operations project must start within one year of execution of the grant agreement.

Schedule extension requests of up to six months may be approved by the SANDAG Executive Director, or designee, per Section 2.1 of Board Policy No. 035. However, per Section 3.1, TransNet grant project schedule extension requests require approval by the Regional Planning Committee if the request exceeds six months and/or causes the project to miss a Board Policy No. 035 milestone deadline. Additionally, if sufficient time is available, grants utilizing TransNet funds must first submit their schedule extension requests to the ITOC for recommendation to the Regional Planning Committee.
**Next Steps**

At their respective October 4, 2013, meetings, the Regional Planning and Transportation Committees will be provided with the FY 2013 4th Quarter status report through June 30, 2013. The FY 2014 first quarterly status report (covering July to September 2013) is expected to be presented in the December 2013/January 2014 timeframe.


Key Staff Contact: Katie Levy, (619) 699-7312, katie.levy@sandag.org
### Status of Land Management Grants FY 2013 4th Quarter

**Reporting period through June 30, 2013**

<table>
<thead>
<tr>
<th>FY 2008</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>U.S. Fish and Wildlife Service</td>
<td>Shinohara Vernal Pools</td>
<td>Continuation of existing vernal pool project. Needs continued weeding to keep weeds from invading created vernal pools. Thirty new pools to be created.</td>
<td>$308,238.00</td>
<td>07/02/09</td>
<td>12/31/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>2</td>
<td>City of Chula Vista</td>
<td>Cactus Wren Restoration</td>
<td>Coastal cactus wren habitat enhancement project - active management of suitable cactus wren habitat, restore degraded and/or fragmented cholla patches, and initiate activities to reduce edge effects.</td>
<td>$373,048.00</td>
<td>01/01/09</td>
<td>09/30/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>3</td>
<td>U.S. Fish and Wildlife Service</td>
<td>SDNWR Cactus Wren Habitat Enhancement</td>
<td>Enhance coastal cactus wren habitat in high priority area in San Diego National Wildlife Refuge.</td>
<td>$180,070.00</td>
<td>07/02/09</td>
<td>12/31/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>4</td>
<td>San Dieguito River Park Joint Powers Authority</td>
<td>Invasive Species Removal and Habitat Restoration</td>
<td>Invasive control, habitat restoration, and access control and management.</td>
<td>$347,090.00</td>
<td>01/01/09</td>
<td>11/01/13</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>5</td>
<td>County San Diego</td>
<td>Salt Creek Cactus Wren Habitat Restoration</td>
<td>Enhance, restore, expand, and monitor coastal cactus wren habitat in the Salt Creek area</td>
<td>$125,000.00</td>
<td>01/01/09</td>
<td>05/30/15</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
</tbody>
</table>

### FY 2009

| 6 | City of Carlsbad | Calavera Preserve Planning Area | Provide access control, habitat restoration, and public outreach for the 735-acre Calavera Preserve Planning Area. | $286,667.00 | 09/30/09 | 12/31/14 | No | Project IS making timely progress toward their milestones. |

### FY 2010

| 7 | San Diego River Conservancy | San Diego River Habitat | Invasive species control, re-treatment, restoration of native species, access control, increased park patrol and landowner outreach along the river in San Diego, Santee, and El Monte Valley. | $527,736.15 | 02/15/11 | 03/01/15 | No | Project IS making timely progress toward their milestones. |
| 8 | County of San Diego | Lusardi Creek | Removal and treatment of non-native grasslands in order to restore ecological and hydrological functions of riparian areas of the Lusardi Creek Preserve that were burned in the 2007 wildfires. | $107,060.00 | 04/12/11 | 01/31/15 | No | Project IS making timely progress toward their milestones. |
| 9 | City of San Diego, Public Utilities Department | San Pasqual Valley Weed Management | Geographic Information System (GIS) database and an Integrated Weed Management Plan for San Pasqual Valley through data collection, mapping, and plan preparation. | $184,623.00 | 04/01/11 | 09/30/13 | YES | Project is NOT making timely progress toward their milestones. |

*Watch List Projects are those grantees not making timely progress toward their milestones (which are defined in Policy No. 35 and Use-It-or-Lose-It) and not yet sought corrective action. Delays in tasks leading up to either the award of a contract or project completion may place grantees on the watch list.*
<table>
<thead>
<tr>
<th>Grantee</th>
<th>Project</th>
<th>Description of Project Activities</th>
<th>Grant Amount</th>
<th>Contract Execution Date</th>
<th>Contract / Project Expiration Date</th>
<th>Watch List*</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation Biology Institute</td>
<td>South County Grassland</td>
<td>Develop detailed habitat assessments and conceptual models to control invasive grasslands and standardize invasive species removal protocols and prioritization of management actions. Determine cost per acre of alternative invasive control and restoration techniques.</td>
<td>$ 283,292.00</td>
<td>02/01/11</td>
<td>09/30/13</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>County of San Diego</td>
<td>Lakeside Linkage</td>
<td>Plant coast prickly pear cactus on 5 acres adjacent to cactus wren populations, and control invasive plant species.</td>
<td>$ 200,824.00</td>
<td>04/12/11</td>
<td>01/31/17</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>Chula Vista Tarplant</td>
<td>Restoration and enhancement for San Diego thornmint and Otay tarplant. Invasive control, dethatching, fencing, and monitoring.</td>
<td>$ 268,428.00</td>
<td>05/03/11</td>
<td>11/30/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Rocks Biological Consultants</td>
<td>Crest Canyon Invasive Removal</td>
<td>Invasive species mapping, and native species planting in Crest Canyon Open Space Park. Access control of unauthorized trail use through public outreach.</td>
<td>$ 74,480.00</td>
<td>03/28/11</td>
<td>10/31/13</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>San Elijo Lagoon Conservancy</td>
<td>Carlsbad Hydrologic Unit</td>
<td>Throughout the Carlsbad Hydrologic Unit treat and monitor invasive plants, plant, and restore habitat. Map invasive plant infestations within the MHCP Core and Linkage Areas identified in Carlsbad Habitat Management Plan.</td>
<td>$194,455.00</td>
<td>04/06/12</td>
<td>01/31/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>San Diego Audubon Society</td>
<td>Mission Bay Park</td>
<td>Use habitat evaluation program to establish baseline habitat health to implement invasive species control and habitat restoration in Mission Bay Park.</td>
<td>$ 98,200.00</td>
<td>04/06/12</td>
<td>12/01/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Chaparral Lands Conservancy</td>
<td>Proctor Valley Vernal Pools</td>
<td>Restore and enhance quality of vernal pools and habitat at a 6-acre site in Proctor Valley.</td>
<td>$183,605.00</td>
<td>05/09/12</td>
<td>09/30/15</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Conservation Biology Institute</td>
<td>Brachypodium Removal</td>
<td>Develop and implement treatment strategies for the emerging invasive plant species <em>Brachypodium</em>. Restore impacted habitat on South Crest properties within the San Diego National Wildlife Refuge and Crestridge Ecological Reserve.</td>
<td>$233,975.00</td>
<td>04/05/12</td>
<td>06/30/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
</tbody>
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<tbody>
<tr>
<td>Groundwork San Diego-Chollas Creek</td>
<td>Radio-Encanto Canyon Restoration</td>
<td>Maintain, monitor, and diversify recently created habitat. Restore and revegetate recently cleared areas and prepare plan for long-term stewardship.</td>
<td>$154,965.00</td>
<td>04/05/12</td>
<td>11/01/13</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Zoological Society of San Diego</td>
<td>San Pasqual Valley</td>
<td>Develop and begin initial implementation of a subwatershed-level management plan to restore and manage native habitat to support Coastal Cactus Wren population in the San Pasqual Valley/Lake Hodges region of the San Dieguito Watershed.</td>
<td>$269,339.00</td>
<td>05/31/12</td>
<td>12/31/13</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>Salt Creek Canyon</td>
<td>Restore and enhance degraded habitat for the Coastal Cactus Wren within the Salt Creek Canyon of the Otay Ranch Preserve. Conduct invasive species control, propagate cacti, and monitor Coastal Cactus Wren.</td>
<td>$182,282.00</td>
<td>04/30/12</td>
<td>08/31/15</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>U.S. Geological Society</td>
<td>Western Pond Turtle</td>
<td>Conduct habitat suitability surveys for the Western Pond Turtle (WPT) on Marine Corps Base Camp Pendleton. Remove aquatic invasives and trap WPT.</td>
<td>$133,263.79</td>
<td>06/27/12</td>
<td>06/27/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Center for Natural Lands Management</td>
<td>Acanthomintha</td>
<td>Assess sites and collect plant materials, conduct local adaptation genetic study. Use the most appropriate molecular techniques to determine the genetic differences among occurrences.</td>
<td>$41,250.00</td>
<td>04/01/12</td>
<td>04/30/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>U.S. Fish and Wildlife Service</td>
<td>SDNWR Golden Eagle</td>
<td>Enhance two existing rock ledges to be used as nest sites for Golden Eagles in the Jamul area. Monitor the area for eagle use.</td>
<td>$23,865.00</td>
<td>08/31/12</td>
<td>03/31/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
<tr>
<td>Chaparral Lands Conservancy</td>
<td>Proctor Valley Vehicle Barriers</td>
<td>Install Off-Road-Vehicle barriers to close section of fencing between City of San Diego and CA Dept. of Fish and Game fencing in order to improve effectiveness of barriers in reducing illegal access.</td>
<td>$155,780.00</td>
<td>05/09/12</td>
<td>06/30/14</td>
<td>No</td>
<td>Project IS making timely progress toward their milestones.</td>
</tr>
</tbody>
</table>

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SAN DIEGO FORWARD: THE REGIONAL PLAN:
DRAFT TRANSPORTATION PROJECT EVALUATION CRITERIA

File Number 3102000

Introduction

In past Regional Transportation Plans (RTPs), SANDAG has utilized transportation project evaluation criteria and performance measures informed by the plan goals as elements of a multistep process to prioritize and evaluate transportation projects in the development of the preferred revenue constrained transportation network. On May 10, 2013, the SANDAG Board of Directors accepted the vision and goals that provide policy guidance for San Diego Forward: The Regional Plan.

The evaluation criteria for transit services, highway corridors, connector projects, active transportation, and rail grade separations will be used to evaluate projects for each of these categories and develop lists of ranked projects. The ranked lists of projects, along with other factors such as funding availability, project readiness, and overall network connectivity, will be utilized when developing the initial revenue constrained transportation network scenarios for the Regional Plan.

Preliminary draft criteria were presented to the ITOC on July 10, 2013. SANDAG staff received initial input from the ITOC at that time, and additional feedback from SANDAG working group meetings and San Diego Forward: The Regional Plan workshops has been received. Based on this information, the preliminary draft evaluation criteria have been updated. The revised draft criteria and proposed criteria weightings are scheduled to be presented to the Transportation and Regional Planning Committees on September 6, 2013, for discussion (Attachment 1) and are presented to the ITOC for information.


Key Staff Contact: Rachel Kennedy, (619) 699-1929, rachel.kennedy@sandag.org
SAN DIEGO FORWARD: THE REGIONAL PLAN: File Number 3102000
DRAFT TRANSPORTATION PROJECT EVALUATION CRITERIA

Introduction

In past Regional Transportation Plans (RTPs), SANDAG has utilized transportation project evaluation criteria and performance measures informed by the plan goals as elements of a multistep process to prioritize and evaluate transportation projects in the development of the preferred revenue constrained transportation network. The SANDAG Board of Directors accepted the vision and goals for San Diego Forward: The Regional Plan on May 10, 2013, which provide policy guidance for this process.

The evaluation criteria for highway corridors, transit services, connector projects, active transportation, and rail grade separations will be used to evaluate projects for each of those categories and develop lists of ranked projects. The ranked lists of projects, along with other factors such as funding availability, project readiness, and overall network connectivity, will be utilized when developing the initial revenue constrained transportation network scenarios for the Regional Plan. Performance measures will be used to provide comparative assessments between these network scenarios, and will be presented to the Transportation Committee and Regional Planning Committee at future meetings for discussion.

Project evaluation criteria are applied to each modal category of projects in the Unconstrained Transportation Network, which is under development. Transportation Committee members are asked to discuss and provide feedback on the initial draft Transportation Project Evaluation criteria. The draft Transportation Project Evaluation Criteria will be presented to the Transportation Committee and Regional Planning Committee in October for further discussion and recommendation to the Board of Directors.

Transportation Project Evaluation Criteria Development

SANDAG initiated the review and refinements of the transportation project evaluation criteria for San Diego Forward: The Regional Plan in February 2013 and retained a consultant team with strong technical expertise to assist in the development of the draft criteria. Revisions to the criteria and methodologies were made to take advantage of the recently enhanced modeling tools, the Activity Based Model, and the economic and land use microsimulation model - Production, Exchange and Consumption Allocation System.

Staff received input on the draft project evaluation criteria from regional stakeholders at meetings of the Active Transportation Working Group, Cities and County Technical Advisory Committee, Community Based Organization partners, Freight Stakeholder Working Group, Independent
Taxpayer Oversight Committee (ITOC), Public Health Stakeholders Working Group, and the Regional Planning Technical Working Group. Staff also sought input from partner agencies including Caltrans, the Metropolitan Transit System, and the North County Transit District. Input on the prioritization of transportation projects also was solicited from the public at the San Diego Forward: The Regional Plan workshops held throughout the region and at Caltrans in June and August 2013.

A peer review panel also was convened to review and assess the criteria, and to consider feedback and input which is proposed to be incorporated into the criteria. The panelists, which include experts from academia, metropolitan planning organizations, and the private sector, met on August 22, 2013, and provided recommendations for revision and enhancement to the draft criteria.

**Project Evaluation Criteria Focus Areas and Proposed Refinements**

Each individual criterion is nested into the three focus areas reflecting the regional plan’s goals: Innovative Mobility and Planning, Healthy Environment and Communities, and Vibrant Economy. The draft Transportation Project Evaluation Criteria are included in this report as Attachment 1.

The proposed refinements that have been suggested for the draft project evaluation criteria can be organized into three broad areas: model enhancement-related, new criteria, and reorganized criteria. The majority of proposed changes to the draft criteria have resulted from newer capabilities of the model enhancements which allow greater analysis of household travel.

Examples of draft project evaluation criteria that have benefited from model enhancements include:

- Provides congestion relief
- Serves daily trips
- Facilitates FasTrak/carpool/transit, pedestrian, and bicycle mobility
- Serves Regional Comprehensive Plan (RCP) Smart Growth areas
- Increases physical activity
- Provides accessibility
- Serves goods movement and relieves freight system bottlenecks/capacity constraints
- Project cost effectiveness

Draft active transportation criteria are proposed to be included as a modal category for the first time in the Regional Plan. The draft criteria were developed through similar combined efforts with local jurisdictions, partner agencies, SANDAG working groups, other stakeholders, consultants, and the general public. The majority of the draft criteria are consistent with other modal categories, including serves daily trips, safety, greenhouse gas (GHG) and pollutant emissions, serves RCP Smart Growth areas, physical activity, accessibility, and cost-effectiveness.
Other new modal draft criteria have been proposed in a variety of ways within modal categories. Physical activity is proposed as a new draft criterion to reflect the added emphasis on the linkage between transportation and health. Access to schools, and recreational areas and beaches also has been added as new draft criteria. GHG reductions, communities of concern, and cost-effectiveness criteria have been added to the rail grade separation category to provide greater consistency of analysis across modal categories.

The areas where draft project evaluation criteria have been reorganized include: provides congestion relief, GHG and pollutant emissions, accessibility, and serves goods movement. The majority of these are a result of improved model enhancements. The accessibility draft criterion includes a combination of reorganized existing criteria and model enhancements with a new component for access to schools and recreation areas and beaches.

**Project Evaluation Criteria Weightings**

The draft project evaluation criteria weightings have been refined to take into account the accepted vision and goals for the Regional Plan, the potential addition of new criteria as well as the reorganization of the criteria mentioned above. All mode categories have a 100-point scale, with the individual criterion each having a specified maximum score. The ITOC, as well as other SANDAG working group members, stakeholders, and the general public have expressed feedback related to the draft criteria weightings, which were considered during the development process.

**Public Outreach**

Public input on the draft project evaluation criteria was solicited as part of the Regional Plan workshop series held in June 2013 throughout the San Diego region and at Caltrans. In addition to the workshop series, a public workshop was held on August 5, 2013, at Caltrans, with more than 75 participants. The comments received at the August workshop are included as Attachment 2.

Over 400 comments have been collected from local jurisdictions, partner agencies, stakeholders, and the general public. This feedback has provided valuable information to be considered for the development of the draft project evaluation criteria.

**Peer Review**

A five-person peer review panel was created to review and assess the draft project evaluation criteria. A meeting was held at SANDAG on August 22, 2013, concluding with a session open to the general public. Prior to the meeting, the panelists were provided with the 2050 RTP and its Sustainable Communities Strategy project evaluation criteria, the proposed revisions/modifications to the regional plan draft project evaluation criteria, and a public outreach comment matrix.

The panel complimented SANDAG’s use of data driven quantitative criteria and felt that the criteria were strongly linked to the Regional Plan’s goals. The panel also had a favorable reaction to the draft cost-effectiveness criteria, which provides for an initial benefit-cost analysis of transportation projects. The panel recommended that SANDAG look for opportunities to eliminate redundancy in criteria, particularly where elements of a project such as traffic volumes are accounted for in other criterion. The panel also recommended that the weighting of common individual criterion be standardized across the modal categories and that SANDAG consider combining highway corridor, High Occupancy Vehicle connectors, and freeway connectors into one project list, with one set of
evaluation criteria. Another idea raised by the panel was the possibility of including a negative point range for certain criteria where the project may offer a disadvantage, such as the GHG category. A summary of the peer review panel’s findings and recommendations is included as Attachment 3.

Based on the panel’s review and comments received from the public, the following refinements were made: the serves daily trips criterion was eliminated from the highway corridor criteria, as traveler volumes also are captured in the provides congestion relief criterion. Similarly, the highway corridor and freeway connector serves goods movement criterion was revised to focus on the total time savings for medium and heavy duty trucks; a measure which evaluated the number of medium and heavy duty truck trips was eliminated, as the travel time savings measure accounts for truck volumes. A provides access to evacuation routes criterion was added to the transit services projects. Additionally, individual criterion weightings were adjusted to provide greater consistency of common measures across modal categories.

During the public session, the panel shared its findings and recommendations and participants posed questions to the panel and SANDAG staff as to how the panel’s recommendation for fewer criteria might be accomplished. Clarifications on the inclusion of health impacts in the cost-effectiveness criteria and inquiries as to the modeling methods also were made. Comments also were received regarding minimizing impacts, including air quality on communities of concern with respect to highway corridor projects and connector projects, and the consistency of transportation projects with local plans.

**Next Steps**

The draft Transportation Project Evaluation Criteria are anticipated to be presented to the Transportation Committee and Regional Planning Committee in October for recommendation to the Board of Directors.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Attachment: 1. Preliminary Draft Highway Corridor Project Evaluation Criteria
   3A. SANDAG Peer Panel Review Discussion - August 23, 2013
   3B. Draft Transportation Project Evaluation Criteria - Peer Review Panel Biographies

Key Staff Contact: Rachel Kennedy, (619)-699-1929, rachel.kennedy@sandag.org
## Preliminary Draft Highway Corridor Project Evaluation Criteria

<table>
<thead>
<tr>
<th>San Diego Forward: The Regional Plan Goals</th>
<th>No.</th>
<th>Criteria</th>
<th>Description</th>
<th>Proposed Calculation</th>
<th>Max Score</th>
<th>Total Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Innovative Mobility &amp; Planning</strong></td>
<td>1</td>
<td>Provides Congestion Relief</td>
<td>A) What is the number of daily person-hours saved from implementing the project?*</td>
<td>Change in daily person-hours saved</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B) What is the number of daily person-hours saved for communities of concern?</td>
<td>Change in daily person-hours saved for communities of concern population</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Project Safety</td>
<td>How does the project compare against the statewide average for collisions?*</td>
<td>Project percentage of collisions measured against statewide average</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Provides Access to Evacuation Routes</td>
<td>How will the project provide evacuation access for regional hazard areas?</td>
<td>Proximity analysis of hazard areas (dam failure, earthquake, flood, landslide, liquefaction, tsunami, and wildfire), weighted by population and employment</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Facilitates FasTrak/Carpool/Transit, Pedestrian and Bicycle Mobility</td>
<td>How will the project facilitate FasTrak/carpool/Managed Lane facilities and/or regional or corridor transit services and/or pedestrian and bicycle access?</td>
<td>Projects will receive points if they include FasTrak/carpool/Managed Lane facility, and/or regional or corridor transit services, and/or pedestrian and bicycle facilities, which is then weighted by combined carpool person volume + transit person volume</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Healthy Environment &amp; Communities</strong></td>
<td>6</td>
<td>Minimizes Habitat and Residential Impacts</td>
<td>How will the project minimize negative habitat and residential impacts?*</td>
<td>Proximity analysis of preserve areas, native habitats, and housing (more than 2 dwelling units per acre)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>GHG and Pollutant Emissions</td>
<td>A) What is the reduction in CO2 emissions from implementing the project?*</td>
<td>Reduction in CO2 emissions</td>
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<td>B) What is the reduction in smog forming pollutants from implementing the project?*</td>
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<td>8</td>
<td>Serves RCP Smart Growth Areas</td>
<td>What are the share of trips on the facility serving RCP Smart Growth Areas (Metropolitan Center, Urban Center, and Special Use Center)?*</td>
<td>Share of trips on facility serving existing/planned or potential Metropolitan Center, Urban Center, and Special Use Center is calculated, using select link analysis</td>
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<td>Increase in time engaged in moderate transportation-related physical activity</td>
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</tr>
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<td><strong>Vibrant Economy</strong></td>
<td>10</td>
<td>Accessibility</td>
<td>A) What is the improved access to jobs and schools?</td>
<td>Weighted average number of jobs and school enrollment accessible in 30 minutes by auto</td>
<td>4</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B) How will the project support access to recreational areas and beaches?</td>
<td>Acres of parkland/recreational areas and beaches within 1/4 mile of project</td>
<td>4</td>
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<td></td>
<td></td>
<td></td>
<td>C) What percentage of users of the project access Indian reservations?</td>
<td>Select link used to determine origins and destinations served, total trips to/from Indian reservation areas</td>
<td>2</td>
<td></td>
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<td>11</td>
<td>Serves Goods Movement and Relieves Freight System Bottlenecks/Capacity Constraints</td>
<td>What is the improved average travel time for freight?*</td>
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<td>Project Cost-Effectiveness</td>
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<tr>
<td>1</td>
<td>Provides Time Competitive/Reliable Transit Service</td>
<td>What is the percentage of the route located in priority treatment?</td>
<td>Analysis of percentage of transit route within dedicated transit guideway; dedicated arterial lane, interrupted rail, or Managed Lane; or HOV lane or arterial spot treatment</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Serves Daily Trips</td>
<td>What is the number of additional daily transit trips resulting from the project?</td>
<td>Change in daily transit linked trips</td>
<td>15</td>
<td>35</td>
</tr>
<tr>
<td>3</td>
<td>Provides Access to Evacuation Routes</td>
<td>How will the project provide evacuation access for regional hazards?</td>
<td>Proximity analysis of hazard areas (dam failure, earthquake, flood, landslide, liquefaction, tsunami, and wildfire), weighted by population and employment</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Daily System Utilization</td>
<td>What is the daily transit utilization?</td>
<td>Daily passenger miles/daily service seat miles (system wide)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>GHG and Pollutant Emissions</td>
<td>A) What is the reduction in CO2 emissions from implementing the project?</td>
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<tr>
<td>8</td>
<td>Accessibility</td>
<td>A) What is the increase in job and school trips by transit?</td>
<td>Change in daily transit linked work and school trips</td>
<td>4</td>
<td></td>
</tr>
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<td></td>
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<td>B) How will the project support access to recreational areas and beaches?</td>
<td>Acres of parkland/recreational areas and beaches within 1/4 mile of project</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>C) What is the increase in transit trips by communities of concern?</td>
<td>Change in total transit trips by communities of concern population</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>D) How will the project facilitate pedestrian and bicycle access?</td>
<td>Project located within 1/4 mile of pedestrian and bicycle facilities</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>E) What is the increase in transit trips to federally recognized Indian reservations?</td>
<td>Change in total transit trips to/from Indian reservations</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>9</td>
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### Preliminary Draft Active Transportation Project Evaluation Criteria

