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SAN DIEGO COUNTY'S

2026 MEN OF ACCOMPLISHMENT

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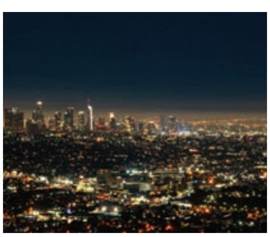

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STEVE O'CONNELL

He is the president and chief executive officer of North Island Credit Union, where he has spent more than two decades leading with a simple philosophy: an organization's success should be measured not only by its financial performance, but by the strength of the communities it helps build. Under his leadership, North Island has grown to nearly $5.4 billion in assets, serves more than 200,000 members, and has been recognized by Forbes as a Best-in-Class Credit Union for two consecutive years. He has transformed North Island into one of Southern California's most innovative financial institutions. He expanded digital banking capabilities, established a dedicated Innovation Department and championed the use of artificial intelligence to enhance member service, making North Island Credit Union an industry leader in delivering convenient, personalized banking experiences. Combined with an unwavering commitment to member service, these investments have helped North Island achieve a 97.3% member satisfaction rating. He spearheaded the creation of the North Island Credit Union Foundation. He is a graduate of California State University, Northridge.

PAUL HODGE

He is the chief executive officer and co-founder of World Amenities, Inc., a San Diego-based company he has transformed into a global hospitality amenities leader. Under his direction, World Amenities' portfolio includes 15 Signature Collections and 30+ Custom Brands, reaching more than 150,000 rooms each night across the United States, Canada, the Caribbean, Central America and Mexico. World Amenities earned a place on the Inc. 5000 list of America's fastest-growing private companies for six consecutive years, from 2021 through 2026, and ranked No. 107 on the 2025 Inc. Regional Pacific list. His ability to combine sustained business growth with a clear social and environmental purpose distinguishes him as an accomplished and forward-thinking business leader. World Amenities has achieved its growth by anticipating industry needs and building a business centered on innovation, exceptional customer service and environmental responsibility. He is a member of the Forbes Business Council and Entrepreneurs' Organization San Diego. He earned a Bachelor of Fine Arts from Queensland University of Technology.

RON MORABITO

He is the founder, CEO and president of V Group, one of the nation's fastest-growing signage and branded environmental companies. In 2025, V Group ranked No. 277 on the Inc. 5000 list of America's Fastest-Growing Private Companies and No. 18 nationally in the Business Products and Services category. Since 2021, under his leadership, the company has achieved more than 1,000 percent revenue growth while doubling annual revenue for three consecutive years. Built on a relationship-first philosophy, he has transformed V Group into a trusted partner for professional sports organizations, universities, corporations, entertainment venues and nonprofit organizations nationwide. V Group's clients include the San Diego Padres, San Diego FC, USA Pickleball, SDSU, UCSD and the Trust and Will Holiday Bowl. He has built a workplace founded on accountability, employee development and continuous development. He founded Mascot Signs & Branding, a company dedicated to helping K-12 schools strengthen campus identity.

STEVE MATTIA

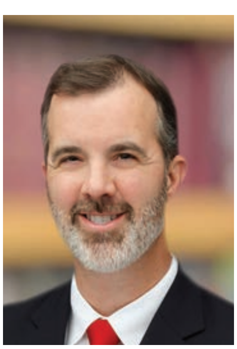
He is a founder of the Mattia & Yousif law firm in La Mesa. His primary practice is business transactions and estate planning. From creating new corporate entities to applying for licenses and drafting contracts, his business transaction work assists new business owners and long-standing small business leaders in ensuring compliance. His estate planning practice assists individuals and families in protecting their assets, providing for their loved ones and ensuring their wishes are honored. He takes a personalized and detail-oriented approach to every case, making the process clear and accessible while addressing each client's unique needs.

JOHN D. DRDEK

He is an experienced litigation partner at Hahn Loeser & Parks. He has handled a broad range of high-stakes cases, including multimillion-dollar contract disputes, labor and employment issues, and class-action lawsuits. He served as lead associate for a $54 million breach-of-contract case, which included 1,700 exhibits and 80 witnesses over a three-year period. He handles civil and labor and employment litigation, and devotes significant pro bono time to veterans in need, especially through the Southern California Veterans Legal Institute. He has trained and supported more than 70 attorneys to serve veterans and achieved meaningful results, including a discharge upgrade for an Army soldier, restoring his Post-9/11 GI Bill benefits, and a Purple Heart for a Navy sailor wounded in Iraq. He serves as a commander in the U.S. Navy Reserve, where he serves as a public affairs officer with operational experience from Afghanistan to the Pacific. He led the public affairs component for the U.S. Third Fleet's Maritime Operations Center certification in 2025, bolstering readiness for emergency naval operations. He is a graduate of the University of Southern California, with a law degree from Stanford University.

RONSON J. SHAMOUN

He is the founder and chief executive officer of RJS Law, a leading tax law firm. He is a three-time graduate of the University of San Diego, where he earned a Bachelor of Arts in Accountancy, a law degree and a Master of Laws in Taxation. He has more than 22 years of experience representing clients in complex federal and state tax matters. Committed to advancing tax education, he co-founded the USD School of Law-RJS LAW Tax Institute and Tax Controversy Institute, an annual program that brings together attorneys, CPAs, enrolled agents, tax preparers and other professionals to explore developments in tax law. The institute serves as a premier forum for continuing education, professional development and collaboration within the tax and accounting community. He is passionate about community service and supports numerous nonprofits, including Girl Scouts San Diego, Susan G. Komen, United Way, Rady Children's Hospital Foundation, UCLA Tax Controversy Institute, St. Theresa Academy and St. Peter's Chaldean Catholic Cathedral.



MICHAEL J. GLEASON

When Hahn Loeser & Parks LLP expanded to the West Coast and opened an office in San Diego, it needed a leader to help further HLP's mission of growth in a key region of the United States. The firm looked to one of its own, partner Mike Gleason, who represented businesses in complex civil litigation in the firm's Cleveland office. He was named Partner-in-Charge of Hahn Loeser's San Diego office in 2012 and remained in that role until this year, helping the office expand to 22 employees. He also served as co-chair of San Diego's litigation practice. He represents clients on Proposition 65 issues, providing companies with compliance advice and also defending companies allegedly in non-compliance. He has litigated jury and bench trials to successful outcomes throughout California. He is a Martindale-Hubbell AV-rated trial and appellate lawyer with more than 25 years of experience. He has been honored by Best Lawyers in America for three straight years in Litigation. He is a graduate of Cornell University School of Law.

RICK ITZKOWICH

He is a globally recognized entrepreneur, executive advisor, author, speaker and networking expert whose career spans manufacturing, professional development, marketing and leadership coaching. He currently serves as chairman of three Mexico-based steel manufacturing companies: Regiopytsa, PYTCO and Quality Tube. One of the companies is expanding into Texas. He is also president of 502 Connections, Inc., the San Diego business he founded to help professionals generate stronger referrals and lasting business relationships. He has written an Amazon bestseller, The Referral Playbook: How to Increase Sales with Proven Networking Strategies, as well as numerous articles, podcasts, interviews, workshops and speaking engagements. In 2007, he created a digital marketing product called QuoteActions. It provides organizations and professionals with turnkey systems for relationship marketing and customer engagement. He is a graduate of the University of Phoenix.

