

FISCAL YEAR 2025-26 PLANNING SESSION

February 1, 2025
City Council Planning Session



AGENDA

- Financial Update
- Major Initiatives – Services
- Status of Major Capital Improvement Projects
- Development of FY 2025-26 CIP Budget
- Private Development Under New Housing & Land Use Elements
- Major Initiatives – Projects

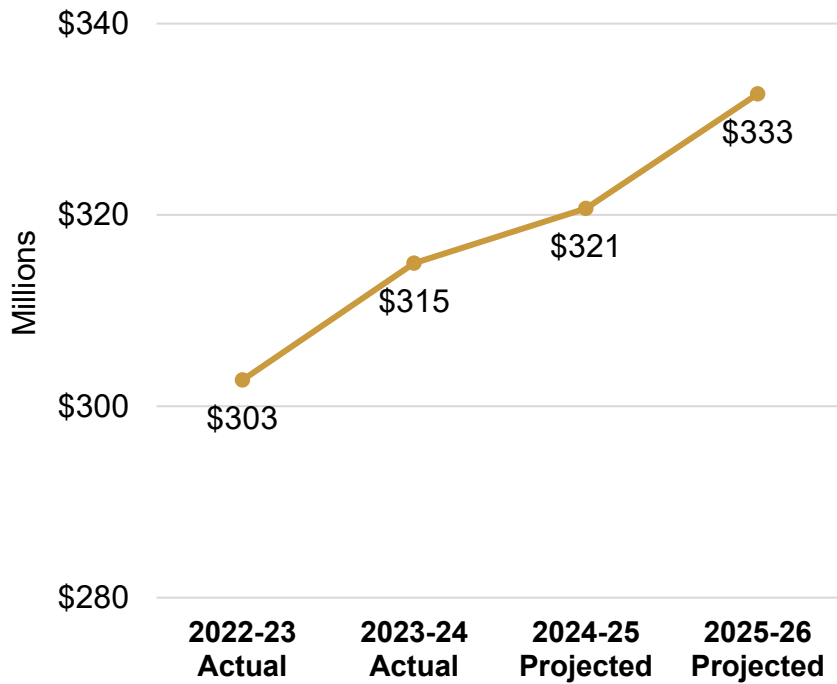




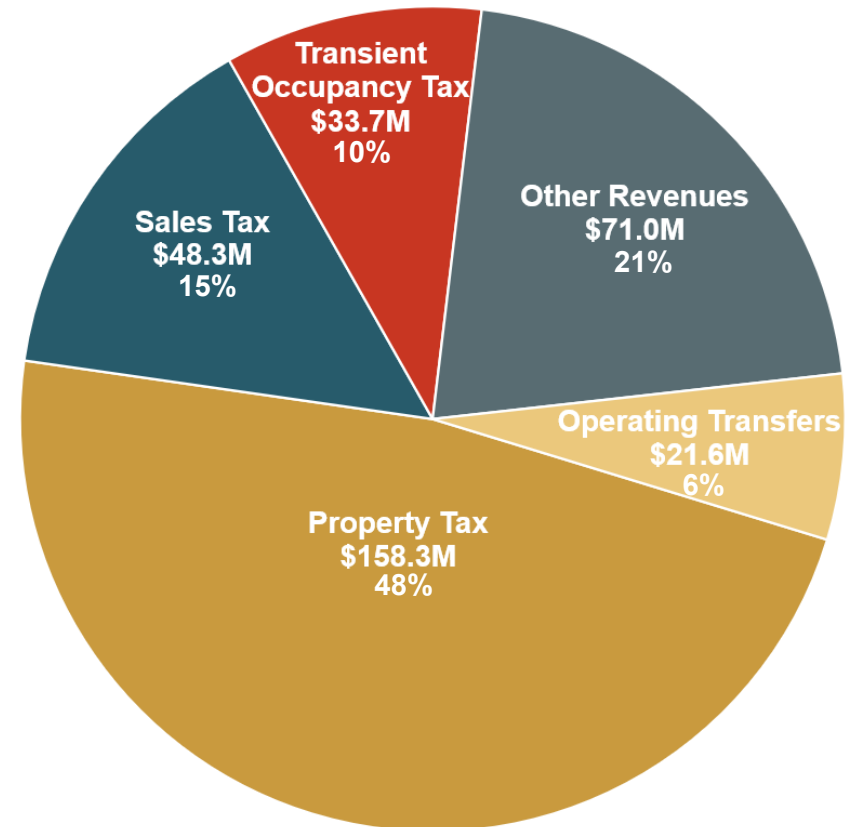
