



August 7, 2022

Ms. Jennifer Gress, Division Chief
California Air Resources Board
7007 I Street
Sacramento, CA 95814

Dear Jen Gress

Subject: SANDAG 2027 Regional Plan

SANDAG recognizes that climate change is upon us, and we must change how we develop our communities and plans for how we get around. We know that this includes how we pay for transportation and the transportation options we invest in to reduce our dependence on fossil fuels. In the eight months since the SANDAG Board of Directors approved the 2027 Regional Plan, we have moved quickly to implement the Plan as it was adopted. In fact, SANDAG and our partners have already made tremendous progress to realize key components of the Plan that serve as a model both state and nationwide.

The Board of Directors adopted the FY 2023 Program Budget in May 2022, which provides the assurances that all necessary resources are available to continue to implement the Plan as adopted. In particular, the budget includes funding to work with an advisory working group to study how all proposed pricing strategies included in the Plan could be deployed. Pricing strategies include a broad range of opportunities including usage charges, roadway tolling, transportation network company fees, and other mechanisms. (Please see attached approved work plan and budget for the study).

SANDAG also is partnering with the Sacramento Area Council of Governments and Southern California Association of Governments through a Caltrans planning grant to develop a design framework for a pilot study to understand how road pricing and incentives can be combined to promote behavioral shifts towards achieving the State's climate goals. Data collected from the pilot will inform how both fees and incentives can be used throughout the state to maximize greenhouse gas emissions reductions while reducing congestion and improving equity.

Some other examples of how SANDAG is already implementing the 2027 Regional Plan include:

The Youth Opportunity Pass pilot program, which launched on May 7, 2022, provides all riders 78 and under fare-free rides throughout across the San Diego region's public transportation systems. Since the rollout of the program, SANDAG has distributed more than 70,000 PRONTO cards to community organizations, schools, and other nonprofits to enable all of our region's young people to take advantage of the program. In the month of May, overall youth ridership on our region's transit services increased by 38% due to the implementation of the Youth Opportunity Pass pilot program.

SANDAG also is finalizing a Flexible Fleets Implementation Strategic Plan that provides a roadmap for Flexible Fleet pilot opportunities across the region. The Strategic Plan builds upon research and data analysis conducted as part of the 2021 Regional Plan to identify areas suitable for Flexible Fleets based on land uses, population and employment densities, travel data, and social equity. SANDAG is currently in negotiations with a pool of Flexible Fleet service providers in preparation of launching the pilots identified in the Strategic Plan.

On November 1, 2021, SANDAG issued a Request for Innovative Concepts (RFIC), inviting innovators, entrepreneurs, service providers, and mobility experts to submit innovative concepts for transportation "connector" services that implement the transformative vision for transportation shaped by the Regional Plan's 5 Big Moves. Ultimately three submissions were chosen to advance to the second phase of the RFIC process. SANDAG recently entered into Memorandum of Understandings with each of these three project teams to work collaboratively to further develop their conceptual designs and costs, define service areas, explore innovative project delivery and financing options, and identify potential risks and barriers to delivering these projects.

In July 2022, the SANDAG Board adopted a Vision Zero resolution recognizing the urgency of addressing traffic fatalities and severe injuries on our local roads and calling for stepping up effective and equitable actions to prevent them from occurring in the years to come. In the last 5 months, we have opened more than 25 miles of new separated bikeways with another 25 miles in the works which provide safe walking and biking paths in our most urban areas and close to transit. And last month we secured \$300 million to complete environmental and design work on our coastal commuter rail line to move tracks off the failing coastal bluffs and dramatically reduce travel time by rail between San Diego and Los Angeles.

We are proud to continue to be an example to the state and nation with the transformative Regional Plan and look forward to collaborating with you and all of our stakeholders as we implement the regional vision.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Hasan Ikhreza', is written over a light blue circular stamp.

