



San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

5b

AGENDA REPORT
Business | Action

September 18, 2025

TO: Cities Advisory Committee

FROM: Priscilla Mumpower, Assistant Executive Officer
Meghan Traynor, Local Government Analyst I

**SUBJECT: Update on High Priority Project |
Municipal Service Review on the San Diego Association of Governments**

SUMMARY

The Cities Advisory Committee (“Committee”) will receive an update on LAFCO’s scheduled municipal service review of the San Diego Association of Governments (SANDAG) – one of 10 high-priority projects in the approved work plan. This update responds to earlier Committee requests for regular briefings on high-priority municipal service review projects and is intended to ensure members can provide input on behalf of all cities regarding the document’s preparation, including its current scale, scope, and performance measures developed to date. Staff seeks feedback on current and pending project activities. The item also provides the Committee with an opportunity to consider establishing a subcommittee to offer more focused input on the review’s development, including the formulation of specific recommendations.

BACKGROUND

San Diego LAFCO's current fiscal year work plan includes 30 projects with assigned priorities. Among the 10 high-priority projects is a municipal service review of SANDAG, which has been carried over from a prior work plan. The review originates from a recommendation in an earlier white paper prepared by the William Fulton Group, which analyzed SANDAG's evolving role in regional growth management and its relationship to LAFCO's legislative mandate to oversee local government boundaries and services consistent with community needs.

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LAFCO retains discretion in determining the appropriate scope of each municipal service review and currently does so through policy delegation to the Executive Officer. Nonetheless, all municipal service reviews must meaningfully address the following statutory factors:

- Growth and Population Projections
- Present and Planned Infrastructure and Service Capacities
- Adequacy of Services Relative to Community Needs
- Financial Standing to Provide Services
- Opportunities for Shared Facilities
- Accountability of Governmental Structure and Alternatives
- Any Other Factors Required by Local Policy
 - Environmental Justice (local policy)

DISCUSSION

The Committee will receive an update on one of San Diego LAFCO's highest work plan priorities – a municipal service review of SANDAG. This study represents the first municipal service review prepared for SANDAG with LAFCO staff being assisted by the William Fulton Group. The project's scope of work generally follows LAFCO's standard municipal service review format with a focus on three core service areas collectively tasked to SANDAG through its various roles under federal and state statute as well as local agreements: (a) transportation (planning and construction), (b) housing planning, and (c) climate adaptation planning.

A summary of key milestones achieved and pending work to be completed on the MSR follows along with emerging topics of interest to the Committee. Attachment one includes a full working outline of the MSR to date.

SANDAG Input

Nine meetings have been held since August 2024 between LAFCO and SANDAG to discuss the municipal service review. Over the course of these meetings, SANDAG staff has provided LAFCO staff with critical data, documentation, and insights that have substantially informed the MSR's development — particularly supporting the data-intensive requirements of the William Fulton Group's analysis.

MSR Progress + Emerging Themes

The William Fulton Group is nearing completion of its contribution to the municipal service review and the analysis of the availability, delivery, and performance of SANDAG services specific to the three functions targeted for review by the Executive Officer: transportation planning and construction, housing planning, and climate adaptation planning. The analysis of transportation planning and construction is emphasized among the three functions. Key areas and emerging themes from this analysis follow:

- **SANDAG’s Organizational Roles**

An in-depth examination of SANDAG’s complex identity as a Council of Governments (COG), Regional Transportation Planning Agency (RTPA), and Metropolitan Planning Organization (MPO), highlighting the agency’s unique governance structure.

- **Unique Transportation Responsibilities**

A review of SANDAG’s transportation construction responsibilities, a role shaped by Senate Bill 1703, distinguishing SANDAG from other MPOs and RTPAs in California.¹

- **Management Turnover and Agency Stability**

Consideration of the significant senior management turnover at SANDAG over the past decade, exploring how these leadership changes have impacted the implementation of regional transportation plans and the ability of agency staff to maintain operational continuity, transparency and accountability amid shifting priorities. Includes an examination of how these institutional changes relate to the progression of transportation projects identified in the 2004 TransNet ballot.