FINANCIAL UPDATE

GENERAL FUND REVENUES

Historical

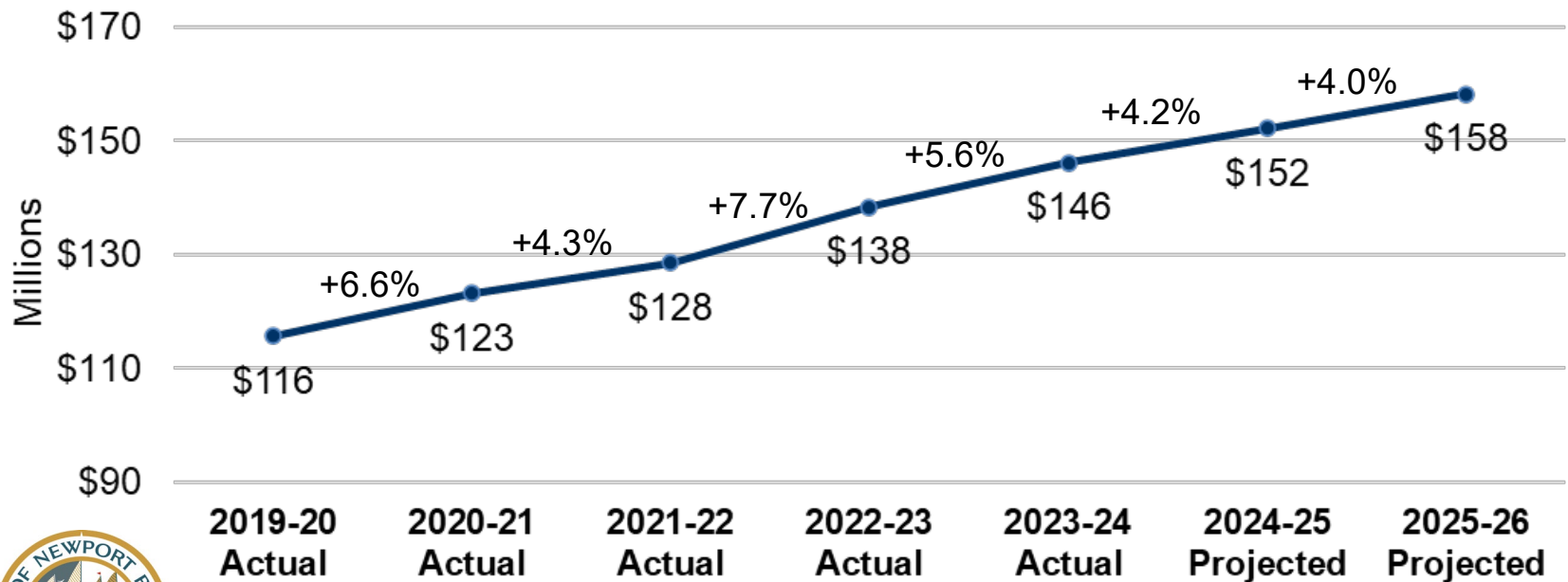


Fiscal Year 2025-26



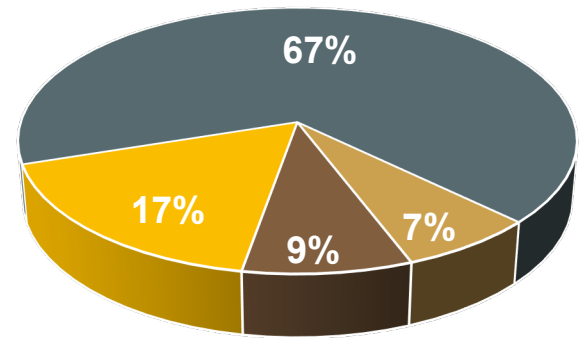
PROPERTY TAX REVENUE

- City's largest revenue source.
- Projected to increase by \$6 million (4%) due to:
 - Increase in assessed values related to Proposition 13 inflationary adjustment
 - Changes in ownership and new construction.