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<tr>
<td>Innovative Mobility &amp; Planning</td>
<td>1</td>
<td>Serves Daily Trips</td>
<td>What is the change in the number of active transportation trips?</td>
<td>Change in active transportation mode trips or transit accessed by active transportation mode trips</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Project Safety</td>
<td>Is the project located in an area with a high bicycle and pedestrian traffic incident rate?</td>
<td>Number of bicycle and pedestrian traffic incidents within 1/4 mile of project</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>System Connectivity</td>
<td>Does the project provide enhanced connectivity to/from transit station/stop areas, highway project areas, or rail grade separations?</td>
<td>Project located within 1/4 mile of transit, highway, or rail grade separation project areas.</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Consistency with local plans</td>
<td>Is the improvement identified in a locally adopted plan?</td>
<td>Project is in a locally adopted plan</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Healthy Environment &amp; Communities</td>
<td>5</td>
<td>Reduced Bicycle/Pedestrian Stress Level</td>
<td>Does the project result in a safer facility for bicyclists and pedestrians?</td>
<td>Project area is currently unsafe for pedestrian and bicycle activity due to speeds, vehicular traffic volumes, conflict points such as freeway on/off ramps, etc.</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>GHG and Pollutant Emissions</td>
<td>A) What is the reduction in CO2 emissions from implementing the project?</td>
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<td>Serves RCP Smart Growth Areas</td>
<td>Is the project located near population and employment?</td>
<td>Population and employment in all smart growth areas within 1/4 mile distance of project</td>
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<td>9</td>
<td>Range of Users/Skill Levels Served</td>
<td>For major arterial street, are alternative routes attractive to all riders considered, or are the arterial or alternative routes traffic calmed?</td>
<td>Project results in route attractive to all riders</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Vibrant Economy</td>
<td>10</td>
<td>Accessibility</td>
<td>A) Does the project support access to jobs and schools?</td>
<td>Employment and schools within 1/4 mile of project</td>
<td>4</td>
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<td></td>
<td></td>
<td></td>
<td>B) Does the project support access to recreational areas, parks, and beaches?</td>
<td>Acres of parkland/recreational areas and beaches within 1/4 mile of project</td>
<td>3</td>
<td></td>
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<td></td>
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<td></td>
<td>C) What percentage of the project users are from communities of concern?</td>
<td>Communities of concern population within 1/4 mile of project</td>
<td>3</td>
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<td>11</td>
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## Preliminary Draft HOV Connector Project Evaluation Criteria

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<td>1</td>
<td>Provides Congestion Relief</td>
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<td>2</td>
<td>Provides Access to Evacuation Routes</td>
<td>How will the project provide evacuation access for regional hazard areas?</td>
<td>Proximity analysis of hazard areas (dam failure, earthquake, flood, landslide, liquefaction, tsunami, and wildfire), weighted by population and employment</td>
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<td>3</td>
<td>Facilitates FasTrak/Carpool/Transit, Pedestrian and Bicycle Mobility</td>
<td>How will the project facilitate FasTrak/carpool/Managed Lane facilities and/or regional or corridor transit services and/or pedestrian and bicycle access?</td>
<td>Projects will receive points if they include FasTrak/carpool/Managed Lane facility, and/or regional or corridor transit services, and/or pedestrian and bicycle facilities, which is then weighted by combined carpool person volume + transit person volume</td>
<td>15</td>
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<td>Healthy Environment &amp; Communities</td>
<td></td>
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<td>Minimizes Habitat and Residential Impacts</td>
<td>How will the project minimize negative habitat and residential impacts?</td>
<td>Proximity analysis of preserve areas, native habitats, and housing (more than 2 dwelling units per acre)</td>
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<td>- Project cost</td>
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<td>Project Safety</td>
<td>How does the project compare against the statewide average for collisions?*</td>
<td>Project percentage of crash rates measured against statewide averages</td>
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<tr>
<td>Innovative Mobility &amp; Planning</td>
<td>1</td>
<td>Peak-Period Exposure Index (PPEI) Factor</td>
<td>Product of the existing high directional traffic and the total measured blocking delay during the same three hours of the day experiencing the highest congestion at the crossing</td>
<td>Calculation based on vehicle traffic during a selected three hour period, total blocking delay during same period, and mathematical constant for time period</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Peak-Day Total Delay Exposure Index (PDEI) Factor</td>
<td>Product of the existing average daily traffic (ADT), the total number of trains, and an average train crossing delay time factor</td>
<td>Calculation based on average daily traffic, total number of trains, train crossing delay factor, and mathematical constant</td>
<td>11</td>
<td></td>
</tr>
</tbody>
</table>
|                                          | 3   | Pedestrian and Bicycle/ Communities of Concern Benefits | A) Number of pedestrians and bicyclists served in top 4 hours  
B) What is the share of communities of concern population in the proximity of the project? | Grade separation pedestrian bicycle crossing counts  
Ratio of communities of concern share of population within 1/2 mile of project compared to community of concern share of regional population | 4         |               |
|                                          | 4   | Bus Operations Benefits | Number of buses served an hour, as well as proximity to transit center | Number of buses served by the grade separation | 4         |               |
|                                          | 5   | Benefit to Emergency Services | Proximity to emergency service provider and lack of nearby alternative grade-separated crossing | Proximity analysis based on emergency service providers and alternative grade separation crossing | 4         |               |
| Healthy Environment & Communities        | 6   | Accident History | Accident history in the past five years  
Number of qualifying accidents involving vehicles, pedestrians, and bicycles with trains, not including accidents involved in attempted suicides | Number of accidents involving vehicles, pedestrians, and bicycles with trains, not including accidents involved in attempted suicides | 11        |               |
|                                          | 7   | Proximity to Noise Sensitive Receptors | Proximity to sensitive receptors | Proximity analysis based on rail crossing located within 200-500 feet of sensitive receptors | 4         |               |
|                                          | 8   | GHG Emissions | What is the reduction in CO2 emissions from implementing the project? | Reduction in CO2 emissions | 4         |               |
|                                          | 9   | Serves RCP Smart Growth Areas | Is the project located near RCP Smart Growth Areas? | Population and employment in all smart growth areas within 1/4 mile distance of project | 8         |               |
| Vibrant Economy                          | 10  | Truck Freight Operations | Percentage of daily truck traffic | Percentage of daily traffic of Class 4-Class 13 (as defined by FHWA) | 4         |               |
|                                          | 11  | Funding Request | Percentage of total project costs contributed by the local agency including funds already committed from state, federal, or other source | Percentage of local contribution | 4         |               |
|                                          | 12  | Project Cost-Effectiveness | What is the cost-effectiveness of the project? | Enhanced cost-effectiveness measure may incorporate the following components:  
- Number of trains per day  
- AADT  
- Gate down time  
- Percent truck traffic  
- Safety | 8         |               |
| Regional Housing Needs Assessment (RHNA)| 13  | Regional Housing Needs Assessment (RHNA) | How many low income housing units are produced by the jurisdiction? | Based on number of lower income housing units produced in accordance with RHNA Alternative 3 | 25        |               |
San Diego Forward: The Regional Plan Draft Transportation Project Evaluation Criteria
Public Workshop – August 5, 2013 Comment Summary

Active Transportation

General Comments

• Access to food, medical care, recreation on weekends/summer
• Affordability
• Criteria to identify benefits for bike & ped separately
• Explicitly from houses to transit stops
• Safe access, comfortable waiting areas
• Public facilities/parking at major transit stations, shopping centers, entertainment centers.
• Access to colleges/universities & military bases
• Project education
• Minimizes travel time
• Employment/employer’s involvement/support
• Peds friendly signals
• Does the project provide access and/or improvements to locally adopted community trail plans.
• There should be a criterion that includes public wants i.e., if SANDAG presents a projects & a vast majority of the community living within the project area does not want the project to be constructed, there should be points against it. However, if the public was for the project & want to see it build, than I think more points should be given to that specific project.
• Weighting: #1 (10 pts), #4 (10 pts), and 10 (25 pts)
• Active transport – proposed calculations should be based on FTA catchment area guidance – 0.5 mile walking radius; 3 mile bicycle radius.
• Bike lanes @Virginia Ave.
• More weight for smart growth areas.

Criterion 3: Consistency with local plans

• Does it include consistency with community plans or city plans? What about community support?
• Description should also include “community demand.”
Criterion 4:

- Make changes as “located in a high crash area and poorly designed corridors.”
- It may be more useful to use 0.5 mile radius for bike/ped crash etc. if the proposed facility is expected to consolidate trips from adjacent corridors due to improved facilities.

Criterion 8: Physical activity

- Add – does the project support multi users?

Criterion 9: Range of Users/Skill Levels Served

- Modify the description to “balance needs of all users.”

**Active Transportation continued:**

Criterion 10B: Accessibility

- Does the project support access to the county’s regional trail system (per county adopted general plan)?

Criterion 10D: Accessibility

- Define more clearly; and break community of concerns into different groups – low income, disability etc.

**Freeway and HOV Connectors:**

General comments:

- Storm water re-use
- Consider life-cycle costs and operations.
- Prioritize “bang for the buck.”
- Consider health impacts in the area where the project is built in particular with communities of concern.
- Connectors should address jobs access for COC.
- Emphasize goods movement and cost effectiveness.
- Facility design should encourage active transportation users (ped/bike).
- Add attractive bike/ped crossings and access to all connectors (HOV/Fwy) projects.
- Include bike parking at stations.
- Consider combining the HOV and Freeway connector criteria.
**Freeway Connectors:**

**General comments:**

- Increase “Healthy Community & Environment” weighting.
- Emphasize GHG/pollutant emissions.

**Criterion 1: Provides Congestion Relief**

- Ensure model looks at surface streets (key corridors) & how can we prioritize projects to alleviate congestion on these vital corridors for transit & Active Transport.

**Criterion 4: Minimizes Habitat and Residential Impacts**

- Calculation does not specify if success will be defined by increase or decrease in % of people accessing Smart Growth Areas using Hwy. Criteria should rank Hwy projects that promote sprawl and easy vehicle access to these areas lower than projects that reduce vehicle trips.

**HOV Connectors:**

**General comments:**

- Increase “Healthy Community & Environment” weights.
- Emphasize GHG/pollutant emissions.
- Consider safety in ped/bike access to HOV connectors and secure bike parking at those transit stations and Park-n-Ride lots.

**HOV Connectors continued:**

**Criterion 3: Facilitates FasTrak/Carpool and Transit Mobility**

- #3 is most important (& automatically impacts #1, #5, #6).

**Goods Movement:**

**General comments:**

- Otay Mesa truck routing – treat truck route as “route”. Like Cesar Chavez in Barrio Logan. Treat La Media as trade.
- Consider emissions from diesel.
- Route trucks from I-15 via 805/163 (avoid City Heights)
- Keep trucks off narrowly constrained I-15 through City Heights
- Otay Mesa – doorway to nation – congestion dangerous for people – CO+PM.
• Flooding in October: Caltrans contributing - Otay Mesa.

• Projects that have community support get more points.

• Desert line – looking for benefits/planning + analysis for freight – existing/future (potential).

• Mountain empire region – look @ potential for rail – 3 tribal areas in rural east.

• Include “excursion” line on desert line.

• Consider multimodal evaluation criteria.

• Was there a report done about this? (on multimodal criteria) – make this available.

• Invite Otay Planning group & property owners.

• Restricting trucks during certain hours.

• Cleaner trucks in urban areas.

• Encourage/incentivize smaller electric vehicles – charging stations.

• Air quality impacts/POE drift, particulates – private industry.

• Freight train impacts (pollution) to communities – noise, vibration, at grade crossing impacts).

• Sound walls/quiet zones

• Recuperate revenue from commercial users on freeways (via commercial license).

• Fastrack for trucking movement.

• Include active transport projects in project development.

• More bikes on Trolley/bike lockers (no inspection needed).

• Bike lockers at stations.

• Expansion of Desert Line.

• Quit fighting the 2050 RTP/SCS lawsuit.

• Improve La Mesa Road.

**Goods Movement Air Cargo**

**Criterion 4: Minimizes Community Impacts**

• Residential buffer – more points for bigger buffers.
Criterion 6: Minimizes Communities of Concern Impacts

- Attention to communities of concern.

**Goods Movement Maritime**

Criterion 4: Minimizes Community Impacts

- Residential buffer – more points for bigger buffers.

Criterion 6: Minimizes Communities of Concern Impacts

- Attention to communities of concern.

**Goods Movement Rail**

**General comment:**

- Goods movement – rail: “pedestrian benefits” and “accident history” should be added as criteria if there are crossings that intersect with local streets, arterials or highways.

Criterion 4: Minimizes Community Impacts

- Residential buffer – more points for bigger buffers.

Criterion 6: Minimizes Communities of Concern Impacts

- Attention to communities of concern.

**Highway**

**General comments:**

- Rank healthy environment greater than innovative mobility/planning.
- Increase the weighting for the Healthy Community goal.
- Safety for all users + ranked highways.
- Where is system preservation?
- Hwy RCP Smart Growth Areas not clear, on transit focus on Smart Growth.
- Hwy construction induces sprawl & each project should be analyzed on this.
- Hwy projects reduce viability of transit.
- SR 905 storm water issues need more consideration.
- Consider a ‘Fastrak’ like fee/charge for trucks on Hwys (commercial users). Also charge trucks by time (more time = higher fee charged)
• Pay attention to sensitivities of the Mid-City community for I-15 projects in the area.

• Thank you for meeting and lunch. Please study the impact of lead from airplanes especially Gillespie field. Planes run their engines on “full rich” when practicing touch + Go’s in El Cajon, Santee Lakeside, install monitors in Santee Lakeside

• Whether planes are hauling cargo or teaching student pilots. The planes are putting out emissions, please study emissions, heavy touch + Go’s put emissions in one spot. Lead does not dissipate.

• Please give me more information on the status of the Bradley exchange from Highway 67. Also what criteria will be used for that exchange?

• The HOV’s freeway criteria should include an overriding criterion that provides greater service to low and moderate income areas, even if that means continued congestion for middle and upper-middle class commuters. In particular, the HOV lane project proposed for SR-94 from downtown, SD to the I-805 connectors should be abandoned. The money not spent - $450 million or so – should be spent in the surrounding communities instead.

• The highway corridor criteria must have an overriding criterion to propose only projects that conform to the community plans of the communities within which the projects are proposed.

• A new criterion: Community demand and consistency with local plans.

• Highways facilitate sprawl. That should be reflected in a criteria.

• Highways take away from transit ridership, which reduces resources for adequate transit. That should be a criterion.

Criterion 1: Provides Congestion Relief

• Should be weighted 10 pts.

Criterion 1A: Provides Congestion Relief

• Maximum score should be 5 points.

• Decrease weight.

Criterion 1B: Provides Congestion Relief

• Should be removed because these increases the likelihood that freeways will be located in communities of concern.

• A criterion should be “minimize impact to community of concern.”

Criterion 4: Facilitates FasTrak/Carpool/Transit, Pedestrian and Bicycle Mobility

• What does “facilitate” mean? How is bike/ped access considered? The criteria is not clear.

• Should be weighted more.
- Remove “Fastrak”
- Should be weighed 10 pts.

**Criterion 7A: GHG and Pollutant Emissions**
- Should be at least 15 pts.
- Increases in GHG emissions should get negative points.
- Highway & connectors criteria include how much GHGs & pollutants are avoided. But they should actually get negative number.

**Criterion 8: Serves RCP Smart Growth Areas**
- Should be 10 pts.
- Should be at least 15 points.

**Criterion 9: Physical Activity**
- Should be weighted higher. Also because it relates (replaces) to #5, #7, #9, #10, #12.
- Should be weighted 10 pts.

**Criterion 10C: Accessibility**
- Current criterion is not clear how success will be measure to positively impact of community of concern.
- Make criteria “what is increase in trips by communities of concern” - similar to criteria under transit.
- Should be removed because these increases the likelihood that freeways will be located in communities of concern. A criterion should be “minimize impact to community of concern.”

**Criterion 11: Serves Goods Movement and Relieves Freight System Bottlenecks/Capacity Constraints**
- Should be weighed 5 pts.

**Criterion 12: Project Cost-Effectiveness**
- Proposed calculation should be expanded to be multimodal and address how many jobs are accessible by transit, walking and bicycle too.

**Rail Grade Separations**

**General comments:**
- Incorporate transfer speed – station design.
• Top 4 hours for bikes? Cars?
• Convert BRT to Rail in future.
• Add criteria: improvements in rail efficiency.
• Rail under-crossings: coastal access should be weighted as it is a statewide and statutory goal. Rail under-crossing encourages mode splits to the beach, reducing parking demand and exacerbated traffic. Reductions in auto mode shift with positively influence economy and give business more ability to attract patronage.
• The points awarded to Board Policy 33 for undercrossing should be low as it does not relate to propensity of undercrossing use. Also, the incentive for housing element compliance should be reconsidered since the state has stepped up the risks to local agencies for noncompliance, and for jurisdictions in San Diego that don’t satisfy Board Policy 33 – grant funding is not the silver bullet.

**Criterion 3A/B: Bicycle and Pedestrian Benefits**

• Weight of ped/bike = 11 pts, take from PPEI factors
• Higher weight for ped and bike.
• Move to Healthy Environment.
• 3B should be separate from 3A.

**Transit**

**General comments:**

• Under mobility – add in connections to other transport services (e.g. Amtrak, medical shuttles).
• Consider ferry services.
• Take into account access to transit stops/centers (walk, bike, park-n-ride). First mile concept.
• Shade and benches at transit stops.
• Restrooms at transit centers.
• Better bus feeders (local bus) to large transit centers (Trolley, BRT long dist.).
• Promotional fares (e.g. Sunday transit for shopping).
• Lower transit fares, tiered for seniors, students etc.
• All buses should have racks for 3 bikes (like in North County) – especially ones going to beach areas/Coronado.
• Peer panel should include person w/expertise in public/population health.
- Neighborhood integrity – potential impacts.
- How a transit project decreases auto trips/VMT should be considered.
- Serving areas of high senior population.
- Increase access for seniors (also children) that are dependent on transit.
- More direct service, fewer transfers should score higher.
- Service – more service to rural communities.
- Degree of connectivity w/local/feeder bus.
- Weighting (total max score = 125): #1 (5), #2 (10), #3 (15), #4 (1), #6 (5 pts), #7 (20 pts).
- This format was confusing and difficult to get more suggestions and we could not hear ideas of others.
- I am interested in better access to transport from neighborhoods where people live.
- Safe bike routes.
- Streets and roads that are safe and convenient for pedestrian.
- Cheaper fares for public transportation.
- Trees for shade and beauty at transit stop centers.
- Thanks for having this. I understand better the complexity and magnitude of the issues.
- We need more buses in East County.
- Saturday and Sunday routes in the rural areas.
- Lakeside and further out need buses to add pick-up times.
- The “transit services” require two overriding criteria. 1) to provide services that take low and moderate income workers to the better jobs north of Claremont Mesa Blvd, and 2) the transit planning agency should ask people who don’t use transit to say where they might want a bus trip to begin, to end, at what time(s) of which days. Then we can design an intelligent public transit system.
- Focus on design – easy connections between transit and active transportation modes.
- Could there be a criteria for minutes served in transfer between modes/buses?
- Accommodate bikes.
- Transit concerns: Affordability (low-income); accessibility (seniors and disabled); connectivity to food, healthcare, education, and employment.
• There should be a criterion that connects to other transit/bus lines. The more connections, the higher the points. (Side comments: 1) interior of buses are often dirty and MTS needs to clean the bus at the end of the route at-least once a day. 2) many people on the bus do not follow the rules. The bus driver should enforce the rule i.e. people putting both feet on the seats. 3) More signs to advise transit riders to respect elders and keep the bus clean, similar to disabled sign. 4) Many people, who are not using a trained aid dog, bring their pets on the bus and Trolley in El Cajon. The dogs sit in the seats allocated for regular riders. There should be some regulation about dogs sitting on the floor of the buses and Trolleys.

• Discuss and develop assessments for transitioning from BRT (fossil fuel) to rail/electric buses.

**Criterion 1: Provides Time Competitive/Reliable Transit Service**

• Consider higher weighting.

**Criterion 2: Serves Daily Trips**

• Redundancy between #2 (daily trips) and #7 (accessibility)? Should #7 be a substitute of #2?

**Criterion 3: Daily System Utilization**

• Include weekend and after hours.

**Criterion 7A: Accessibility**

• Access – add in affordability (fares), medical care & food.

• Connectivity to major job centers (not covered enough with increase in work trips criteria).

• Give more points to this criterion.

• In “access” category, add access to beach areas and transit destinations - airport.

**Criterion 7B: Accessibility**

• Proximity to recreational spaces should also consider the intensity of that space. For ex. lagoon w/no active recreation vs. major destination beach.

• Proximity to recreational spaces should also consider: a. the intensity of the potential mode split resulting from project.

**Criterion 7E: Accessibility**

• Clarify that his means bike/ped facilities allow bike/ped access.

**Criterion 8: Cost-effectiveness**

• Cost effectiveness should also consider: a. Long term effectiveness, not just short b. Maintenance assumed over the life of the project
**Additional General Comments:**

- I live in Talmadge (zip code 92115) and it is practically impossible to get to the airport or train station or Trolley, without a private car or taxi...and then there is no parking. What a mess! I suggest more buses, north to South, and vice-versa, going into residential neighborhoods.

- SANDAG should give highest project priority to bicycle transportation projects! Use recreational dollars for recreation projects. These are transportation dollars. Thanks!

- The list of candidates for the expert review panel should be available to the public. Please include an email address to which comments should be returned. Finally, please include a link to the meeting dates/times/locations for the expert review panel. Some of us would like to attend.

- Overlapping criteria. Too many criteria. Private/public match of funds should be considered.

- Increase maximum available points for active transportation and transit to 125 and leave highway corridor projects at 100.

- Active transportation criteria should be more comprehensively incorporated into criteria for other modes such as Hwy Corridor.

