

APPENDIX G: FUNDING SOURCES

Kumeyaay Corridor

Federal Funding Source

Federal transportation funding is administered by the U.S. Department of Transportation (DOT) and authorized by federal transportation bills. The most recent federal transportation funding bill—the Infrastructure Investment and Jobs Act (IIJA)—was signed into law in 2021. A significant portion of the funding available through the U.S. DOT’s Highway Trust Fund is allocated to California based on the state’s population.

The state of California distributes U.S. DOT funds to local agencies, by formula or by discretionary means, through competitive grant programs. Most federal resources in California are available through the Surface Transportation Improvement Program (STIP). Additionally, federal and state funding sources for bicycle and pedestrian projects are consolidated under California’s Active Transportation Program (ATP) and distributed through a competitive process.

There are several federal discretionary grant programs available for local agencies to apply for funding, including Rebuilding American Infrastructure with Sustainability and Equity (RAISE), Infrastructure for Rebuilding America (INFRA), , the Mega Grant (MEGA; statutorily known as the National Infrastructure Project Assistance Program), among others. These programs have received significant levels of funding through the IIJA, and many of the TSS in this CMCP are eligible for these funds. Furthermore, the IIJA introduces new funding programs such as the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) program, the Strengthening Mobility and Revolutionizing Transportation (SMART) program, and the Reconnecting Communities Pilot Program (RCP), all of which can be used to fund TSS in the Kumeyaay Corridor CMCP.

The Transportation Infrastructure Finance and Innovation Act (TIFIA) Program is an available option to help finance transportation projects. The TIFIA Program provides federal credit assistance to eligible surface transportation projects, including highway and transit projects of regional or national significance. These grant programs—and others available from U.S. DOT operating administrations—provide opportunities for local and regional agencies to apply for substantial funding for regionally significant projects.

State Funding Sources

In addition to federal grant programs, there are several state funding sources for local and regional transportation projects that are available to public agencies. This CMCP makes Kumeyaay Corridor transportation solutions eligible for funding from California Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, which is a \$54 billion-dollar landmark investment package that spans a 10-year period. It is focused on fixing roads, freeways, and bridges in communities across California and increasing funding to transit and safety.

SB 1 augmented other sources of funding, such as the Active Transportation Program (ATP) and State Highway Operation and Protection Program (SHOPP) and created new and relevant funding programs such as the Solutions for Congested Corridors Program (SCCP) and Trade Corridor Enhancement Program (TCEP). Both SCCP and TCEP have statutory requirements for comprehensive corridor plans utilized by agencies to apply for funding.

Local Funding Sources

The primary local funding source for transportation solutions in the San Diego Region is the TransNet program, which is a voter-approved half-cent sales tax used for transportation purposes. Originally approved in 1987, voters approved an extension ordinance in 2004 that prolongs the TransNet program to 2048. TransNet, administered by SANDAG, has funded more than 650 highway, transit, bicycle and pedestrian, habitat conservation, and local street repair projects totaling more than \$13.7 billion.

As part of the TransNet program, SANDAG has identified a variety of high-priority, TransNet funded transportation improvements for the region. These prioritized infrastructure projects are part of the Early Action Program to accelerate the implementation of roadway, structures, and transit projects.

TransNet also provides funding for two competitive grant programs that support local efforts to increase walking, biking, and the use of transit throughout the region: the Smart Growth Incentive Program (SGIP) and Active Transportation Grant Program (ATGP). The SGIP provides funding for transportation-related services and infrastructure improvements and planning efforts that will assist local agencies in better integrating transportation and land use, consistent with the Regional Plan and Sustainable Communities Strategy and community planning efforts related to smart growth and improved land use/transportation coordination. The goal of the ATGP is to encourage local jurisdictions to plan and build facilities that promote multiple travel choices and increase connectivity to transit, schools, retail centers, parks, work, and other bike parking, education, encouragement, and awareness programs that support pedestrian and bike infrastructure.

Another local sales tax funding source includes the Transportation Development Act (TDA), which is a statewide one-quarter percent sales tax to be used for transportation purposes. In the San Diego region, the TDA program is administered by SANDAG and used exclusively for transit, non-motorized, and regional planning purposes. Other local funding mechanisms include developer impact fees, city-county gas taxes, and general fund revenues.

