

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 15-16, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.5, Information

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Published Date: October 2, 2026

Subject: 2026 Local Streets and Roads Needs Assessment

Summary:

Margot Yapp, President and Chief Executive Officer of NCE, a transportation consulting firm, will present findings from the NCE authored 2026 [“California Statewide Local Streets and Roads Needs Assessment”](#) (Assessment), sponsored by the League of California Cities, the California State Association of Counties, the County Engineers Association of California, the Rural Counties Task Force, and various regional transportation planning agencies.

Background:

The Assessment is a recurring report that surveys California’s 482 cities and 58 counties, which combined are responsible for maintaining over 146,000 centerline miles of local streets and roads. The Assessment evaluates the current pavement conditions of local streets and roads, the cost to repair all streets and roads, and the safety needs for a functioning local transportation system.

The 2022 Assessment was presented to the California Transportation Commission in August of 2023. The data from the 2022 Assessment was incorporated into the California Transportation Commission’s 2025 State and Local Transportation System Needs Assessment as a key reference point.

This 2026 edition of the Assessment also includes the maintenance costs of over 12,400 local bridges, complete streets, and active transportation infrastructure, and an estimate of the funding shortfall for the local system

Senate Bill 1 is a critical funding source that has resulted in cities and counties stabilizing the average local pavement condition since its passage in 2017. In its declarations when approving Senate Bill 1, the Legislature recognized the additional funding would address only a portion of statewide transportation needs identified at that time. Additional challenges have arisen, and the existing funding is not sufficient to stabilize the average local pavement condition. Increasing construction costs, meeting the needs of multiple modes of transportation, impacts of extreme climate events, and the transition to zero-emission vehicles means that the funding needs have grown to \$154.4 billion over the next 10 years, an increase of \$27.2 billion since the 2022 Assessment. Given the existing funding constraints, this results in a shortfall of \$82.1 billion, as shown in the Total Funding Shortfall table from the 2026 Assessment Final Report's Executive Summary on page 4.

Transportation Asset	2025 (\$B)		
	Needs	Funding	Shortfall
Pavement	\$ 94.8	\$ 40.6	\$ (54.2)
Essential Components ¹	\$ 35.7	\$ 28.4	\$ (20.6)
<i>Active Transportation</i>	\$ 13.2		
Totals	\$ 10.7	\$ 3.4	\$ (82.1)

¹ *Essential Components include: Essential safety and traffic components such as curb ramps, sidewalks, storm drains, streetlights, and signals.*