- Thank you for lunch. The format of this workshop was not conducive to soliciting public input. The cramped quarters made it difficult to hear comments/responses or give feedback. The criteria sheets should have been distributed first to all participants to digest before proceeding to the boards. The presentation should have summarized content of the criteria, rather than more general information, to prepare and engage the audience. The pens don’t work.

- This format was not very productive. I would have preferred whole group and small group input. The tables were too crowded and the lead person at each table was overly occupied. Perhaps there were more people here than expected.

- We did not like your format today.

- Question: How do we evaluate varying factors in ranking future transportation projects?

- The San Ysidro Trolley Terminal, currently under project expansion study, has the highest ridership volume, by far, in the entire MTS Trolley System. It is reportedly the only light rail platform in the United States serving an international border. Accessibility and mobility surrounding this station has deteriorated due to the largest POE expansion in U.S. history. The San Diego Trolley is an icon at the San Ysidro Pedestrian Port of Entry.

- Important criteria in planning and ranking future transportation projects must involve a measure of overall benefits to society. An evaluation needs to undergo a comprehensive assessment of all interrelated factors, including intended functions, goals and further reaching issues.

- Public Safety, Mobility & Accessibility: is project readily and conveniently accessible to its users and community? In high volume locations, does it increase public safety and eliminate vehicle-pedestrian conflicts for efficient flow of public transit-pedestrian-vehicle travel?
• Economy: how can the project help create jobs, directly and indirectly, and spawn new economic growth? Can public-private collaboration play a key role in beneficial development?

• Environment: will the project promote mass transportation as a strong alternative to help reduce traffic congestion, concrete highway sprawl and improve the quality of urban life?

• Public Health: the project should be instrumental in reducing vehicle use/gas emissions by utilizing alternative mixed-uses such as smart parking structures, people movers and pedestrian friendly open spaces in order to encourage non-motorized healthy activity.

• Social Equity: In underserved communities and regions, does project incorporate new public infrastructure and large scale transit oriented development to stimulate the local economy? Is public infrastructure needed, or is community adversely impacted by public right-of-ways?

• Smart Growth Planning: It must build on previous research, related studies, reports and modern transportation culture to utilize global best practices that yield future social benefits.

• National & Local Security: Intelligent design should promote high security technology and surveillance measures in prioritizing law and order for public safety.

• Bi-national Mega Region: The project should facilitate cross-border travel and access to jobs, business centers, school, shopping and tourism.

• International Symbolism: The project should showcase our diverse San Diego – Tijuana culture and symbolize our unique reputation as home of the World’s Busiest Border Crossing.

• Historical: The current San Ysidro Intermodal Transportation Center Study involves a historic window of opportunity. It should focus on how best we can celebrate our closest international alliance and brand for the first time a meaningful historic footprint on a cornerstone of the Americas, right here in San Diego, as the World’s Finest International Gateway.
SANDAG Peer Panel Review Discussion – August 23, 2013

Key Strengths of SANDAG Approach

- Goal structure
- Data-driven, rather than qualitative
- Moving towards cost-effectiveness approach, while still recognizing value of Board priorities

Recommendations for Improvement

Overall Comments

- Fewer measures would be better
  - Suggested measures for removal include: measures of existing or new volumes (already captured elsewhere), superfluous accessibility measures (such as access to beaches or Native American reservations)
  - Removal of volume-based measures would avoid potential bias towards low-benefit projects on high-volume facilities
- Ranking approach: ranking based on top project is flawed
  - Could pursue alternative approach to avoid “outlier introduction bias”
- Adverse impacts should be considered whenever applicable
  - Doesn’t highlight drawbacks of certain modes
  - Could consider both positive and negative point scale for some criteria

Modal Silos

- Need to have consistent criteria across modes
  - Reduce modal silos, particularly between highway and transit
  - Even within highway category, too many categories, consider combining highway corridors, HOV connectors, and freeway connectors into one list
  - Improved criteria could simplify approach
  - Merged criteria would help to minimize mode-specific criteria’s excessive weights
  - If you start measuring the right things, do you need the FasTrak/HOV/transit criteria for highways?
  - Active transportation and rail grade crossing excluded
• Need to consider corridor improvements, regardless of mode
  o Can’t see which project is best for corridor, regardless of mode
  o Benefits from all modes, not just mode being analyzed
  o Broad concept of mobility, rather than hours of auto time saved
• Remove congestion - instead mobility
• Add or remove consistently for both highway and transit projects
• Have consistent weightings for criterion that are featured in multiple modal categories

**Cost-Effectiveness and Benefit-Cost**
• Scale benefits in points system based on cost
• Differences between benefit-cost and cost-effectiveness for identified metrics
• Need B/C ratio if cost-effectiveness for each measure?
  o Folks will want to see this
  o Business folks will want to see B/C ratio return to analysis
  o Need to fix cost-effectiveness weight (make the same across modes)
• Pull B/C ratio out and display in conjunction with points score

**Land Use**
• Need more emphasis on smart growth/land use; need to prioritize smart growth areas
  o May not be at the point to incorporate land use/RHNA across them
  o Focus on improved accessibility for focused growth area
  o But need to encourage live/work in same areas – improve their ability to travel
  o Projects should be regional-serving in RTP
  o Internal capture not important
  o Smaller smart growth areas have lower numbers of people/jobs, lower scores

**Arterials**
• Lack of inclusion of arterials is shortcoming for road-based smart growth
Reliability

- Add reliability measure
- Qualitative measure for now
- Transition to quantitative measures next time
- Lack of ITS in analysis recognized as shortcoming

Design Elements

- How to deal with this via policies
- Transit has better impacts on smart growth via design
- Need to consider these categories but recognize shortcomings when reporting results

Lower-Cost Projects

- Time intensive for minimal analysis
- Don’t separate multimodal elements from major projects, e.g. highways

Safety

- Relates to urban design issue
  - Behavioral, not engineering, challenge
  - Current approach and weight is satisfactory
  - Data source is decent
  - No satisfactory solution
- Vehicle technology is also critical
- Active transportation adequately captures traffic safety issues
- Collision forecasting is difficult

Accessibility

- Sub-measures should not be equally weighted
- Native American tribes should be communities of concern
Peer Review Panel: Public Comments and Questions

- Why does the Active Transportation category have an evaluation criterion for consistency with local plans but other modes do not?

- Would the panel's recommendation be expected to result in a significant shift in the currently projected transportation mode use for the population?

- Could you please elaborate on the comment related to superimposing highway projects and subtracting transit projects and how this will help create better performance measures?

- Will the cost/benefit (cost-effectiveness) analysis consider health impacts?

- You said adverse impacts are not considered, please define “adverse impacts” or how should SANDAG define.

- The criteria currently awards a highway corridor project points for proximity in communities of concern. Would it be more appropriate for a highway corridor project to be awarded points for minimizing impact on communities of concern? What is the reasoning behind incentivizing highway corridor projects in communities of concern where air quality is the worst?

- You recommended fewer measures so which would you take out and which would you leave in?

- We support the panel's recommendation to combine the highway corridor, HOV connector, and freeway connector criteria into one category. We’d appreciate it if the recommendation would be accepted by SANDAG.
**Draft Transportation Project Evaluation Criteria**

**PEER REVIEW PANEL BIOGRAPHIES**

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**Dr. Jennifer Dill**  
**Professor, Nohad A. Toulan School of Urban Studies & Planning, Portland State University**  
Dr. Jennifer Dill is a professor in the Nohad A. Toulan School of Urban Studies and Planning at Portland State University and Director of the Oregon Transportation Research and Education Consortium (OTREC). Dr. Dill’s research interests include the relationship between transportation policy and planning and land use, health, and the environment, with a focus on non-motorized travel behavior. Prior to entering academia, Dr. Dill worked as an environmental and transportation planner for the Bay Area Air Quality Management District and US Environmental Protection Agency. She was also research director at the Local Government Commission, where she worked on energy, land use, and transportation issues. Dr. Dill has a Ph.D. in City and Regional Planning from UC Berkeley, an MA in Urban Planning from UCLA, and a BS in Environmental Policy Analysis and Planning from UC Davis.

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**Joel Freedman**  
**Manager, Systems Analysis Technical Resource Center, Parsons Brinckerhoff**  
Joel Freedman is a manager in the Systems Analysis Technical Resource Center at Parsons Brinckerhoff. He specializes in the development of travel demand forecasting models, software applications, and the analysis of travel demand modeling results. He is also an expert in developing integrated land-use/transport models. He has successfully applied models for transportation planning, toll and revenue studies, as well as major Federal Transit Administration New Starts projects. His experience estimating and/or applying travel demand models spans metropolitan areas throughout the United States, including San Diego, Atlanta, Honolulu, Houston, Las Vegas, Phoenix, Portland, San Francisco, and Tucson. Joel has served as adjunct faculty to the School of Urban Planning at Portland State University, and is the lead instructor for the National Highway Institute course on travel demand forecasting.

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**Charlie Howard**  
**Transportation Planning Director, Puget Sound Regional Council**  
Charlie Howard is the Transportation Planning Director for the Puget Sound Regional Council, a position that he has held since February 2005. Prior to joining PSRC, Charlie worked with the Washington State Department of Transportation for 18 years, most recently as the Director of Strategic Planning and Programming. Charlie has been involved in state and regional transportation issues for the past 30 years, including an active role in developing and implementing the state’s growth management act.

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**David Vautin**  
**Associate Transportation Planner, Metropolitan Transportation Commission**  
David Vautin is a Transportation Planner at the Metropolitan Transportation Commission (MTC) in Oakland, California, specializing in transportation performance assessment. His analytical work informs regional policy decisions by monitoring adherence to adopted goals and targets and by identifying high-performing transportation investments that support the region’s sustainability objectives. As part of Plan Bay Area, the region’s first Sustainable Communities Strategy, David’s work on project-level performance assessment helped policymakers to prioritize the region’s top transit expansion priorities for future New Starts and Small Starts funding opportunities, in addition to highlighting cost-ineffective and sprawl-inducing projects as low performers.

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**Martin Wachs**  
**Senior Principal Researcher at RAND, Distinguished Professor Emeritus in Urban Planning, UCLA Luskin School of Public Affairs**  
Martin Wachs is a senior principal researcher at RAND. He formerly served as director of the RAND Transportation, Space, and Technology Program. Prior to joining RAND, he was professor of civil and environmental engineering and professor of city and regional planning at the University of California, Berkeley, where he was also director of the Institute of Transportation Studies. Prior to this, he spent 25 years at UCLA. Wachs is the author of 160 articles and four books on subjects related to relationships between transportation, land use, and air quality; transportation finance and policy; transportation needs of the elderly; techniques for the evaluation of transportation systems and performance measurement in transportation planning. His research also addresses issues of equity in transportation policy.
FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT:
UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS

Introduction
In June 2012, the ITOC accepted the FY 2012 TransNet Triennial Performance Audit report and recommendations. To ensure audit recommendations are implemented, staff was asked to return to ITOC on a regular basis with the status of implementation of the recommendations. At the September 11, 2013, ITOC meeting, staff will provide an overview of progress made to date. The ITOC is asked to review and discuss implementation of audit recommendations (Attachment 1).

Discussion
ITOC accepted the final FY 2012 TransNet Triennial Performance Audit (second triennial audit) report in June 2012. The last update was provided in January 2013. Since then, ITOC has received regular reports on the implementation of audit recommendations, and staff has continued making progress toward implementation of audit recommendations.

Attachment 1 has been updated to reflect the most recent status as of September 2013, including partial completion of three and full completion of eight out of the total 22 recommendations since acceptance of the audit report. Changes to the attached matrix since the last update in January 2013, are reflected in tracked changes.

Next Steps
Staff will continue working with the ITOC member leads for each audit report chapter to monitor implementation in preparation for the next update to ITOC. The next regular update is scheduled for presentation to the ITOC in spring 2014.


Key Staff Contact: Ariana zur Nieden, (619) 699-6961, ariana.zurnieden@sandag.org
Second TransNet Triennial Performance Audit Report
Implementation of Recommendations Matrix
As of September 2013

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Report Reference</th>
<th>Priority</th>
<th>Initial Response and Implementation Plan (June 2012)</th>
<th>Status of Actions Taken to Implement Recommendations As of September 2013 (To be Updated on an Ongoing Basis)</th>
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</table>
| 1. Continue ongoing efforts and develop a plan to incorporate arterial roadway and transit performance metrics into SANDAG’s performance processes and develop additional performance measures including multi-modal measures or those related to other goals of the Regional Transportation Plan such as safety and environment. Plans and efforts should be documented and include: | Chapter 1, pages 14-23 | Medium | **Initial Response and Implementation Plan:** In collaboration with our local and regional partners, SANDAG will continue to develop and implement systems to monitor the performance of the region’s multimodal transportation network. Specific efforts include: | **Implementation Status:**

- The Arterial Performance Measurement System Module (A-PeMS) and Transit Performance Measurement System Module (T-PeMS) were completed in 2011 and is scheduled to go live in February 2013 as part of the I-15 Integrated Corridor Management (ICM) project.  
- Current efforts are focused on defining a regional arterial detection deployment plan (expected to be completed in fall 2012) that will define an arterial network priority system for installation of future detection infrastructure.  
- SANDAG in partnership with local, state, and federal agencies will be initiating work to complete a Corridor System

- Current efforts are underway that include the design of the ICM project system with the integration of the A-PeMS and T-PeMS module. Project is on track to be completed and implemented by February 2013—Modules have been completed and next steps are to integrate them into C-PeMS planned to be operational in January 2014.  
- The Regional Arterial Detection Deployment Plan is on track to be completed in October 2012.  
- The C-PeMS Corridor Module is on track to be completed and operational by January 2014, spring 2013. |
**Second TransNet Triennial Performance Audit Report**  
**Implementation of Recommendations Matrix**  
**As of September 2013**

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<td>communicating actual performance results.</td>
<td></td>
<td></td>
<td>Performance Measurement Module (C-PeMS). The project is an integral part of SANDAG efforts for establishing a multimodal performance measurement tool that will leverage the completion of the A-PeMS and T-PeMS with the Freeway PeMS. SANDAG intends to use C-PeMS for tracking and evaluating the performance of the I-15 ICM project to attain multimodal performance measures (expected completion spring 2013). As arterial detection is introduced and transit vehicles in the region are outfitted with automated passenger counters (APC) and automated vehicle location (AVL) units, the A-PeMS and T-PeMS modules will serve as the regional platform/vehicle to analyze and assess arterial and transit performance data. These statistics will be incorporated into the established Coordinated Plan and Regional Short-Range Transit Plan, ITOC Quarterly Reports, State of the Commute Reports, and Regional Comprehensive Plan Performance Reports.</td>
<td>• SANDAG will continue to annually track 21 transit performance measures, 11 specialized transportation performance measures, and include the six</td>
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### Second TransNet Triennial Performance Audit Report
Implementation of Recommendations Matrix
As of September 2013

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<td>2.</td>
<td></td>
<td>Medium</td>
<td>performance measures, and include the six performance metrics required by the state’s Transportation Development Act (TDA). Staff leads: Richard Chavez, Alex Estrella, and Phil Trom. ITOC lead: Jim Ryan. Brad Barnum.</td>
<td>performance metrics required by the state’s Transportation Development Act (TDA) in the Coordinated Plan and Regional Short-Range Transit Plan. These will be reflected in the next update to the annual performance monitoring report expected to be completed and presented to the Board of Directors in June-May 2013. The next update to the Coordinated Plan and Regional Short-Range Transit Plan is expected to be completed in June 2014. ☑ Completed</td>
</tr>
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To better enhance transparency and communicate TransNet performance, the ITOC should have SANDAG:

- Make the performance indicators such as vehicle-hours of delay and vehicle-miles of travel for individual corridors and projects shown on the internal Dashboard site available to the public either through Dashboard portals, or through some other mechanisms such as Chapter 2, pages 24-30.

**Implementation Status:** At the July 11, 2012, ITOC meeting, staff presented options for implementing this recommendation. Project performance indicators representing vehicle-hours saved trends were made available to the public through the Dashboard in March 2013, and staff reviewed implementation of this recommendation at the March 13, 2013, ITOC meeting. In July, staff met with the IT...
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<td>an annual report.</td>
<td></td>
<td></td>
<td>ITOC lead: John Chalker</td>
<td>consultant responsible for updates to the Dashboard. The consultant is scheduled to submit an implementation plan and related costs in October 2012.</td>
</tr>
<tr>
<td>To more closely manage and monitor the Local Street and Road program performance as well as eliminate process inefficiencies, the ITOC should have SANDAG work collaboratively with the local agencies to:</td>
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<td>3. Consider assigning certain Local Street and Road Program responsibilities and activities—such as setting and monitoring program goals, reviewing and modifying rules and processes in place, and measuring program performance towards meeting overall TransNet goals—to a SANDAG program staff.</td>
<td>Chapter 3, Pages 32-41</td>
<td>Medium</td>
<td><strong>Initial Response and Implementation Plan:</strong> The effort required by Recommendation Nos. 3 to 6 could be costly to implement and could delay the delivery of local agency projects. There also is the question of whether this type of detailed oversight is permitted by the TransNet Extension Ordinance. Staff proposes discussing this recommendation with the ITOC to gain a better understanding and to address their concerns by working collaboratively with both ITOC and the Cities/County Transportation Advisory Committee (CTAC) to evaluate how the Local Street and Roads program may be improved. Some initial steps toward this effort could include the following:</td>
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<td>1. Gathering Local Streets and Roads program policies, goals, and performance measures for each jurisdiction;</td>
<td><strong>Implementation Status:</strong> At its May 3, 2012, meeting, the Cities/County Transportation Advisory Committee (CTAC) established an Ad Hoc Working Group to help develop responses for addressing the audit recommendations. Initial efforts by the CTAC Ad Hoc Working Group have included gathering available information on programs, policies, and performance programs, which were presented at the January 9, 2013, ITOC meeting. Staff presented performance monitoring examples at the May 8, 2013, meeting and will present a proposed approach for annual reporting on the Local Street and Road Program at the September 11, 2013, ITOC meeting (Agenda Item No. 6B on the September 11, 2013, ITOC meeting agenda) to be presented to the ITOC for discussion (expected to be presented Item #6B)</td>
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<td>2. Drafting sample report(s) that would provide useful information for ITOC and CTAC review;</td>
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<td>on to the ITOC January 9, 2013, ITOC meeting agenda).</td>
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<td>3. Reviewing data collected with both ITOC and CTAC; and</td>
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<td>4. Proposing an approach on next steps that will meet the overall intent of the TransNet Extension Ordinance.</td>
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<td>Staff lead: Jim Linthicum</td>
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<td>ITOC lead: Jonathan Tibbitts</td>
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<td>4. Develop a method, process, or practice over the Local Street and Road program to more closely monitor program outcomes and performance towards congestion relief and maintenance of roadways including the following:</td>
<td>Chapter 3, Pages 32-41</td>
<td>High</td>
<td>Initial Response and Implementation Plan: See response to Recommendation No. 3 above.</td>
<td>Implementation Status: See implementation status for Recommendation No. 3.</td>
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<tr>
<td>• Establishing defined program goals;</td>
<td></td>
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<td>Staff lead: Jim Linthicum</td>
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<tr>
<td>• Revisiting and redesigning program policies as warranted; and</td>
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<td></td>
<td>ITOC lead: Jonathan Tibbitts</td>
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<tr>
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<td>monitored; and • Identifying, defining, and implementing better mechanisms for monitoring project performance related to getting projects done more timely and achieving better outcomes upon project completion.</td>
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| 5. Require local agencies to submit specific Local Street and Road performance statistics currently available—such as ratio of miles resurfaced to miles maintained, pavement condition indices over time, or others related to level of service ratings of roadway operating conditions—on a predetermined set schedule and make the data available to the public. | Chapter 3, Pages 44-48 | Medium | *Initial Response and Implementation Plan:* See response to Recommendation No. 3 above.  
*Staff lead:* Jim Linthicum  
*ITOC lead:* Jonathan Tibbitts | *Implementation Status:* See implementation status for Recommendation No. 3. |
<p>| 6. Analyze Local Street and Road performance data provided for trends or comparisons between local agencies; further, use | Chapter 3, Pages 44-48 | Medium | <em>Initial Response and Implementation Plan:</em> See response to Recommendation No. 3 above. | <em>Implementation Status:</em> See implementation status for Recommendation No. 3. |</p>
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<td>analysis to make program changes as warranted.</td>
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<td>7. Revisit existing rules and practices in the Local Street and Road program, and consider the following:</td>
<td>Chapter 3, Page 36</td>
<td>Medium</td>
<td>Initial Response and Implementation Plan:</td>
<td></td>
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<tr>
<td>• Replacing the 30 percent fund balance limitation with a more effective measure to monitor performance (such as those described in recommendation 5) where SANDAG and ITOC could observe progress and performance through administrative processes rather than through an audit compliance mechanism; and</td>
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<td></td>
<td>• Replacing 30 percent fund balance limitation – See implementation status for Recommendation No. 3. In addition, the quarterly financial data report will include current Local Street and Road program balances to assist the ITOC in monitoring use of funds. Removal of the 30 percent fund balance rule was approved in the FY 2013 Agreed Upon Procedures. Corresponding amendments to Board Policy No. 031 are scheduled for Board approval in winter 2013.</td>
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<td>• Exploring the feasibility of revising the interest allocation rule to allow local agencies to use interest earnings as “savings account” that can be used on eligible projects—similar to a construction project contingency fund—where interest could be pooled and drawn down for</td>
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<td>• Revising interest allocation rule – Staff discussed the possibility of changes to the interest allocation rule with the ITOC TransNet Compliance Audit Subcommittee and subsequently drafted proposed language per the audit recommendation. The proposed amendments to Board Policy No. 031, Rules #6 and #17 were presented to the ITOC on July 11, 2012, the Executive Committee on July 13, 2012, and the Board of Directors on July 27, 2012. The proposed amendments were approved at</td>
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## Second TransNet Triennial Performance Audit Report
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| 8. Continue efforts working with wildlife agencies and conservancies to identify coastal wetland opportunities and develop wetland mitigation bank. Also, continue negotiating with regulatory permitting agencies to accept a package of mitigation efforts that provide “no net-loss.” | Chapter 4, Pages 58-61 | High | **Initial Response and Implementation Plan:** SANDAG and Caltrans staffs have identified a package of coastal wetland opportunities in the Interstate 5 North Coast Corridor (I-5 NCC). Profiles of these opportunities will be included in the I-5 NCC Public Works Plan (PWP) for approval by the California Coastal Commission (CCC) with the support of the other regulatory agencies. The draft PWP is currently scheduled for public review draft in the late fall 2012.  
**Staff leads:** Keith Greer (SANDAG); Bruce April (Caltrans)  
**ITOC lead:** Paul Fromer | **Implementation Status:** SANDAG and Caltrans staffs have completed an inventory of coastal wetland mitigation opportunities and have been working with the state and federal wildlife agencies on the review and acceptance of a mitigation package. **The details of the mitigation have been are being worked out under the Caltrans National Environmental Policy Act (NEPA) Section 404 streamlining process with the resource agencies.** The mitigation will be included in the Resource Enhancement and Mitigation Program section of the Public Works Plan that is scheduled for reconsideration by the California Coastal Commission in be sent out for public review in December 2012-spring 2014. |

To continue strengthening the EMP to ensure TransNet funding is utilized in the most effective manner, the ITOC should have SANDAG do the following:

- Projects as needed.
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<tr>
<td>9.</td>
<td>Develop a process to track local mitigation activity expenditures separately from regional mitigation activity expenditures.</td>
<td>Chapter 4, Page 64</td>
<td>Low</td>
<td>Initial Response and Implementation Plan: SANDAG staff will insert a separate tracking column in the account spreadsheet to account for mitigation expenditures associated with local streets and roads. SANDAG staff will also track the use of any mitigation acreage once they are utilized. Staff leads: Keith Greer (SANDAG); Bruce April (Caltrans) ITOC lead: Paul Fromer</td>
</tr>
<tr>
<td>10.</td>
<td>Continue efforts and establish timelines for developing comprehensive and coordinated strategic plans and measurable program objectives related to the Regional Habitat Conservation Fund program activities and efforts including the following: • Providing ITOC and other oversight bodies a timeframe to have these plans implemented with high-level activities and tasks needed, milestones, and assignment of staff “owners” responsible for task completion as</td>
<td>Chapter 4, Pages 66-71</td>
<td>High</td>
<td>Initial Response and Implementation Plan: SANDAG will continue efforts to enhance collaboration and continued coordination among regional entities. The Strategic Management and Monitoring Plans identified in the response to Recommendation No. 13 below will define these objectives, activities and milestones. SANDAG staff will continue to update ITOC, Policy Advisory Committees, and the Board of Directors on Environmental Mitigation Program (EMP) progress on at least an annual basis as well as when any significant policy or funding issues arise. Together the efforts of these plans and the funding are geared to ensuring the impediments identified in the 2011 needs assessment are addressed.</td>
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| 11. Maintain focus on clarifying and defining how to apply the economic benefit concept, and identify tasks and timelines needed to address economic benefit issue. Develop corresponding methodologies to calculate the amount of economic benefit. | Chapter 4, Pages 71-72 | High | **Initial Response and Implementation Plan:**

As the audit identifies, the memorandum of understanding (MOU) implementing the EMP program allowed for a 10-year period to form a track record to establish economic benefit. Through Senate Bill 468 (Kehoe, 2011), SANDAG agreed to prepare an economic benefit analysis in conjunction with the.