Hasan Ikhreza
Chief Executive Officer

CCL/TFA/DKO/RWA

Enclosure(s): Final FY 2023 SANDAG Program Budget

Work Element: 3100400 Regional Plan Implementation
Area of Emphasis: Bring plans and projects to life

Project Expenses			
	FY 2021 Actual	FY 2022 Estimated Actual	FY 2023 Budget
Salaries, Benefits, Indirect	\$507,370	\$1,057,839	\$2,944,371
Other Direct Costs	\$2,694	\$4,000	\$3,000
Contracted Services	\$176,048	\$50,000	\$348,230
Total	\$686,112	\$1,111,839	\$3,295,601
Annual Project Funding			
	FY 2021	FY 2022	FY 2023
FTA (5303) MPO Planning	\$449,096	\$500,000	\$541,646
TDA Planning/Administration	\$58,185	\$190,427	\$367,859
TransNet Administration	\$90,807	\$421,412	\$310,744
SANDAG Member Assessments	\$88,024	\$0	\$0
TransNet / FasTrak swap	\$0	\$0	\$982,645
FHWA Metropolitan Planning (PL)	\$0	\$0	\$725,490
Planning, Programming and Monitoring (PPM) Program	\$0	\$0	\$367,217
Total	\$686,112	\$1,111,839	\$3,295,601

Objective

The objective of this work element is to assist with the implementation of the 2021 Regional Plan, adopted in December 2021.

Emphasis in FY 2023 will be to continue work for 2021 Regional Plan implementation Strategy for Social Equity Planning Framework; develop Value Pricing and User Fee Implementation Strategy; implementation of performance based planning as part of transportation planning, monitoring, and programming activities; advance and support regional and local climate change mitigation, adaptation, and resiliency plans; seek funding for Regional Vision Zero Action Plan; refinement of mobility hubs, transit priority areas (TPAs), and land use/housing assumptions working with local jurisdictions; and activities related to zero-emission vehicle and infrastructure incentive programs and/or investments for personal vehicles, fleets, and transit.

Previous Accomplishments

Previous accomplishments include updated monitoring and reporting for performance metrics established by the U.S. Department of Transportation (U.S. DOT) pursuant to the Fixing America's Surface Transportation Act (FAST Act) and intergovernmental review (IGR) of projects relevant to the Regional Plan.

Justification

This project is required to meet state and federal laws governing the creation and adoption of the Regional Transportation Plan, including requirements from California Senate Bill 375 (Steinberg, 2008). The project also is required to meet state law regarding the development of Regional Comprehensive Plans described in Assembly Bill 361 (Kehoe, 2003). Requirements of Assembly Bill 805 (Gonzalez, 2017) related to the Regional Plan are incorporated in Work Element Project No. 3103000, Regional Plan Development.

Project Manager: Philip Trom, Goods Movement Planning

Committee(s): Borders Committee
Regional Planning Committee
Transportation Committee

Working Group(s): Active Transportation Working Group
Cities/County Transportation Advisory Committee
Committee on Binational Regional Opportunities
Environmental Mitigation Program Working Group
Freight Stakeholders Working Group
Independent Taxpayer Oversight Committee
Interagency Technical Working Group on Tribal Transportation Issues
Regional Energy Working Group
Regional Plan Social Equity Working Group
Regional Planning Technical Working Group
San Diego Region Conformity Working Group
San Diego Regional Military Working Group
San Diego Traffic Engineers' Council

Products, Tasks, and Schedules for FY 2023

Task No.	% of Effort	Task Description / Product / Schedule
1	10	<p>Task Description: Implement the Congestion Management Process as part of transportation planning, monitoring, and programming activities. Coordinate with the Federal Highway Administration, Federal Transit Administration, transit operators, and Caltrans to implement metropolitan planning provisions of the FAST Act, including performance-based target setting, monitoring, and reporting. Seek funding for the development of a Fix It First Implementation Assessment. (Staff)</p> <p>Product: Documentation of capacity justification (Single Occupancy Vehicle Analysis) for qualifying projects in ProjectTrak system. Meetings, staff reports, data analysis, documentation performance-based target setting; documentation of Regional Transportation Improvement Program programming's support of performance targets in national goal areas.</p> <p>Completion Date: 6/30/2023</p>
2	10	<p>Task Description: Coordinate regional transportation planning with land use plans of local agencies, U.S. Department of Defense, Federal Land Management Agency, and tribal governments, collaborate with Caltrans in the development and implementation of district and statewide plans (e.g. 2050 California Transportation Plan, Interregional Transportation Strategic Plan, Strategic Highway Safety Plan, etc.), and with other stakeholders. Develop scopes of work for corridor or subregional studies, as needed (Staff)</p> <p>Product: Correspondence and comments on draft plans and reports</p> <p>Completion Date: 6/30/2023</p>
3	5	<p>Task Description: Coordinate areawide clearinghouse and IGR processing, including ongoing maintenance and refinements of the enhanced project and reporting tool, performing internal reporting requirements, and coordinating the internal circulation of projects for review. Conduct review of local development projects, as well as local and state policy documents and guidelines, for transportation related impacts in coordination with agencies such as Caltrans, Metropolitan Transit System, North County Transit District, California Association of Councils of Governments, San Diego County Regional Airport Authority, Port of San Diego, and/or others, as appropriate (Staff)</p> <p>Product: IGR database, IGR project tracking and reporting tool, comment letters, and monthly IGR report</p> <p>Completion Date: 6/30/2023</p>

