

Attachment 3



May 6, 2026

Honorable Mayor Todd Gloria
& Honorable City Council Members
202 C Street
San Diego, CA 92101

Subject: FY 2027 Draft Budget – Mobility Board Response to Mayor’s Proposed Budget and Priorities for Council Consideration

Dear Mayor Gloria and City Council Members,

On behalf of the City of San Diego Mobility Board, I write in response to the Mayor’s FY 2027 Proposed Budget, released April 15, 2026. This letter follows the Mobility Board’s January 7, 2026 budget priorities letter, in which we outlined a focused set of safety improvements, low-cost policy actions, and planning investments appropriate for a challenging fiscal year. We write now to assess where the proposed budget responds to those priorities – and where it falls short in ways that warrant Council attention before the budget is finalized this June.

The Mobility Board appreciates the significant fiscal constraints the City is navigating, and we commend the Mayor for several investments that align directly with our stated priorities. At the same time, a careful review of the proposed budget – across the departmental detail volumes, the Transportation Capital Improvements Program, and the Independent Budget Analyst’s Report 26-11 released April 29, 2026 – reveals several decisions that we believe will cost the City more in the long run than they save today. As the IBA has noted, new revenues for infrastructure have been limited while the infrastructure needs of the City have ballooned from \$1.4 billion in unfunded capital needs ten years ago to \$7.8 billion today. That trajectory should caution us against disinvestment today that will cost us tomorrow.

Budget Priority Wins

The Mobility Board recognizes and applauds the following investments in the FY 2027 Proposed Budget:

- \$59.9 million for traffic safety improvements in the Capital Improvements Program, including allocations for traffic signals, traffic calming, sidewalks, and bicycle facilities under the City’s Vision Zero framework, including funding for improvements at the “Fatal 15” intersections and implementation of the Speed Management Plan through

Road Maintenance and Rehabilitation Account funds — two priorities the Mobility Board specifically called for in our January 2026 letter.

- \$89.1 million for the Street Repair Program, continuing meaningful progress toward the City's pavement condition goals.
- New operating budget support for sidewalk repair, asphalt and cement materials, and right-of-way maintenance – investments that improve pedestrian safety and accessibility.
- Continued funding for Parking Enforcement operations, which supports safety and access management goals – although, the Mobility Board continues to urge the City's reinvestment of parking revenues into projects that meaningfully shift mode share toward the city's CAP goals.
- Active CIP projects that reflect prior Mobility Board priorities, including the Alvarado Canyon Road Realignment, Linda Vista/Comstock Intersection Upgrade, Barrio Logan Roundabouts, and the completion of the Market Street 47th to Euclid Complete Street project.

These investments represent real, meaningful progress, and the Mobility Board is grateful to the Mayor and Council for maintaining them in a deeply constrained fiscal year.

Areas of Concern

Despite this progress, the Mobility Board must respectfully flag three areas in the proposed budget that it believes undermine the City's stated commitments to Vision Zero, active transportation, and climate action – and that warrant specific Council action before adoption.

1. Elimination of the Multimodal/Bike Lane Team

The proposed budget eliminates 14.5 FTE positions and \$2.6 million associated with the Transportation Department's Multimodal Team – the operational staff responsible for designing and delivering active transportation infrastructure throughout the City.

The Mobility Board views this as the single most consequential reduction in the budget from a mobility and safety perspective. The Multimodal Team is a group of traffic engineers and experts responsible for designing complete streets improvements. When the City repaves a road, this team ensures that the lane striping, crosswalks, and bike lanes repainted on the fresh asphalt are done in a way that makes the street as safe as possible – integrating safety into infrastructure that is already being touched. This is one of the most cost-effective approaches to making San Diego streets safer, and it minimizes the disruptions that drivers experience from repeated closures. Eliminating this team while the City's Transportation CIP shows \$119 million in planned bicycle facility investment is not true savings – it ensure that either, 1) that those investments will not be made because the personnel resources to deliver them are no longer available, or 2) that they will be made in a much less cost-effective way.

It is also important to note that eliminating this team does not free up General Fund dollars. The City's transportation budget is increasing by \$10 million this fiscal year, largely because it is funded by TransNet revenue and state and federal formula funds – funding that must be spent on transportation and cannot be redirected to other priorities. The multimodal team's salaries come primarily from these dedicated sources. Eliminating the team does not free up money for other City priorities, it simply means less capacity to deliver the active transportation improvements that those funding streams exist to support.

Furthermore, eliminating the Multimodal Team puts at risk the City's ability to compete for significant discretionary grant funding. The U.S. Department of Transportation is currently distributing \$1 billion in Safe Streets and Roads for All funds, and the California Department of Transportation is distributing \$619 million through the Active Transportation Program. Applications for these competitive programs require complete streets improvement plans – work the multimodal team would produce. The City's \$700,000 investment in updating its Bike Master Plan also becomes difficult to justify without the in-house engineers needed to design the facilities it identifies. The Mobility Board urges the Council to restore funding to the Multimodal Team, understanding that doing so is not to the detriment of the General Fund, and it protects the City's access to substantial outside funding.

2. Reduction of the Senior Traffic Engineer in the City Planning Mobility Planning Section

The City Planning Department's FY27 budget eliminates 1.0 Senior Traffic Engineer within the Mobility Planning section. This position is responsible for the long-range mobility planning work that integrates transportation infrastructure with community plans – the foundational policy work that shapes where and how future bikeway, pedestrian, and transit investments are made.