**Implementation Status:** SANDAG staff has been meeting to develop draft “policy points” on the methodology and timing of any release of any economic benefit. An initial meeting with key stakeholders was scheduled for was held on September 14, 2012. Based on those upcoming discussions, staff has developed 14 policy points with key.

warranted;

- Developing performance measures that measure progress and success while also linking strategic plans and objectives to funding priorities; and Ensuring impediments identified via the 2011 draft needs assessment are adequately addressed.

Staff leads: Keith Greer (SANDAG); Bruce April (Caltrans)

ITOC lead: Paul Fromer

In essence, they are assembling the institutional knowledge of the collective region and formalizing this knowledge into an action plan, which will allow strategic decisions to be made on where and how best to fund projects identified in the plans. The performance of the program will be measured against the objectives in the Strategic Plans to demonstrate progress.

These Plans will be brought back to ITOC and other SANDAG committees along with funding recommendations for FY 2015, which are scheduled to be presented at the September 2015 ITOC meeting.

. for discussion and input to the SANDAG Board of Directors.
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<td>economic benefit achieved as well as processes to release and allocate the resulting funding.</td>
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<td>permitting for the I-5 NCC project. SANDAG staff is working on determining the methodology and process for release of these funds. A proposal is scheduled to be vetted in summer 2012, with review and action by the various working groups, ITOC, Policy Advisory Committees, and in the Board of Directors in late 2012. Staff leads: Marney Cox, Keith Greer (SANDAG); Bruce April (Caltrans) ITOC lead: Paul Fromer</td>
<td>stakeholders on the process and release of any economic benefit. The EMP Working Group recommended approval of these policy points. Staff is revising existing memoranda of understanding to reflect these policy points. It is anticipated that the policy points will be brought to ITOC and SANDAG Policy Advisory Committees starting in late fall 2012/early winter 2013 for discussion/recommendation. In May 2013, the SANDAG Board of Directors approved an amended Memorandum of Agreement that includes the provisions for the methodology, timing, and release of funding of economic benefit. Subsequent release of funding would be tied to the annual budget process, would be required to approve the release of economic benefit funds. ☑ Completed</td>
</tr>
<tr>
<td>12. Continue efforts and establish timelines to develop information management systems that can share habitat management and monitoring results between local agencies and serve as a single source of EMP information.</td>
<td>Chapter 4, Pages 71-72</td>
<td>Medium</td>
<td><strong>Initial Response and Implementation Plan:</strong> SANDAG is under contract with the USGS to expand an existing centralized database that could be accessible by the public and flexible enough to be used across Southern California. A draft of the new database is scheduled to be completed in June 2012 with a final version</td>
<td><strong>Implementation Status:</strong> The information management system has been created and is available to the public at the following location: <a href="http://mtx.sdmmp.com/">http://mtx.sdmmp.com/</a> The system referred to as South Coast Multi-Taxa Database is soliciting additional data to expand the database.</td>
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<tr>
<td>13. Strengthen conservation efforts in its role as the regional entity by:</td>
<td>Chapter 4, Pages 66-71</td>
<td>High</td>
<td><strong>Initial Response and Implementation Plan:</strong> SANDAG is currently under contract to have both a Strategic Plan for Management and a Strategic Plan for Monitoring completed. The draft Strategic Plan for Management is scheduled to be completed in November 2012 and finalized in May 2013. The Strategic Plan for Monitoring is scheduled for completion in the following year. These strategic plans will have goals, objectives, and prioritized activities to meet objectives for strengthening conservation efforts in the San Diego region. Once in place, these plans will guide the regional management and monitoring efforts. In essence, they are assembling the institutional knowledge of the collective region and formalizing this knowledge into an action</td>
<td>Additional user enhancements continue to be explored to provide information to the public in a more simplistic format. Features are planned to make the database more user friendly and to generate online reports. See <a href="http://www.sdmmp.com">www.sdmmp.com</a> for more details.</td>
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Staff leads: Keith Greer (SANDAG); Bruce April (Caltrans)
ITOC lead: Paul Fromer

Additional information:
- SANDAG has created the San Diego Management and Monitoring Program (SDMMP) to assist with regional collaboration efforts. SDMMP is fully staffed, working on Strategic Plans (see response to item 10 above), and facilitating discussions among land managers, and federal, state and local agencies.

☑ Completed
## Implementation of Recommendations Matrix

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<td>monitoring function to oversee and coordinate the activities of the various independent consultants as well as ensure accountability for delivering services that move the program forward; and • Finalizing efforts to establish a strategic plan and measurable program objectives.</td>
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<td>To assess whether grant activities are meeting program outcomes and make grant processes more efficient, ITOC should have SANDAG:</td>
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<td>To develop clear goals and objectives for the Land Management and all aspects of the Bicycle, Pedestrian, and Neighborhood Safety Grant Program so that outcomes can be tracked and measured to evaluate whether grant activities are achieving what was intended for the program.</td>
<td>Chapter 5, Pages 75-78</td>
<td>High</td>
<td>Initial Response and Implementation Plan: • As discussed above in the response to Recommendation No. 13, the strategic plans for habitat conservation management and monitoring (currently under development) will include the goals, objectives, and prioritized activities to meet objectives for strengthening conservation efforts in the San Diego region, including providing a framework for future allocation of TransNet Land Management grants. • The Regional Bicycle Plan, adopted by the Board of Directors in May 2010, serves as</td>
<td>Implementation Status: • See implementation status for Recommendation No. 10.</td>
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14. Develop clear goals and objectives for the Land Management and all aspects of the Bicycle, Pedestrian, and Neighborhood Safety Grant Program so that outcomes can be tracked and measured to evaluate whether grant activities are achieving what was intended for the program.
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| a strategic plan with goals and objectives for the bicycle component of the TransNet Bicycle, Pedestrian, and Neighborhood Safety (BPNS) grant program. | | | | Transportation Grant Program in April 2012 as part of the FY 2011/2012 call for projects.  
☑ Completed |
| • As part of the FY 2011/2012 grant requirements, grantees are required to collect existing conditions data in the project area so that bicycling and walking can be measured over time.  
☑ Completed | | | | |
<p>| • An Active Transportation team of internal staff and key on-call consultants to has been formed to undertake the extensive planning and project development activities to deliver the projects included in the Regional Bicycle Plan. A proposal for an Early Action Plan for Bicycle projects will be presented to the Transportation Committee and Board of Directors in spring-September 2013 for approval to advance several of the key regional projects contained in the Plan. | | | | |
| • For the pedestrian and neighborhood safety components, the Board made a commitment as part of the October 2011 adoption of the 2050 Regional Plan. | | | | |
| The Active Transportation Plan work program has been initiated with the Board approval of the FY 2013 Program Budget and Overall Work Program in May | | | | |</p>
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<td>15. Augment grant monitoring practices by conducting site visits or desk-audits using a risk-based approach to determine</td>
<td>Chapter 5, Pages 80-81</td>
<td>Medium</td>
<td>Transportation Plan and its Sustainable Communities Strategy to develop an Active Transportation “early action program” within two years (October 2013). The SANDAG draft FY 2013 Program Budget and Overall Work Program includes a work element to develop this program; it will involve the development of clear goals and objectives for all aspects of Active Transportation, including the pedestrian and neighborhood safety elements of the TransNet BPNS grant program. Staff leads: Muggs Stoll, Keith Greer, Coleen Clementson ITOC lead: Carolyn Lee</td>
<td>2012. In April 2013, an Active Transportation Implementation Strategy Framework was presented to the Transportation Committee. The Strategy includes: 1) Development of a comprehensive Regional Active Transportation Program that addresses walking, biking, Safe Routes to Transit and Safe Routes to School. 2) Identification of active transportation projects and programs associated with the 2050 RTP/SCS existing planned transit and highway corridor project areas for consideration in San Diego Forward: The Regional Plan. 3) Identification of active transportation performance measures for ongoing monitoring. This work will be finalized with adoption of the Regional Plan. Several elements of the program are underway and this broader Early Action Program is on track to be developed by its October 2013 deadline.</td>
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**Implementation of Recommendations Matrix**

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<td>16.</td>
<td>Chapter 5, Pages 80-81</td>
<td>Medium High</td>
<td><strong>Initial Response and Implementation Plan:</strong> See response to Recommendation No. 15, above. Staff leads: Coleen Clementson and Muggs Stoll ITOC lead: Carolyn Lee</td>
<td><strong>Implementation Status:</strong> See implementation status for Recommendation No. 15.</td>
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<td></td>
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<td><strong>What grantors to visit or review and in what frequency.</strong></td>
<td><strong>Implementation Status:</strong> September spring-2013. Any proposed changes and/or recommendations for implementation will be communicated in future status updates.</td>
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<td>17.</td>
<td>Chapter 5, Pages 80-81</td>
<td>Medium High</td>
<td><strong>Initial Response and Implementation Plan:</strong> See response to Recommendation No. 15, above. Staff leads: Coleen Clementson and Muggs Stoll ITOC lead: Carolyn Lee</td>
<td><strong>Implementation Status:</strong> See implementation status for Recommendation No. 15.</td>
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<td><strong>Verify grant program deliverables and data reported to SANDAG, as appropriate, through site visits or desk-audits.</strong></td>
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- **Medium**
- **High**
## Second TransNet Triennial Performance Audit Report
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| 18. | Use grant result details reported on quarterly progress reports as well as on close out reports to track and measure grant program outcomes and progress toward meeting goals by individual grants, nature of service, and overall grant program. Communicate these performance metrics to oversight bodies and the public through the Dashboard, other on-line format, annual performance reports, or other widely distributed vehicle. | Chapter 5, Pages 80-81 | Medium | **Initial Response and Implementation Plan:**
See response to Recommendation No. 15 above.

Staff leads: Coleen Clementson and Muggs Stoll

ITOC lead: Carolyn Lee |

**Implementation Status:** See implementation status for Recommendation No. 15. |
| 19. | Revisit grant processes to identify steps that can be streamlined to minimize delays and process awards on a timely basis. | Chapter 5, Pages 81-84 | High | **Initial Response and Implementation Plan:**
See response to Recommendation No. 15 above.

Staff leads: Coleen Clementson and Muggs Stoll

ITOC lead: Carolyn Lee |

**Implementation Status:** See implementation status for Recommendation No. 15. |
| 20. | Ensure that grant expiration dates are clearly stated in grant agreement provisions. | Chapter 5, Pages 84-85 | High | **Initial Response and Implementation Plan:**
Staff will ensure that the grant expiration dates are clearly stated in the grant agreements.

Staff leads: Coleen Clementson and Muggs Stoll |

**Implementation Status:**
This recommendation has been implemented in the agreement process.

☑ Completed |
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| 21.            |                  | Medium   | **Initial Response and Implementation Plan:**  
SANDAG will continue to communicate transit performance data via the Coordinated Plan & Regional Short-Range Transit Plan. SANDAG also will work with MTS and NCTD to explore other opportunities to communicate transit performance data to the general public via methods, such as the State of the Commute report, agency web sites, dashboard reports, or other venues.  
Staff leads: Muggs Stoll, Dave Schumacher, Phil From Brian Lane  
ITOC lead: Dick Vortmann  
**Implementation Status:**  
SANDAG will continue to communicate transit performance data via existing channels but also will work with the ITOC to identify existing quarterly or annual performance reports for ITOC review. Staff will continue working with ITOC to identify any additional information that may be incorporated into existing reports such as the next State of the Commute report scheduled for presentation to the ITOC in spring of 2013.  
The 2012 State of the Commute report was presented at the June 12, 2013, ITOC meeting. Staff will continue to communicate transit performance data via the Coordinated Plan & Regional Short-Range Transit Plan, via annual TDA Performance Monitoring Reports to the Transportation Committee and Board of Directors, and via the annual State of |

To increase transparency to the public related to the performance of TransNet's Transit Services program, the ITOC should request that SANDAG:

- Work with its transit operator partners to identify and implement the best vehicle to distribute and communicate transit performance funded in part by TransNet monies to the taxpayers. Additionally, peer comparison statistics would be valuable information to share as another tool to use in gauging program accomplishment.

ITOC lead: Carolyn Lee
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| 22. Obtain specific performance targets related to metrics such as fare box recovery ratio or on-time performance, through collaboration with its transit partners, to increase accountability to the public and help those charged with oversight better assess whether program is achieving intended benefits. | Chapter 6, Pages 92-94 | Medium | **Initial Response and Implementation Plan:** SANDAG maintains a robust transit performance monitoring program (covering both transit operators) that is published in Chapter 4 of its Coordinated Plan & Regional Short-Range Transit Plan. This monitoring program includes 21 specific transit measures that cover the following categories: greenhouse gas reduction; ridership growth; financial performance (including fare box recovery); productivity; access; convenience; reliability and speed (including on-time performance); environmental justice; and comfort. As discussed in response to Recommendation No. 21 above, SANDAG also will work with MTS and NCTD to explore other opportunities to communicate transit performance data to the general public and the ITOC.  
Staff leads: Muggs Stoll, Dave Schumacher, Phil Trom  
ITOC lead: Dick Vortmann | **Implementation Status:**  
SANDAG will continue its robust transit performance monitoring program and will provide any information to ITOC as requested. As noted in Recommendation No. 21 above, staff will take advantage of existing recurring reports reviewed by ITOC to continue working with ITOC to continue working with ITOC to continue working with ITOC to continue working with ITOC to identify any additional information to be included.  
The 2012 State of the Commute report was presented at the June 12, 2013, ITOC meeting. Staff will continue to communicate transit performance data via the Coordinated Plan & Regional Short-Range Transit Plan, via annual TDA Performance Monitoring Reports to the Transportation Committee and Board of Directors, and via the annual State of Commute reports to the ITOC.  
☑ Completed |
FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT: IMPLEMENTATION OF GRANT PROGRAM RECOMMENDATIONS  

Introduction

The FY 2012 TransNet Triennial Performance Audit report included Recommendation Nos. 14 through 20 to assess whether TransNet grant activities are meeting program outcomes and make grant processes more efficient. The implementation plan for these recommendations included conducting an internal assessment of SANDAG grant administrative practices. A report on this internal assessment is included as Attachment 1. SANDAG Executive Strategic Advisor, Diane Eidam, who conducted the assessment, will provide an overview of the grants evaluation at the September 11, 2013, ITOC meeting.

The ITOC is asked to discuss the SANDAG grants administration assessment.


Key Staff Contact: Diane Eidam, (916) 300-2267, diane.eidam@sandag.org
MEMO

To:        Renée Wasmund
            Chief Deputy Executive Director

From:      Diane C. Eidam
            Executive Strategic Advisor

Subject:   Management Review: SANDAG Grants Administration

In response to your request, I have performed an assessment of SANDAG’s grant administration activities for TransNet and federal Jobs Access and Reverse Commute (JARC)/New Freedom grant programs and identified next steps to address additional improvements. As part of this assessment, I have evaluated the implementation of recommendations identified in the Fiscal Year 2012 Triennial Performance Audit, as well as events that have transpired subsequent to that audit.

It is important to note that the results of the 2012 Triennial Performance Audit indicate that the TransNet grant programs employ leading grant practices for all core elements of successful grant implementation programs, such as:

- Defining grant eligibility and award criteria;
- Employing a competitive grant process;
- Using scoring sheets for fairness and consistency;
- Developing written grant agreements;
- Requiring quarterly status reporting;
- Reviewing invoice support and deliverables; and
- Monitoring grant activities.¹

The 2012 Triennial Performance Audit recommendations are based on the auditors’ belief that additional monitoring and performance tracking could enhance the grant programs and process improvements could be streamlined to expedite program delivery. In general, SANDAG has made good progress in addressing issues identified in the Triennial Performance Audit. SANDAG also has been proactive in implementing further measures to ensure that grant awards are consistent with grant criteria and that allow policy makers adequate opportunity for input prior to approving staff recommendations.

Background

SANDAG has long been a grantor agency. However, until recently, the agency’s approach to grant administration was not consistent across the agency’s grant programs.

The implementation of TransNet grant programs necessitated increased focus on processes related to grant awards, administration, monitoring, and reporting. Between FY 2009 and FY 2011, there were 83 individual TransNet related grants amounting to more than $25 million dollars. In addition

¹ Extracted from 2012 Triennial Performance Audit Report
to TransNet grants, the agency also has responsibility to award and administer JARC and New Freedom grants on behalf of the Federal Transit Administration (FTA). In FY 2013, SANDAG received 159 proposals and made 89 awards totaling approximately $26.3 million in calls for projects for TransNet grants as well discretionary FTA grants.

Over the last three grant cycles, SANDAG has awarded more than $50 million, a fraction of the SANDAG resources. However, these programs have significance beyond the dollar magnitude represented. These are programs where decision makers can weigh in and have an immediate impact in their communities. These are programs that SANDAG depends on to accomplish in no small measure the organization’s goals and objectives.

In response to the demands associated with the award and administration of these grants, SANDAG established the Grants Coordination Team (Team), a multi-disciplinary staff team that became active in January 2011. The purpose of the Team is to “provide a mechanism for collaborative engagement and input from the Planning, Finance, Contracts/Procurement, Legal and Executive departments on the development and implementation of grants that SANDAG administers through TransNet and other programming. This team will review, discuss, update, and prepare recommendations for various process improvements and best practices associated with the overall administration of grants administered by SANDAG with TransNet or other funding.”

The Team has collaborated on a number of critical issues and taken steps to identify and document elements necessary to well-functioning grant administration practices, such as grant approval processes, processing schedules, and implementation guidelines.

The Team’s Grant Implementation Guidelines (Guidelines) describe general roles and responsibilities for best practices in four major phases of grant administration – approval of grant solicitations; grant award; grant implementation; and performance monitoring and periodic reporting. Although they describe general roles and responsibilities for those elements of grant administration that are common across the grant programs, the Guidelines do not describe elements that are unique to each program.

For example, the Guidelines indicate that Project Managers should augment grant monitoring by conducting site visits or desk audits utilizing a risk-based approach to determine which grantees to review, at what phases and in what frequency. There is no discussion about how this provision would be implemented by each grant program.

The work performed by the Team has gone a long way to improving SANDAG’s grant administration processes. Its multi-disciplinary approach has been instrumental in facilitating improvements and buy-in from the internal stakeholders. The bottom-up approach has been successful only to a point, however. SANDAG grant administration could benefit from using a comprehensive tool, such as enhanced Grant Implementation Guidelines, as a vehicle to communicate processes and procedures both across and within the various grant programs and to establish a common framework of understanding and acceptance by SANDAG executive management.

---

2 Grants Coordination Team Charter
Fiscal Year 2012 Triennial Performance Audit Recommendations and SANDAG Responses

The Fiscal Year 2012 Triennial Performance Audit acknowledged that SANDAG’s processes for the award, implementation, and monitoring of grant activities follow best practices, but suggested seven improvements. Following are those recommendations and the actions that SANDAG has taken to address the recommendations.

1. Recommendation:
Develop clear goals and objectives for the Land Management and all aspects of the Bicycle, Pedestrian, and Neighborhood Safety Grant Program so that outcomes can be tracked and measured to evaluate whether grant activities are achieving what was intended for the program.

SANDAG Progress to Date:
Land Management
SANDAG completed a draft Management Strategic Plan and has revised the draft pursuant to comments received during public review. The draft was presented to the Independent Taxpayer Oversight Committee (ITOC) in May 2013, and the revised final draft is scheduled to be presented to ITOC in October 2013. A Strategic Plan for Monitoring will follow one year later.

These strategic plans will have goals, objectives, and prioritized activities to meet objectives for strengthening conservation efforts in the San Diego region. These plans will guide the regional management and monitoring efforts. In essence, they are assembling the institutional knowledge of the collective region and formalizing this knowledge into an action plan, which will allow strategic decisions to be made on where and how best to fund projects identified in the plans. The performance of the program will be measured against the objectives in the Strategic Plans to demonstrate progress.

These Plans will be brought back to ITOC and other SANDAG committees along with funding recommendations for FY 2015, which are scheduled to be presented at the September 2015 ITOC meeting.

Active Transportation

The Transportation Committee established goals for the Active Transportation Grant Program (identified as the Bicycle, Pedestrian, and Neighborhood Safety Grant Program in TransNet) in April 2012 as part of the FY 2011/2012 call for projects. As part of the FY 2011/2012 grant requirements, grantees also are required to collect existing conditions data in the project area so that bicycling and walking can be measured over time.

2. Recommendation:
Augment grant monitoring practices by conducting on site visits or desk audits using a risk-based approach to determine what grantees to visit or review and in what frequency.

SANDAG Progress to Date:
As noted in the ITOC report, both the Senior Mini-Grant and the Environmental Mitigation Program (EMP) Land Management conduct site visits to confirm information provided by grantees and assess performance. Additionally, site visits are conducted in the JARC and
New Freedom program as well. To date, site visit protocols have not been developed and implemented for the Smart Growth and Active Transportation grant programs.

3. Recommendation:
Employ a checklist, or other standardized documentation, as guidance for conducting grant program site-visits or desk audits to ensure all critical items are reviewed and that the monitoring activities are consistently applied.