NATHAN SCHMIDT

He is a dedicated, influential and innovative leader. With more than 26 years of financial services management and marketing experience, he is responsible for strategic planning, brand, marketing, digital channels, product development, business development, community and media relations, and overall customer experience at San Diego County Credit Union (SDCCU), the largest locally owned financial institution in San Diego. A cornerstone of his dynamic leadership is his unfaltering focus on consistently raising the bar on creativity, service, strategy and execution, resulting in exponential growth for SDCCU and impacting the overall credit union movement. SDCCU under his leadership is now the ninth most popular credit union on Facebook, with more than 72,000 Facebook fans, 34,600 followers on X and more than 8,500 followers on Instagram. Under his leadership, SDCCU provides complimentary ongoing financial wellness presentations to more than 4,500 attendees. With scams continuing to be a heightened focus, SDCCU brought cybersecurity awareness education to its members under his leadership. He is a graduate of California State University, Sacramento, and the MBA program at Saint Mary's College.

SCOTT LEWIS

He is the editor-in-chief and chief executive officer of the Voice of San Diego. He oversees editorial and operations and has created partnerships and products that have earned the pioneering nonprofit news organization national and international recognition. He is a regular on local television and radio news commentaries. He is a graduate of the University of Utah. Voice was launched in 2005. It was the first digital, nonprofit news organization in the country to serve a local community. Its founders, longtime columnist and editor Neil Morgan and entrepreneur Buzz Woolley, felt the region desperately needed more reporting, analysis and journalistic competition. Voice made a name for itself by producing hard-hitting investigative reports along with civic engagement. Now, two decades from its founding, Voice, under his leadership, is widely regarded as an award-winning nonprofit news organization with a sustainable business model.

ANDREW KEATTS

He started his journalism career in San Diego as a real estate reporter at the Daily Transcript and is now the general manager and editor of the Times of San Diego. He covered the aftermath of the housing crisis and later served as a City Hall reporter for the Transcript. In 2012, he joined Voice of San Diego as a land-use reporter, where he covered the city's then-new push to increase housing density, public transit operations and the fight over development in Barrio Logan. In 2016, he uncovered a funding crisis facing SANDAG's half-cent countywide tax, which the agency had disclosed to voters who were then considering a new sales tax. He won the Society of Professional Journalists' award as "Journalist of the Year" in 2018 for his reporting on the SANDAG scandal. He launched Axios San Diego in 2023 before taking over the leadership of the Times of San Diego in 2025. He is a graduate of Ohio Wesleyan University.

ROBERT ZAKAR

He is a California entrepreneur, funeral service professional and community leader whose career spans more than three decades of business ownership, philanthropy and service to families throughout Southern California. Raised and educated in El Cajon, he began his entrepreneurial journey in 1995 through community service, philanthropy, education-based fundraising and police force fundraising. Over the years, he successfully expanded into multiple ventures, owning and operating restaurants, supermarkets, convenience stores, liquor stores and gas stations. After starting California Transport Solutions in 2006, which became the area's preferred removal company, he stepped down in 2011 to devote his full attention to East County Mortuary & Cremation Service, where he is a licensed California Funeral Director and licensed California Preneed Insurance Agent. He has devoted years to supporting organizations that improve the lives of children, families, first responders, students, health care providers and underserved populations throughout the region.

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Texas May Soon Have More People Than California — Here's Why

By Joel Kotkin

Photo: Randy von Liski via Flickr under CC 2.0 License.

More than a half century ago California passed New York to become America's most populous state. It was not only first in population, but an industrial, agricultural and technology behemoth that also provided most of the nation's entertainment.

Today that primacy is threatened as never before, most powerfully by Texas, whose pro-business policies, low taxes and growing technical skill are propelling its economy.

People are voting with their feet.

By 2050, for example, Texas is now slated to pass California in population, driven both by both immigration and domestic migration. Its economy is growing far faster, and it is now the headquarters of many former Californian companies.

This year, for the first time, Texas passed California and New York as a headquarters for the nation's largest companies. Even the establishmentarian Economist recently proclaimed the Lone Star State is "America Inc.'s new centre of gravity."

What should concern us are the reasons for this shift. After all, people don't move to Texas for better weather or scenery. Or for reasonable policies on issues like abortion.

Nor is it that Texas has smarter people. Four of the nation's leading engineering schools are located in California, including Stanford, Caltech, UCLA and Berkeley — compared to one Texas school.

Texas did not manufacture California's decline. To paraphrase Shakespeare, the blame is "not in the stars but in ourselves."

Start with the mindset. For much of the past 100 years, California provided the nation's dreamscape. LA differed from the East Coast intellectual establishment, which looked down on the rest of the country. Hollywood embraced America, with Westerns, war movies, detective dramas and tales of small-town life, epitomized by Frank Capra's "It's a Wonderful life."

Today, Hollywood is occupied by people who often seem to despise their own country. Radical politics creeped into programming, as epitomized by last year's agitprop underperforming Oscar winner, "One Battle After Another," which lionized undocumented immigration, the shooting of law enforcement and revolutionary violence.

Having turned away from the country that nurtured it, Hollywood has been losing audience for years, with the exception of occasional blockbusters. The elite stars may still be well-paid and overcovered, but nearly 42,000 entertainment jobs left town in 2024 and 2025.

Meanwhile, other places — Atlanta, Nashville, even New Jersey — have been expanding their entertainment sectors and building new studios, while Paramount is considering a move out of state.

Taylor Sheridan, the creator of Yellowstone and Landman, is building a massive new studio in Fort Worth, Texas. Sheridan's work, widely ignored by our progressive Hollywood elite, focuses on American stories, warts and all, but without the condescension of the studio elites.

In other industries, including high-tech, companies increasingly look to Texas. California's high energy prices could limit the expansion of its AI industry, which requires enormous amounts of energy. With a wealth tax looming, the technology nabobs will also have to face California progressives, and their counterparts elsewhere, who increasingly oppose data centers and impose anti-competitive regulations on AI.

Arguably the most serious flub concerns the space industry. By chasing out Elon Musk and Space X, a company started and still dependent on Californian expertise, we handed Texas the keys to arguably the most promising industry of the future.

Musk's departure has also meant that rocket production won't be where it should be — San Pedro, the Inland Empire, the Sacramento delta — but in places like Brownsville and Bastrop. Musk also plans for a new chip factory outside Houston that, if completed, would be the world's biggest building.

Or go to the Starlink HQ in Bastrop, a small town 30 miles from Austin airport, and marvel at the gleaming headquarters, now expected to expand, looming over the Texas prairie. All I could think when seeing this amazing structure was that it should have been in Long Beach.

Since 2019 the state's share of high-tech jobs has dropped from 19% to 16%.

California still retains unmatched expertise in high-tech industries, but current preeminence is not permanent: New York and Massachusetts used to be big players, too.

To be sure, AI firms are developing an emerging epicenter in San Francisco, but that is highly unlikely to create net new tech jobs. Instead, the latest boom largely produces rewards for the investor class, a handful of entrepreneurs and well-compensated "genius" programmers .

But there is little opportunity for middle- and working-class Californians in places like San Bernardino, Oakland, or south LA. For them, the only win is that massive capital gains fortunes can support an ever-growing welfare state — at least until the AI bubble bursts and more billionaires head out.

To thrive once again, California needs to refocus not just on elite industries and research, but also on nurturing blue collar and business service jobs for everyone else. Right now, we don't do that anymore.

Texas, with its crappy weather, unspectacular scenery and sometimes coarse culture, does.

Joel Kotkin is Senior Research Fellow at the Civitas Institute at the University of Texas Austin.

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Is There Enough Cliff to Support Any Del Mar Housing Development?

By Fiona Bork | Voice of San Diego

Below the cliffs overlooking Del Mar's Dog Beach, caution tape encircles mounds of sand that have accumulated from repeated landslides. Signs warn beachgoers to, "stay back!"

A woman who owns part of this triangular peninsula, known as the North Bluff, has waited 25 years to develop it. The city of Del Mar has opposed every large-scale development effort there, though the land presents an opportunity to build the affordable housing the state mandates.