PROPERTY TAX REVENUE

- Newport Beach receives 17% of 1% property tax collected.
 - Each city's percentage of the 1% varies.
 - Newport Beach has County's 3rd highest city-share of the 1% behind Santa Ana and Laguna Beach.
 - This higher share, plus higher assessed values than many surrounding cities, contributes significantly to the City's fiscal stability.
- The City's assessed valuation is the second largest in Orange County, behind Irvine.
- Citywide assessed values are projected to reach \$83 billion in FY 2025-26.

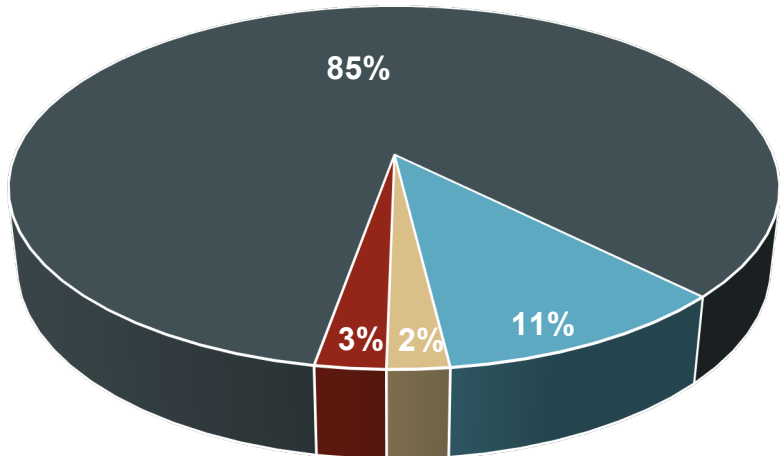


- City of Newport Beach
- Schools
- County of Orange
- Special Districts



PROPERTY TAX REVENUE BY CATEGORY & RESIDENTIAL SALES TRENDS

Property Tax Revenue by Category



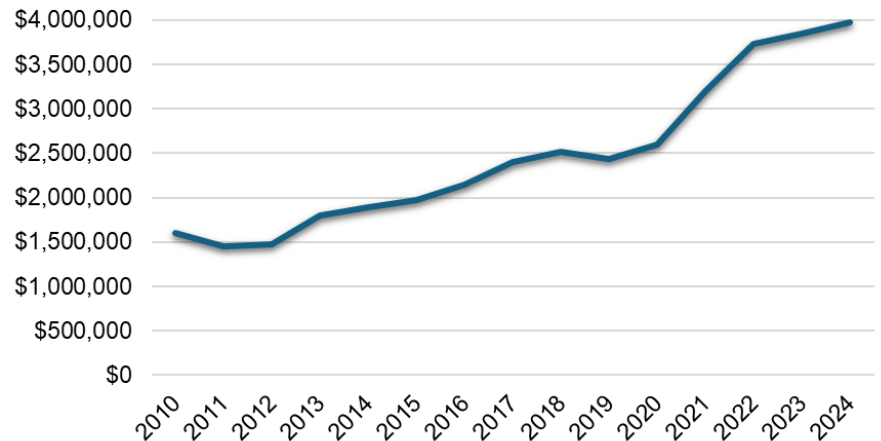
■ Residential ■ Commercial ■ Other ■ Unsecured



