



CITY COUNCIL

STAFF REPORT

February 19, 2025

**ITEM TITLE: ADOPTION OF RESOLUTION 2025-008 TO SUPPORT SB 10 OTAY MESA EAST TOLL FACILITY ACT. (0460-20)**

**ORIGINATING DEPARTMENT:**

Mayor

**EXECUTIVE SUMMARY:**

The California State Route 11/Otay Mesa East Port of Entry (OME POE) project, managed by the San Diego Association of Governments (SANDAG), proposes to create a new, modern land port of entry for the San Diego-Baja California region. However, negative environmental impacts continue to grow affecting the daily quality of life for residents near the U.S. Southwestern Border. The ongoing degradation of environmental and public health conditions represents unacceptable and untenable living conditions for Imperial Beach and adjacent South San Diego County communities. At the August 21, 2024 City Council meeting, the City Council requested the preparation of the resolution demanding the creation of a long-term Tijuana River Valley Mitigation Fund and Management Board. This fund, financed by revenues generated by the opening and on-going management of the OME POE, would be dedicated to the mitigation and restoration of the Tijuana River Valley and adjoining lands for the long-term benefit of Imperial Beach residents and neighboring areas. At the September 4, 2024 City Council meeting, the City Council unanimously passed Resolution No. 2024-064 requesting immediate action from SANDAG to establish this long-term mitigation fund from the California State Route 11/Otay Mesa East Port of Entry project and provided authorization to send a letter to California State representatives requesting legislative amendments to support this initiative. For the 2025-2026 legislative session, State Senator Stephen C. Padilla has introduced Senate Bill 10 – Otay Mesa East Toll Facility Act – to expressly authorize funds from the new toll road to be used for water treatment, environmental mitigation, and restoration of the Tijuana River Valley to help address the sewage crisis and benefit residents of Imperial Beach and South San Diego County.

**RECOMMENDATION:**

That the City Council adopt Resolution No. 2025-008 (Attachment 1) to support the passage of Senate Bill 10 – Otay Mesa East Toll Facility Act; direct staff to submit a position letter to the relevant state legislative committees; and authorize the Mayor sign a letter of support on behalf of the City Council supporting this legislation on behalf of the City.

**OPTIONS:**

- Adopt Resolution 2025-008; or

- Adopt Resolution 2025-008 with modifications; or
- Reject Resolution; or
- Request additional information and an additional report.

## **BACKGROUND/ANALYSIS:**

At the August 21, 2024, City Council meeting, the City Council received a presentation from the San Diego Association of Governments (SANDAG) on the California State Route 11 (SR 11)/Otay Mesa East Port of Entry project (OME POE). The OME POE project proposes to create a new, modern land port of entry for the San Diego-Baja California region. Using state-of-art technologies, the OME POE is intended to improve mobility and air quality in the border region, while fostering economic growth and binational trade. The project includes a new four-lane toll road along SR 11, connecting directly to the OME POE, and a commercial vehicle enforcement facility. This is a joint venture between SANDAG and Caltrans, in collaboration with state and federal partners in the U.S. and Mexico.

Mexico is California's number one trading partner, driving commerce and economic opportunity throughout the San Diego-Baja California binational region. The OME POE, complemented by Mesa de Otay II Port of Entry on the Mexican side, is expected to reduce border crossing wait times by providing a relief valve across the other San Diego land ports of entry. The 2021 Regional Plan includes strategies, transportation services, and technology solutions to improve travel times to and through the new POE.

Following the presentation, the City Council discussed the negative environmental and public health impacts associated with transboundary pollution. Concerns were raised about the expansion and intensification of border activities, transportation, and construction along the border, which could exacerbate transboundary pollution and sewage flows affecting the border and adjacent communities.

The City Council also discussed the legislative tolling setup for the OME POE. California State legislation designates the SANDAG Board of Directors as the toll authority (Attachment 2 - Senate Bill 1486 – Otay Mesa East Toll Facility Act). The toll authority establishes the rates of the tolls, based on a traffic and revenue study. The City Council requested that a fee be established from these toll revenues, earmarked for transboundary mitigation, specifically for wastewater infrastructure and related projects within the United States to address the sewage crisis. The Council was informed that establishing such an earmark would require a modification to State legislation to allow for broader authority for use of the collected fees.

The City Council directed staff to prepare a resolution demanding that SANDAG establish a long-term Tijuana River Valley Mitigation Fund and Management Board, based on revenues generated by the opening and management of OME POE. These funds would be dedicated to mitigating and restoring the Tijuana River Valley and adjoining lands for the long-term benefit of the residents of Imperial Beach and neighboring areas. Additionally, the City Council authorized the preparation of a letter that would be sent to California State representatives requesting legislative amendments to allow for a long-term mitigation fund from the revenues generated by OME POE to be ear-marked for mitigation and restoration of the Tijuana River Valley and adjoining lands by way of wastewater infrastructure and related projects to address the sewage crisis and benefit of the residents of Imperial Beach and neighboring areas.

At the September 4, 2024 City Council meeting, the City Council unanimously passed Resolution No. 2024-064 requesting immediate action from SANDAG to establish this long-term mitigation fund from the California State Route 11/Otay Mesa East Port of Entry project and provided authorization to send a letter to California State representatives requesting legislative amendments to support this initiative.

Resolution No. 2025-008 supports the passage of Senate Bill 10 – Otay Mesa East Toll Facility Act, which would expressly authorize funds from the new toll road to be used for water treatment, environmental mitigation, and restoration of the Tijuana River Valley to help address the sewage crisis and benefit residents of Imperial Beach and South San Diego County. The resolution also authorizes submitting a support letter to relevant California legislative committees where the bill will be considered.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

None.

**ATTACHMENTS:**

ATT 1 – Resolution No. 2025-008

ATT 2 – Senate Bill 10 – Otay Mesa East Toll Facility Act