Del Mar needs to make way for 113 low-income units by 2029, according to the state of California. The city has failed to meet state targets, especially for low-income housing, in the past. It has also supported efforts to override state housing laws in favor of local control over housing and land-use decisions.

The city and property owner Carol Lazier are locked in a legal battle over her proposed 259-unit housing project, known as Seaside Ridge, that includes 85 affordable units. At the same time, Del Mar is scraping for available land and — facing pressure from the state — is eying the North Bluff for larger-scale development.

There's just one problem: it's eroding.

The rate at which the North Bluff is falling into the ocean depends on who you ask, but scientists know climate change is fueling sea level rise and creating more powerful waves that are accelerating erosion, also called retreat. The city's own projections show that even under a best-case scenario, a driveway surrounding a mansion already on the bluff will be teetering off its edge by 2030. Worst case? Half the bluff would be in the ocean by 2100.

Despite the city's own estimates on the bluff's vulnerability to erosion, and its ongoing opposition to Seaside Ridge, it is looking into upzoning the North Bluff to allow for 20-units per acre.

"We're out of vacant land," said Del Mar City Councilmember Terry Gaasterland.

Right now, the entire 19.3-acre bluff is zoned for one-unit per acre. (To put that into perspective, Lazier is only allowed 7 units on the 6.9-acre parcel she owns under current zoning.)

The city has launched a search for an environmental consultant to see whether the sensitive bluff can accommodate additional housing.

A view of the North Bluff in Del Mar from the beach on June 29. 2026. / Fiona Bork

Meanwhile, Seaside Ridge offers the city a way to build most of the housing the state requires. Its own studies show the project is safe from bluff collapse, but only if the project sits at least 43 feet from the bluff's edge – geologists described that as "ample" setback.

State agencies only require developers to prove buildings can withstand erosion for 75 years.

At a time when the state is dealing with a housing crisis, 75 years is not something to brush off.

"There may be better places to put the housing but ultimately housing must be built," said Saad Asad, a representative of YIMBY Democrats, a housing advocacy group, adding that it's concerning how long Del Mar has avoided meeting its housing goals.

On the other hand, Gary Griggs, a professor at the UC Santa Cruz who studies bluff erosion, believes we must be careful about how we plan for housing as sea levels eat at the coastline.

"How many of our housing demands are we going to be trying to meet on unstable coastal bluffs?" he said.

Helping Cities Plan for Risk

In a worst-case scenario, half of the northern bluff will be in the ocean by 2100 if humans don't drastically reduce their use of fossil fuels, according to the U.S. Geological Survey or the USGS. This federal agency is the nation's primary scientific resource on Earth's systems.

The projections are a part of the agency's 2015 Coastal Storm Modeling System project, which sought to map Southern California's shoreline to help coastal cities plan accordingly for climate change.

The project's estimates are based on different sea level rise scenarios guided by the state. These depend on how much greenhouse gas emissions humans produce in the future, whether that be significant transitions to clean energy or continuing at high and unchecked rates of fossil fuel use.

In this worst-case scenario for the North Bluff, sea level would rise by 6.6 feet from the level it is today.

"We expect to have more extreme wave conditions in the future and so all that just means that the base of these cliffs is going to get hammered more and more," said Pat Barnard, a coastal geologist who helped work on the USGS models. "The result is that cliff retreat is going to accelerate."

In 2018, the science behind climate change modeling got better and the USGS released an updated set of cliff retreat projections. Those indicated a less perilous future for the North Bluff.

Still, the moderate-risk projections, the case that Del Mar considers, show the cliff's edge touching the border of its only developed property, a mansion closest to its southernmost tip, by 2100. Under the worst-case scenario, the cliff edge cuts halfway into the mansion by 2100.

Li Erikson, a research oceanographer at the USGS, said though the models have a high level of accuracy, they do have some limitations like a lack of data on what kinds of rocks the

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cliffs are made of which can impact how fast it erodes. Rather, the models serve as a first indicator of risk for cities to use as a guide for planning.

"That was the intent of the model was.., identifying hotspots," she said. "When you see an area that is a hotspot… you should think twice and do a very local study before you invest, because this model projects that it's a bad place to do it."

What the City Says About the North Bluff

At its May meeting, the city of Del Mar rejected Seaside Ridge's application for failing to submit additional materials it said it needed to process a zoning amendment with the California Coastal Commission — a state agency that enforces coastal environmental laws — an environmental impact report and other application entitlements. The developer didn't submit those materials, arguing it doesn't have to because state housing laws allow developers to fast track the application process for projects that include affordable housing.

At that same meeting, councilmembers discussed upzoning the North Bluff.

The city's housing development plan, also called a Housing Element, identifies the North Bluff as a place the city could build to meet housing targets should other projects fall through. Even if the city can manage to scrape together enough housing, councilmembers said at the meeting they will have to rely on the North Bluff no matter what to reach future housing demands from the state.

In 2016, the city hired a consultant to map Del Mar's areas of erosion risk so they could start planning for sea level rise.

Del Mar only considered the USGS' first set of models in its planning after this consultant, Environmental Science Associates, told them the second models could "under-predict" erosion.

Environmental Science Associates took the USGS' data to map where Del Mar's coastline could be by 2030, 2050 and 2070 according to moderate and high sea level rise scenarios. The consultant also relied on local studies showing historic erosion rates.

A map produced by the city shows where it is believed the cliff might collapse in the future. By 2030, the map shows the cliff's edge would brush the edge of a driveway encircling an existing mansion under the best-case sea level rise scenario the city considers – which is about 3 feet of sea level rise by 2100. By 2050, the cliff edge reaches the mansion's front door. By 2100, half of the mansion is in the ocean.

The city's policies require properties start at least 40 feet from the edge of a cliff's edge anyway, but its sea level rise predictions show the sea would consume at least that much cliff even if the world experienced a moderate amount of sea level rise.

Councilmember Gaasterland said the city is scraping for available land, which is why they are looking into upzoning the North Bluff, despite the city's own estimates on its vulnerability to erosion.

"We're using the best science available to us to understand the likelihood of what will happen and the increase in vulnerability due to sea level rise and coastal storms," Gaasterland said of the cities current thinking on the models. She added the city will have to update their vulnerability assessment in accordance with a state senate bill by 2034.

The Developer's Take

In 2023, Seaside Ridge released its own geotechnical studies of the North Bluff. They paint a much different picture than the city's models.

After taking samples from the North Bluff, the developer's consultant, Geocon Inc., estimated that the Seaside Ridge development project would be OK for the next 75 years under a high greenhouse gas emission and sea level rise scenario as long as it sat at least 43 feet from the cliff's edge, and up to 73 feet in some areas. Their studies found that the bluff would retreat 33 feet with sea level rise in that time, far less than the hundreds of feet the USGS and the city's models show.

Darren Pudgil, the development's spokesperson, said Geocon Inc. used the current recommended way to determine how far a development should be placed away from a cliff's edge, according to guidance by the Ocean Protection Council and the California Coastal Commission.

The actual setback of the project's front set of buildings would vary between 60 and 97 feet after 17 feet was added to Geocon's recommended setback for "conservatism" and to give the developer room to negotiate with the city over a 10-foot walking path they pledged they would add to ensure public access to coastal views.

"Seaside Ridge, as designed, adheres to the required development codes and coastal guidelines and will not pose a threat to those who will live there or the general public," Pudgil said.

Seaside Ridge is moving forward with a lawsuit against the city under the Builder's Remedy – a state law that allows projects to override local zoning if they submitted an application prior to a city having a certified Housing Element. Del Mar didn't have one when Seaside Ridge first applied.

"Along with much-needed affordable housing, Seaside Ridge features a new public park and trail, which will provide public access to this amazing coastal resource for all income levels for the first time," Pudgil added.

