



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

**SPECIAL MEETING
JUNE 23, 2026
COUNCIL CHAMBERS, 735 ANACAPA STREET**

CALL TO ORDER

Mayor Randy Rowse called the meeting to order at 10:00 a.m.

PLEDGE OF ALLEGIANCE

Mayor Rowse.

ROLL CALL

Councilmembers present: Eric Friedman, Oscar Gutierrez, Meagan Harmon, Mike Jordan, Wendy Santamaria, Kristen W. Sneddon (10:08 a.m.), Mayor Randy Rowse.

Councilmembers absent: None.

Staff present: City Administrator Kelly McAdoo, City Attorney John S. Doimas, Deputy City Clerk Austin Taylor.

PUBLIC COMMENT ON ITEMS LISTED ON THE AGENDA

PUBLIC HEARING

- 1. Subject: Fiscal Year (FY) 2027 Operating and Capital Budget Deliberations (Continuation)**

Recommendation: That Council:

- A. Approve certain adjustments to the FY2027 Recommended Budget identified by staff as detailed in the Schedule of Recommended Adjustments;
- B. Provide final direction to staff based on the Council's review of the FY2027 Recommended Budget over the last several weeks; and

- C. Provide direction to staff regarding the draft Resolution of the Council of the City of Santa Barbara Regarding the FY2027 budget, being out of compliance with Resolution No. 23-124, the Policies for Reserves.

Documents:

- June 23, 2026, report from the Finance Director.
- PowerPoint Presentation prepared and made by staff.

Speakers:

- Staff: City Administrator Kelly McAdoo; Sustainability and Resilience Director Alelia Parenteau; Housing and Homeless Services Manager Carre Paine; Finance Director Keith DeMartini; Assistant Chief of Police Marylinda Arroyo; Community Development Director Allison DeBusk; Budget Manager Natalija Glusac.
- Members of the Public: Chelsea Lancaster; Stanley Tzankov; Ana Arce; Joanne Oleynik; Rich Appelbaum; Larry Severance; Larry Behrendt; Brian Whitworth; Zac Smith; Susan Nicole Thompson; Ana Garcia; Linda Honikman.

Solid Waste

Motion:

Councilmembers Harmon/Santamaria to Direct staff to not utilize reserves to smooth rate increases over 3 years resulting in \$602,270 of savings in the Solid Waste Enterprise Fund.

Vote:

Majority roll call vote (Abstain: Councilmember Sneddon).

Homeless Services

Motion:

Councilmembers Harmon/Jordan to direct staff to ensure sufficient funding through the Permanent Local Housing Allocation Program grant, Measure I reallocations, & Measure C cost savings to extend the FARO Center programming & support lease funding through the end of June 2027 resulting in additional combined et aside of \$350,000.

Vote:

Unanimous roll call vote.

Reserve Policy

Motion:

Councilmembers Santamaria/Jordan to direct staff to schedule a Finance Committee meeting to consider revisions to the General Fund Reserve Policy to be more in line with actual reserve levels &/ or clarify reserve use & terminology; direct staff to schedule a Finance Committee meeting to clarify & further define the prioritization of reserve use during an emergency or disaster for enterprise and general funds; and direct staff that if, at the end of the fiscal year, actual Transient Occupancy Tax (TOT) or Sales Tax revenue exceeds the budget, the revenue surplus shall be split between General Fund reserves, the pension Section 115 Trust, & the Local Housing Trust Fund, with the understanding that this action requires an update to the City Council Reserve Policy.

Vote:

Majority roll call vote (Noes: Councilmember Sneddon, Mayor Rowse).

Holiday Parades

Motion:

Councilmembers Friedman/Sneddon to Direct staff to collaborate with the Downtown Santa Barbara Improvement Association (DSBIA) to reinstate the Downtown Holiday Parade & identify \$50,000 to contribute to the event, potentially from private sources outside of the City; Direct staff to support the Milpas Holiday Parade & identify additional funding to contribute to the event; Direct staff to collaborate with organizers to reduce staff & other costs associated with event; Explore returning the Solstice parade to State Street; and Examine Fiesta's operating budget for potential cost savings.

Vote:

Unanimous roll call vote.

Revenue, Fees, & Taxes

Motion:

Councilmembers Sneddon/Harmon to direct staff to analyze a sustainable ongoing source of funding for the Local Housing Trust Fund.

Vote:

Unanimous roll call vote.

Motion:

Councilmembers Sneddon/Harmon to direct staff to analyze a vacancy tax (for behavior change, not revenue) for an upcoming election for consideration w/ the strategic plan timing.

Vote:

Majority roll call vote (Noes: Councilmember Friedman, Mayor Rowse).

Downtown Parking

Motion:

Councilmembers Sneddon/Santamaria to direct staff to: analyze the programmatic, economic, & budgetary impacts of free parking for locals at certain times; analyze the programmatic economic, & budgetary impacts of citywide free parking; and recommend a list of capital & infrastructure upgrades in Downtown Parking to reduce or delay.

Vote:

Majority roll call vote (Noes: Mayor Rowse).

Other Programmatic Items

Motion:

Councilmembers Gutierrez/Santamaria to direct staff to bring back to Council a work session on existing capital projects, specifically regarding fencing and gating in public spaces.

Vote:

Majority roll call vote (Noes: Mayor Rowse).

Motion:

Councilmembers Harmon/Sneddon to bring back to Council the compensation philosophy and the class and compensation study as expeditiously as possible.

Vote:

Unanimous roll call vote.

Attachment 1/Other

Motion:

Councilmembers Sneddon/Harmon to approve certain adjustments to the FY2027 Recommended Budget identified by staff as detailed in the Schedule of Recommended Adjustments.

Vote:

Unanimous roll call vote

Motion:

Councilmembers Rowse/Friedman to have a separate resolution brought to Council regarding the transfer of funds to the Local Housing Trust fund.

Vote:

Motion failed (Ayes: Councilmembers Friedman, Gutierrez, Mayor Rowse; Noes: Councilmembers Sneddon, Harmon, Jordan; Abstentions: Councilmember Santamaria).

Motion:

Councilmember Santamaria to keep 2 police officer positions frozen and make 1 available.

Motion dies for lack of a second.

Motion:

Councilmembers Harmon/Jordan to provide direction to staff regarding the draft Resolution of the Council of the City of Santa Barbara Regarding the FY027 budget, being out of compliance with Resolution No. 23-124, the Policies for Reserves, including a timeline for Finance Committee discussion.

Vote:

Unanimous roll call vote.

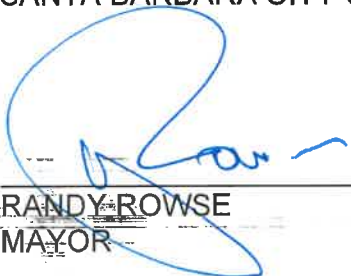
ADJOURNMENT

Mayor Rowse adjourned the meeting at 1:04 p.m.

Approved and adopted by the City Council of the City of Santa Barbara on August 18, 2026.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE



RANDY ROWSE
MAYOR

ATTEST:



SARAH GORMAN
CITY CLERK SERVICES MANAGER

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