4	15	<p>Task Description: Advance and support regional and local climate change mitigation, adaptation, and resilience through activities such as providing technical assistance, data, and consultant services to help local jurisdictions prepare, implement, and monitor climate action, adaptation, and resilience plans, programs, and efforts; Implementing 2021 Regional Plan climate initiatives to reduce community/systemwide vulnerabilities and ensure region is able to comprehensively plan for, respond to, and recover from climate change impacts. Develop Resilient Capital Grants and Innovative Solutions program for a resilient future. (Staff/Consultant)</p> <p>Product: ReCAP Snapshots and Data Portal updates; Stakeholder meetings, guidance/resource documents (e.g. Regional Climate Resilience Framework); technical assistance climate resilience support; Resilient capital grants program</p> <p>Completion Date: 6/30/2023</p>
5	15	<p>Task Description: Continue work for 2021 Regional Plan implementation Strategy for Social Equity Planning Framework. Facilitate the equitable and effective engagement of disadvantaged communities as identified by CalEnviroScreen 4.0 in the implementation of the Regional Plan. Coordinate the Regional Plan Social Equity Working Group to provide input on plan implementation and to promote equity and justice in transportation planning. (Staff/Consultant)</p> <p>Product: Agendas, meetings, quarterly reports</p> <p>Completion Date: 6/30/2023</p>
6	15	<p>Task Description: Develop Value Pricing and User Fee Implementation Strategy, guided by an advisory working group guided by an advisory working group. Partner with state agencies and other Metropolitan Planning Organizations to design a comprehensive road usage charge pilot, assess equity impacts, and test mitigation strategies. Executed consultant agreement, advisory work group meeting summaries, existing conditions report including transportation funding analysis (Staff/Consultant)</p> <p>Product: Roster of advisory group members, meeting agendas, research design report.</p> <p>Completion Date: 6/30/2023</p>
7	10	<p>Task Description: Transition to a clean energy future through research and initial design of zero-emission vehicle and infrastructure incentive programs and/or investments for personal vehicles, fleets, and transit. Seek partnerships and use consultant support to pursue grants and design programs. Explore options to also support local zero emission school bus transition. 2021 Regional Plan Sustainable Communities Strategy (SCS) near-term actions and Environmental Impact Report (EIR) mitigation measures (Staff/Consultant)</p> <p>Product: Workplan and schedule(s), scope(s)of work, program(s) research report(s), and meeting agendas</p> <p>Completion Date: 6/30/2023</p>
8	10	<p>Task Description: Seek funding for a Regional Vision Zero Action Plan, including Regional Safety Policy (Staff)</p> <p>Product: Meetings, staff reports, agendas, including Federal Transportation Performance Management Performance Measure 1 Safety materials.</p> <p>Completion Date: 6/30/2023</p>
9	10	<p>Task Description: Refinement of mobility hubs, Transit Priority Areas (TPAs), and land use/housing assumptions working with local jurisdictions. Refine smart growth opportunity areas for inclusion in Smart Growth Incentive Program (SGIP) grant guidance. (Staff)</p> <p>Product: Revised smart growth opportunity area maps and guidance for SGIP grants.</p> <p>Completion Date: 6/30/2023</p>

Future Activities

The implementation of the 2021 Regional Plan will continue through 2025 until the 2025 Regional Plan is adopted.