**DETACHED SINGLE-FAMILY HOMES
MEDIAN SALES PRICE HISTORY**

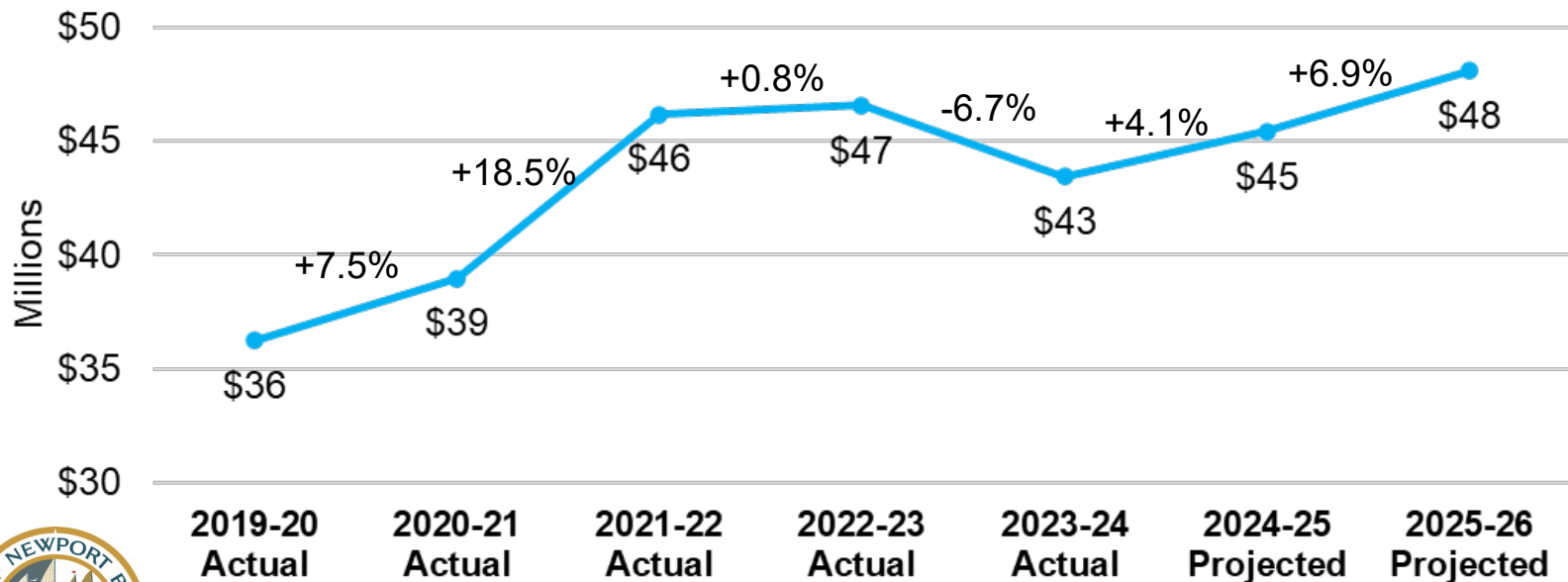
YEAR	SALES	MEDIAN PRICE	CHANGE %
2020	1,143	\$2,595,000	6.57%
2021	1,414	\$3,200,000	23.31%
2022	833	\$3,736,500	16.77%
2023	689	\$3,845,000	2.90%
2024	650	\$3,976,000	3.41%