The Mobility Board acknowledges that Planning faces the same fiscal pressures as every other department, and we do not make this request lightly. However, this particular position sits at the intersection of mobility policy and capital delivery in a way that makes its loss disproportionately harmful relative to its cost. We respectfully ask the Council to evaluate whether this position can be preserved.

3. Defunding of the Climate Equity Fund

The proposed budget waives the \$7.0 million franchise fee contribution to the Climate Equity Fund and reduces its CIP allocation from \$2.4 million to \$450,000. The Climate Equity Fund has been one of the primary mechanisms for directing mobility investments to communities of concern, including bicycle facilities in historically underserved neighborhoods. Eliminating it in the coming fiscal year is at odds with the City's stated equity and Climate Action Plan commitments.

The Mobility Board urges the Council to explore whether any portion of this funding can be preserved, particularly the CIP component that enables equity-focused bicycle and pedestrian infrastructure.

Unfunded Safety Priorities

The Mobility Board is pleased that the Mayor’s budget includes funding for improvements at the “Fatal 15” intersections through the Road Maintenance and Rehabilitation Account – a priority we raised in January. However, two other low-cost safety priorities from our January 2026 letter are absent from the proposed budget, and the Mobility Board believes they warrant specific Council action.

AB 43 School Zone Speed Reductions

Assembly Bill 43 empowers cities to reduce school zone speed limits to as low as 15 miles per hour. Speeding remains one of the top factors in pedestrian deaths in San Diego, and children walking to and from school are among the most vulnerable users on our streets. The policy works has been done to implement this program, however, no funding appears to be proposed for its implementation. Its absence from the budget is difficult to reconcile with the City’s Vision Zero commitments, particularly in a year when our city has endured multiple tragedies involving children. The Mobility Board urges the Council to include this appropriation going forward.

Daylighting/AB 413 Implementation

Assembly Bill 413 makes it illegal to park within 20 feet of a crosswalk, improving visibility for pedestrians and drivers at intersections. Marking and enforcing these zones costs virtually nothing relative to its safety benefit. The City began this work in prior years and the Mobility Board urged its continuation in January. There is no evidence in the proposed budget that this program is being actively resourced. We ask the Council to direct the Transportation Department to report on the current status of the daylighting program and to ensure it is adequately staffed and funded as an ongoing priority.

Both of these measures are precisely the type of low-cost, high-impact actions the Mobility Board identified in January as appropriate for a lean fiscal year. Their omission is a missed opportunity to save lives at minimal cost to the General Fund.

Remaining Unfunded Mobility Board Priorities

In our January 2026 letter, the Mobility Board deliberately focused on a set of low-cost policy and planning actions appropriate for difficult fiscal years. These items require modest appropriations or no new funding at all beyond staff time and policy direction. While we are concerned that the following priorities did not make the cut in the proposed budget, we will hold off on advocating for their implementation until future years if appropriate.

- AB 289 Work Zone Speed Safety Program coordination – requires modest staff time to engage Caltrans and pursue inclusion in the automated speed safety program.
- Flexible Fleets Request for Proposals – the Mobility Board requested only an RFP issuance, not a program commitment. This is an administrative action requiring minimal cost, however, we understand that there is no certainty of future funding availability for flexible fleets investments.
- Streetcar Planning Study – the Mobility Board continues to believe that accelerating initial planning for the streetcar project endorsed by the Mayor, Councilmember Whitburn, and all affected Community Planning Groups is a high-leverage investment for a modest cost.
- Residential Parking Permit Program Feasibility Study – a planning investment that could generate future revenue and improve neighborhood access.

Next Steps

The Mobility Board respectfully requests that the City Council consider the following specific actions in its Budget Review Committee hearings:

- Preserve or restore the Multimodal/Bike Lane Team, or at minimum the positions necessary to maintain bikeway design and project delivery capacity.
- Preserve the Senior Traffic Engineer position in City Planning’s Mobility Planning section.
- Restore or partially restore the Climate Equity Fund CIP allocation to enable equity-focused mobility investments in communities of concern.
- Fund implementation of AB 43 School Zone Speed Reductions.
- Direct the Transportation Department to report on the status of the daylighting/AB 413 program and ensure it is adequately resourced in FY27.

The Mobility Board recognizes that the Mayor and Council face difficult choices in a challenging fiscal year. But as the IBA has stated, the City’s unfunded infrastructure needs have increased by five-fold over the last ten years driven in no small part by deferred investment. Disinvestment saves money today and costs far more tomorrow. The cuts and omissions identified in this letter follow that same logic. They defer costs rather than eliminate them, and they put lives at risk in the process. Our role is to provide guidance to the Mayor and City Council on issues of mobility policy, and we believe these specific modifications represent the most important steps the City

can take to protect its long-term investments in safety, connectivity, and equity – even within a significantly constrained budget.

We look forward to presenting these priorities at the Budget Review Committee hearings and remain available to support the Council's deliberations in any way that would be useful. Thank you, Mayor Gloria and honorable Council Members, for your continued leadership on behalf of all San Diegans.

Sincerely,

A handwritten signature in black ink, appearing to read 'DR', with a long horizontal flourish extending to the right.

Daniel Reeves
Chair
City of San Diego Mobility Board

cc: Charles Modica, Independent Budget Analyst
Chida Warren, Director, Office of Boards and Commissions
Heidi Vonblum, Director, Planning Department
Naomi Chavez, Interim Director, Transportation Department