August 18, 2022

Mr. Hasan Ikhata
Chief Executive Officer
San Diego Association of Governments
401 B Street, Suite 800, San Diego, California 92101
hasan.ikhata@sandag.org

Dear Mr. Ikhata:

Thank you for the San Diego Association of Governments' (SANDAG) submittal of *San Diego Forward: The 2021 Regional Plan*, the region's regional transportation plan/sustainable communities strategy (RTP/SCS) and for your letter dated August 17, 2022 explaining the measures that you are currently undertaking to implement the plan. We are nearing completion of our evaluation in accordance with the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375, Steinberg, Chapter 728, Statutes of 2008) to ensure that the RTP/SCS would, when implemented, meet the applicable 2020 and 2035 greenhouse gas emissions reduction targets.¹

We commend you and your team for the vision and innovation reflected in the plan. *San Diego Forward* was the product of a multiyear effort, and we appreciate the holistic, long-term vision represented by the plan's "five big moves." We are impressed by SANDAG's use of data to analyze where and what types of strategies to implement and the strengthened focus on equity and environmental justice relative to past plans.

We were therefore disappointed to learn that at its July 8, 2022 Board meeting, the SANDAG Board voted to direct staff to update the plan to exclude the Road Usage Charge (RUC), which is an important strategy in the plan to both reduce greenhouse gases and fund other greenhouse gas reduction strategies. Furthermore, in a July 15, 2022 letter from elected officials in the San Diego region, six SANDAG Board members notified CARB that they do not support the RUC and that the plan was going to be amended to remove it. Unfortunately, these events raise significant concerns that the RTP/SCS we are evaluating is not the plan SANDAG intends to implement.

The information that you provided in your recent letter provides helpful confirmation that certain important near-term actions are underway. However, we still have several fundamental questions regarding how SANDAG intends to execute the Board's direction to update the plan and the extent to which SANDAG will move forward with the RUC as

¹ The targets for SANDAG established by CARB in 2018 are to achieve a 15 percent reduction in per capita greenhouse gas emissions from automobiles and light trucks by 2020 and a 19 percent per capita reduction by 2035 relative to 2005 levels.

currently articulated. Our core concern is whether the RTP/SCS under review is the plan SANDAG intends to implement. The letter addressed the Fiscal Year 2023 program budget and several near-term actions, and it is helpful to know that these actions are still on track. However, as those actions are only the first in a series of actions set forth in the long-range RTP/SCS in order to reach greenhouse gas emission reduction targets by 2035, we remain concerned that the plan may no longer reflect reasonable expectations about the coming decade. We also have specific questions about how those near-term actions will be impacted by this vote, which came after the May 2022 adoption of the program budget. Please see Attachment A for our full set of questions. Your prompt response will enable us to complete our review of the current plan.

I also want to take this moment to urge SANDAG to continue with *San Diego Forward* as currently adopted. As SANDAG staff conveyed at the July 8 Board meeting, the region will not meet its greenhouse gas reduction targets without the RUC. We at CARB are hard pressed to see how SANDAG could meet the targets without it. Not only does this undermine achievement of the State's air quality and climate goals, having a non-compliant plan threatens the region's ability to secure State funding for priority transportation projects that residents and businesses in the region are counting on.

One of the advantages of the planning requirements in SB 375 is the ability for the region to choose its own path in reducing emissions from transportation. RUCs are a leading strategy that multiple regions have integrated into their own RTP/SCS and that allows transportation to transition away from the gas tax as a primary source of funding. Without a RUC, transportation revenues will decline with gas consumption as cars become more fuel-efficient and electric vehicles become more prevalent, constraining the State's ability to maintain the transportation network and limiting the region's options for investing in its vision.

Reliance on the outdated gas tax also places the burden of funding the transportation system more heavily on those with less fuel-efficient automobiles, frequently lower-income households who are more heavily impacted by this cost. In contrast, a RUC that has been thoughtfully designed can be an economically and environmentally sustainable funding source that is more equitable than the current gas tax system. SANDAG's RTP/SCS identifies several actions that it will undertake to explore how a RUC can best achieve regional goals and minimize impacts on low-income households, and we would like to see that work continue.