MEDIAN PRICE



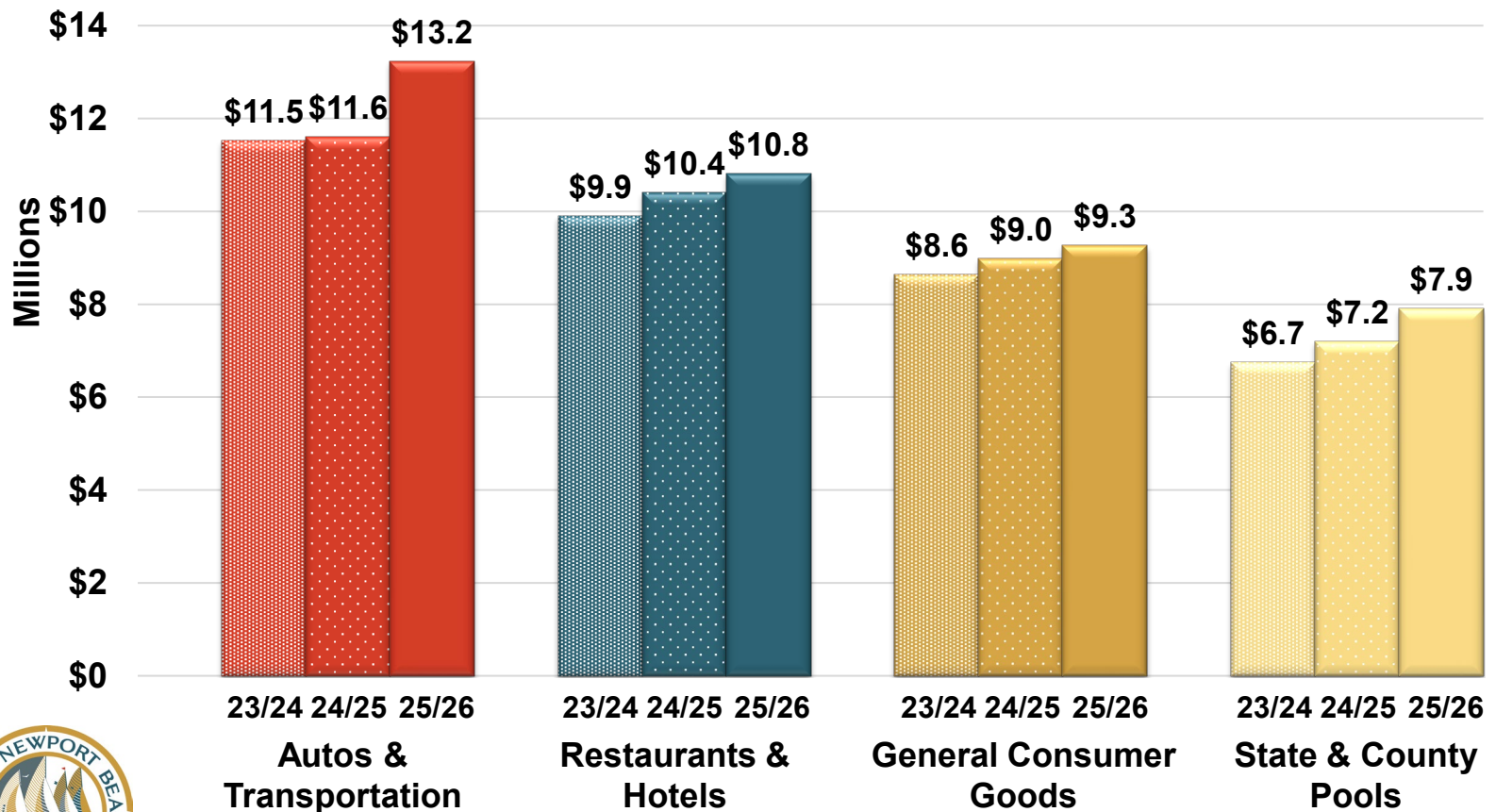
SALES TAX REVENUE

- Second largest revenue source.
- Projected to increase by \$3 million (6.9%), primarily due to:
 - Anticipated growth in autos and transportation.
 - County pool.