SANDAG Progress to Date:
The JARC/New Freedom/Senior Mini-Grant program has implemented checklists as guidance for conducting site visits.

4. Recommendation:
Verify grant program deliverables and data reported to SANDAG, as appropriate, through site visits or desk-audits.

SANDAG Progress to Date:
See response to number 2, above.

5. Recommendation:
Use grant results details reported on quarterly progress reports as well as on close out reports to track and measure grant program outcomes and progress towards meeting goals by individual grants, nature of service, and overall grant program. Communicate these performance metrics to oversight bodies and the public through the Dashboard, other online format, annual performance reports or other widely distributed vehicle.

SANDAG Progress to Date:
Effective in FY 2013, SANDAG implemented quarterly status reporting to the ITOC and Policy Advisory Committees for each grant program. These reports are published on the SANDAG website.

6. Recommendation:
Revisit grant processes to identify steps that can be streamlined to minimize delays and process awards on a timely basis.

SANDAG Progress to Date:
SANDAG continually endeavors to implement actions that can streamline the award of grants while not compromising transparency and the opportunity for the Policy Advisory Committees and Board to consider awards and provide adequate input. An improvement was made in the most recent call for projects that significantly reduced the time between Board approval and grant execution in the Active Transportation grant program. For example, in the Triennial Performance Audit sample of on-going projects, the average time between approval and grant execution was almost 10 months. In the most recent call for projects for this program, the average time between Board approval on September 28, 2012, and grant execution is 5 months.
The EMP Land Management grant program has experienced similar improvement. In the Triennial audit sample of on-going projects, the average time between approval and grant execution was slightly over 7 months. In the most recent call for projects for this program, the average time between Board approval on May 24, 2013, and grant execution is 3.25 months.

Although the JARC/New Freedom/Senior Mini-Grant Board approval occurred on March 22, 2013, to date no grant agreements have been executed. This appears to be a function of the both the ongoing nature of the operating grants and uniqueness of the grantees.

While activity has begun on the processing of grant agreements for Smart Growth approved by the Board on June 28, 2013, no grants have been executed to date.

7. Recommendation:
   Ensure that grant expiration dates are clearly stated in the grant agreement provisions.

SANDAG Progress to Date:
Effective in the most recent grant award cycle for each program, grant agreements have been modified to ensure that grant expiration dates are clearly stated.

Additional Opportunities for Improvement

Over the course of the most recent call for projects, a number of opportunities for process improvements became evident. These process improvements centered around both the awards of grant funding and on-going grant monitoring and reporting. Those improvements are as follows:

Grant Award:
1. To the extent possible, the staff report format should be consistent across grant programs, including the displays of project ranking.
2. The scoring methodology should be consistent among programs and should be based on ranking vs. raw weighted scores.
3. Prior to submittal to ITOC, Policy Advisory Committees and Board, SANDAG Technical Services should perform a quality control review the results of project rankings against established criteria, including GIS data, if appropriate, to ensure that information is correctly entered, and calculations and formulas are performing as intended.
4. Project funding recommendations should be presented to Policy Advisory Committees twice, the first time as information, the second for action.

Grant Implementation:
5. Each program should prepare Quarterly Status Reports for submittal to ITOC and Policy Advisory Committees using a consistent format.
Next Steps

Develop on-site visit protocols for the Smart Growth and Active Transportation Grant Programs, employing a risk-based approach to determine what grantees to visit or review and in what frequency.

Responsible parties:
Lead: Diane Eidam
Support: Coleen Clementson, Susan Baldwin, Christine Eary, Stephan Vance and Suchitra Mukherjee.
Timeframe: To be completed by October 31, 2013

Identify a vehicle to communicate grant program outcomes to the public.

Responsible parties:
Lead: Diane Eidam
Support: Kim Kawada and Colleen Winsor
Timeframe: To be completed by October 31, 2013

Refine staff time charging practices to delineate effort spent on grant award, grant administration and on-site visits.

Responsible parties:
Lead: Diane Eidam
Support: André Douzdjian
Timeframe: To be completed by October 31, 2013

Explore options to facilitate timely grant execution in the JARC/New Freedom/Senior Mini-Grant programs.

Responsible parties:
Lead: Diane Eidam
Support: Danielle Kochman
Timeframe: To be completed by September 30, 2013

Transition the Grant Implementation Guidelines to a comprehensive resource tool which includes:
Grant Awards:
1. Standardized scoring methodology.
2. The quality control protocol.
3. Descriptions of the working group and Policy Advisory Committee recommendation and approval processes for each grant program.
4. ITOC, Policy Advisory Committee, and Board reporting formats

Grant Administration:
1. The specifics of monitoring protocols for each grant program.
2. The Quarterly reporting protocol.

Responsible parties:
Lead: Diane Eidam
Support: Grants Coordination Team
Timeframe: To be completed by October 31, 2013
San Diego Association of Governments – TransNet Program

INDEPENDENT TAXPAYER
OVERSIGHT COMMITTEE

September 11, 2013

AGENDA ITEM NO.: 8A

Action Requested: INFORMATION

QUARTERLY TransNet FINANCIAL REPORTS FOR THE PERIOD ENDING JUNE 30, 2013, AND OTHER FINANCIAL DATA

File Number 1500200

Introduction

Staff provides certain TransNet financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to recommendations from the first and second TransNet Triennial Performance Audits.

Discussion

Recommendation No. 17 of the first TransNet Triennial Performance Audit includes the following:

SANDAG should…report to the ITOC on the status of the debt-to-revenue ratio on a regular basis.

The debt-to-revenue ratio, also known as debt service coverage, is a measure of the ability to make interest and principal payments on an annual basis. The annual debt-to-revenue ratio for unaudited FY 2013 is 3.97. Based on unaudited FY 2013 sales tax revenue and debt service payments, this means the San Diego County Regional Transportation Commission could pay the annual debt service 3.97 times. The debt-to-revenue ratio includes the FY 2013 debt service of the 2008 variable rate demand bonds, the 2010 fixed-rate bonds, and the 2012 fixed-rate bonds.

Recommendation No. 18 of the first TransNet Triennial Performance Audit includes the following:

Other data that would be valuable for the ITOC to receive is the quarterly data related to sales tax revenue collected in the particular quarter, collected to date, and distributed amongst the various Extension Ordinance projects, programs, and entities.

The TransNet Extension Quarterly Report (Attachment 1) provides the sales tax allocation and disbursement information for the quarter ending June 30, 2013.
Recommendation No. 7 of the second TransNet Triennial Performance Audit includes the following:

*Replacing the 30 percent fund balance limitation with a more effective measure to monitor performance … where SANDAG and ITOC could observe progress and performance through administrative processes rather than through an audit compliance mechanism.*

At its July 2013, meeting, the ITOC approved replacement of the Local Agency Balance Limitation as part of the approval of the Agreed-Upon Procedures for the FY 2013 fiscal audits. The Local Agency Street and Road balances Report (Attachment 2) includes unaudited balances held at SANDAG and the local jurisdictions through June 30, 2013. Future reports would show prior quarter balances for ITOC to continue monitoring local jurisdiction balances (see Agenda Item No. 8B).

The ITOC also requested that four additional items be provided on a quarterly basis:

1. Local Agency Street and Road balances, which includes balances held at SANDAG and the local jurisdictions (Attachment 2)
2. TransNet Extension estimated annual sales tax revenue as compared to actual receipts (Attachment 3). This report includes a summary of annual sales tax revenue compared to estimated sales tax revenue in 2002 dollars.
3. Annual ITOC operating budget, including future budget projections (Attachment 4)
4. Comparison of sales tax disbursements to annual allocation for all programs and local agencies (Attachment 5). This report provides a program to date comparison of project allocations to funds disbursed by SANDAG.

**ITOC Operating Budget**

The ITOC operating budget analysis (Attachment 3) includes the Board of Directors approved FY 2013 budget, along with the actual (unaudited) expenses for the fiscal year ending June 30, 2013 (FY 2013), and the projected budgets for FY 2014 through FY 2015.

**Attachments:**
1. TransNet Extension Quarterly Report for FY 2013, Fourth Quarter
2. Local Agency Street & Road Balances as of June 30, 2013
3. TransNet Extension Estimated Annual Sales Tax Revenue as Compared to Actual Receipts through June 30, 2013
4. ITOC Operating Budget Analysis
5. Sales Tax Disbursement to Allocation Analysis Through the year ending June 30, 2013

**Key Staff Contact:** Lisa Kondrat-Dauphin, (619) 699-1942, lisa.kondrat-dauphin@sandag.org
### TransNet Allocations

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Sales Tax Allocations</th>
<th>Other Income</th>
<th>Total Allocation</th>
<th>Program Disbursements</th>
<th>Debt Service</th>
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<tbody>
<tr>
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<td>This Quarter</td>
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</tbody>
</table>

#### Financial Data

- **Fiscal Year:** FY 2013
- **Quarter:** 4

### Fund Disbursements

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Sales Tax Allocations</th>
<th>Other Income</th>
<th>Total Allocation</th>
<th>Program Disbursements</th>
<th>Debt Service</th>
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</tr>
</tbody>
</table>

- **Attachment 1**

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*Note: The table above represents the financial data for TransNet allocations and disbursements for the specified fiscal year and quarter.*
## FISCAL YEAR: FY 2013 QUARTER: 4

### TransNet Allocations

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Sales Tax Allocations</th>
<th>Other Income ¹</th>
<th>Total Allocation</th>
<th>Program Disbursements ²</th>
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<tr>
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### Fund Disbursements

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<th>Program to Date</th>
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<tbody>
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<td>City of Santee</td>
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### Commercial Paper Program Activity

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04/01/13 - 06/30/13
### 2008 ABCD Sales Tax Revenue Bond Activity - $600,000,000

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### Other Activity

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<th>Sales Tax Revenue Transfers for EMP Debt Service Payments</th>
<th>Prior Years</th>
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<td>$63,669,812</td>
<td>$2,177,747</td>
<td>$(57,400,772)</td>
<td>$6,269,041</td>
<td></td>
</tr>
<tr>
<td>Total Other Activity</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>

### 2010 A Sales Tax Revenue Bond Activity - $338,960,000

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Bond Proceeds Disbursements</th>
<th>Prior Years</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of San Marcos</td>
<td>$4,901,567</td>
<td>$1,672,399</td>
<td>$7,775,535</td>
<td>$12,677,102</td>
<td></td>
</tr>
<tr>
<td>City of Solana Beach</td>
<td>$45,342</td>
<td>$0</td>
<td>$0</td>
<td>$45,342</td>
<td></td>
</tr>
<tr>
<td>Major Corridor Capital Projects</td>
<td>$260,766,526</td>
<td>$0</td>
<td>$0</td>
<td>$260,766,526</td>
<td></td>
</tr>
<tr>
<td>Major Corridor Project EMP</td>
<td>$43,956,923</td>
<td>$0</td>
<td>$0</td>
<td>$43,956,923</td>
<td></td>
</tr>
<tr>
<td>Total 2010 A Bond Disbursement</td>
<td>$309,670,358</td>
<td>$1,672,399</td>
<td>$7,775,535</td>
<td>$317,445,893</td>
<td></td>
</tr>
</tbody>
</table>

### 2010 B Sales Tax Revenue Bond Activity - $11,040,000

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Bond Proceeds Disbursements</th>
<th>Prior Years</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of National City</td>
<td>$3,383,956</td>
<td>$0</td>
<td>$0</td>
<td>$3,383,956</td>
<td></td>
</tr>
<tr>
<td>City of Santee</td>
<td>$5,608,234</td>
<td>$635,691</td>
<td>$2,680,065</td>
<td>$8,288,299</td>
<td></td>
</tr>
<tr>
<td>Total 2010 B Bond Disbursement</td>
<td>$8,992,190</td>
<td>$635,691</td>
<td>$2,680,065</td>
<td>$11,672,255</td>
<td></td>
</tr>
</tbody>
</table>

### 2012 A Sales Tax Revenue Bond Activity - $420,585,000

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Bond Proceeds Disbursements</th>
<th>Prior Years</th>
<th>This Quarter</th>
<th>FY to Date</th>
<th>Program to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego County</td>
<td>$5,296,376</td>
<td>$0</td>
<td>$1,760</td>
<td>$5,298,136</td>
<td></td>
</tr>
<tr>
<td>Major Corridor Capital Projects</td>
<td>$125,077,726</td>
<td>$22,159,295</td>
<td>$89,383,156</td>
<td>$214,460,882</td>
<td></td>
</tr>
<tr>
<td>Major Corridor Project EMP</td>
<td>$0</td>
<td>$3,016,964</td>
<td>$6,198,698</td>
<td>$6,198,698</td>
<td></td>
</tr>
<tr>
<td>Total 2012 A Bond Disbursement</td>
<td>$130,374,102</td>
<td>$25,176,259</td>
<td>$95,583,614</td>
<td>$225,957,716</td>
<td></td>
</tr>
</tbody>
</table>

**FOOTNOTES:**
1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bonds, and other debt service costs net of interest earnings. SANDAG Admin includes an adjustment to prior year amount.
4. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of $17.1 million. The Program to Date total includes interest earnings. The 2008 Bonds were partially defeased with the issuance of the 2012 Bonds on June 14, 2012, thereby reducing the 2008 Bond Proceed Disbursement.
5. The Commercial Paper Program was reduced from $100 million to $75 million on September 1, 2012.

Data shown in prior reports may have been modified to include additional data received after submission of the report.
### Local Agency Street & Road Balances

**As of June 30, 2013**

<table>
<thead>
<tr>
<th>Local Agency</th>
<th>FY13 LSI Allocation</th>
<th>At SANDAG</th>
<th>At Local Agencies</th>
<th>Cash Balances Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Carlsbad</td>
<td>$2,425,856</td>
<td>$14,823,359</td>
<td>$69,826</td>
<td>$14,893,185</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>4,845,946</td>
<td>10,029,990</td>
<td>771,466</td>
<td>10,801,456</td>
</tr>
<tr>
<td>City of Coronado</td>
<td>523,865</td>
<td>1,047,110</td>
<td>36,377</td>
<td>1,083,487</td>
</tr>
<tr>
<td>City of Del Mar</td>
<td>185,449</td>
<td>374</td>
<td>195,750</td>
<td>196,124</td>
</tr>
<tr>
<td>City of El Cajon</td>
<td>2,069,711</td>
<td>2,601,275</td>
<td>228,696</td>
<td>2,829,971</td>
</tr>
<tr>
<td>City of Encinitas</td>
<td>1,483,380</td>
<td>4,686,713</td>
<td>356,225</td>
<td>5,042,938</td>
</tr>
<tr>
<td>City of Escondido</td>
<td>3,079,638</td>
<td>12,200,397</td>
<td>623,323</td>
<td>12,823,720</td>
</tr>
<tr>
<td>City of Imperial Beach</td>
<td>635,649</td>
<td>512,512</td>
<td>469,785</td>
<td>982,297</td>
</tr>
<tr>
<td>City of La Mesa</td>
<td>1,350,000</td>
<td>3,935,219</td>
<td>327,285</td>
<td>4,262,504</td>
</tr>
<tr>
<td>City of Lemon Grove</td>
<td>622,325</td>
<td>2,226,433</td>
<td>(308,744)</td>
<td>1,917,689</td>
</tr>
<tr>
<td>City of National City</td>
<td>1,189,035</td>
<td>1,799,750</td>
<td>1,744,474</td>
<td>3,544,224</td>
</tr>
<tr>
<td>City of Oceanside</td>
<td>4,133,410</td>
<td>7,388,377</td>
<td>9,293,726</td>
<td>16,682,103</td>
</tr>
<tr>
<td>City of Poway</td>
<td>1,350,649</td>
<td>175,533</td>
<td>22,899</td>
<td>198,432</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>28,060,409</td>
<td>49,068,729</td>
<td>5,025,982</td>
<td>54,094,710</td>
</tr>
<tr>
<td>City of San Marcos</td>
<td>1,791,114</td>
<td>4,026,111</td>
<td>164,351</td>
<td>4,026,111</td>
</tr>
<tr>
<td>City of Santee</td>
<td>1,296,869</td>
<td>3,375,049</td>
<td>(23,841)</td>
<td>3,351,208</td>
</tr>
<tr>
<td>City of Solana Beach</td>
<td>394,556</td>
<td>1,613,117</td>
<td>(5,159,221)</td>
<td>(3,546,104)</td>
</tr>
<tr>
<td>City of Vista</td>
<td>1,986,103</td>
<td>5,119,985</td>
<td>(380,258)</td>
<td>4,739,727</td>
</tr>
<tr>
<td>County of San Diego</td>
<td>13,137,666</td>
<td>19,334,610</td>
<td>2,109,686</td>
<td>21,444,296</td>
</tr>
</tbody>
</table>

**Total:**

$70,561,630 $143,964,642 $15,567,787 $159,532,429

---

1 Amounts are unaudited;

2 For participants in the SDCRTC Debt Program (bonds or commercial paper) amounts may include interest earned on the unspent proceeds (cash and investment balances).

3 A portion of the negative balance at the local agency is due to expenditures that are paid with bond proceeds. A bond proceed request will be submitted to SANDAG in FY 2014.
### TransNet Extension Estimated Annual Sales Tax Revenue as Compared to Actual Receipts through June 2013

<table>
<thead>
<tr>
<th></th>
<th>Annual Estimates</th>
<th>Current Year Actuals vs. Estimates</th>
<th>Current Year Actuals vs. Prior Year Forecast vs. Estimates</th>
<th>Annual Forecast vs. Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>$ 229,741,846</td>
<td>$ 221,991,360</td>
<td>-3.37% -9.07% -6.00%</td>
<td></td>
</tr>
<tr>
<td>FY 2010</td>
<td>199,792,224</td>
<td>204,191,747</td>
<td>2.20% -8.02% -10.00%</td>
<td></td>
</tr>
<tr>
<td>FY 2011</td>
<td>216,443,252</td>
<td>221,304,015</td>
<td>2.25% 8.38% 6.00%</td>
<td></td>
</tr>
<tr>
<td>FY 2012</td>
<td>232,369,215</td>
<td>236,947,112</td>
<td>1.97% 7.07% 5.00%</td>
<td></td>
</tr>
<tr>
<td>FY 2013</td>
<td>249,979,204</td>
<td>$ 247,221,161</td>
<td>2.25% 8.38% 6.00%</td>
<td></td>
</tr>
<tr>
<td>Cumulative</td>
<td>$ 1,131,655,396</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following data is available on a fiscal year basis and has been updated with the June 30, 2013, data: SANDAG initially estimated that it would collect $14.023 billion (real 2002$) over the 40 year life of the TransNet Program that was extended by voters in 2004. Through FY 2013, SANDAG forecasted it would have received cumulatively $1,247.0 million in TransNet revenues. Through FY 2013, SANDAG has received from the State Board of Equalization $1,131.7 million in TransNet revenues, both figures undjusted for inflation. To compare this actual TransNet revenue amount to the SANDAG forecast, both values need to be adjusted for inflation and normalized to the 2009 base year. SANDAG uses the Caltrans Construction Cost Index (CCI) to convert actual (nominal) receipts to receipts in 2002 dollars. After adjusting the actual revenues received and the original forecasts by the CCI, SANDAG has received cumulatively $730.9 million (2002$), compared with the forecast of $781.4 million (2002$) showing the cumulative TransNet receipts to be 6.4% below the forecasted value.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>$ 16,827,830</td>
<td>$ 17,290,900</td>
<td>2.75%</td>
<td>5.34%</td>
</tr>
<tr>
<td>August</td>
<td>21,150,130</td>
<td>21,786,200</td>
<td>2.89%</td>
<td>5.47%</td>
</tr>
<tr>
<td>September</td>
<td>20,980,152</td>
<td>22,610,673</td>
<td>4.63%</td>
<td>7.24%</td>
</tr>
<tr>
<td>October</td>
<td>16,415,026</td>
<td>18,028,000</td>
<td>5.76%</td>
<td>8.41%</td>
</tr>
<tr>
<td>November</td>
<td>20,494,500</td>
<td>22,718,800</td>
<td>6.85%</td>
<td>9.52%</td>
</tr>
<tr>
<td>December</td>
<td>24,719,669</td>
<td>23,147,162</td>
<td>4.14%</td>
<td>6.75%</td>
</tr>
<tr>
<td>January</td>
<td>17,750,568</td>
<td>17,701,100</td>
<td>3.57%</td>
<td>6.16%</td>
</tr>
<tr>
<td>February</td>
<td>22,607,085</td>
<td>23,438,700</td>
<td>3.59%</td>
<td>6.17%</td>
</tr>
<tr>
<td>March</td>
<td>23,050,681</td>
<td>19,225,611</td>
<td>1.06%</td>
<td>4.63%</td>
</tr>
<tr>
<td>April</td>
<td>17,796,287</td>
<td>17,639,600</td>
<td>0.89%</td>
<td>5.10%</td>
</tr>
<tr>
<td>May</td>
<td>22,443,389</td>
<td>21,767,800</td>
<td>0.50%</td>
<td>5.38%</td>
</tr>
<tr>
<td>June</td>
<td>25,743,887</td>
<td>21,866,615</td>
<td>-1.10%</td>
<td>4.34%</td>
</tr>
</tbody>
</table>

$ 249,979,204 \textsuperscript{1} $ 247,221,161

\textsuperscript{1}Latest SANDAG Board of Directors approved estimate.

\textsuperscript{2}Reflects actual year-to-date cash receipts through June 2013.

\textsuperscript{3}Percentage of increase of FY 2013 as compared to FY 2012.
### ITOC Operating Budget Analysis

**FY 2013 Approved Budget and Actual Expenses for the Year Ending June 30, 2013 and Projected Budgets for FY 2014 and FY 2015**

<table>
<thead>
<tr>
<th></th>
<th>FY 2013 Budget</th>
<th>Actual&lt;sup&gt;4&lt;/sup&gt;</th>
<th>Variance</th>
<th>Projected&lt;sup&gt;2&lt;/sup&gt; Budget</th>
<th>FY 2015 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Budget Amount&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 369,991</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Fiscal Audits&lt;sup&gt;3&lt;/sup&gt;</td>
<td>87,008</td>
<td>80,775</td>
<td>(6,233)</td>
<td>102,311</td>
<td>104,357</td>
</tr>
<tr>
<td>Triennial Performance Audit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>266,657</td>
</tr>
<tr>
<td>Mileage</td>
<td>1,480</td>
<td>-</td>
<td>(1,480)</td>
<td>1,511</td>
<td>1,547</td>
</tr>
<tr>
<td>Advertisement</td>
<td>1,313</td>
<td>282</td>
<td>(1,031)</td>
<td>1,341</td>
<td>1,373</td>
</tr>
<tr>
<td>Postage/Delivery</td>
<td>169</td>
<td>-</td>
<td>(169)</td>
<td>173</td>
<td>177</td>
</tr>
<tr>
<td>Reserve for Outside Consulting Services</td>
<td>20,000</td>
<td>-</td>
<td>(20,000)</td>
<td>20,420</td>
<td>20,910</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>109,970</td>
<td>81,057</td>
<td>(28,913)</td>
<td>125,756</td>
<td>395,021</td>
</tr>
<tr>
<td><strong>Net Difference</strong></td>
<td>(109,970)</td>
<td>(81,057)</td>
<td>28,913</td>
<td>(125,756)</td>
<td>(25,030)</td>
</tr>
<tr>
<td><strong>Beginning of Year</strong></td>
<td>522,301</td>
<td>522,301</td>
<td>412,331</td>
<td>286,575</td>
<td></td>
</tr>
<tr>
<td><strong>End of Year</strong></td>
<td>$ 412,331</td>
<td>$ 441,244</td>
<td>$ 286,575</td>
<td>$ 261,545</td>
<td></td>
</tr>
</tbody>
</table>

Notes:

1. Annual budget is $250,000 in 2002 dollars escalated annually by the Consumer Price Index (CPI). The ITOC chose to forgo its FY 2013 and FY 2014 annual budget and spend down its carryover balance from prior years.