- **Transportation Performance Metrics**

Analysis of the evolution and status of the transportation projects identified in the 2004 TransNet ballot (outputs) and their locations (geospatial equity), in addition to a broader examination of SANDAG’s reporting of regional impact metrics (outcomes), including:

- Commute Mode Split
- Freeway Traffic Congestion
- Excessive Delay
- Traffic Collisions
- Transit Ridership and Access
- Air Quality: Greenhouse Gas Emissions
- Bicycle Ridership

- **Special District Oversight**

Preliminary finding by the Executive Officer that the two operators tasked with public transit operations – San Diego Metropolitan Transit System and North County Transit Districts – are subject to LAFCO oversight.

As LAFCO advances toward finalizing an administrative draft, the current analytical focus centers on assessing the progress of capital projects funded under the original 2004 TransNet ordinance.² Simultaneously, LAFCO is also conducting a detailed examination of the correlation between SANDAG’s project delivery and measurable regional impacts over the fifteen-year evaluation period spanning Fiscal Years 2009 through 2024. Additionally, LAFCO

¹ The 2002 San Diego Regional Transportation Consolidation Act (SB 1703) created a consolidated regional transportation authority to manage and implement transportation planning and infrastructure in the San Diego region. San Diego Metropolitan Transit Development Board’s (MTDB) transportation planning and capital construction responsibilities were transferred to SANDAG, while transit operations remained with MTS (the successor to MTDB) and the North County Transit District (NCTD).

² The TransNet program is San Diego County’s half-cent sales tax ordinance dedicated to transportation. Through TransNet, SANDAG oversees the implementation of Regional Plan projects with locally sourced funding.

has made headway in drafting the remaining sections of the document, which include comprehensive analyses of SANDAG's institutional background, jurisdictional boundaries, demographic context, governance framework, and financial health.

Staff **anticipate** delivering a complete administrative draft report for SANDAG's internal review as early as January 2026.

A complete draft for public circulation is expected to be ready as early as April 2026.

ANALYSIS

None.

RECOMMENDATION

This item is presented to the Committee for information and feedback with the opportunity to establish a sub-committee to review and provide feedback on the SANDAG document as it transitions towards a complete administrative draft.

ALTERNATIVES FOR ACTION

Alternative One (recommended):

Establish a sub-committee of no more than eight members to review the SANDAG MSR and provide feedback after a first administrative draft is delivered to SANDAG.

Alternative Two:

Proceed without the establishment of a sub-committee.

PROCEDURES FOR CONSIDERATION

This item has been placed on the Committee's agenda for action as part of the business calendar. The following procedures are recommended:

- 1) Receive verbal presentation from staff unless waived.
- 2) Committee discussion and invite comments from interested audience members if any.
- 3) Consider the staff recommendation.

Respectfully,



Meghan Traynor
Local Government Analyst I

Attachments:

- 1) Working outline of SANDAG MSR

Municipal Service Review on the San Diego Association of Governments Working Outline

- I. Chapter 1: Overview
 - a. High-level summary with respect to services, governance, finances and agency priorities as of reporting period end
- II. Chapter 2: Background
- III. Chapter 3: Service Boundaries of Agency
- IV. Chapter 4: Demographics
- V. Chapter 5: Organization (Governance and Structure)
- VI. Chapter 6: SANDAG Services
 - a. Transportation (Core Focus of Chapter), Housing, Climate Adaptation
- VII. Chapter 7: Finances
 - a. Budget, Funds, Pension Obligations + Standard Indicators

Working Outline of Chapter 6 of SANDAG Municipal Service Review Transportation, Housing, and Climate Adaptation Services

- 1. Transportation Planning Function**
 - a. Resources + Current Capacities**
 - i. Summary of SANDAG program budget funding sources
 - 1. Federal funds, state funds and local TransNet collections
 - 2. Other locally generated funds separate from TransNet
 - a. Ex. toll revenues collected on managed lanes such as I-15 Express Lanes
 - ii. Summary of top 10 budgeted expenditures from FY2024 capital projects
 - b. Agency Demands**
 - i. Regulatory Prompts - summary of the federal and state legislature directives for SANDAG's work**
 - 1. Federal: Transportation Equity Act for the 21st Century, 1998 | Successor to 1991 ISTEA
 - a. Establishes certain baseline factors for MPOs to address in their Regional Plans
 - 2. Federal: Safe, Accountable, Flexible, Efficient Transportation Equity Act, 2005 | Successor to 1998 TEA-21
 - a. Establishes community participation standards as well as formal consultation opportunities with tribes and environmental groups

