

## COUNCIL AGENDA REPORT

**TO:** Mayor and City Council

**FROM:** Brett Fulgoni, Director of Public Works

**DATE:** May 5, 2026

**SUBJECT: Adoption of a Resolution Approving the Measure A Five-Year Local Program of Projects for Fiscal Year 2026/2027 through 2030/2031**

Description:

The City Council will consider adopting a Resolution approving the Measure A Five-Year Program of Projects for transportation and pedestrian enhancement projects within the City of Santa Maria.

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

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**RECOMMENDATION:**

Adopt a Resolution approving the Measure A Five-Year Local Program of Projects for fiscal years 2026/2027 through 2030/2031; and certifying that the City of Santa Maria will provide sufficient funding in the 2026/2027 budget to meet the Measure A Maintenance of Effort requirement.

**BACKGROUND:**

In November 2008, Santa Barbara County voters approved the reauthorization of Measure D, an extension of the existing half-cent sales tax for transportation purposes, known as Measure A. Over its 30-year lifespan, Measure A will provide more than one billion in local sales tax revenues for transportation projects in Santa Barbara County. Specifically, it will provide approximately \$455 million to Northern Santa Barbara County for high-priority transportation projects and programs to address the current and future needs of local communities.

Measure A funds are essential for the current and future maintenance needs of the City’s roadways, transportation facilities, and overall infrastructure year after year.

**DISCUSSION:**

Section 18 of the Measure A ordinance requires each local jurisdiction to annually hold a public hearing to adopt a Five-Year Program of Projects (POP). This meeting serves that purpose. Once approved, all local POP are submitted to the Santa Barbara County Local Transportation Authority for approval.

The Five-Year Local POP (Attachment B) proposes projects that comply with the requirements of the Measure A ordinance. The Measure A project list for the current cycle allocates funds to local streets and transportation improvements.

Measure A requires the City to allocate 15 percent of its local share of Measure A funding to pedestrian and bicycle improvements, classified as “Alternate Transportation” Improvements. The Measure A program is divided into five-year segments with regard to Alternate Transportation, and the ordinance requires that the 15 percent requirement for Alternate Transportation expenditures be met completely over each five-year period.

The primary focus of the POP is the maintenance of the existing infrastructure within the City’s rights-of-way. Other transportation funding sources, such as Gas Tax, SB1, LSTP (Local Surface Transportation Program), Growth Mitigation, and other grant programs are available for capital expenditures through the normal budget process.

#### Maintenance of Effort

A Maintenance of Effort (MOE) is a common requirement of special tax measures. MOE is a taxpayer safeguard used to assure that new special tax revenues are not used to supplant historical discretionary funding levels. The MOE requirement is meant to maintain existing funding levels so that the new tax revenues will improve public infrastructure or services above current levels.

The Measure A ordinance contains an MOE requirement that identifies the minimum amount of local discretionary funding for local streets and roads. The MOE requirements were established based on the City of Santa Maria discretionary spending reported during Year One, Fiscal Year 2010-11, of the Measure A Program. This amount has increased incrementally over the lifetime of the program. The MOE requirement for FY 2025/2026 is estimated to be \$4,315,119 and will likely grow in FY 2026/2027. The MOE requirement is satisfied by a combination of utilities funding, gas tax, and in-kind sources.

The Resolution contains a certification required by the Measure A ordinance. The City is required to certify that the City budget includes an amount of local discretionary funding to comply with the MOE requirements. The proposed City of Santa Maria 2026-28 budget shall include sufficient discretionary funding to meet the estimated MOE requirement.

#### Alternative(s)

The recommended action is to approve the Resolution approving the five-year Measure A POP. The alternative to the recommended action would be for the City Council to direct staff to make changes to the POP and bring the item back to the City Council for approval. This would result in a delay in submitting the approved POP to SBCAG, which could delay the City’s funding.

#### Fiscal Considerations

This action is expected to bring about \$7.6 million to the City of Santa Maria in FY 2026/2027 and a projected total of about \$40 million over the next five years. Attachment

B shows “Measure A Revenue Estimates from Santa Barbara County Association of Government (SBCAG)” by year in the second row of the table under “Revenues.” This does not include carryovers from the fund balance. The City must adopt a Resolution approving the Measure A Five-Year Local POP and certify the MOE requirement to secure this funding.

Impact on the Community

The Measure A Local POP will have a beneficial impact on the community by directing available Measure A revenues to the maintenance of the City’s transportation infrastructure. This network of roadways, sidewalks, streetlights, traffic signals, drainage systems, and landscaping serves every resident of the community daily. The maintenance and operation of this system are of critical importance to nearly every aspect of the health of the community’s infrastructure.

ATTACHMENT(S)

- A. Resolution
- B. Five-Year Measure A Program of Projects
- C. SBCAG TTAC Staff Reports