Predicting Bluff Collapse Is Full of Uncertainty

Griggs, the UC Santa Cruz professor who studies cliff erosion and sometimes advises developers on how to safely site projects from a bluff's edge, said it's hard to predict how sea cliffs will erode. They collapse in pieces and at different rates depending on the year. In a year like this, where a climatic swing called El Niño will fuel bigger waves, we could expect more erosion, he said.

To get a sense of how the North Bluff might collapse, he compared historical aerial photographs from 1979 and 2024, noting the land under a set of red buildings on the tip of the North Bluff has eroded in the 40-year period.

He praised Seaside Ridge for setting their project away from the cliff's edge at all.

"Coastal erosion is an episodic process, so it usually happens during big winters with big waves and tides, and this has been a problem in the past because climate is irregular, and if you don't look at enough years of records, you're not going to get a good average measurement," he said.

Adam Young, a researcher at the Scripps Institute of Oceanography, said erosion also depends on how people are trying to protect the bluffs. Adding sand to a beach, called sand nourishment, may protect the cliffs from encroaching waves for longer, Young said.

Though sand nourishment is extending the life of walkable beaches along North County, Griggs said it's expensive and eventually comes with an expiration date.

"There's absolutely nothing we can do to hold back the Pacific Ocean," he said. "It's going to keep advancing because of global warming and greenhouse gases and sea level rise. So, anything we do is going to be a Band-Aid, and the Band-Aids come (with) different price tags and different lifespans."

The bluff's stability is so contested, that one Solana Beach resident raised money to pay a consultant to review Seaside Ridge's work to study the bluff. Carla-Echols Hayes opposed a previous project on the North Bluff and is also fighting development in other parts of Del Mar.

Dave Colbaugh, the geotechnical engineer she hired, said the studies of the North Bluff were thorough, but they didn't consider the sea caves underneath, which can undercut the base of the cliff and cause destabilization. His report, which did not take any samples from the bluff, recommended that the project's setback start behind the caves. At the time, Pudgil responded that the Coastal Commission's guidance didn't specify anything about sea caves.

"There were significant numerous fault lines running through this area, sea caves etcetera that were potentially detrimental to the stability of the bluff," Colbaugh said.

Barnard, the coastal geologist, who is also a professor at UC Santa Cruz, said the battle over Seaside Ridge represents a tension that coastal cities will have to face more and more as housing needs expand and the available land to house people shrinks due to human-caused climate change.

"Cliffs erode, that's what they do," he said. "Ultimately, you're going to have to deal with it sooner or later, but in this affordable housing crisis it's a huge challenge."

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Ronson J. Shamoun, Principal Attorney and CEO of RJS LAW, is an Adjunct Law Professor at the University of San Diego–School of Law where he teaches a Tax Practice and Penalties class. He was recently presented with the following awards:

- San Diego Metro Magazine- *Best Attorney 2016*
- San Diego Magazine- *Top Attorney 2016*
- San Diego Business Journal- *Best of the Bar 2014, 2015 & 2016*
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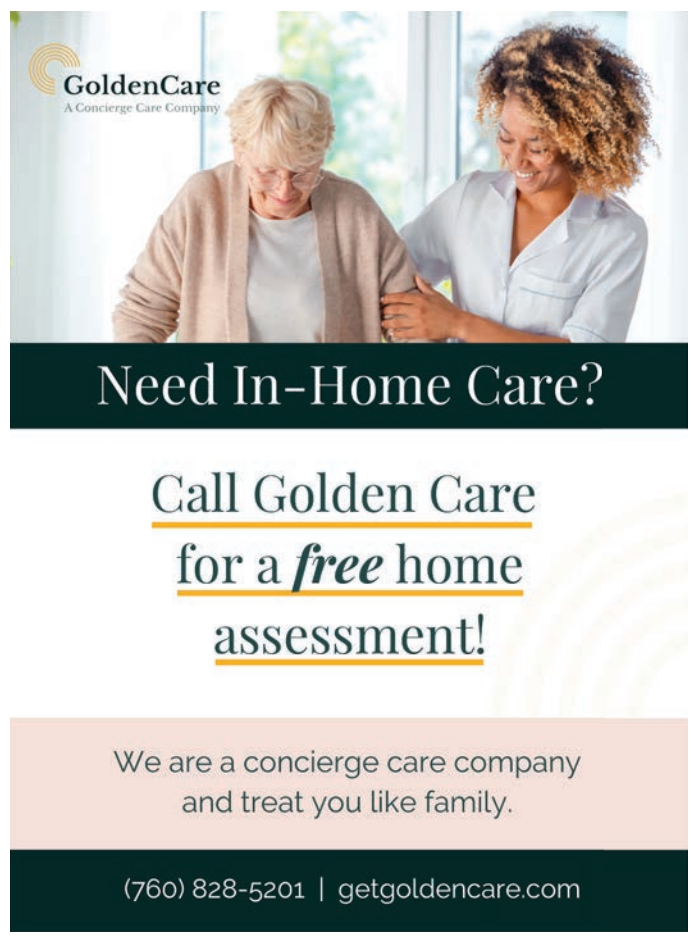


SDSU to build senior housing for older adults, not students

By Drew Sitton | Times of San Diego

Many seniors at San Diego State University take time to reflect on what they have experienced, build fond memories and prepare for the future.

But seniors in their final year of school aren't the only group in that same transition period. A new housing project will bring a very different group of seniors, made up of older adults, onto SDSU's Mission Valley campus to relive their cherished youth.

In partnership with senior living facilitator Merrill Gardens, developer Pillar Properties, and Solana Beach-based healthcare real estate developer PMB, San Diego State University plans to build 250 apartments for seniors, ranging from independent living to assisted living and even includes 26 memory care units.

"The vision for this project is rooted in SDSU's commitment to serve our intergenerational SDSU community," said SDSU President Adela de la Torre in the school's media center. "We can't wait to see SDSU alumni, retired faculty, and so many others take advantage of this unique living environment to deepen their relationship with SDSU."

In addition to apartments, the project includes a restaurant and bistro, a community room, a fitness center, a rooftop deck, a pool and an outdoor courtyard.

The seven-story building is awaiting approval from the California State University governing Board of Trustees. Construction may begin in 2027, with residents able to move in as early as 2030.

SDSU students will have the opportunity to intern or work at the senior housing project, as well as join an intergenerational community.

The older adults will have access to campus programming and lifelong learning opportunities. Plus, they will be living in an intellectually stimulating environment in a walkable neighborhood with transit and other amenities.

"A senior living community can not only integrate seamlessly into a university master plan, but also enhance campus vibrancy, catalyze additional development, and promote meaningful intergenerational relationships among residents,

The seven-story project includes amenities like a restaurant and fitness center, as well as memory care units. (Rendering courtesy Urbal Architecture/ San Diego State University) students, faculty and visitors," Nolan Weinberg, senior vice president of development at PMB, said in a press release. "We believe this is a model worth replicating."

The development is part of a growing trend nationally of universities either partnering with or building retirement communities. A lot of the incentive is financial: it brings new and diverse revenue to colleges that may be facing declining enrollment.

Plus, it fills a growing housing need amid a boom in seniors–and seniors facing homelessness.

There are social benefits as well, as young and old adults develop intergenerational ties. Seniors gain access to campus amenities like sports events, theater shows and lectures. Those types of opportunities, as well as taking classes and being a lifelong learner, can slow cognitive decline.