3. State: California Global Warming Solutions Act of 2006
 - a. AB 32 establishes statewide targets to reduce greenhouse gas emissions to 1990 levels by 2020 while expanding the related duties and responsibilities of CARB
4. State: Sustainable Communities and Climate Protection Act of 2008
 - a. SB 375 is an implementing tool to AB 32 and directly connects MPOs with statewide targets to reduce greenhouse gas emissions by requiring that MPOs develop Sustainable Communities Strategies as part of their Regional Plans
5. Federal: Moving Ahead for Progress in the 21st Century, 2012 | Successor to 2005 SAFE-TEA.
 - a. Requires MPOs to use performance measures and targets in the Regional Plans
6. State: Vehicles Miles Traveled, 2013
 - a. SB 743 amends State CEQA to change the metric for traffic analysis under CEQA from congestion delays (level of service) to overall amount of driving (vehicle miles traveled).
 - i. Does not directly affect SANDAG but could create mitigation funds to help implement SCS.
7. State: New Emission Targets, 2016
 - a. SB 32 increases greenhouse gas emissions reduction targets statewide from 20% from 1990 by 2020 to 40% from 1990 by 2030

ii. Other Prompts – Ballot propositions and special legislation

1. TransNet Extension, 2004
2. Governance Restructuring, 2017
 - a. Promoted transparency within SANDAG following the agency’s unsuccessful 2016 attempt to double the TransNet sales tax
3. Public opposition compelling SANDAG in December 2021 to reverse a decision made just one month earlier to pursue a proposed 4.3-cent-per-mile road usage charge

c. Performance Metrics – “Outputs” and “Outcomes”

i. Transportation “Outputs” - what has been constructed or is currently underway?

1. TransNet - Capital Projects
 - a. Analysis of Outputs and Equity

- i. Outputs: which projects are completed, in progress, or planned (highway, high-occupancy vehicle lanes or managed lanes projects, transit, bicycle program – outputs)
 - ii. Equity: their geospatial locations in the County
- 2. General Capital Projects – Goods Movement
 - a. A toll highway (SR 11) linked to SR 125
 - b. A connector linking SR 11 to the Port of Entry
 - c. Utility improvements that will serve the Port of Entry, many of which will run alongside SR-11
- 3. General Capital Projects – Bikeways
 - a. Bicycle Facility Construction
 - b. 2013: SANDAG approved the bike “early action program” including approximately 40 projects containing 77 high-priority miles of the regional bike network. \$200 million allocated from TransNet funds
 - i. Provides status on number of miles constructed or completed, derived from 2025 update on the early action program

ii. Transportation Outcomes – Impact of SANDAG Construction Projects

- 1. Commute Mode Split
 - a. Source: 2025 SANDAG Federal System Performance Report
- 2. Freeway Traffic Congestion
 - a. Source: Annual State of the Commute report
- 3. Excessive Delay
 - a. Source: 2025 SANDAG Federal System Performance Report
- 4. Traffic Collisions
 - a. Source: 2023 State of the Commute
- 5. Transit Ridership
 - a. Source: Annual State of the Commute report
- 6. Transit Access
 - a. Source: 2021 Regional Plan included baseline 2016 conditions and 2025, 2035 and 2050 targets (predictions based on modeling).
- 7. Air Quality: Greenhouse Gas Emissions
 - a. Source: 2021 Regional Plan
- 8. Bicycle Ridership
 - a. 2023 State of the Commute

d. Regional Transportation Plans - 2015, 2021 and 2025

- i. Qualitative, high-level discussion of how changes across the 2015, 2021 and 2025 RTPs relate to the prioritization and execution of 2004 TransNet projects.

2. Housing Planning Function

- a. Resources + Current Capacities
- b. Actual Demands
- c. Regional Housing Needs Allocation

3. Climate Planning Function

- a. Resources + Current Capacities
- b. Actual Demands
- c. Climate Action Planning
- d. Performance Metrics

Emerging Recommendation to be included in the Executive Summary of the SANDAG MSR:

- Acknowledgement by the LAFCO Commission that MTS is not a JPA but a rapid transit district subject to LAFCO; assign high-priority status to an MSR on the North County Transit District (NCTD) and Metropolitan Transit System (MTS) in the LAFCO 2026-2027 tentative workplan.