2. Projected FY 2014 budget is escalated by approximately 2.1%, and projected FY 2015 budget is escalated by approximately 2.4%, which is the expected CPI increase.

3. Projected annual fiscal audit budgets are based on the independent cost estimate included in the Request for Proposals for independent certified public accounting services issued in FY 2013.

4. Amounts are unaudited.
## Sales Tax Disbursement to Allocation Analysis

### Through the Year Ending June 30, 2013

<table>
<thead>
<tr>
<th>PROGRAM &amp; RECIPIENT</th>
<th>Total Allocation Program to Date</th>
<th>Total Disbursements Program to Date</th>
<th>% of Funds Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>SANDAG Admin</td>
<td>$11,453,427</td>
<td>$(10,917,473)</td>
<td>95.32%</td>
</tr>
<tr>
<td>ITOC</td>
<td>$1,365,436</td>
<td>$(911,560)</td>
<td>66.76%</td>
</tr>
<tr>
<td>Bicycle/Pedestrian/Neighborhood Safety</td>
<td>$26,060,492</td>
<td>$(9,870,654)</td>
<td>37.88%</td>
</tr>
<tr>
<td>Major Corridor Capital Projects¹</td>
<td>$370,388,810</td>
<td>$(314,220,632)</td>
<td>84.84%</td>
</tr>
<tr>
<td>Major Corridor Project EMP¹</td>
<td>$48,188,141</td>
<td>$(48,138,076)</td>
<td>99.90%</td>
</tr>
<tr>
<td>Local Project EMP</td>
<td>$20,231,636</td>
<td>$(13,397)</td>
<td>0.07%</td>
</tr>
<tr>
<td>Smart Growth Incentive Program</td>
<td>$23,536,731</td>
<td>$(3,876,967)</td>
<td>16.47%</td>
</tr>
<tr>
<td><strong>Local Streets and Roads</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Carlsbad</td>
<td>$18,842,449</td>
<td>$(4,019,090)</td>
<td>21.33%</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>$25,490,154</td>
<td>$(15,460,164)</td>
<td>60.65%</td>
</tr>
<tr>
<td>City of Coronado</td>
<td>$3,185,807</td>
<td>$(2,138,698)</td>
<td>67.13%</td>
</tr>
<tr>
<td>City of Del Mar</td>
<td>$1,026,608</td>
<td>$(1,026,234)</td>
<td>99.96%</td>
</tr>
<tr>
<td>City of El Cajon</td>
<td>$11,644,297</td>
<td>$(9,043,021)</td>
<td>77.66%</td>
</tr>
<tr>
<td>City of Encinitas</td>
<td>$10,224,982</td>
<td>$(5,538,269)</td>
<td>54.16%</td>
</tr>
<tr>
<td>City of Escondido</td>
<td>$18,552,282</td>
<td>$(6,351,885)</td>
<td>34.24%</td>
</tr>
<tr>
<td>City of Imperial Beach</td>
<td>$3,451,266</td>
<td>$(2,938,754)</td>
<td>85.15%</td>
</tr>
<tr>
<td>City of Lemon Grove</td>
<td>$9,349,447</td>
<td>$(5,414,229)</td>
<td>57.91%</td>
</tr>
<tr>
<td>City of National City¹</td>
<td>$3,378,354</td>
<td>$(1,151,921)</td>
<td>34.10%</td>
</tr>
<tr>
<td>City of Oceanside</td>
<td>$6,600,333</td>
<td>$(4,800,582)</td>
<td>72.73%</td>
</tr>
<tr>
<td>City of Poway</td>
<td>$7,289,775</td>
<td>$(7,114,241)</td>
<td>97.59%</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>$151,024,258</td>
<td>$(101,955,530)</td>
<td>67.51%</td>
</tr>
<tr>
<td>City of San Marcos¹</td>
<td>$11,009,392</td>
<td>$(6,983,280)</td>
<td>63.43%</td>
</tr>
<tr>
<td>City of Santee¹</td>
<td>$6,855,812</td>
<td>$(3,480,762)</td>
<td>50.77%</td>
</tr>
<tr>
<td>City of Solana Beach¹</td>
<td>$2,238,103</td>
<td>$(624,987)</td>
<td>27.92%</td>
</tr>
<tr>
<td>City of Vista</td>
<td>$12,513,708</td>
<td>$(7,393,722)</td>
<td>59.08%</td>
</tr>
<tr>
<td>San Diego County¹</td>
<td>$72,042,661</td>
<td>$(52,708,049)</td>
<td>73.16%</td>
</tr>
<tr>
<td><strong>Total Local Streets and Roads</strong></td>
<td><strong>$401,360,806</strong></td>
<td><strong>$(257,396,158)</strong></td>
<td><strong>64.13%</strong></td>
</tr>
<tr>
<td><strong>Transit Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTS</td>
<td>$124,325,444</td>
<td>$(124,204,755)</td>
<td>99.00%</td>
</tr>
<tr>
<td>NCTD</td>
<td>$51,030,272</td>
<td>$(50,910,645)</td>
<td>99.77%</td>
</tr>
<tr>
<td>Senior Grant Program</td>
<td>$5,948,076</td>
<td>$(4,037,342)</td>
<td>67.88%</td>
</tr>
<tr>
<td><strong>Total Transit Services</strong></td>
<td><strong>$181,303,792</strong></td>
<td><strong>$(179,152,742)</strong></td>
<td><strong>98.81%</strong></td>
</tr>
<tr>
<td>New Major Corridor Transit Operations</td>
<td>$90,869,905</td>
<td>$(8,456,742)</td>
<td>9.31%</td>
</tr>
<tr>
<td><strong>TOTAL TRANSNET EXTENSION¹</strong></td>
<td><strong>$1,174,758,176</strong></td>
<td><strong>$(832,954,401)</strong></td>
<td><strong>70.90%</strong></td>
</tr>
</tbody>
</table>

¹ Bond and Commercial Paper activity is not included
² Unaudited
FY 2012 TransNet TRIENNIAL PERFORMANCE AUDIT REPORT:
IMPLEMENTATION OF LOCAL STREET AND ROAD PROGRAM RECOMMENDATIONS

Introduction

The FY 2012 TransNet Triennial Performance Audit report included Recommendation Nos. 3 through 6 (see Agenda Item 7A, Attachment 1), which propose that SANDAG take a greater role in monitoring and reporting performance of the Local Street and Road program. The audit report also includes Recommendation No. 7 to replace the 30 percent fund balance limitation with a more effective measure for monitoring program performance. To address these performance audit recommendations, SANDAG staff worked with the ITOC; ITOC Chair Jonathan Tibbitts, the lead for the Local Street and Road portion of the Triennial Performance Audit; and the Cities/County Transportation Advisory Committee (CTAC).

Background

In May 2012, the CTAC established an ad hoc working group to help develop responses to address performance audit Recommendation Nos. 3 through 6. Initial efforts by the CTAC Ad Hoc Working Group included gathering existing information on Local Street and Road program policies, goals, and performance measures for each jurisdiction, and these were presented to ITOC on January 9, 2013. ITOC directed staff to return with proposed options for reporting Local Street and Road program performance for each local jurisdiction. Staff presented examples of proposed performance monitoring measures at the May 2013 meeting, and ITOC discussed options that could be included in future regular reports to the ITOC.

Following the May 2013 ITOC meeting, staff and Maryam Babaki of the City of San Marcos, who is the CTAC lead for the Local Street and Road program audit issues, presented Chair Tibbitts with proposed performance monitoring reports that could be provided in addition to other monitoring reports that the ITOC already receives on a regular basis. In addition to discussing the proposed reports that would address Recommendation Nos. 3 through 6, staff also discussed with Chair Tibbitts options for addressing Recommendation No. 7. Based on discussion at the meeting and subsequent discussion at the July 10, 2013, ITOC meeting, the approach described under the Discussion section below is proposed for ITOC consideration.

The ITOC is asked to discuss the proposed approach for addressing FY 2012 TransNet Triennial Performance Audit Recommendation Nos. 3 through 7.
Discussion

In July 2013, staff met with Chair Tibbitts to discuss proposed performance monitoring reports that included actual data for the cities of Chula Vista, Del Mar, and San Marcos. The type of performance data available varies significantly by local agency making comparability across jurisdictions a challenge. Therefore, to be responsive in addressing performance audit recommendations and to facilitate local jurisdiction reporting, the proposed reports included a wide variety of performance data for a number of projects for each jurisdiction based on allowable uses for TransNet Local Street and Road funds.

Attachment 1 is an excerpt from Board Policy No. 031: TransNet Ordinance and Expenditure Plan Rules and includes guidelines for the implementation of the Local Street and Road program. It lists the more typical types of facilities that are considered eligible uses of Local Street and Road funding and demonstrates that local agencies have the flexibility to fund approximately 30 different project types. Due to this flexibility, there is no single project performance category or statistic that is common across all agencies.

This information was reviewed alongside many of the other regular monitoring reports already provided to the ITOC, such as biannual reports provided by the City of San Diego on streamlined project delivery and fund balance updates; regular review of programming of TransNet revenues in the Regional Transportation Improvement Program (RTIP) and related reports documenting annual programming balances for all agencies (including the 19 local jurisdictions); and quarterly financial reports (see Agenda Item 8A).

Based on discussion at the meeting, concerns regarding the proposed reports were raised, such as the review time ITOC already dedicates to existing reports and the challenge for local agencies to compile and report useful performance statistics in a succinct and user-friendly manner.

In order to complete implementation of performance audit Recommendation Nos. 3 through 7, the approach shown below was discussed with Chair Tibbitts and is proposed for ITOC consideration:

- To more closely monitor program performance while meeting the overall intent of the TransNet Extension Ordinance, work with CTAC to create an annual report of completed projects by jurisdiction summarizing accomplishments based on performance indicators readily available for each jurisdiction. CTAC members would provide, on an annual basis, a list of completed projects including key performance indicators and other performance data as appropriate to report on the performance of the Local Street and Road program, such as miles maintained, level of service, and pavement condition, as well as statistics for any type of facility considered to be an eligible use of TransNet funds (e.g., sidewalk and bike lane improvements).

- To replace the 30 percent fund balance limitation with a more effective measure for monitoring program performance, work with CTAC to determine what a reasonable fund balance for each jurisdiction might be and revise the quarterly financial data report to assist the ITOC in monitoring the use of TransNet funds.
At the July 10, 2013 meeting, the ITOC approved replacement of the 30 percent fund balance rule with a more effective performance measure as part of the approval of the Agreed-Upon Procedures for the FY 2013 fiscal audits. The ITOC also requested that an alternate measure be brought for consideration at a future meeting.

To address the request for an alternate measure, Attachment 4 of Agenda Item No. 8A on the September 11, 2013, ITOC agenda includes a revised version of the Local Agency Street and Road Balances report. The report now lists the annual allocation for each local agency compared to quarterly balances held with both SANDAG and the local jurisdictions. Additional columns would be added to future reports providing the quarter-over-quarter change in the total balance for each jurisdiction. This additional information, over time, may provide an additional tool for the ITOC to monitor use of Local Street and Road funds.

Ms. Babaki will be present at the September 11, 2013, ITOC meeting to answer any questions ITOC may have. Other CTAC representatives may be present as well.

**Next Steps**

Staff will continue working with both the CTAC and the ITOC to provide the requested monitoring of the Local Street and Road program and ensure the audit recommendations are addressed to the satisfaction of the ITOC.

**Attachment:** 1. Excerpt from SANDAG Board Policy No. 031: TransNet Ordinance and Expenditure Plan Rules: TransNet Ordinance and Expenditure Plan Implementation Guidelines for the Local Street and Road Program

**Key Staff Contacts:**
- Alex Estrella, (619) 699-1928, alex.estrella@sandag.org
- Maryam Babaki, (760) 744-1050, MBabaki@ci.san-marcos.ca.us
- Ariana zur Nieden, (619) 699-6961, ariana.zurnieden@sandag.org
TransNet Local Street and Road Program
TransNet Ordinance and Expenditure Plan Implementation Guidelines
June 23, 2006

The TransNet Ordinance requires that at least 70 percent of the revenues provided for local street and road purposes should be used to fund direct expenditures for facilities contributing to congestion relief. No more than 30 percent of these funds should be used for local street and road maintenance purposes. The required multi-year Regional Transportation Improvement Program (RTIP) project lists submitted by local agencies that are found to be out of compliance with this requirement will not be approved. Local agencies may request an exception to this requirement and must provide justification for such a request as part of its project list submittal.

The following table categorizes and lists the more typical types of facilities that are considered to contribute to congestion relief. For other facilities not listed, it must be demonstrated that congestion relief can be obtained before the project can be considered part of the 70 percent Congestion Relief category. Maintenance costs of items listed in the 70 percent Congestion Relief category are eligible under the 30 percent category. Facilities that are not considered to contribute to congestion relief (Items 28-30) are eligible under the 30 percent category.

<table>
<thead>
<tr>
<th>Congestion Relief (At least 70%)</th>
<th>Maintenance and Non-Congestion Relief (No more than 30%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New or Expanded Facilities</strong></td>
<td></td>
</tr>
<tr>
<td>1. New roadways and bridges</td>
<td>Lane removal for bike lanes</td>
</tr>
<tr>
<td>2. Roadway and bridge widening</td>
<td></td>
</tr>
<tr>
<td>3. Roadway widening for bike lanes</td>
<td>Pavement overlay (less than 1 inch)</td>
</tr>
<tr>
<td><strong>Major Rehabilitation and Reconstruction</strong></td>
<td>Pot hole repair, chip seal, fog seal, crack seal (except when part of roadway rehabilitation project)</td>
</tr>
<tr>
<td>4. Roadway rehabilitation (grinding and overlay, or new structural pavement, or new overlay 1-inch thick or greater)</td>
<td>Roadway realignment that does not increase roadway capacity</td>
</tr>
<tr>
<td>5. Roadway realignment</td>
<td>Bridge replacement for aesthetic purposes</td>
</tr>
<tr>
<td>6. Bridge retrofit or replacement</td>
<td>Minor drainage improvements not part of a congestion relief project</td>
</tr>
<tr>
<td>7. Roadway drainage improvements for the purpose of improving capacity-impeding conditions such as significant and frequent roadway flooding</td>
<td></td>
</tr>
<tr>
<td>8. New sidewalk or sidewalk widening</td>
<td></td>
</tr>
<tr>
<td><strong>Traffic Operations</strong></td>
<td></td>
</tr>
<tr>
<td>9. Median installation for safety improvement or left-turn movement</td>
<td>Stand alone landscaping project of an existing median</td>
</tr>
<tr>
<td>10. New traffic signal, passive permissive left turn (PPLT) installation, signal removal for congestion relief reasons, traffic signal upgrades, intersection lighting</td>
<td>Traffic signal replacement, bulb replacement, hardware, software, inductive loop repair</td>
</tr>
<tr>
<td>11. Traffic signal coordination</td>
<td></td>
</tr>
<tr>
<td>12. Traffic signal interconnection</td>
<td></td>
</tr>
<tr>
<td>Congestion Relief (At least 70%)</td>
<td>Maintenance and Non-Congestion Relief (No more than 30%)</td>
</tr>
<tr>
<td>---------------------------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>13. Centrally controlled traffic signal optimization system</td>
<td>Light bulb replacement</td>
</tr>
<tr>
<td>14. Traffic surveillance or detection system (video)</td>
<td></td>
</tr>
<tr>
<td>15. Traffic data collection system for performance monitoring</td>
<td>Bus-only lanes that do not provide congestion relief</td>
</tr>
<tr>
<td>purposes (in pavement detection, radar)</td>
<td></td>
</tr>
<tr>
<td><strong>Smart Growth-Related Infrastructure</strong></td>
<td></td>
</tr>
<tr>
<td>16. Traffic calming measures</td>
<td></td>
</tr>
<tr>
<td>17. Pedestrian ramps</td>
<td></td>
</tr>
<tr>
<td>18. Pedestrian traffic signal activation</td>
<td></td>
</tr>
<tr>
<td>19. Pedestrian crossings/overcrossings</td>
<td></td>
</tr>
<tr>
<td>20. Buffer area between sidewalk and street</td>
<td></td>
</tr>
<tr>
<td>21. Pedestrian roadway lighting</td>
<td></td>
</tr>
<tr>
<td><strong>Transit Facilities</strong></td>
<td></td>
</tr>
<tr>
<td>22. New bus stops</td>
<td></td>
</tr>
<tr>
<td>23. Bus stop enhancements</td>
<td></td>
</tr>
<tr>
<td>24. Bus-only lanes</td>
<td></td>
</tr>
<tr>
<td>25. Queue jumper lanes for buses</td>
<td></td>
</tr>
<tr>
<td>26. Traffic signal priority measures for buses</td>
<td></td>
</tr>
<tr>
<td>27. Transit operational costs for shuttle and circulator routes</td>
<td></td>
</tr>
</tbody>
</table>

| Non-Congestion Relief                                               |                                                           |
| 28. Erosion control (unless required as part of a congestion relief |                                                           |
| project)                                                            |                                                           |
| 29. Landscaping (unless required as part of a congestion relief     |                                                           |
| project)                                                            |                                                           |
| 30. Roadway signing and delineation (unless it is a congestion      |                                                           |
| relief project)                                                     |                                                           |

Note: Staff costs for congestion relief project development (environmental, preliminary engineering, design, right-of-way acquisition, and construction management) are eligible expenditures under the 70 percent category. Staff costs for transportation infrastructure maintenance or traffic operations efforts are eligible under the 30 percent category. Costs for general TransNet fund administration and transportation planning are eligible up to 1 percent of annual revenues.

* To receive credit for providing congestion relief under the 70 percent category, smart growth-related infrastructure must be provided in one of the existing or planned (not potential) seven Regional Comprehensive Plan smart growth land use type characteristic areas: Metropolitan Center, Urban Center, Town Center, Community Center, Transit Corridor, Special Use Center, or Rural Community. Smart growth-related infrastructure built outside of one of the seven types of characteristic areas is eligible under the 30 percent category.
San Diego Association of Governments

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

September 11, 2013

AGENDA ITEM NO.: 9

Action Requested: DISCUSSION

TransNet ENVIRONMENTAL MITIGATION PROGRAM:
FY 2014 MANAGEMENT AND MONITORING ALLOCATIONS
AND COMPETITIVE LAND ACQUISITION GRANT CALL FOR PROJECTS File Number 1200201

Introduction

On February 22, 2008, the SANDAG Board of Directors entered into a Memorandum of Agreement (MOA) with state and federal agencies on the implementation of the TransNet Environmental Mitigation Program (EMP). A provision of the MOA allocates $4 million annually for 10 years to implement regional habitat management and monitoring efforts to help maintain the regions biological integrity, thus avoiding the future listing of endangered species. Allocation of the $4 million is done on an annual basis by the SANDAG Board of Directors. On April 26, 2013, the SANDAG Board of Directors amended the MOA to include the release of funding for land acquisition using economic benefit funding and to direct SANDAG staff to develop a competitive grant program and call for projects for its consideration. The attached Transportation Committee report (Attachment 1) details the recommended funding allotments for FY 2014 and the proposed call for land acquisition grant projects.

Recommendation

The ITOC is asked to discuss the proposed FY 2014 allocation for management and monitoring activities and the proposed land acquisition grant call for projects pursuant to the executed TransNet EMP Memorandum of Agreement for TransNet funding eligibility.

Next Steps

Significant comments by ITOC members will be presented to the SANDAG Board of Directors on September 27, 2013, along with the recommendations of the Regional Planning and Transportation Committees.

Attachment: 1. September 6, 2013, Transportation Committee Report - TransNet Environmental Mitigation Program: FY 2014 Management and Monitoring Allocations and Competitive Land Acquisition Grant Call for Projects

Key Staff Contact: Keith Greer, (619) 699-7390, keith.greer@sandag.org
San Diego Association of Governments
TRANSPORTATION COMMITTEE
September 6, 2013
AGENDA ITEM NO.: 7
Action Requested: RECOMMEND

TransNet ENVIRONMENTAL MITIGATION PROGRAM:
FY 2014 MANAGEMENT AND MONITORING
ALLOCATIONS AND COMPETITIVE LAND ACQUISITION
GRANT CALL FOR PROJECTS

Introduction

The TransNet Extension Ordinance and Expenditure Plan, approved by the voters in November 2004, includes the Environmental Mitigation Program (EMP), which provides funding to mitigate habitat impacts from regional and local transportation projects, and provides funding for regional land management and biological monitoring. The EMP is a unique component of the TransNet Extension Ordinance in that it goes beyond traditional mitigation for transportation projects by including a funding allocation for habitat acquisition, management, and monitoring activities to help implement the regional habitat conservation plans. This funding allocation is tied to mitigation requirements and the environmental clearance approval process for projects outlined in the Regional Transportation Plan.

Each year the Board of Directors allocates $4 million toward implementation of regional land management and biological monitoring pursuant to a Memorandum of Agreement (MOA) with state and federal agencies on the implementation of the EMP. On April 26, 2013, the Board of Directors amended the MOA to include the release of funding for land acquisition using economic benefit funding and to direct SANDAG staff to develop a competitive grant program for future consideration. The purpose of this report is to present recommendations for the allocation of FY 2014 funding for management and monitoring, and the Call for Projects for a competitive land acquisition program.

Discussion

On February 22, 2008, the Board of Directors entered into an MOA with state and federal resource agencies on the implementation of the EMP. A provision of the MOA allocates $4 million annually for ten years to implement regional habitat management and monitoring efforts to help maintain the region’s biological integrity, thus avoiding the future listing of endangered species. Allocation of the $4 million over the ten years of the MOA is done on an annual basis by the Board of Directors.

Recommendation

The Transportation Committee is asked to recommend to the Board of Directors approval of: (1) funding allocations totaling $4 million toward implementation of regional land management and biological monitoring activities, and (2) release of the Call for Projects for a competitive land acquisition grant program using economic benefit funding, pursuant to an executed Memorandum of Agreement with state and federal agencies on the implementation of the Environmental Mitigation Program.

Attachment 1
pursuant to a funding strategy that covers a five year increment (originally approved on December 15, 2006, and last updated by the Board of Directors on January 28, 2011).

On April 26, 2013, the Board of Directors approved the execution of an amended MOA to include a set of 11 policy points that clarified the definition, use, and process for release of funding related to the “economic benefit” provision of the TransNet Ordinance. Under the amended MOA, regional and local transportation projects that have received all of the required local, state, and federal permits for construction are eligible to release economic benefit funding pursuant to a pro-rata share formula included in the MOA. This milestone in the construction process of transportation infrastructure was identified to correspond with the last environmental clearance milestone that sets the final required mitigation obligations. After this time, no additional mitigation obligations can be added. To date, 11 projects totaling approximately $20 million in economic benefit funds have received all of the required permits.