The university is building the senior housing as part of the major redevelopment of SDSU Mission Valley approved by voters in 2018. The plan includes 4,600 housing units, a hotel, retail space, research and innovation space, and 80 acres of parks and open space surrounding Snapdragon Stadium.

a drone image of the lot near Snapdragon Stadium where SDSU plans a senior housing development. (Photo courtesy Pink Media Productions/San Diego State University)

Resilient Fundamentals, Selective Expansion Ahead

By Sayantani S.| UCLA Anderson Forecast & UCLA Ziman Center for Real Estate

The Summer 2026 Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey suggests that California's commercial real estate market continues to stabilize, although performance remains uneven across property types. Industrial continues to exhibit the strongest fundamentals, multifamily remains resilient, retail confidence has improved, and office markets are showing clearer signs of recovery despite limited new construction. Overall, respondents report a market characterized by cautious optimism, supported by improving fundamentals but tempered by persistent financing and cost challenges.

The Summer 2026 Survey collected responses from a panel that continues to be dominated by large, privately held real estate firms. More than 40% of respondents in both Northern and Southern California represent firms with over $500 million in assets, while more than 85% operate as privately held companies. Acquisition activity remains relatively subdued, with more than 70% of respondents reporting less than $50 million in acquisitions over the past year.

Statistical forecast analysis has as its basis the proposition that past statistical relationships hold into the future. A knowledge of those correlations, current data, and perhaps some assumptions about data not yet known, lead to the forecast. In addition to the summary measures of developer sentiment reported here, the Survey has a rich set of questions such that, with past trends in the Survey's indexes, we can now infer a more nuanced turn in commercial real estate markets.

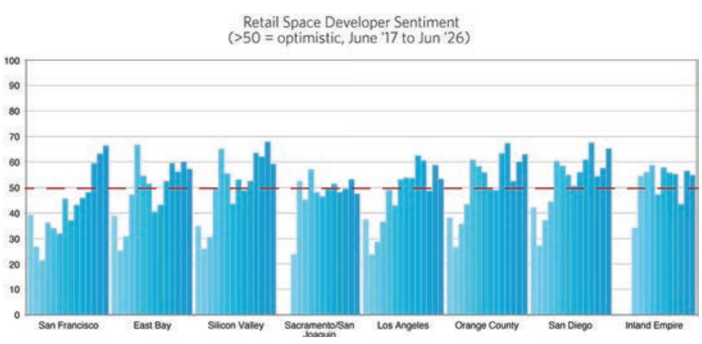
The Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey compiles the views of commercial real estate developers, owners, and investors with respect to markets three years hence. The three-year time horizon was chosen to approximate the average time a new commercial project requires for completion (though projects with significant entitlement and/or environmental issues often take much longer). The panelists' views on vacancy and rental rates are key ingredients to their own business plans for new projects, and as such, the Survey provides insights into new, not yet on the radar, building projects and is a leading indicator of future commercial construction. Although optimism does not always translate into new construction projects, this sentiment is usually a prerequisite for it.

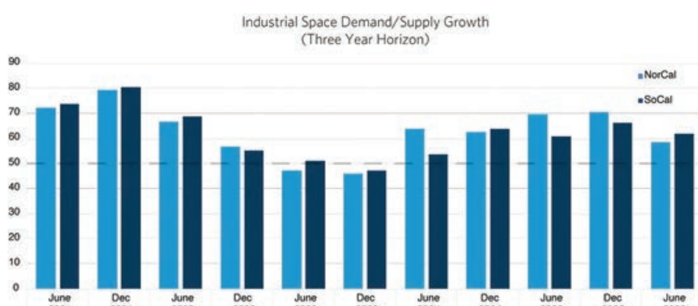
Respondents generally expect California construction activity to remain stable or to modestly improve over the next three years, although expectations for continued capital-market distress, elevated interest rates, construction costs, insurance expenses, and broader geopolitical uncertainty continue to temper optimism. While most respondents are not currently delaying projects because of rising costs or global trade disruptions, nearly two-thirds indicate that the current interest-rate environment has made them more cautious about pursuing new commercial real estate development. At the same time, respondents continue to identify artificial intelligence and digital infrastructure as emerging influences on selected markets — particularly Industrial and Bay Area Office properties — while indicating that these trends have yet to fundamentally reshape development strategies across the broader commercial real estate landscape.

Interpretation of survey indices: While for most indices, higher numbers imply increases in expectations, for vacancy rates, higher index values correspond to lower expected vacancy rates (i.e., tightening markets), while lower index values correspond to higher expected vacancy rates.

Retail Space Markets

Retail developer sentiment remains broadly optimistic across California markets, though improvements since the Winter





2026 Survey have become more measured (Chart 1). Sentiment strengthened further in San Francisco and remains particularly strong in Silicon Valley, Orange County, and San Diego, while Sacramento/San Joaquin continues to hover near the optimism threshold. Although optimism remains widespread, sentiment has moderated slightly in Los Angles and the East Bay, suggesting that developers remain constructive but somewhat more cautious as they look toward the next phase of the retail market recovery.

Rental growth expectations remain positive across all surveyed retail markets, with respondents generally expecting rents to rise at approximately the rate of inflation rather than faster than inflation. In Southern California, rental expectations in Orange County, San Diego, and the Inland Empire improved relative to the Winter 2026 Survey, while Los Angeles softened. In Northern California, Sacramento/San Joaquin improved modestly, while San Francisco, Silicon Valley, and the East Bay declined relative to winter expectations. Vacancy expectations remain mostly stable, with San Diego and San Francisco standing out as the only markets where respondents expect vacancy rates to decline. Compared with the Winter 2026 Survey, vacancy expectations improved in Orange County, San Diego, and San Francisco, while Los Angeles, the Inland Empire, Silicon Valley, Sacramento/San Joaquin, and the East Bay showed higher aggregate vacancy expectations.

Capital-market expectations have eased further relative to the prior two surveys. In Southern California, equity requirements remain modestly above neutral while unlevered return thresholds are essentially neutral. In Northern California, both equity and return-threshold expectations are neutral, pointing to broadly stable financing conditions rather than continued tightening. Development intentions have strengthened in both regions, as is evident from the drop in share of retail space with no development plans relative to the past Summer Survey (Chart 2). The survey reports that 61% of Southern California respondents and 75% of Northern California respondents plan at least one new retail project over the next 12 months, up from the Winter 2026 Survey in both regions. Southern California also shows stronger demand-supply expectations, with the demand/supply index rising meaningfully from winter levels.

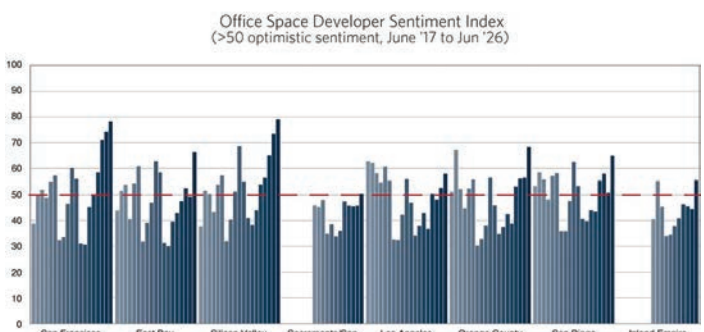
Respondents continue to emphasize neighborhood-serving and infill retail formats over traditional large-format development. Retail development priorities are concentrated in residential-serving retail, selected by 46.2% of respondents, followed by specialty stores in existing retail districts and other write-in categories, each selected by 26.9%. Experiential retail also appears as a secondary priority, while stand-alone big-box stores and malls or department stores remain much lower priorities. Write-in responses point to grocery and fitness uses, well-located infill strip retail, retail integrated into multifamily developments, and mall rightsizing with experiential elements and housing. Office-to-retail reuse remains limited, with only 8.1% of respondents expecting to repurpose office space for retail use over the next three years.