The climate crisis is upon us, and mitigating its worst impacts requires that we reject status quo thinking. Climate change will impact California's quality of life and will create negative economic and public health effects for everyone, and those impacts will fall hardest on low-income households and communities of color. We must improve how we develop our communities to reduce our dependence on fossil fuels and expand the travel choices available to our residents and businesses. By acting quickly and boldly, you can improve the quality of life and strengthen the economy for the San Diego region, as SANDAG's submitted RTP/SCS lays out. Local leaders are faced with challenging choices, but those choices become more difficult the longer we wait to implement meaningful change.

Innovative plans like *San Diego Forward: The 2021 Regional Plan* are a critical part of addressing the State's challenges. Ultimately, success will require not only making strong plans but moving steadily forward to implement them. As CARB's [Draft 2022 Progress Report on California's Sustainable Communities and Climate Protection Act](#) shows, the State as a whole, including the San Diego region, has not achieved the progress forecasted by previous plans. We encourage SANDAG to unite around this strong plan in its adopted form and focus on implementing it successfully. CARB welcomes the opportunity to partner with SANDAG to implement a path that will successfully meet its greenhouse gas emissions reduction targets.

We look forward to receiving the responses to our questions, and we will refer to those in completing our review. If you have questions, please do not hesitate to contact me at jennifer.gress@arb.ca.gov or 916-764-0747.

Sincerely,



Jennifer Gress, Ph.D.
Chief
Sustainable Transportation and Communities Division

cc: Coleen Clementson,
Deputy CEO of Planning, Projects, and Programs, SANDAG
coleen.clementson@sandag.org

Antoinette Meier,
Senior Director of Regional Planning, SANDAG
antoinette.meier@sandag.org

John Kirk,
General Counsel, SANDAG
john.kirk@sandag.org

Carey Knecht, Chief,
Transportation Systems Planning Branch
carey.knecht@arb.ca.gov

Lezlie Kimura Szeto, Manager,
Sustainable Communities Policy & Planning Section
lezlie.kimura@arb.ca.gov

Hasan Ikhata
August 18, 2022
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Nesamani Kalandiyur, Manager,
Transportation Analysis Section
nesamani.kalandiyur@arb.ca.gov

Abigail May,
Senior Attorney
abigail.may@arb.ca.gov

Attachment A: Questions to SANDAG Staff

Attachment A: Questions to SANDAG Staff

CARB staff requests that SANDAG staff provide additional information about the extent to which the RUC strategy will remain included in the region's plans and actions and will achieve the outcomes used in developing the 2021 RTP/SCS.

Plans: Please explain whether and how SANDAG is moving forward to implement the 2021 RTP/SCS as written, does not intend to consider amending or updating its current plan to remove the RUC strategy from the current plan, and intends to use this plan as a foundation for future plans to create the momentum necessary for successful implementation. In responding, please address the below questions.

- **How does SANDAG staff intend to carry out the vote by the SANDAG Board on July 8 to “approve developing an update to the Regional Plan to remove the regional road usage charge in conformance with all applicable federal and state laws, including state greenhouse gas targets and CEQA, that is consistent with the equity values and shared goals and priorities of the SANDAG Board of Directors.”² Specifically:**
 - Is SANDAG planning to consider amending or updating its RTP to integrate this update and remove the RUC?
 - If so, when does SANDAG anticipate this update to begin and to conclude?
 - To what extent does the development and evaluation of the update pose a risk to the implementation to the current RTP?
- **Please discuss SANDAG staff's expectations and plans as to whether its subsequent RTP, to be adopted in 2025, will retain the RUC strategy or instead identify budget cuts and VMT reduction efforts that could be implemented in time to meet the 2035 targets to fill the gap that its removal would leave.**

Actions: CARB's evaluation guidelines provide that CARB will analyze the actions that will be taken to realize the assumptions made in the RTP/SCS. CARB staff appreciates the recent letter confirming that SANDAG will continue to move forward to pursue the actions outlined in the current plan.

- **Please discuss whether and how the Board vote will alter SANDAG's course as it proceeds with the two initial studies that were outlined as an action to advance pricing strategies since the Program Budget's approval in May 2022, as outlined in the letter. Specifically, CARB staff requests to know:**
 - Will these initial studies retain the RUC components?