**FY 2014 ANNUAL ALLOCATION FOR MANAGEMENT AND MONITORING**

Funding totaling $4 million is being recommended for regional land management and biological monitoring, as shown in Attachment 1. The recommendations were developed by the Environmental Mitigation Program Working Group (EMPWG) (an advisory committee to the Regional Planning Committee) and unanimously recommended for approval at its July 9, 2013, meeting. The allocation of the $4 million is consistent with the funding needs necessary to continue the implementation of the five-year funding strategy in FY 2014; no new tasks are being added at this time.

**LAND ACQUISITION CALL FOR PROJECTS**

In addition to the $4 million of regional management and monitoring funding, the Board of Directors approved the execution of an amendment to the 2008 MOA, which would allow for the release of $20 million of economic benefit funding in FY 2014. The funds can be used for land acquisition, land management, and/or regional biological monitoring. After review of the regional funding needs for land management and biological monitoring, the EMPWG is unanimously recommending that the $20 million of economic benefit funding be directed towards land acquisition for FY 2014.

As a means to distribute the $20 million of economic benefit funds, the Board of Directors directed SANDAG staff to develop a Call for Projects for land acquisition using economic benefit funds for its future consideration. Pursuant to the amended MOA, a committee comprised of representatives from Caltrans, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, U.S. Geological Survey, and SANDAG would evaluate all proposals resulting from a competitive grant program for land acquisitions and provide its recommendation to the Board of Directors. On June 5, 2013, SANDAG staff met with these agencies to discuss the development of a Call for Projects utilizing the existing SANDAG Board Policies and Procedures (SANDAG Board Policy No. 035 - Competitive Grant Program Procedures). Experts in real estate acquisition and appraisal from the California Wildlife Conservation Board and Caltrans Right-of-Way division also were in attendance to provide insight into the state’s land acquisition process.

SANDAG staff is recommending that the competitive grant process follow the existing SANDAG process used for the TransNet Environmental Mitigation Program Land Management grants. If
approved by the Board of Directors, a Call for Project would be issued in November (see Attachment 2 for draft Grant Program Overview and Instructions as well as proposed timeline). Applicants would be required to fill out an application form (Attachment 2A), which would be assessed for eligibility and ranked using eligibility and evaluation criteria (Attachment 2B) by an evaluation committee made up of the five agencies identified in the MOA. The top ranked projects totaling up to $20 million would be appraised by SANDAG to determine the fair-market value of the property. The top-ranked projects with a combined appraised value of up to $20 million would be brought to the SANDAG Regional Planning and Transportation Committees for a recommendation to the Board of Directors. The Board of Directors would consider approval to award funding to the top projects in September 2014 (FY 2015), along with a budget amendment. SANDAG staff is recommending the issuance of a Call for Projects in substantially the same form as proposed in Attachment 2, to be used to implement a competitive land acquisition grant program.

CHARLES “MUGGS” STOLL
Director of Land Use and Transportation Planning

Attachments: 1. Recommended FY 2014 Funding Allocation for Habitat Conservation Fund (CIP 1200300)
   2. San Diego Association of Governments Environmental Mitigation Program FY 2014 Land Management Grants - Program Overview and Instructions
   2A. Grant Application Form
   2B. Economic Benefit Land Acquisition Eligibility and Evaluation Criteria

Key Staff Contact: Keith Greer, (619) 699-7390, keith.greer@sandag.org
### Recommended FY 2014 Funding Allocation for Habitat Conservation Fund (CIP 1200300)

<table>
<thead>
<tr>
<th>#</th>
<th>TASK</th>
<th>Prior Years FY 06-13</th>
<th>Proposed Funding FY 2014</th>
<th>Comments/ Recommend Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Program Developer/Administrator</td>
<td>$900,000</td>
<td>$220,000</td>
<td>Current funding allows for a half-time Program Developer. Increase funding to allow for hiring of a full-time administrator after current contract expires.</td>
</tr>
<tr>
<td>2</td>
<td>Biologist</td>
<td>$300,000</td>
<td>$215,000</td>
<td>Continue to fund through existing contract with USGS for FY 2014.</td>
</tr>
<tr>
<td>3</td>
<td>Management &amp; Monitoring Coordinator</td>
<td>$1,200,000</td>
<td>$150,000</td>
<td>Continue to fund through existing contract for FY 2014.</td>
</tr>
<tr>
<td>4</td>
<td>GIS Support</td>
<td>$450,000</td>
<td>$150,000</td>
<td>Continue to fund through existing contract with USGS for FY 2014.</td>
</tr>
<tr>
<td>5</td>
<td>Database Development and Support</td>
<td>$480,000</td>
<td>$130,000</td>
<td>Continue to fund through existing contract with USGS for FY 2014.</td>
</tr>
<tr>
<td>6</td>
<td>Administrative &amp; Science Support</td>
<td>$275,000</td>
<td>$60,000</td>
<td>Funding for administrative and scientific support for regional coordination.</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td>$3,605,000</td>
<td>$925,000</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Conserved Lands Database Management</td>
<td>$225,000</td>
<td>$50,000</td>
<td>SANDAG to continue update and refine database with stakeholders.</td>
</tr>
<tr>
<td>8</td>
<td>Land Management Implementation</td>
<td>$13,315,000</td>
<td>$975,000</td>
<td>Existing and proposed funding should go towards implementation of Management Strategic Plan using various contracting methods including competitive grants.</td>
</tr>
<tr>
<td>9</td>
<td>Emergency Land Management Fund</td>
<td>$200,000</td>
<td>$50,000</td>
<td>Provide annual funding of $50,000 until fund reaches $500K as indicated in Five-Year Funding Strategy.</td>
</tr>
<tr>
<td>10</td>
<td>Invasive Plant Species Management</td>
<td>$375,000</td>
<td>$200,000</td>
<td>Existing and proposed funding should go towards implementation of Invasive Plant Strategic plan. No more than 25% should go towards administrative costs.</td>
</tr>
<tr>
<td>11</td>
<td>Invasive Animal Species Management</td>
<td>$270,000</td>
<td>$600,000</td>
<td>TransNet funds should go towards matching funds to assist with the regional feral pig eradication effort, existing predator control in Mission Bay, and recovery effort for southwestern pond turtle.</td>
</tr>
<tr>
<td>12</td>
<td>Updated Vegetation Mapping</td>
<td>$850,000</td>
<td>$0</td>
<td>No new funding required. Contracts to complete work are in place.</td>
</tr>
<tr>
<td>13</td>
<td>Enforcement</td>
<td>$370,000</td>
<td>$150,000</td>
<td>Continue contracts with State game wardens and SD Sheriffs.</td>
</tr>
<tr>
<td>14</td>
<td>Preserve level management plan standardization</td>
<td>$300,000</td>
<td>$150,000</td>
<td>Provide incentive funding to develop 2-3 operational plans for preserve management using recently developed framework plan standards.</td>
</tr>
<tr>
<td>15</td>
<td>Pro-active Wildfire Planning and Management</td>
<td>$150,000</td>
<td>$100,000</td>
<td>Existing and proposed funding should be used to implement pro-active wildfire management recommendations once vetted with regional stakeholders.</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td>$16,055,000</td>
<td>$2,275,000</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Post Fire Monitoring and Recovery</td>
<td>$2,300,000</td>
<td>$0</td>
<td>Task completed. No new funding required.</td>
</tr>
<tr>
<td>17</td>
<td>Vegetation and Landscape Monitoring</td>
<td>$645,000</td>
<td>$0</td>
<td>Review monitoring protocols in FY 2014 prior to funding implementation in future fiscal years.</td>
</tr>
<tr>
<td>18</td>
<td>Rare and Endemic Plant Monitoring and Recovery</td>
<td>$515,000</td>
<td>$0</td>
<td>Task under contract for this FY 2014. No additional funding needed.</td>
</tr>
<tr>
<td>19</td>
<td>Vertebrate Monitoring and Recovery</td>
<td>$150,000</td>
<td>$400,000</td>
<td>Fund recovery of species identified as high priority in the Management Strategic Plan.</td>
</tr>
<tr>
<td>20</td>
<td>Invertebrate Monitoring and Recovery</td>
<td>$100,000</td>
<td>$200,000</td>
<td>Fund recovery of species identified as high priority in the Management Strategic Plan.</td>
</tr>
<tr>
<td>21</td>
<td>Wildlife Corridor and Linkages Monitoring (including genetic studies)</td>
<td>$945,000</td>
<td>$200,000</td>
<td>Continue to funding implementation of Wildlife Connectivity Strategic Plan.</td>
</tr>
<tr>
<td>22</td>
<td>Other Species Monitoring (e.g. priority 2 species)</td>
<td>$490,000</td>
<td>$0</td>
<td>No new funding required.</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td>$7,340,000</td>
<td>$800,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL FUNDING STRATEGY</strong></td>
<td>$27,000,000</td>
<td>$4,000,000</td>
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</tr>
</tbody>
</table>
San Diego Association of Governments Environmental Mitigation Program  
FY 2014 Land Management Grants – Program Overview and Instructions

Program Description

The TransNet Extension Ordinance and Expenditure Plan, as approved by the voters on November 2, 2004, includes an Environmental Mitigation Program (EMP). The EMP is a funding allocation category for the costs to mitigate habitat impacts for regional transportation projects. The EMP is a unique component of the TransNet Extension Ordinance in that it goes beyond traditional mitigation for transportation projects by including a funding allocation for habitat acquisition, management, and monitoring activities as needed to help implement regional habitat conservation plans.

On September 27, 2013, the SANDAG Board of Directors approved the Call for Projects for land acquisitions of up to $20 million to promote the regional habitat conservation plans. The SANDAG Board may choose to acquire one or more properties that will not exceed $20 million. Project applicants are encouraged to provide matching funds. Funding is contingent on SANDAG Board adoption of the FY 2015 budget and subsequent approval of the land acquisition grants.

Eligible Projects

SANDAG has proposed up to $20 million to assist with land acquisition that promotes the success of the Natural Communities Conservation Planning (NCCP) Program through conservation of habitat areas critical to promote endangered species and wildlife movement.

All project proponents would be required to fill out an application form (Attachment 2A), which will help SANDAG staff determine if a proposed acquisition is eligible for grant funding and how it ranks among other eligible grant proposals. The Eligibility and Evaluation Criteria for the grant are provided as Attachment 2B. Projects must first be determined to be eligible for funding before being ranked.

Process for Allocating Funds

SANDAG will accept project proposals from applicants in San Diego County that will benefit regional habitat conservation planning under the NCCP Program. The applicant must own the land or have documentation that the owner is a willing seller. The owner of the property does not need to be the applicant or co-applicant on the grant proposal. Applicants will need to estimate the total cost of the project and provide information on how the costs were determined.

The land must be acquired or conserved as open space for natural resources. The application must include a discussion of who will own the property, who will manage the property, and who will be responsible for the financial management of any funds associated with the acquisition and/or management.

Applicants must complete a Grant Submission Application (Attachment 2A) that does not exceed 10 pages (not including attachments).
All project proposals will be reviewed for eligibility, ranked, and prioritized using the criteria in Attachment 2B. The top-ranked projects that cumulatively total up to $20 million will be appraised by SANDAG through its on-call appraisers. The appraisal will follow the Uniformed Standards of Professional Appraisal Practice by a member of the Appraisal Institute. SANDAG will use this appraisal to determine the value of the property for its highest and best use. SANDAG will only fund the appraised value of the property as part of the grant.

A list of recommended projects and their appraised value will be submitted for consideration to the Environmental Mitigation Program Working Group (EMPWG) and Regional Planning and Transportation Committees for a recommendation to the SANDAG Board of Directors. The SANDAG Board of Directors would authorize any funding for grants in FY 2015.

If approved by the SANDAG Board of Directors, successful applicants will be required to enter into escrow for the acquisition of property, providing a conservation easement or similar restrictive covenant to SANDAG and a management agreement that spells out the terms of management of the property.

Who Will Score the Projects?

An evaluation committee will be made up of representatives from SANDAG, Caltrans, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, and U.S. Geological Survey; and would rank all applications.

Submittal Requirements and Application Deadline

One (1) signed hardcopy of the grant proposal and one (1) copy on a disc as a PDF file shall be submitted. Proposals submitted by facsimile or email are not acceptable and will not be considered.

The applicant is responsible for submitting its entire proposal package with all required submittal documents and any modifications or revisions, so as to reach the SANDAG office as designated in the Call for Projects by the time specified below. Any proposal, modification, or revision received by SANDAG after the exact time specified for receipt of proposals is “late” and will not be considered unless it is received before award is made and the Chief Deputy Executive Director determines that accepting the late proposal would not unduly delay the procurement process; and:

(1) The proposal was received, with all required submittal documents, by SANDAG before proposals were distributed for evaluation or within 24 hours after the exact time specified for receipt, whichever is earlier; or

(2) There is acceptable evidence to establish that the proposal was received, with all required submittal documents, at the SANDAG location designated for receipt of proposals and was under SANDAG control prior to the time set for receipt of proposals; or

(3) There is acceptable evidence to establish that the proposer submitted its proposal, with all required submittal documents, to a third-party carrier for guaranteed delivery to SANDAG by the specified “Closing Time/Date” written below; however, due to an unforeseen event beyond the proposer’s reasonable control, such as poor weather, an act of God, or a delivery mistake by a third-party carrier, the proposal package arrived after the “Closing Time/Date”; or
(4) It is the only proposal received.

The proposal must be addressed to and received no later than 4 p.m., local time, on January 29, 2014, at the office of:

Katie Levy, Grant Administrator  
San Diego Association of Governments  
401 B Street, Suite 800  
San Diego, California 92101

Postmarks will not be accepted in lieu of this requirement.

Proposed Schedule

November 1, 2013 – A Call for Projects is provided to interested stakeholders included in the SANDAG EMP TransNet EMP stakeholder database. A Call for Projects also will be posted on the SANDAG website.

December 4, 2013 – A public workshop will be provided to address any questions on the Call for Projects or the process. Staff from SANDAG will be present to address questions and provide information on the eligibility, approval, contracting, and specific requirements of this grant program.

January 29, 2014 – Applications are due to SANDAG. One signed hard copy to:

Katie Levy, Grant Administrator  
San Diego Association of Governments  
401 B Street, Suite 800  
San Diego, California 92101

and one electronic version emailed to katie.levy@sandag.org.

February 2014 – SANDAG staff will determine the eligibility of all submitted grant proposals. Eligible projects will be submitted to the evaluation committee for review and prioritization.

March 2014 – The list of prioritized grant projects, including those projects to be appraised, will be presented for information to the Regional Planning and Transportation Committees.

March 2014 - May 2014 – Projects receiving the top ranks totaling up to $20 million will be appraised by SANDAG through its agents.

June 2014 – The final prioritized list of projects, including the appraised value of the property, will be presented to the EMPWG for its recommendation to the Regional Planning Committee.

July 2014 – The final prioritized list of projects, including the appraised value of the property, will be presented to the Regional Planning and Transportation Committees for information.
**September 2014** – The final prioritized list of projects, including the appraised value of the property, will be presented to the Regional Planning and Transportation Committees, who will be asked to recommend a list of land management projects for funding.

**September 2014** – The list of projects will be presented to the SANDAG Board of Directors for consideration.

**October 2014** – Approved grant projects will enter into escrow.
Grant Application Form

For Consideration for TransNet Environmental Mitigation Program (EMP)
Fiscal Year 2014 Land Acquisition Grant

(Applications cannot exceed ten 10 pages, not including attachments.)

Applicant Name: ________________________________
Address: _______________________________________
Phone and Email Address: _________________________
Name of Property: ________________________________
General Location: ________________________________
Jurisdiction: ____________________________________
Land Use Designation: _____________________________
Total Acres: ____________________________________
A.P.N.s ________________________________________
Estimated Acres Requiring Management: ___________
Owner(s) of Property: _____________________________
Long-term Management Entity: ____________________
Financial Manager: ______________________________

Brief Project Summary that includes location of property (200-word maximum)

______________________________________________

______________________________________________

1 Attach Statement of Qualifications to Application
FUNDING NEEDS SUMMARY

1. Please indicate how much funding is being requested from SANDAG and any matching funding proposed:

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Requested Funding Amount</th>
<th>Proposed Matching Funds*</th>
<th>Description</th>
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<tbody>
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<td>Estimated Acquisition Cost</td>
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<td>Include all estimated closing costs</td>
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<tr>
<td>Personnel Administrative Expenses</td>
<td>$</td>
<td>$</td>
<td>Includes all staff time to administer the goal</td>
</tr>
<tr>
<td>One-time Management Costs</td>
<td>$</td>
<td>$</td>
<td>Include one-time cost to secure and/or restore property</td>
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<tr>
<td>On-going Management Costs</td>
<td>$</td>
<td>$</td>
<td>Include total cost for long-term management</td>
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<tr>
<td>Other Costs*</td>
<td>$</td>
<td>$</td>
<td>Describe costs</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$</strong></td>
<td><strong>$</strong></td>
<td></td>
</tr>
</tbody>
</table>

*if applicable

Explain how the acquisition cost was determined (200-word maximum). ________________________________

Explain how the management cost was determined (200-word maximum). ________________________________

2. Are there matching funds available? If yes, how are the matching funds assured (200-word maximum)?

☐ Yes  ☐ No

Explain how matching funds are assured. ________________________________
PROJECT SUMMARY

(Maps and/or graphics can be referenced and pasted at the end of this Word document or attached as a separate digital file.)

The summary will include the location of the acquisition property(ies), the proposed strategy for acquisition, identification of matching funds, discussion of both short-term and long-term land management, and the method to assure financial accountability of management funds.

A. Project Purpose

Address the following in the proposal.

1. Describe how the property will contribute to the success of the San Diego regional Natural Community Conservation Planning by acquiring and restoring unique habitat areas, key populations of endangered species, lands adjacent to existing conserved habitat lands, and/or promoting wildlife linkages. Describe the location of the property in relation to the regional open space plans (e.g., Multiple Species Conservation Plan South, Multiple Habitat Conservation Plan, Multiple Species Plan North, etc.) and existing or proposed conserved lands. **PROVIDE A MAP** as an attachment.

2. Describe the designation of the property in the local jurisdiction’s long-range land use and transportation plans, and discuss any conflicts. If the use of the site as habitat conservation/open space is not consistent, a letter from the City Council or its designee will be required indicating that the jurisdiction does not object to the site being purchased for habitat conservation/open space. **PROVIDE LETTER** as an attachment.

3. Describe how the property will provide benefit for federal and/or state-listed species and/or unlisted sensitive species. Identify all known federal or state-listed endangered species, species that are candidate for listing, or unlisted sensitive species (e.g., County of San Diego’s Sensitive Plant List, California Department of Fish and Wildlife list of species of special concern), and the source of the information. Discuss to the extent known, if there are any core populations of listed or sensitive species on or near the property. **PROVIDE A MAP** of species on property if available.

4. Describe the property’s benefit to ecosystem functions and services. Describe the existing biotic and abiotic condition of the property in relation to its disturbance and need for management. Discuss the level of required management need to (1) restore and (2) maintain the abiotic, biotic, and ecological processes of the property when considered in context of the surrounding landscape. Biotic factors include the structure and composition of plant and animal communities. Abiotic factors include soil, hydrology, natural topography, and salinity gradients. Ecological processes include succession, trophic energy flows, and disturbance regimes.

5. Include a discussion of how the acquisition of the property would contribute to overall open space connectivity throughout the region and how this acquisition could fill a void in the matrix of protected open space lands.
6. Describe how the acquisition of the property removes or minimizes threats on the species identified in number 2, above. Examples of threats/stressors include fragmentation; edge effects; loss of habitat from proposed development, conversion to agriculture, or lack of or inappropriate management.

7. Describe the likelihood that the land targeted for acquisition will be converted from natural habitat in the near term. Explain why.

8. Describe how the land proposed for acquisition will increase the likelihood that species and their habitats will be able to respond/adapt to climate changes (e.g., temperature and precipitation) or remove potential impediments to response to climate change.

9. Describe who would own the title of the property and who would manage the property. Describe the qualification of the land manager. Describe how the management cost, both one-time and on-going, have been determined. Discuss the proposed funding strategy for long-term management, including who would fund management and where funds would be held. Describe the experience of the financial manager (proposed entity to hold any endowments for management and/or monitoring) and assurances of long-term funding.

10. Describe the approach for the development of a long-term management plan for the property.

11. Describe any special considerations of the proposed acquisition. Special considerations may include but are not limited to: percentage of matching funds; cost per acre for acquisition and/or management; significantly facilitates broader management goals beyond the targeted parcel boundaries; ancillary benefits (e.g., supports water quality, flood control, or wildfire management needs); completes or significantly benefits a local or regional acquisition strategy/opportunity.

NOTICE REGARDING PREVAILING WAGES

SANDAG EMP Land Management Grants are funded with TransNet revenues consistent with the Transnet Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). While SANDAG does not require grantees to pay prevailing wages, recent California appellate court opinions (Reliable Tree Experts v. Baker, 200 Cal. App. 4th 785 [2011]; Reclamation Dist. No. 684 v. Department of Industrial Relations, 125 Cal. App. 4th 1000 [2005]) and Department of Industrial Relations advisory opinions strongly suggest that many EMP Land Management Grant-eligible projects, especially those involving habitat restoration and maintenance or environmental remediation, will be subject to prevailing wage law. Grant applicants are encouraged to review the provisions of Labor Code §§ 1720 and 1771, and California Code of Regulations, title 8, § 16000. These outline activities constituting public works for purposes of prevailing wage law. Grant applicants are further encouraged to seek advice from an attorney to determine the applicability of the aforementioned statutory provisions and regulation to their proposed grant-funded projects. If awarded an EMP Land Acquisition Grant, the grant agreement between SANDAG and the grantee requires grantee’s compliance with all federal, state, and local laws and ordinances applicable to the agreement.
REQUIRED STATEMENTS FROM GRANTEE

☐ Yes ☐ No The owner of the property is a willing seller and a letter of interest, purchase agreement, or similar commitment from the owner has been attached to this application.

☐ Yes ☐ No The site is consistent with the local jurisdiction’s land use plan as habitat conservation/open space, or the local jurisdiction does not object to the site being acquired for habitat conservation/open space and a letter from the jurisdiction has been included with this application.

☐ Yes ☐ No A preliminary title report to the property(ies) has been included with the application.

☐ Yes ☐ No If the property is selected for consideration to be acquired, the grantee understands that SANDAG will conduct through its proxies an appraisal consistent with the Uniformed Standards of Professional Appraisal Practice by a member of the Appraisal Institute. SANDAG will use this appraisal to determine the value of the property for its highest and best use. The grantee understands that SANDAG, at the sole discretion of the SANDAG Board of Directors, only will offer the appraised value of the property.

☐ Yes ☐ No The grantee agrees to use the escrow account and instructions acceptable by SANDAG.

☐ Yes ☐ No The grantee understands that upon review of the title report, hazardous waste assessments of the property, or any other real property document, SANDAG may choose to not pursue acquisition of the property at its sole discretion.