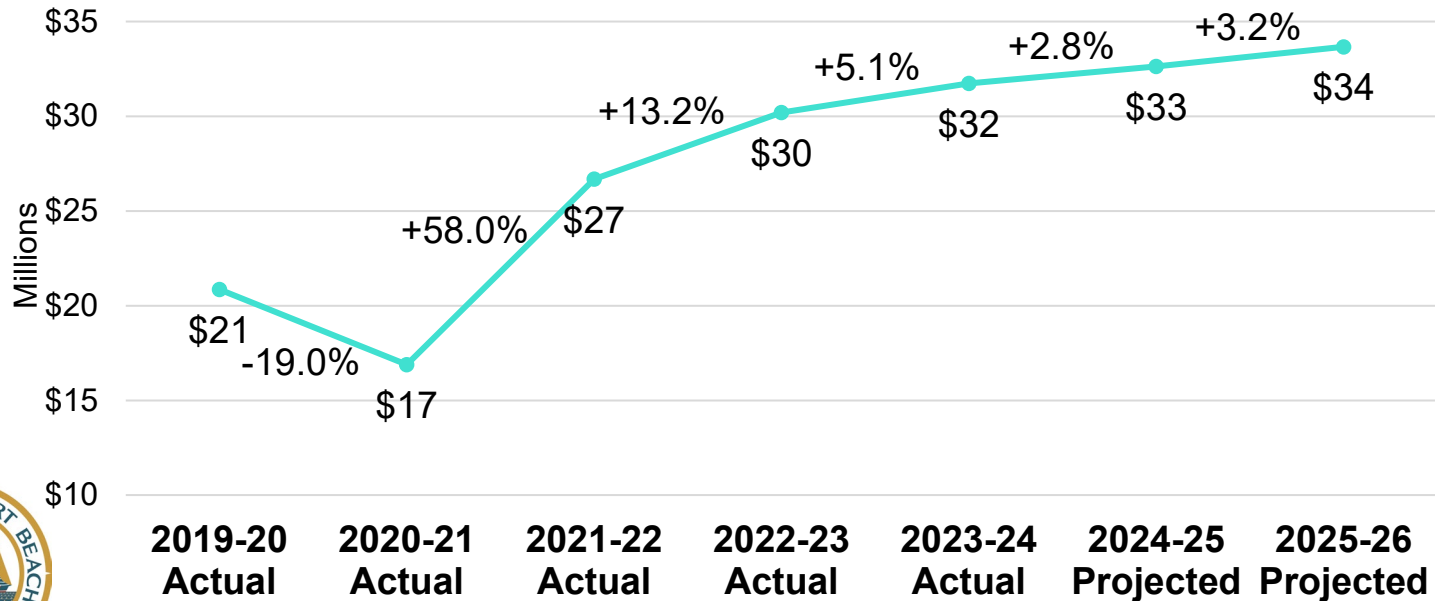
SALES TAX REVENUE MAJOR INDUSTRY GROUPS

Fiscal Years 2023/24, 2024/25 & 2025/26



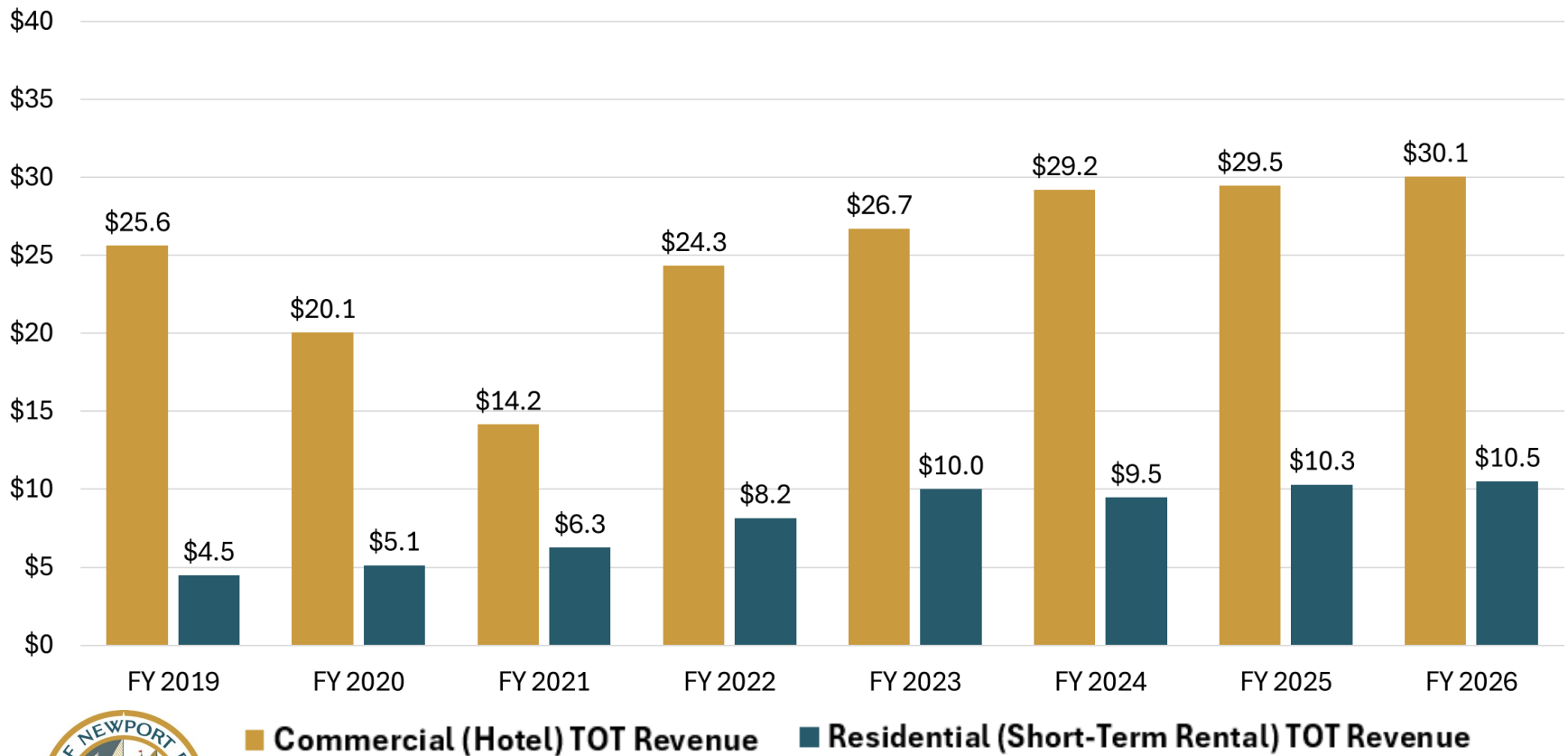
TRANSIENT OCCUPANCY TAX (TOT)

- Third largest revenue source.
- Projected to increase by \$1 million, or 3.2%.
 - Net of payments to Visit Newport Beach.
- Increase is driven by:
 - Anticipated growth in TOT receipts from hotels and short-term rentals.
 - Decrease in payments to VNB.