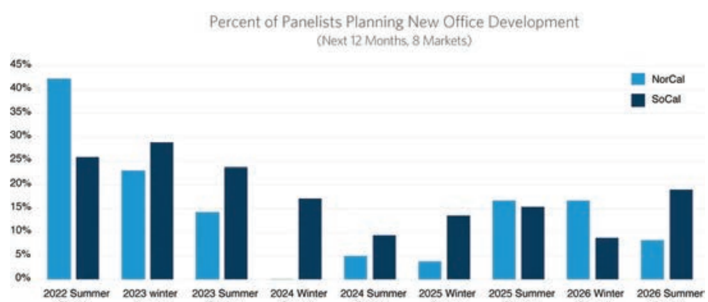
Expectations for a new retail growth cycle remain nearly evenly divided. A narrow majority, 51.4%, expect retail to enter a new growth development cycle by the end of 2028 or before, but the largest single response remains "No," at 48.6%. The responses suggest delayed and cautious optimism rather than a strong consensus that a new development cycle is imminent.

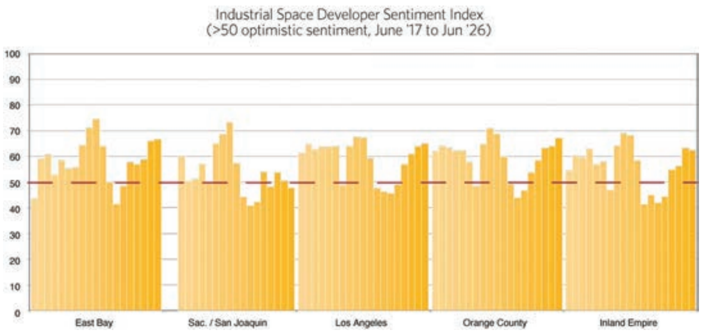
Overall, retail sector conditions remain constructive but selective. Sentiment is positive in most markets, rental expectations remain steady, and development intentions have improved in both Northern and Southern California. At the same time, vacancy expectations are uneven, Sacramento/San Joaquin remains soft, and respondents remain divided on whether a new growth cycle will emerge within the next three years. New retail activity continues to be concentrated in residential-serving, infill, and specialty formats rather than traditional big-box or mall-based development, reinforcing a cautious but improving outlook for the sector.

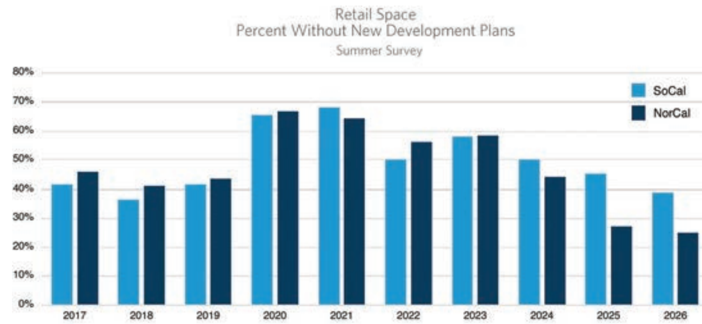
Office Space Markets

Office market conditions continue to improve, although performance remains uneven across California markets (Chart 3). Developer sentiment is now much more optimistic in San Francisco, Silicon Valley, Orange County, and San Diego. Los Angeles, the East Bay, and the Inland Empire improving from the two previous surveys, have finally entered a safe optimistic zone. Sacramento/San Joaquin continues to be the weakest office market, staying around the threshold of optimism and pessimism. Relative to the Winter 2026 Survey, sentiment improved most nota-









bly in the East Bay, Orange County, and San Diego, while San Francisco and Silicon Valley, already having been on an upward trajectory lately have recorded more modest gains. Sacramento/San Joaquin, Los Angeles, and the Inland Empire remain comparatively cautious despite some improvement from earlier years.

Rental growth expectations have improved across most office markets relative to the Winter 2026 Survey. In Southern California, Los Angeles, Orange County, and San Diego all moved into stronger positive territory, while the Inland Empire also improved, though it remains the weakest Southern California office rental market. In Northern California, San Francisco and Silicon Valley continue to show the strongest rental outlooks, with San Francisco now pointing to above-inflation rental growth and Silicon Valley near the upper end of the inflation-rate range. The East Bay also improved meaningfully from prior surveys, while Sacramento/San Joaquin remains comparatively weak and broadly similar to earlier readings.

Vacancy rate expectations improved meaningfully across office markets. Orange County, San Diego, San Francisco, the East Bay, and Silicon Valley are now expected to see vacancy rates decline, while Los Angeles, the Inland Empire, and Sacramento/San Joaquin are expected to remain broadly stable. Even in the markets where vacancy rates are expected to stay the same, the Summer 2026 Survey readings generally imply lower aggregate vacancy expectations than in both the Winter 2026 and Summer 2025 surveys. Capital-market expectations also softened relative to prior surveys: Equity requirements remain slightly above neutral in both Southern and Northern California, but are lower than in Winter 2026, while IRR threshold requirements have fallen below neutral in both regions, indicating a less restrictive return-threshold outlook.

Office development plans remain limited, although the regional pattern has shifted. In Southern California, 19% of respondents report plans for at least one new office project over the next 12 months, up from 8.8% in the Winter 2026 Survey and 15.4% in the Summer 2025 Survey. In Northern California, planned office development declined to 8.3%, down from 16.7% in both prior surveys, suggesting that improved market sentiment has not yet translated into a stronger Bay Area office construction pipeline (Chart 4).

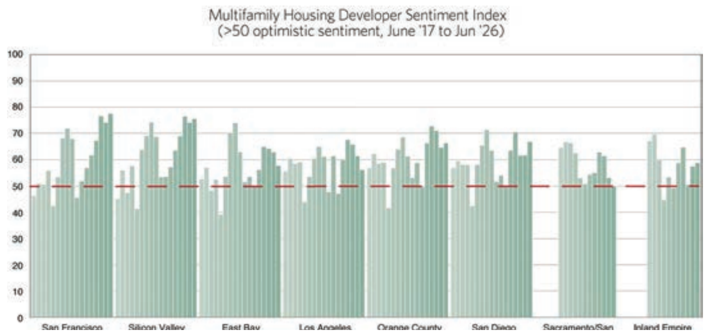
Office demand-supply expectations also differ sharply by region: Southern California respondents are most likely to expect balanced growth, while Bay Area/Northern California respondents are substantially more demand-favorable, with more than two-thirds expecting demand to grow faster than supply.

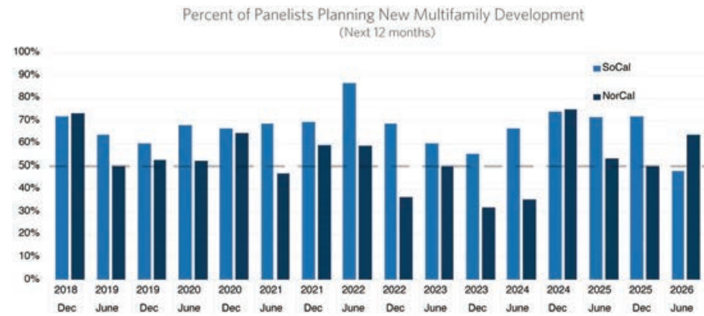
Beyond near-term leasing conditions, the office survey highlights continued structural constraints. Building-material cost expectations remain elevated in both regions, while land-cost expectations are mixed and vary sharply by market. Sublease or slow-walking pressure appears to have eased in Southern California relative to the Winter 2026 Survey, but remains uneven across Northern California markets. Expectations for a new office development cycle also remain cautious: Most Southern California respondents do not expect the office sector to recover and enter a new development cycle within the next three years, and among those who do expect recovery, most place it later in the forecast horizon. Office-to-multifamily reuse is also expected to remain selective rather than broad-based, with only 21.4% of respondents expecting to repurpose existing office space for multifamily housing use over the next three years.