² SANDAG. Board of Directors Agenda, 7/22/22 meeting. Item 3: July 8, 2022, Board of Directors Meeting Minutes. Last accessed 8/12/22 at https://www.sandag.org/uploads/meetingid/meetingid_6005_32426.pdf.

- What, if anything, about their timing or workplan will change as a result of the July 8 Board vote?
- How will this work involve a robust public engagement process and lay the foundation for prioritizing goals and expanding awareness of the potential of these tools to advance those goals?
- **Please describe SANDAG's current plans to begin deploying pilot testing by fiscal year 2026 to inform the detailed design of new pricing mechanisms and understand how they influence travel behaviors, impact different populations, and support regional and state goals. Specifically:**
 - What is the timeline for the work to prepare for this pilot testing that will allow it to launch in fiscal year 2026? Does SANDAG staff believe that the region is still on track to begin this pilot testing?
 - Does SANDAG staff continue to expect the pilot testing to include the RUC strategy?

Outcomes: The RUC strategy achieves several important outcomes for the region and its transportation system. It provides funding that can be used to invest in transportation projects, and it has an impact on the cost of driving. These outcomes help achieve the region's projected GHG emission reductions. CARB staff requests confirmation that the region continues to expect the RUC strategy to achieve these outcomes.

- **Please describe how, if at all, the revenue estimates in the RTP/SCS are expected to change as a result of the Board direction.³ Specifically:**
 - Does SANDAG staff still expect the regional RUC strategy to raise \$6B by 2035, beginning in 2030?
 - Does SANDAG staff still expect a statewide RUC or similar revenue to raise \$1.5B by 2035, beginning in 2030?
- **Please explain how, if at all, discussions about the RUC are changing SANDAG's assumptions about the cost of driving and operating a vehicle in 2035. Specifically:**
 - To what extent would any update to the RTP/SCS change automobile operating costs in 2035, as compared to the assumptions that were used in the travel

³ Source: Pages V-20 and V-28 in the SANDAG 2021 RTP/SCS. Last accessed 8/12/22 at: [Appendix-v---funding-and-revenues.pdf \(sdforward.com\)](#)

modeling used to estimate the 2035 GHG emission reductions as submitted to CARB?



August 19, 2022

AMENDED

Ms. Jennifer Gress, Division Chief
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Ms. Gress:

Subject: SANDAG 2021 Regional Plan Update

Thank you for your August 18, 2022, letter and the questions you raised regarding the 2021 Regional Plan implementation and its update.

Below are responses to the questions.

CARB Question: *How does SANDAG staff intend to carry out the vote by the SANDAG Board on July 8...? Please discuss SANDAG staff's expectations and plans as to whether its subsequent RTP, to be adopted in 2025, will retain the RUC strategy or instead identify budget cuts and VMT reduction efforts that could be implemented in time to meet the 2035 targets to fill the gap that its removal would leave.*

SANDAG Response: The Road Usage Charge (RUC) remains in the 2021 Regional Plan and the 2021 Regional Plan remains a foundation for all future plans. In order to carry out the July 8, 2022, Board Action, SANDAG is initiating work on our next Regional Plan. This work will include a comprehensive update in consultation with ARB, and in accordance with CEQA, SB 375, and all applicable state and federal laws, guidelines, and procedures. Part of the development of the 2025 Plan will include an analysis of various funding options and GHG reducing strategies including, but not limited to a RUC. The analysis for the 2025 plan has begun and we anticipate a draft plan in spring 2025 and a final plan for Board consideration in the fall of 2025. The development and evaluation of the update poses no risk to the implementation of the current RTP, as the work underway is planning and analytical work and the current plan does not assume an implementation of a RUC until 2030.

In short, we are committed to implementing our plan, which is used as an example for the nation on how to develop a transportation system to move people and goods while reducing GHG and addressing social equity in a meaningful way.