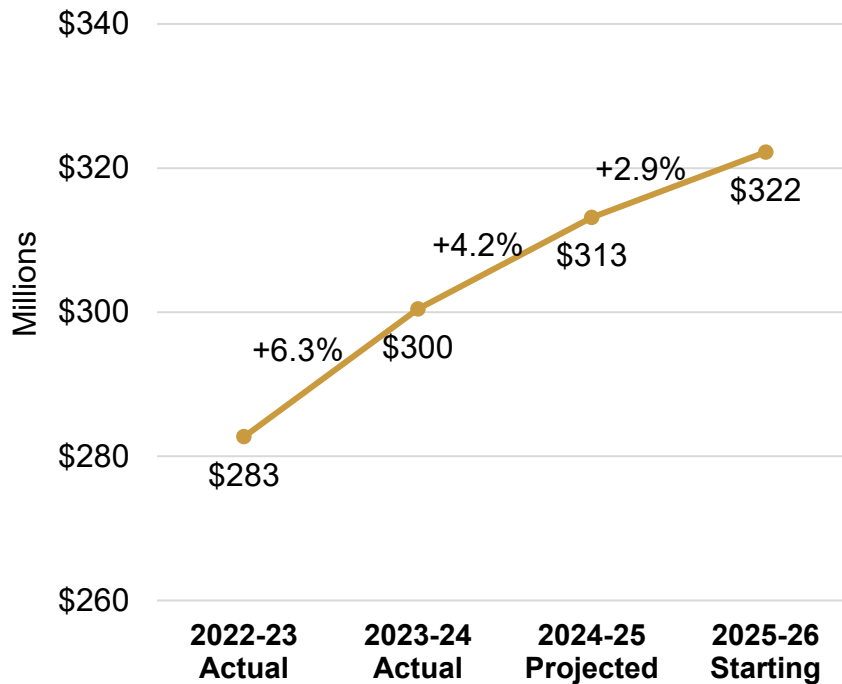
TRANSIENT OCCUPANCY TAX COMMERCIAL VS. RESIDENTIAL

Commercial Vs. Residential Transient Occupancy Tax Revenue

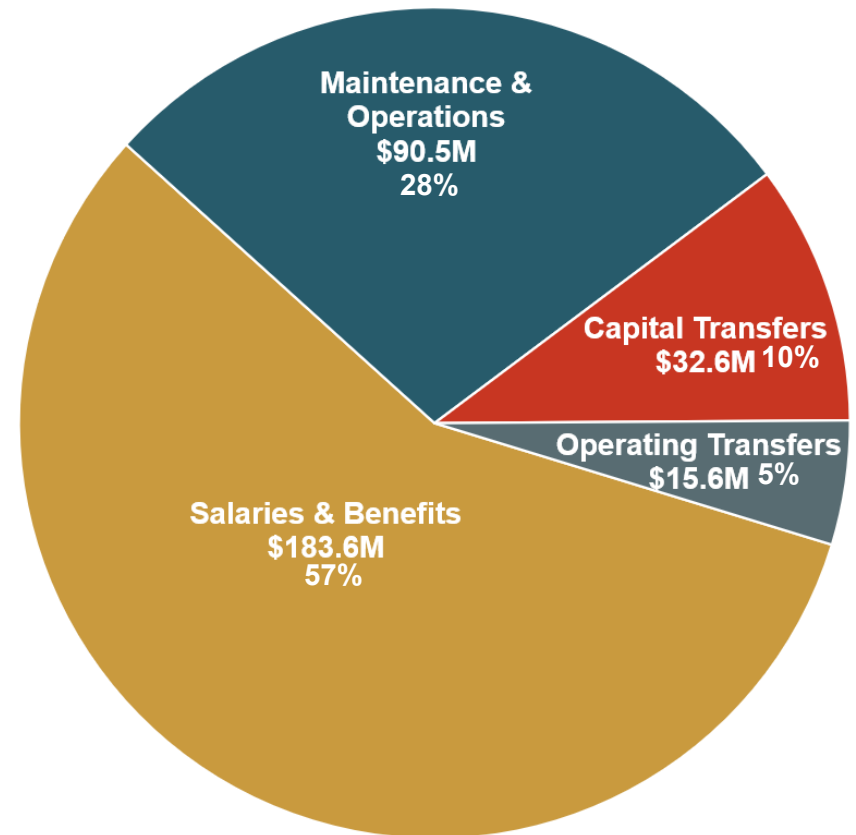