Overall, the Summer 2026 Survey points to a more constructive office outlook than earlier surveys, but not yet a broad-based development recovery. Sentiment, rental expectations, and vacancy expectations have improved across many markets, with the strongest readings in San Francisco, Silicon Valley, and Orange County. Financing conditions also appear less restrictive, as IRR thresholds have softened in both regions. However, new construction plans remain limited — especially in Northern California — and most Southern California respondents still do not expect a new office development cycle within the next three years. The office sector is therefore best characterized as stabilizing and improving, but still constrained by cautious development plans, cost pressures, and selective reuse opportunities.

Industrial Space Markets

The industrial sector continues to exhibit the strongest fundamentals among California's major commercial real estate asset classes. Developer sentiment remains optimistic across most of surveyed industrial markets, Sacramento/San Joaquin Valley being the only exception. Although marginal, sentiments have





generally also strengthened since the Winter 2026 Survey (Chart 5). Confidence is particularly strong in the East Bay, Los Angeles, and Orange County, while the Inland Empire remains firmly positive despite modest softening relative to the previous survey. The broad-based optimism reflected in the survey continues to underscore resilient tenant demand, healthy leasing conditions, and expectations that industrial properties will remain one of the state's best-performing asset classes over the coming three years.

Demand is expected to continue outpacing supply in both Northern and Southern California, although expectations have moderated relative to the Winter 2026 Survey (Chart 6). While respondents in both regions continue to anticipate demand growth exceeding supply growth over the next three years, Southern California now reports a slightly stronger demand-supply outlook than Northern California. Even with this modest softening, the survey continues to point toward healthy absorption conditions and resilient industrial market fundamentals across the state.

Rental rate expectations remain constructive, though the strength of expectations varies across industrial markets. In Northern California, rental growth expectations in the East Bay have improved slightly relative to the Winter 2026 Survey and remain clearly above Summer 2025 levels, while Sacramento/San Joaquin has softened and now shows the weakest rental outlook among the surveyed industrial markets. In Southern California, Los Angeles and Orange County strengthened relative to Winter 2026, while San Diego and the Inland Empire softened modestly. Even with these differences, rental expectations remain positive in most markets, reinforcing the sector's comparatively stable pricing outlook.

Vacancy rate expectations continue to point to tightening in several key industrial markets. Vacancies are expected to decline in Los Angeles, the Inland Empire, Orange County, and the East Bay, while San Diego and Sacramento/San Joaquin are expected to remain broadly stable. Relative to the Winter 2026 Survey, vacancy expectations improved in the Inland Empire, Orange County, San Diego, and the East Bay, while Los Angeles and Sacramento/San Joaquin show somewhat higher aggregate vacancy expectations. Overall, industrial vacancy conditions remain among the strongest across asset classes.

Survey responses point to renewed forward-looking development activity in both regions. In Southern California, 58.8% of respondents report plans for at least one industrial project over the next 12 months, up from 52.9% in Winter 2026. In Northern California, 62.5% report plans for at least one project, up from 53.8% in Winter 2026. At the same time, capital-market expectations have become more mixed: equity requirements are expected to rise in both regions, particularly in Northern California, while IRR threshold expectations have softened relative to prior surveys. Building-material cost expectations remain elevated, with about 82% of the Industrial market respondents (more than all other markets) expecting rates higher than inflation in the next three years. Southern California also shows increased sublease or slow-walking pressure. Technology and AI-related influences remain important but uneven, with many respondents still pointing to a broader mix of e-commerce, logistics, manufacturing, storage, aerospace, robotics, and R&D-related industrial demand rather than a single dominant driver.

Taken together, the Summer 2026 survey indicates that the industrial sector continues to be strong. Sentiment remains optimistic across surveyed markets, demand is still expected to grow faster than supply in both Northern and Southern California, vacancy conditions remain favorable, and rental growth expectations remain positive in most markets. While demand-supply expectations have moderated from Winter 2026 and equity requirements have tightened, forward-looking development plans have strengthened in both regions. Supported by diversified demand drivers — including e-commerce, manufacturing, logistics, and selected data-center or digital infrastructure needs — the industrial sector enters the second half of 2026 with comparatively strong fundamentals and favorable momentum relative to other property types.

Multifamily Housing Markets

The multifamily outlook remains broadly positive across both Northern and Southern California, with developer sentiment continuing to strengthen in several markets relative to the Winter 2026 Survey (Chart 7). Sentiment is now optimistic across all surveyed regions, with particularly strong readings in San Francisco, Silicon Valley, Orange County, and San Diego. While still within the positive sentiment range, Los Angeles and the East Bay have observed a modest downturn, while Sacramento is right at the threshold of optimism. Overall, multifamily remains one of the most resilient commercial real estate asset classes, supported by solid market fundamentals and sustained developer confidence heading into the second half of 2026.

Rental rate expectations remain positive across multifamily markets, though the Summer 2026 Survey results show a more differentiated regional pattern than the Winter 2026 Survey. In Southern California, rental growth expectations improved in Orange County, San Diego, and the Inland Empire, while Los Angeles softened relative to the previous survey. In Northern California, San Francisco now shows the strongest rental outlooks, with expectations moving above the inflation-rate threshold, while the East Bay and Sacramento/San Joaquin softened from Winter 2026 levels. Silicon Valley's indices stayed mostly the same, with rental growth still expected to be higher than inflation. Overall, rent expectations remain supportive, but the strongest momentum is concentrated in the Bay Area's core markets and select Southern California submarkets.

Vacancy rate expectations remain favorable but tightening less uniformly than in the prior report. San Francisco and Silicon Valley are the only markets where respondents expect vacancy rates to decline, while the other multifamily markets are generally expected to remain stable. Relative to the Winter 2026 Survey, vacancy expectations improved, though modestly, in Los Angeles, Orange County, the East Bay, and Sacramento/San Joaquin, while San Diego, the Inland Empire, San Francisco, and Silicon Valley show slightly higher aggregate vacancy expectations. Overall, multifamily vacancy conditions remain healthy, but the Summer 2026 survey suggests more market-specific stabilization rather than broad-based tightening.

Capital-market pressures have continued to ease. In Southern California, equity requirements remain only modestly above neutral, while IRR thresholds are now broadly unchanged. In Northern California, both equity and threshold expectations have eased substantially from Winter 2026, though they remain slightly above neutral. Demand continues to outpace supply in both regions, with this imbalance especially pronounced in Northern California. Development intentions have also become more regionally divided: 64% of Northern California respondents report plans for at least one new multifamily project over the next 12 months, up from Winter 2026, while 48% of Southern California respondents report planned development, down sharply from the prior survey (Chart 8).

Survey responses highlight a continued emphasis on community-oriented amenities, flexible living arrangements, and operating efficiency in multifamily development decisions. Community-oriented features are now the most frequently selected future design influence, followed by in-home office or co-working spaces and smart-home technology. Redevelopment activity remains limited, with most respondents not expecting to repurpose existing office space for multifamily use over the next three years. Development strategies remain strongly oriented toward rental housing rather than condominiums. When asked what would incentivize additional multifamily development, Northern California respondents emphasized lower impact fees, faster permitting, reduced bureaucracy, CEQA reform, by-right development, property-tax relief, and financing or tax incentives, while Southern California respondents emphasized many of the same issues but more explicitly pointed to Los Angeles-specific constraints, including Measure ULA, transfer taxes, affordability requirements, LADBS backlogs, rent regulations, and broader city fees.