☐ Yes ☐ No The grantee agrees to provide to record a conservation easement, deed restriction, or similar restrictive convent that will run with the title of the property and be binding on the grantee, heirs, successors, lessees, representatives, and other occupiers of the property.

☐ Yes ☐ No The grantee understands that SANDAG would need to accept the identified land manager and the financial manager for management funds as part of the acquisition grant.

☐ Yes ☐ No The grantee agrees to enter into a Management Agreement with SANDAG for the perpetual stewardship and biological management of the property.

☐ Yes ☐ No The grantee agrees to complete a resource management plan within one year of the acquisition of the property for review by the state and federal wildlife agencies.

☐ Yes ☐ No The grantee agrees to comply with SANDAG Board Policy No. 035 “Competitive Grant Program Procedures,” which outlines “use-it-or-lose-it” project milestone and completion deadlines. SANDAG Board Policy No. 035 is included in the
standardized agreement, and also is on the SANDAG website at the following link: http://www.sandag.org/organization/about/pubs/policy_035.pdf

☐ Yes  ☐ No  The proposed grantee understands that a resolution including the requirements of SANDAG Board Policy No. 035, Section 4.1, must be submitted to SANDAG at least two weeks prior to the recommendation by the Regional Planning Committee of the list of grant projects to be considered eligible. SANDAG will provide applicants with advance notice of the Regional Planning Committee’s anticipated meeting date.

☐ Yes  ☐ No  The grantee understands that only the SANDAG Board of Directors can authorize any funding and costs borne by the grantee prior to SANDAG Board of Director approval is at the risk of the grantee and may not be reimbursed.

☐ Yes  ☐ No  The grantee understands that this grant is an opportunistic purchase by SANDAG and the SANDAG Board of Directors may at its sole discretion choose to fund all, part, or none of the proposal.

I have the authorization to submit this grant on behalf of my organization.

__________________________________________
Grantee Name/Title (print or type)

__________________________________________  mm/dd/yy
Grantee Signature                          Date
ECONOMIC BENEFIT LAND ACQUISITION ELIGIBILITY AND EVALUATION CRITERIA

PROJECT INFORMATION
Project Title: ____________________________________________________________
Jurisdiction: _______________________________________________________________________
Acreage of land acquisition (break down acreage by parcel if more than one parcel is proposed for acquisition): _________________________________________________________________
Estimated total cost of land acquisition: __________________________
Estimated total cost of management: ____________________________
Proposed land manager: ______________________________________
Percent of cost to be borne by partners (list by entity and % of cost): _____________
Project submitted by: _______________________________________
Submittal date: ____________________________________________

PART 1:

SANDAG will utilize the following findings for potential acquisition opportunities to determine their eligibility. A project must meet ALL five of the findings to be considered eligible:

Promotes Natural Community Conservation Planning: The proposed acquisition will contribute to the success of the San Diego regional Natural Community Conservation Planning by acquiring and restoring unique habitat areas, key populations of endangered species, lands adjacent to existing conserved habitat lands, and/or promoting wildlife linkages.

a. Jurisdictional Land Use Plans: Use of the site as habitat conservation/open space is consistent with the long-range land use and transportation policies of one or more local jurisdictions. If the use of the site as habitat conservation/open space is not consistent, the jurisdiction(s) does not object to the site being purchased for habitat conservation/open space.

b. Willing Seller: Owner of the property is a willing seller with clear title to the property and any hazardous material identified in a Phase I environmental site assessment has been evaluated and addressed to the satisfaction of SANDAG.

c. Appraisal: The property must be appraised by a qualified licensed appraiser in accordance with established acquisition and appraisal standards, and reviewed independently by an appraisal specialist working for SANDAG. The first written offer will reflect the fair market value of the property.

d. Owner/Manager: Perpetual ownership of the land has been identified as well as a qualified land manager. The identified owner is a public agency or nonprofit organization willing to provide a conservation easement or deed restriction to SANDAG or mutually agreed-upon third party. SANDAG and the land manager have agreed upon the annual cost to manage the land and the method for funding the annual management costs.
PART 2:

If a potential acquisition opportunity is deemed eligible, then the following Evaluation Criteria will be used to evaluate and prioritize the grant project:

SPECIES BENEFITS:

The purpose of this section is to evaluate how beneficial the land acquisition will be for listed and unlisted species.

Listed Species

1. Acquisitions that benefit more listed, proposed, or candidate species will score higher.

   **Score:** Number of state and federally listed, proposed, or candidate species (a species that is both state and federally listed only counts as 1) that will benefit from the land acquisition. (10 points maximum)

   0 species (0 pts.) - Skip to Question 3

   1 species (1 pt.)

   2-5 species (4 pts.)

   6-10 species (8 pts.)

   11+ species (10 pts.)

2. Acquisitions that provide greater benefit to listed species will score higher. The benefits to the listed species will be considered **major** if, through the acquisition, the majority of the species’ range-wide habitat or an essential piece (e.g., core or linkage) of habitat is protected, a major/critical/significant population necessary for recovery is protected, or major threats to the species are eliminated. The benefits to the listed species will be considered **minor** if, through the acquisition, only a small percentage of the species’ range-wide habitat is protected, etc.

   **Score:** Magnitude of benefits for listed species that will result from the land acquisition. (10 points maximum)

   **Score:** Magnitude of species benefits for listed species. (10 points maximum)

   Mostly minor benefits will result for the listed species (1 pt.)

   A combination of major and minor benefits will result for listed species (6 pts.)

   Mostly major benefits will result for the listed species (10 pts.)
**Unlisted Species**

3. Acquisitions that benefit more unlisted sensitive (e.g., on the County of San Diego’s Sensitive Plant List; California Department of Fish and Wildlife list of species of special concern) species will score higher. Unlisted species do not include species listed by the state or federal governments as listed as threatened or endangered or that are proposed or candidates for listing.

**Score:** Number of unlisted, proposed, and candidate species that will benefit from the land acquisition. (10 points maximum)

- 0 species (0 pts.) - Skip to Question 5
- 1-5 species (3 pts.)
- 6-10 species (6 pts.)
- 11+ species (10 pts.)

4. Acquisitions that provide greater benefit to unlisted species will score higher. The benefits to the species will be considered **major** if, through the acquisition, the majority of the species’ range-wide habitat is protected, an essential piece of the habitat is protected, a major population necessary for conservation is protected, or major threats to the species are eliminated. The benefits to the species will be considered **minor** if, through the acquisition, only a small percentage of the species’ range-wide habitat is protected, etc.

**Score:** Magnitude of species benefits for unlisted species. (10 points maximum)

- Mostly minor benefits will result for the unlisted species (1 pt.)
- A combination of major and minor benefits will result for unlisted species (6 pts.)
- Mostly major benefits will result for the unlisted species (10 pts.)

**ECOSYSTEM BENEFITS**

The purpose of this section is to evaluate how beneficial the land acquisition will be for the identified ecosystem function and services.

5. Lands that require little or no management or significant restoration to provide benefits for the identified species will score higher in this evaluation factor. This habitat can include occupied or suitable, unoccupied habitat. The level of management and/or restoration expected to be necessary is based on an evaluation of the biotic and abiotic components and ecological processes and known or anticipated threats. Biotic factors include the structure and composition of plant and animal communities. Abiotic factors include soil, hydrology, natural topography, and salinity gradients. Ecological processes include succession, trophic energy flows, and disturbance regimes.

**Score:** When considered in the context of the surrounding landscape, what is the anticipated
need for management and/or restoration to maintain the ecological processes necessary to maintain a fully functioning ecosystem? (15 points maximum)

Continued management and/or restoration to maintain ecosystem functions

___Significant (0 pts.)

___Moderate (10 pts.)

___Little to none (15 pts.)

6. Land acquisitions that fill in critical components for land protection will score higher (e.g., lands that link two preserves together to reduce habitat fragmentation).

Score: Do the lands proposed for acquisition fill a critical void in the matrix of protected lands, such as a connection between protected areas or protection of a core population area? (15 points maximum)

To some degree for at least one identified listed species (5 pts.)

To a great degree for one identified listed species and some degree for one or more identified listed or unlisted species (10 pts.)

To a great degree for more than two identified listed species (15 pts.)

THREATS

This section includes consideration of how the acquisition removes or minimizes threats/stressors on the species identified above.

7. Acquisitions that address an imminent threat will score higher. Examples of threats/stressors include fragmentation; edge effects; loss of habitat from proposed development, conversion to agriculture, or lack of or inappropriate management. (15 points maximum)

Score: What is the land's likelihood that the land targeted for acquisition will be converted from natural habitat in the near term (2 years)?

___Not likely (0 pts.)

___Possible (e.g., landowner has been pursuing development permits, infrastructure is in, prime agricultural land adjacent to the site) (10 pts.)

___Highly likely (e.g., property has an approved development plan, identified species habitat is degrading due to lack of or current management practices) (15 pts.)

8. Land acquisition projects with a focus on climate change adaptation should be addressed here to identify the conservation benefits to be derived through acquisition of the property in support of the identified species (15 points maximum).

Score: Do the lands proposed for acquisition increase the likelihood that species and their
habitats will be able to respond/adapt to climate changes (e.g., temperature and precipitation) or remove potential impediments to those responses?

___Not likely (0 pts.)

___Possible (8 pts.)

___Highly likely (15 pts.)

**SPECIAL CONSIDERATIONS** (15 points maximum).

This section documents special considerations that are not addressed in the above point scoring sections. Special considerations may include but are not limited to: percentage of matching funds; cost per acre for acquisition and/or management; significantly facilitates broader management goals beyond the targeted parcel boundaries; ancillary benefits (e.g., supports water quality, flood control, or wildfire management needs); completes or significantly benefits a local or regional acquisition strategy/opportunity; etc.

<table>
<thead>
<tr>
<th>Acquisition Project Evaluation Criteria</th>
<th>Point Range</th>
<th>Maximum Score Possible</th>
<th>Total Score</th>
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<tr>
<td><strong>SPECIES BENEFIT</strong></td>
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<tr>
<td>Listed Species</td>
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<td></td>
<td></td>
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<tr>
<td>Number of Listed Species</td>
<td>0-10</td>
<td>10</td>
<td></td>
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<tr>
<td>Magnitude of Benefit</td>
<td>1-10</td>
<td>10</td>
<td></td>
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<tr>
<td>Unlisted Species</td>
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<tr>
<td>Number of Unlisted Species</td>
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<tr>
<td>Magnitude of Benefit</td>
<td>1-10</td>
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<td><strong>ECOSYSTEM BENEFIT</strong></td>
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<td>Landscape Context</td>
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<td>Missing Linkage or Gap in Protection</td>
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<td><strong>THREATS</strong></td>
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<td>Land Under Imminent Threat</td>
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<td>Necessary for Climate Change Adaptation</td>
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Total points score ______ (Maximum available = 115)
REGIONAL BIKE PLAN EARLY ACTION PROGRAM

Introduction

In 2011, the Board of Directors adopted the 2050 Regional Transportation Plan/Sustainable Communities Strategy, which included integration of Riding to 2050: San Diego Regional Bicycle Plan (Bike Plan) previously approved by the SANDAG Board in 2010. The Board’s action also included the development of a Bike Plan early action program (EAP). In April 2012, the Transportation Committee accepted the goals of the Bike EAP framework and approved funding to conduct preliminary engineering work and refine construction cost estimates. These estimates were used to prepare Bike EAP funding scenarios and implementation options.

Attachment 1 includes four Bike EAP funding options, a summary of the funding assumptions, and a description of the overall programmatic approach for implementation of the Bike EAP network. The report was presented on July 19, 2013, for Transportation Committee discussion. At the meeting, the Transportation Committee directed staff to remove Scenario 4 as an EAP implementation option, so that a competitive grant program for local bike plans and program could be continued consistent with the previously approved Bike EAP framework goals.

Recommendation

The ITOC is asked to review and discuss the proposed Bike Plan EAP for consistency with the TransNet Extension Ordinance.

Next Steps

On September 20, 2013, the Transportation Committee is scheduled to review refined Bike EAP implementation scenarios for recommendation to the Board of Directors. Any significant comments by ITOC members will be forwarded to the Transportation Committee and Board of Directors.

In addition to seeking a recommendation for approval of the overall implementation of the Bike EAP, the Transportation Committee also will be asked to program project funding for FY 2014 and FY 2015. The proposed FY 2014 and FY 2015 funding would allow work to continue on the high-priority regional bikeway projects that are already underway as part of the initial implementation of the Bike Plan, and would allow work to begin on the next set of projects identified in the EAP. More detailed information would be presented to the ITOC in fall 2013.

Attachment: 1. July 19, 2013, Transportation Committee Report - Regional Bike Plan EAP

Key Staff Contact: Chris Kluth, (619) 699-1952, chris.kluth@sandag.org
REGIONAL BIKE PLAN EARLY ACTION PROGRAM

Introduction

*Riding to 2050: San Diego Regional Bicycle Plan* (Bike Plan) was approved by the Board of Directors on May 28, 2010. The Bike Plan was developed to support implementation of the Regional Comprehensive Plan (RCP) and the Regional Transportation Plan (RTP), both of which call for more transportation options and a balanced regional transportation system that supports smart growth and a more sustainable region.

On October 28, 2011, the Board of Directors made a major commitment to Active Transportation with the adoption of the 2050 RTP/Sustainable Communities Strategy (SCS). The final action by the Board calls for beginning work on an Early Action Program (EAP) for the projects included in the Board-approved Bike Plan within six months of the 2050 RTP/SCS adoption, as well as planning for a broader Active Transportation program, including safe routes to school and safe routes to transit, within two years of the 2050 RTP/SCS adoption. The Transportation Committee accepted the goals for the Bike Plan EAP framework on April 6, 2012. This action also included funding to initiate preliminary engineering and detailed cost estimates for the Bike EAP network.

This report will present four Bike Plan EAP funding options, a summary of the funding assumptions, and description of the overall programmatic approach for implementation of the Bike EAP network. Each option varies in the amount of funding set aside for the local grant program.

Discussion

**EAP Framework Goals**

The accepted framework goals used to develop the Bike Plan EAP and funding strategy are as follows:

- The overall goal is to implement the Regional Bicycle Network High Priority Projects within 10 years
- Execute Regional Bicycle Programs to support the Regional Bicycle Network as outlined in the Bike Plan
- Continue to fund local bicycle and pedestrian plans, programs, and projects through a competitive grant program

In accordance with the framework goals, the projects proposed for the Regional Bike Plan EAP listed in Attachment 1 were prioritized using the criteria as shown in Attachment 2.
Preliminary Engineering and Cost Estimates

The cost estimates were developed by SANDAG engineering and planning staff with the assistance of two engineering consulting teams. The summary project costs shown in Attachment 1 are the estimated costs to complete the projects. Project costs include planning, environmental approval, preliminary engineering, design, right-of-way acquisition, review and permitting, construction, construction management and administrative costs including communications and legal. As is standard practice for projects in all stages of development, a contingency is included and varies based on project phase and in some cases the unique circumstances involved in a given project. Similar to the way Transportation Demand Management (TDM) measures are a part of regional major corridor projects, regional bikeway projects also will include programmatic elements such as targeted marketing efforts and community-based travel planning that will support the capital investments for construction of the Regional Bicycle Network in order to maximize usage and safety.

Implementation Options

One of the EAP framework goals is to continue funding the local grant program. This goal is a very influential factor in determining the funding capacity of the Bike EAP program and was used to develop the proposed scenarios. Four preliminary financial scenarios were evaluated as shown in Table 1. In each scenario, assumptions for the investment levels for the Bike EAP and the grant program varied. Four scenarios were run as shown in Table 1 below. The analysis shows that positive fund balances and adequate debt service coverage are maintained for the program.

<table>
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<tr>
<th>Scenario</th>
<th>EAP Amount $</th>
<th>Annual Grant Amount $</th>
<th>Grant Starting Year</th>
<th>Maintains positive fund balance and adequate debt service coverage?</th>
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<tr>
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<td>$2M</td>
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<tr>
<td>3</td>
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<td>$1M</td>
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<tr>
<td>4</td>
<td>$220M</td>
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The analysis shows the impacts of having varying investment levels for the Bike EAP ($170 million to $220 million), different annual grant amounts ($1 million, $2 million, or none at all) and different annual grant program starting years (2014 vs. 2024).

Attachments 1 and 3 show the proposed project priority list and a regional map showing all of the projects with the Scenario 1 funding cut-off shown for illustration purposes. The other scenario funding cut-offs and corresponding project lists can be found by using the rolling total cost column in Attachment 1.

The scenarios illustrate how increasing the size of the annual grant program from $1 million (Scenario 1) to $2 million (Scenario 2) would reduce the size of the Bike EAP by approximately $30 million. Deferring the start of a grant program from 2014 (Scenario 1) to 2024 (Scenario 3) adds approximately $10 million to the potential size of the EAP, from about $200 million to $210 million. Lastly, not having an annual grant program (Scenario 4) would allow the Bike EAP to be approximately $220 million. All four scenarios are similar in terms of the Debt Service Coverage Ratio, which would be close to 1.0x by 2031, near the end of the 20-year analysis period.
It is proposed to initially use the existing SANDAG commercial paper program as the means for financing the projects as the overall program ramps up. This strategy allows for only borrowing what is needed on an ongoing basis until the program is fully up and running. The potential to transfer the financing to long-term bonds can be evaluated each time the TransNet Major Corridors program contemplates a new bond issuance as part of the regular updates of the TransNet Program Plan of Finance.

Revenue Assumptions and Other Funding Opportunities

The assumptions for the revenues include the 2 percent TransNet Bicycle, Pedestrian and Neighborhood Safety (BPNS) program, and the Transportation Development Act (TDA) non-motorized program.

The Bike EAP is modeled after the Board’s current TransNet EAP, which has advanced TransNet Major Corridor projects around the region. The EAP concept has enabled the construction of a number of major transportation projects, and has allowed others to move forward to construction readiness, which helps position the region well if additional funds become available. To maximize funding opportunities from other sources, the Bike EAP implementation would be timed to have different projects in every stage of development. All projects would be moving toward the construction phase on a rolling timeline so at any given time there would be projects that are close to being “shovel ready” for construction. Partnerships and coordination with other regional and local projects are other opportunities that would be actively pursued by the project development team.

Potential funding opportunities could include the Transportation Alternatives (TA) program that was included in the federal surface transportation authorization, Moving Ahead for Progress in the 21st Century (MAP-21) and for which specific state legislation is pending to determine the project selection and distribution processes. This program in part replaces the long-standing Transportation Enhancements (TE) federal funding program under which the region has historically been successful in competing for past regional bicycle projects.

Other opportunities could include future state and federal funds, including infrastructure bond measures and grant funds from environmental conservancies. In the event that the region is successful in securing additional funds, they would be incorporated into the annual TransNet Plan of Finance (POF) update to identify potential additional opportunities to defer debt financing or advance additional bike projects. Changes to assumptions in project costs and schedules, and to revenues, would be included in the annual TransNet POF update that is generally brought to the Board each year in the fall.

Other Issues

Supporting Programs

With the implementation of the projects as part of the draft Bike Plan EAP, it is proposed to integrate and coordinate other supporting programs within the individual project budgets, with the goal of increasing the number of people riding bikes for transportation. For example, targeted marketing efforts and community-based travel planning could be employed in a particular corridor to encourage greater usage of a new bike facility.
Data Collection, Evaluation, and Modeling

Proper planning for active transportation requires up-to-date and accurate data and model information on bicyclists, pedestrians, and the facilities they use. Development of the Regional Bike Plan EAP would be coordinated closely with ongoing data collection, evaluation, and monitoring efforts. Funding for this program was approved as part of the initial implementation efforts so that baseline data could be collected, and a bicycle/pedestrian model could be developed in time for incorporation into the Activity-Based Model that will be used to develop San Diego Forward: The Regional Plan. The Activity-Based Model under development relies on data to improve analyses of bicycle/pedestrian usage. Funding for this program is allowing SANDAG to collect pertinent data, establish evaluation criteria, and a framework to monitor the impact of investments in active transportation.

Next Steps

Based on discussion and input today, the implementation scenarios will be refined and brought back to the Transportation Committee in September for recommendation to the Board of Directors for final action.

CHARLES "MUGGS" STOLL
Director of Land Use and Transportation Planning

Attachment: 1. Regional Bike Plan EAP – Proposed Project Priority
   2. Regional Bike Plan EAP – Prioritization for Proposed Phasing
   3. Regional Bike Plan EAP – Map

Key Staff Contact: Chris Kluth, (619) 699-1952, chris.kluth@sandag.org
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<th>Facility Type</th>
<th>Project</th>
<th>Location(s)</th>
<th>FY $</th>
<th>Status</th>
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<th>Cost</th>
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** Continued from previous phase **
REGIONAL BIKE PLAN EAP

PRIORITIZATION FOR PROPOSED PHASING

Note: Urban projects and Class I projects prioritized separately

**Urban Projects**

1. Continue working on and finish projects started in the Initial Implementation phase

2. Base prioritization on existing results/criteria adopted by Transportation Committee when Initial Implementation was presented
   
   a. Demand Base Criteria
      
      i. Gravity model based on Smart Growth Opportunity Areas (SGOAs)
      
      ii. Higher land use intensities and shorter distances between SGOAs lead to greater estimated demand
   
   b. Facility Based Criteria
      
      i. Network gaps
      
      ii. Bicycle crashes
      
      iii. Public comments

3. Group similarly prioritized projects together geographically

**Class I Projects** Finish projects started in the Initial Implementation phase and continue working on projects SANDAG is lead implementation agency

1. Project readiness

2. Group geographically with other Urban Projects where feasible/efficient

3. Capitalize on other regional project implementation efforts
Projects 48B, 48C, 15, 8, 9, and 10 funded through ROW.
ENVIRONMENTAL MITIGATION PROGRAM
FY 2014 MANAGEMENT AND MONITORING ALLOCATIONS AND COMPETITIVE LAND ACQUISITION GRANT CALL-FOR-PROJECTS

September 11, 2013

TransNet
Environmental Mitigation Program

Large scale acquisition, management, and monitoring

Reduce cost, accelerate delivery, implement habitat plans, and reduce listing of species
Environmental Mitigation Program Costs
In Millions, 2002 Dollars

- Total Program $850 Million
- Local Transportation Project Mitigation $200
- Major Highway & Transit Project Mitigation $450
- Regional Habitat Conservation Fund $200 M
- Transportation Project Mitigation Fund $650 M
- $150
- $50

Plus up to $30 M in financing costs for advanced habitat acquisition

Habitat Conservation Fund

Implementation Process

MOA (2/22/08) amend (4/26/13)
$4 million annually for 10 years

- Five-year funding strategy
- Annual funding approved by SANDAG Board of Directors
FY 14 Management and Monitoring Allocations

No New Tasks Proposed

- Regional Coordination
- Regional Management
- Regional Monitoring

Total $4 Million Consistent with MOA

Land Acquisition Call for Projects

BOD amended MOA

- Economic Benefit Funding
- Land Acquisition Program
- Competitive Grant
- Draft Call-for-Projects
- Eligible Projects would be Evaluated and Ranked
- Proposed Timeline
Next Steps

- Recommendations provided to Board of Directors on Sept. 27, 2013
- If approved, staff would implement management and monitoring activities for FY 14 and issue the Call-for-Projects by Nov. 1, 2013