CARB Question: *Please discuss whether and how the Board vote will alter SANDAG's course as it proceeds with the two initial studies that were outlined as an action to advance pricing strategies since the Program Budget's approval in May 2022, as outlined in the letter. Please describe SANDAG's current plans to begin deploying pilot testing by fiscal year 2026 to inform the detailed design of new pricing mechanisms.*

SANDAG Response: The SANDAG Board's July 8, 2022, vote will not impact any of the implementation actions in the currently adopted plan. SANDAG staff is moving forward with the two studies needed for implementing the pricing strategies included in the 2021 Regional Plan. We are continuing our work as scheduled and there will be no change in the work plan as a result of the July 8 Board vote. The work plan includes a robust public engagement process that will lay the foundation for prioritizing goals and expanding awareness of the potential of tools like the RUC to advance the goals of the plan. We will continue to work towards pilot testing pricing strategies, including a RUC, in Fiscal Year 2026. The Request for Proposals for consultant support to design and implement the pilot test will be released on August 22, 2022, with consultant proposals due on October 3, 2022. SANDAG will continue with the implementation schedule outlined in the Regional Plan as adopted, until an updated Regional Plan has been adopted by our Board of Directors and approved by state and federal agencies, as required.

CARB Question: *Please describe how, if at all, the revenue estimates in the RTP/SCS are expected to change as a result of the Board direction. Please explain how, if at all, discussions about the RUC are changing SANDAG's assumptions about the cost of driving and operating a vehicle in 2035.*

SANDAG Response: The Board action does not change the revenue estimates in the 2021 Regional Plan because the RUC was not removed from the approved plan. Automobile operating costs in 2035 are consistent with the modeling estimates submitted to CARB.

We look forward to your certification of our plan.

Sincerely,



Hasan Ikhrata
Chief Executive Officer

CCL/TFA/DKO/KGR

Enclosure(s): Board of Directors July 8, 2022, Meeting Agenda, Item No. 8



Board of Directors

Friday, July 8, 2022

Item No.		Action
1.	Public Comments/Communications Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board of Directors on any issue within the jurisdiction of SANDAG that is not on this agenda. Public speakers are limited to three minutes or less per person. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comment.	
2.	Chief Executive Officer's Report <i>Hasan Ikhata, SANDAG</i> Chief Executive Officer Hasan Ikhata will present an update on key programs, projects, and agency initiatives.	Discussion
Consent		
+3.	Approval of Meeting Minutes <i>Francesca Webb, SANDAG</i> The Board of Directors is asked to approve the minutes from its June 24, 2022, meeting.	Approve
+4.	Approval of Contract Award <i>Kelly Mikhail, SANDAG</i> The Board of Directors is asked to authorize the Chief Executive Officer to award contracts to vendors for on-call Regional Flexible Fleet services.	Approve
+5.	Specialized Transportation Grant Program Cycle 11 Supplemental Call for Projects Funding Recommendations <i>Zachary Rivera, SANDAG</i> The Board of Directors is asked to approve the proposed funding recommendations for the Specialized Transportation Grant Program Cycle 11 Supplemental Call for Projects and authorize staff to offer funding and execute grant agreement(s) with the next highest ranked project(s) if a selected project is unable to use its awarded funds.	Approve

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| +6. | Policy Advisory Committee Actions
<i>Francesca Webb, SANDAG</i> | Approve |
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The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.

Reports

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| +7. | 2022 TransNet Independent Taxpayer Oversight Committee Annual Report*
<i>Sunnie House, TransNet Independent Taxpayer Oversight Committee Chair</i> | Information |
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In accordance with the TransNet Extension Ordinance, Independent Taxpayer Oversight Committee (ITOC) Chair Sunnie House will present the 2022 TransNet ITOC Annual Report, including the results of the FY 2021 TransNet Triennial Performance Audits and annual FY 2021 TransNet Fiscal and Compliance Audit.

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| +8. | Potential Update to the 2021 Regional Plan
<i>Antoinette Meier, SANDAG</i> | Discussion/
Possible Action |
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Staff will present preliminary modeling results and the work plan for updating the 2021 Regional Plan for the Board of Directors' consideration.

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| +9. | State Route 125
<i>Mayor Mary Salas, City of Chula Vista</i> | Adopt |
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The Board of Directors is asked to consider adoption of a resolution to eliminate debt and toll-only operations on the State Route 125 as early as 2027.

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| 10. | Member Comments |
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Board members shall have the opportunity to provide information and announcements on any issue within the jurisdiction of SANDAG that is not on this agenda. Subjects of previous agenda items may not again be addressed under member comments.