Taken together, the Summer 2026 survey indicates that multifamily remains one of California's most resilient commercial real estate sectors, supported by positive sentiment, continued rental growth expectations, and demand that still exceeds supply. However, the sector's outlook has become more regionally differentiated. Bay Area markets, particularly San Francisco and Silicon Valley, show stronger rent expectations and development momentum, while Southern California shows more mixed conditions and a notable pullback in planned projects. Capital-market pressures have eased, but regulatory barriers, entitlement timelines, construction costs, and local tax burdens continue to constrain development feasibility. Overall, multifamily remains a relative bright spot, but the path forward is increasingly shaped by regional differences in demand, financing, and policy conditions.

The Survey in Perspective

The Summer 2026 Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey points to a market that is stabilizing unevenly, with selective momentum across asset classes but persistent caution around costs, capital availability, and interest rates. Industrial remains one of the strongest sectors, supported by positive sentiment, favorable vacancy expectations, and renewed development plans, though demand-supply expectations have moderated from Winter 2026 levels. Multifamily continues to be a relative bright spot, particularly in core Bay Area markets, but the outlook is more regionally differentiated as Southern California development plans soften. Retail sentiment remains broadly positive, with improved development intentions and continued focus on residential-serving, infill, and specialty formats, even as respondents remain divided on the timing of a new growth cycle. Office markets show clearer signs of stabilization, with stronger sentiment and improving vacancy expectations across several markets, but new construction remains limited and the recovery is still expected to be gradual. Overall, respondents express cautious optimism, balancing a modestly positive construction outlook against persistent capital-market distress, elevated interest rates, political and macroeconomic uncertainty, and continued cost pressures as California's commercial real estate markets move through 2026.

Viasat Delivers Tactical Gateways to Support U.S. Air Mobility Command Urgent Operations under Task Order Award

Viasat, Inc. (NASDAQ: VSAT) announced the successful delivery of Move Out/Jump Off (MOJO) Next tactical maneuver gateway systems to the U.S. Air Force (USAF) Air Mobility Command (AMC) in support of urgent operational requirements. Viasat's tactical communications solutions team delivered the units less than two weeks after receiving the Task Order award, demonstrating the company's agility and responsiveness to support U.S. Department of War (DoW) operational needs. The delivery was executed through Viasat's Defense and Advanced Technologies segment as an individual, multimillion-dollar Task Order awarded under a sole-source Indefinite Delivery/Indefinite Quantity (IDIQ) contract with the U.S. General Services Administration (GSA) for a diverse portfolio of technology modernization and services capabilities.

Viasat's advanced MOJO Next tactical gateways were subsequently deployed to support mobility aircraft, enabling AMC platforms to connect to the broader force in an unprecedented way. AMC identified an urgent operational requirement for enhanced tactical communications support, including command and control (C2) and situational awareness with integrated Link 16 capabilities. Viasat immediately responded with the MOJO Next, rapidly accelerating normal timelines to support those immediate mission demands.

"We are proud to support Air Mobility Command operations with a proven tactical communications capability that supports secure, resilient connectivity and the ability to exchange critical situation awareness data," said David Schmolke, Vice President of Mission Connections and Cybersecurity, Viasat Government. "The team quickly responded to an important need with a solution that enables warfighters to access the real-time data needed to inform mission decisions."

The MOJO Next tactical gateway provides roll-on, roll-off airborne Link 16 command and control capability, enabling enhanced situational awareness and network connectivity for AMC aircraft supporting real-world operations. Through its portfolio of MOJO solutions, Viasat has a strong history of delivering advanced tactical gateways to meet current mission requirements and then evolving those products to offer greater value and additional functionality to address new operational demands.

This successful Task Order delivery supports Viasat's broader GSA IDIQ contract, through which Viasat supports U.S. defense modernization and evolving C5ISR requirements.

Visit the Viasat website for more information on the MOJO Next and the company's portfolio of tactical gateway solutions.

About Viasat

Viasat is a global communications company that believes everyone and everything in the world can be connected. With offices in 24 countries around the world, our mission shapes how consumers, businesses, governments and militaries around the world communicate and connect. Viasat is developing the ultimate global communications network to power high-quality, reliable, secure, affordable, fast connections to positively impact people's lives anywhere they are—on the ground, in the air or at sea, while building a sustainable future in space. In May 2023, Viasat completed its acquisition of Inmarsat, combining the teams, technologies and resources of the two companies to create a new global communications partner. Learn more at www.viasat.com, the Viasat News Room or follow us on LinkedIn, X, Instagram, Facebook, Bluesky, Threads, and YouTube.

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Study: 62% of California's Medicaid Expansion Enrollees Likely Ineligible, Costing Taxpayers Over $10 Billion

By Megan Barth | California Globe

Governor Gavin Newsom "Vax for the Win" lottery drawing. (Photo: gov.ca.gov)

A new analysis (see below) from the Paragon Health Institute finds that nearly half of Affordable Care Act Medicaid expansion enrollees in 2024—approximately 9.2 million people—were likely ineligible under federal rules, imposing a net federal cost of $32.9 billion that year.

California accounted for a disproportionate share: an estimated 3.1 million improper enrollees, or 62 percent of the state's expansion population, at a federal cost of $10.4 billion.

The report, "Medicaid Expansion's Growing Improper Enrollment Crisis," authored by adjunct scholar Liam Sigaud, estimates the ineligible share at 46 percent of the 20.2 million expansion enrollees under a central assumption of 70 percent take-up among those who qualify. That represents an 88 percent increase from the 4.9 million improper enrollees (33 percent) estimated for 2019. Even under a more conservative full take-up assumption, the national figure remains 5.2 million.

California's rate stands out sharply. Other high-burden states include New York (about 1.01 million improper enrollees), Louisiana, Oregon, and Washington. Improper enrollment rose in 31 of the 32 states that expanded Medicaid before 2019. Expansion enrollment remained roughly 21 percent above pre-pandemic levels into mid-2025, even as traditional Medicaid rolls returned closer to earlier baselines.

The analysis compares American Community Survey estimates of the eligible population—non-elderly adults at or below 138 percent of the federal poverty level, excluding certain groups—with actual Medicaid enrollment data. Key drivers include the COVID-19 continuous coverage requirement that blocked routine redeterminations from 2020 to 2023, followed by incomplete post-pandemic eligibility reviews.

Structural incentives also play a central role: the 90 percent federal matching rate for expansion enrollees (versus roughly 60 percent for traditional Medicaid) reduces states' motivation for rigorous verification and encourages misclassification of beneficiaries into the higher-match category. Improper enrollees include individuals whose incomes exceed limits, those who fail citizenship, immigration, or residency requirements, and others ineligible for any Medicaid coverage.

Federal audits in California and other states have previously documented elevated error rates consistent with these findings. The results arrive as Capitol Hill prepares to examine program oversight this week.

California Globe has previously reported on the rapid growth of Medi-Cal under Governor Gavin Newsom, including the ACA adult expansion and later state-funded extensions of coverage to undocumented immigrants that pushed total enrollment toward 15 million and overall program costs into the hundreds of billions, bringing the program to the brink of insolvency.

Those expansions, combined with reliance on provider taxes and other financing mechanisms, have drawn repeated scrutiny for shifting costs onto federal taxpayers and straining eligibility controls. Recent federal deferrals of Medicaid payments to California amid fraud concerns in hospice, prescription billing, and other areas have further highlighted vulnerabilities in the system.

Paragon notes that states overall saved an estimated $6.8 billion in 2024 through misclassifications, with California realizing about $2.5 billion in such savings, while the federal government absorbed the net cost. The report recommends equalizing federal matching rates, strengthening real-time income verification, ending passive renewals, and expanding independent eligibility audits.

The data underscore a persistent flaw in the ACA's Medicaid expansion: generous federal subsidies paired with state administration have produced high enrollment volumes alongside significant verification shortfalls. For California, the findings quantify the price of prioritizing rapid growth over verification—leaving federal taxpayers covering coverage for millions who did not meet the rules.

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