



Agenda Item No: 1.f

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: June 3, 2025

Submitted by: Gabriel Guerrero-Gabany

From: Public Works

Subject:

Measure M Eligibility Application Package for Fiscal Year 2025-26

Financial Impact:

Fiscal Impact:

Revenue: \$1,168,171 In Estimated Measure M Funds (180000-4092)

Summary:

On November 7, 2006, Orange County voters approved Renewed Measure M. Renewed Measure M ("M2") is a 30-year, multi-billion dollar program extension of the original Measure M half-cent countywide sales tax with a new slate of transportation projects and programs. It is anticipated that the City of Placentia will receive approximately \$1,168,171.00 in local fair share M2 funds for Fiscal Year ("FY") 2025-26. This action will approve and adopt required documents for submittal of a Measure M eligibility package to the Orange County Transportation Authority (OCTA).

Recommendation:

Recommended Action: It is recommended that the City Council take the following actions:

1. Authorize Staff to submit the 7-year Capital Improvement Program (CIP) project list utilizing Measure M funding; and
2. Adopt Resolution No. R-2025-24, a Resolution of the City Council of the City of Placentia, California, Concerning the Status and Update of the Circulation Element, and Mitigation Fee Program for The Measure M (M2) Program; and
3. Authorize Staff to submit the Measure M Eligibility application package to OCTA to ensure continued eligibility for Measure M funding and receipt of Local Fair Share M2 funds.

Strategic Plan Statement:

There is no specific Strategic Plan Goal or Objective associated with this Council action.

Discussion:

Eligibility:

All the requirements set forth in OCTA Ordinance No. 2 must be met in order for the City to maintain eligibility for its local fair share of funds. This year, the City's application must include the following items:

The eligibility application package the City has prepared for submittal includes all documentation required by OCTA.

1. Submittal of Measure M Eligibility Checklist for Fiscal Year 2025-26;
2. Approval of a seven (7) year CIP which includes all projects funded partially or wholly by Measure M dollars;
3. Certification Circulation Element/Master Plan of Arterial Highways ("MPAH") Consistency;
4. Congestion Management Program (CMP);
5. Approval of Maintenance of Effort ("MOE") Reporting Form and supporting budget documents; and
6. Mitigation Fee Program (MFP).

Process for Determining Measure M Eligibility:

The following process has been established for determining Measure M eligibility:

1. Agencies submit Measure M packages to OCTA;
2. OCTA Staff reviews packages;
3. Citizen's Oversight Committee determines eligibility by reviewing certain components of the eligibility package;
4. OCTA approves eligibility for agencies to receive Measure M Funds.

If the package is found non-eligible by OCTA Staff, the City will have 30 days to respond and appeal the Staff findings. The matter then goes to the Technical Advisory Committee for review and recommendation with the final decision resting with OCTA. The following briefly describes each component of the eligibility package.

Measure M Eligibility Checklist:

The Measure M Program requires the City's annual eligibility application to include a checklist that is used by OCTA Staff and the OCTA Taxpayers Oversight Committee to determine compliance with program requirements. The checklist demonstrates that the City is in compliance with the program.

Seven (7) Year Capital Improvement Program ("CIP"):

The City's annual eligibility application also includes the submittal of capital projects utilizing Measure M2 funds scheduled for construction during the seven (7) year period (Attachment 1). The project list includes budget and schedule details for reconstruction and paving projects, intersection improvements, ADA ramps, and traffic signal projects funded fully, or in part, by Measure M2 Funds.

Maintenance of Effort (MOE):

The Measure M program requires the City to support the ongoing "maintenance of effort" requirement by ensuring that City funds continue to be allocated towards street maintenance and repairs as well as other transportation-related projects. Measure M2 funds are designed to supplement, not replace, existing local funding sources for transportation projects. The City's required MOE is based upon a historic benchmark of General Fund expenditures towards road maintenance and transportation projects in the City.

Mitigation Fee Program:

Every two (2) years, the City must submit a City Council adopted resolution to OCTA certifying that the City has an existing mitigation fee program that assesses traffic impacts of new developments and requires a fair share payment of necessary transportation attributable to the

new development. The attached resolution reaffirms the City has an existing program, which is the Citywide Traffic Mitigation Impact Fee, a traffic impact developer fee program.

Congestion Management Program ("CMP") Compliance:

The goals of Orange County's Congestion Management Plan ("CMP") are to support regional mobility and air quality by reducing traffic congestion and provide mechanics for coordinating land use and development decisions. Each jurisdiction complies with conditions and requirements to be considered eligible for funding. Some of the requirements include reviewing level of Service for roadways, Land Use analysis and their impacts to transportation systems, and Modeling and Data Consistency guidelines. Every two years, the City complies with the requirements of the Orange County CMP through a checklist submission. The checklist confirms that the City of Placentia conforms to the criteria established by OCTA so that the City can qualify for the allocation of revenues generated from Measure M2.

MPAH and Circulation Element:

OCTA administers the Master Plan of Arterial Highways (MPAH), including the review and approval of amendments requested by local agencies. The MPAH is a countywide transportation plan for Orange County, designed to manage and improve the arterial highway network. Established in 1956, the MPAH was created to complement the county's developing freeway system and has evolved into a critical element of Orange County's long-range transportation policy.

Over the years, the MPAH has played a crucial role in shaping the county's transportation infrastructure, ensuring a coordinated effort between OCTA and the cities within Orange County. The primary goal of the MPAH is to outline a regional arterial highway system that supports existing and future land uses, ensuring that roads are designed to accommodate projected traffic volumes. It aims to provide a circulation system that complements the county's freeway network, focusing on the efficient movement of people and goods. The resolution affirms the City has determined its General Plan Circulation Element is consistent and in conformance with the MPAH.

Fiscal Impact Summary:

It is anticipated that the City will receive approximately \$1,168,171 in local fair share M2 funds for Fiscal Year 2025-26, and these funds are included in the proposed 2025-26 Capital Improvement Program Budget.

Attachments

[Attachment 1 - City of Placentia FY 2025-26 CIP Project List with Measure M Funding.pdf](#)

[Attachment 2 - Resolution No. R-2025-24.pdf](#)