Funding Sources

Program	Type	Eligible Projects
Federal Sources		
Rebuilding American Infrastructure with Sustainability and Equity (RAISE)	Discretionary	Helps communities fix and modernize their infrastructure and can be used for a wide variety of transportation projects that have a significant local or regional impact.
Infrastructure for Rebuilding America (INFRA)	Discretionary	Funds highway, multimodal freight and rail projects that are focused on improving safety, generation economic benefits, reducing congestion and enhancing resiliency.
National Infrastructure Project Assistance (MEGA)	Discretionary	Major projects that are too large or complex for traditional funding programs including multijurisdictional or regional projects of significance that may cut across multiple modes of transportation. Eligible modes include highway, bridge, freight, port, passenger rail, and public transportation projects.
Safe Streets and Roads for All	Discretionary	This program provides funding directly to local and tribal governments for improvements to reduce crashes and fatalities, especially for cyclists and pedestrians.
Strengthening Mobility and Revolutionizing Transportation (SMART)	Discretionary	This program provides competitive grants to states, local governments, and tribes for projects that improve transportation safety and efficiency.
Safe Routes to School: Federal	Discretionary	There are two Safe Routes to School Programs, one federally funded, and the other state funded. The federal version of this grant program funds state, local, and regional agencies. Non-profit organizations, school districts, public health departments, and Native American tribes are eligible in partnership with a city, county, metropolitan planning organization, or a regional transportation planning agency. Targeted beneficiaries are K-8 schools.
Promoting Resilient Operations for Transformative, Efficient, Cost Saving Transportation (PROTECT)	Formula	Public transit, passenger rail, bridge, drinking and wastewater infrastructure. Clean energy transmission and electric vehicle infrastructure. Helps communities ensure access to reliable high-speed internet.
Advanced Transportation and Innovative Mobility Deployment (ATTAIN)	Discretionary	Provides grants to deploy, install, and operate advanced transportation technologies to improve safety, mobility, efficiency, system performance, intermodal connectivity, and infrastructure return on investment.
Charging and Fueling Infrastructure	Discretionary	This program provides funding to build convenient electric vehicle charging infrastructure and other alternative fuel stations.

Funding Sources

Program	Type	Eligible Projects
Congestion Mitigation Air Quality (CMAQ)	Formula	Federally designated air quality containment areas receive funding by formula to program local and regional projects.
Federal Transit Administration Capital Investment Grants: Section 5309	Discretionary	This source funds light rail, heavy rail, commuter rail, streetcar, and Rapid transit projects.
Federal Transit Administration: Enhanced Mobility of Seniors and Individuals with Disabilities: Section 5310	Formula	This source provides funding to states for the purpose of assisting private nonprofit groups in meeting transportation needs of the elderly and persons with disabilities.
Federal Transit Administration Grants for Buses and Bus Facilities Formula Program: Section 5339(a)	Formula	This source provides funding to states and transit agencies through a statutory formula to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. In addition to the formula allocation, this program includes two discretionary components: The Bus and Bus Facilities Discretionary Program and the Low or No Emissions Bus Discretionary Program.
Federal Transit Administration Grants for Buses and Bus Facilities Program	Discretionary	This source provides funding through a competitive allocation process to states and transit agencies to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. The competitive allocation provides funding for major improvements to bus transit systems that would not be achievable through formula allocations.
Federal Transit Administration Transit Oriented Development Planning Pilot	Discretionary	This source provides funding to advance planning efforts that support transit-oriented development (TOD) associated with new fixed-guideway and core capacity improvement projects. TOD focuses on growth around transit stations to promote ridership, affordable housing near transit, and revitalized downtown centers and neighborhoods. It further and encourages local economic development.
Highway Safety Improvement Program (HSIP)	Discretionary	The HSIP is federally allocated to the state and provides for roadway safety projects through a competitive program administered by Caltrans.
State Sources		
Active Transportation Program (ATP)	Discretionary	Bicycle and pedestrian improvements and planning focused on safety and benefits for disadvantaged communities.
State Highway Operation and Protection Program (SHOPP)	Formula	Capital improvements relative to the maintenance, safety, operation and rehabilitation of the state highway system that do not add capacity.

Funding Sources

Program	Type	Eligible Projects
Solutions for Congested Corridors (SCCP)	Discretionary	Projects listed in a Comprehensive Corridor Plan that achieve a balanced set of transportation, environmental and community access improvements to reduce congestion.
Safe Routes to School: State	Discretionary	The state version of this program only funds city and county applicants. The target beneficiaries of that state program are students K-12.
State Transportation Improvement Program (STIP)	Formula	This program provides allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements. Projects funded under this program are proposed by regional transportation agencies and approved by the California Transportation Commission (CTC) on a biannual basis. Projects included in the program are limited to capital improvements relative to the maintenance, safety, operation, and rehabilitation of the state highway system that do not add new capacity to the system.
California Energy Commission Clean Transportation Program	Discretionary	Offers several grant programs for EV charging infrastructure to support passenger vehicles, freight, and buses. Zero-emission vehicle incentives are offered through CARB.
Recreational Trails Program (RTP)	Discretionary	The Recreational Trails Program (RTP) provides funds annually for recreational trails and trails related projects. The RTP is administered at the federal level by the Federal Highway Administration (FHWA). RTP is administered at the state level by the California Department of Parks and Recreation (DPR). Motorized projects are administered by the Department's Off Highway Motor Vehicle Recreation Division and non-motorized projects are administered by the Department's Office of Grants and Local Services.

Local Sources

SANDAG Smart Growth Incentive Program (SGIP)	Discretionary	Comprehensive public infrastructure projects and planning activities that facilitate compact, mixed-use, transit-oriented development and increase housing and transportation choices.
SANDAG Active Transportation Grant Program (ATGP)	Discretionary	Pedestrian and bicycle infrastructure
Transportation Development Act (TDA)	Tax	One quarter percent state and local sales tax collected in San Diego County is allocated to transit, bicycle, pedestrian and other nonmotorized projects.
TransNet	Tax	Half-cent sales tax for local transportation projects, such as public transit, highway, and local street and road improvements.