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| 11. | Upcoming Meetings |
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The next Board of Directors meeting is scheduled for Friday, July 22, 2022, at 9 a.m.

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| 12. | Adjournment |
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+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item

Potential Update to the 2021 Regional Plan

Overview

At its December 10, 2021, meeting, after adoption of the 2021 Regional Plan, the Board of Directors directed staff to immediately begin evaluation of a potential update to the 2021 Regional Plan for Board consideration, including evaluating alternatives to the regional road usage charge (RUC) program, staying with our values, upholding equity and other mechanisms that reduce pollution faster. This report summarizes preliminary modeling results and the work plan for updating the 2021 Regional Plan for the Board's consideration.

Key Considerations

Updating the 2021 Regional Plan to remove the regional RUC¹ is considered a substantial change that would impact estimated revenues, phasing of projects and their costs, greenhouse gas (GHG) emissions, air quality analysis, performance metrics, and social equity analysis. Preliminary modeling analysis of the 2021 Regional vehicle miles traveled go up and per capita GHG emissions impact on GHG emissions and air pollution could jeopardize the 2021 Regional Plan's ability to meet the region's required SB 375 GHG reduction target of 19% by 2035. To ensure the GHG target is met and there is sufficient revenue to cover costs, additional changes would be required to projects, phasing, cost estimates, and revenue assumptions. SANDAG would also be required to prepare an updated environmental analysis under the California Environmental Quality Act to disclose any increase in environmental impacts and provide mitigation to reduce those impacts; complete the necessary modeling and analysis with the latest data and planning assumptions; conduct the required public review and response to comments; finalize documents; and obtain approval of the updated Regional Plan from federal and state agencies. Attachment 1 includes the major tasks and anticipated schedule for undertaking an update to the 2021 Regional Plan.

Action: **Discussion/Possible Action**

Staff will present preliminary modeling results and the work plan for updating the 2021 Regional Plan for the Board of Directors' consideration.

Fiscal Impact:

The update of the 2021 Regional Plan and Environmental Impact Report (EIR) may require additional funding in FY 2023. The FY 2023 Overall Work Program (OWP) includes a contingency fund that can be used to advance urgent, high priority needs per Board Policy No. 030. Pending board direction, staff may return to request funding from the OWP contingency fund.

Schedule/Scope Impact:

The update to the 2021 Regional Plan and EIR could begin immediately following board approval.

¹ The regional RUC included in the 2021 Regional Plan begins in 2030.

² This is a preliminary figure and could change as model inputs are updated and more thorough quality assurance/control checks are conducted.

Activities already underway include conducting travel surveys, collecting commercial vehicle travel data, enhancing the cross-border model component, and preparing updated modeling tools that will allow for the use of current, post-pandemic data in preparing an update to the 2021 Regional Plan. This fall, staff will return to the Board with an overview of these and other planned modeling enhancements.

Next Steps

Pending Board discussion, staff may return to request funding if needed to proceed with an update to the 2021 Regional Plan. In late spring of 2023, staff anticipates bringing the Board alternative project and policy scenarios to consider for the updated Regional Plan.

Coleen Clementson, Deputy Chief Executive Officer

Key Staff Contact: Antoinette Meier, (619) 699-7381, antoinette.meier@sandag.org

Attachment: 1. Draft Work Plan and Schedule for Updating the 2021 Regional Plan

Draft Work Plan and Schedule for Updating the 2021 Regional Plan

Tasks/Milestones	CY 2022		CY 2023				CY 2024				CY 2025			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Travel Surveys, Data Collection, Regional Growth Forecast, and Model Development														
Notice of Preparation for Environmental Impact Report (EIR)														
Public Outreach and Engagement														
Project and Policy Scenario Development and Initial Analysis														
Updated cost estimates and revenue assumptions														
Prepare updated technical studies to support the EIR														
Preferred Project, Policy and Funding Scenarios														
Prepare draft EIR														
Modeling Analysis and Document Production														

Tasks/Milestones	CY 2022		CY 2023				CY 2024				CY 2025			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Draft Regional Plan and EIR Public Comment Period														
Respond to Public comments on the Draft Regional Plan and EIR.														
Adopt Final Regional Plan and Certify EIR, submit documents to state and federal agencies for approval														