GENERAL FUND EXPENDITURES

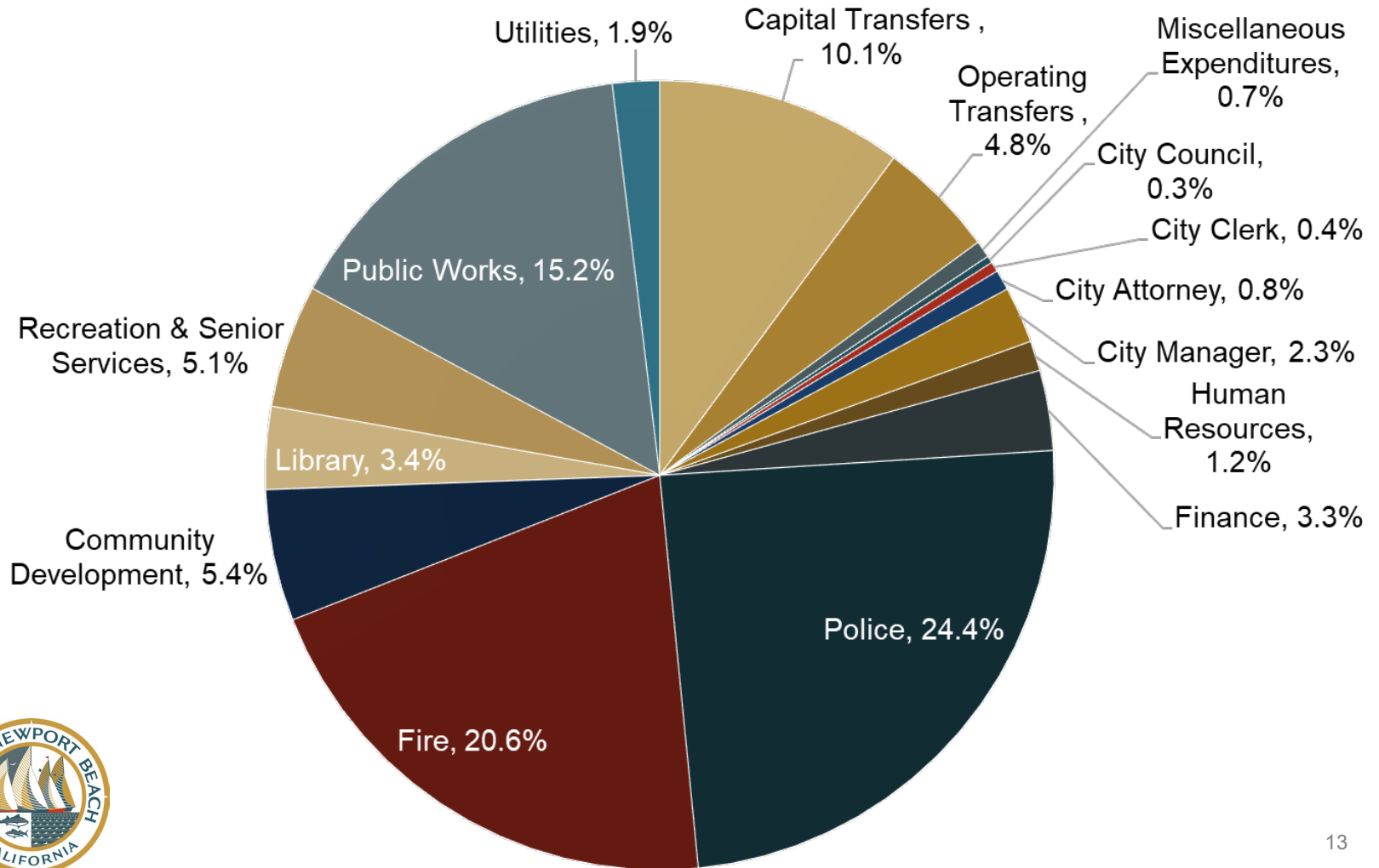
Historical



Fiscal Year 2025-26



GENERAL FUND EXPENDITURES BY DEPARTMENT



FY 2025-26 PRELIMINARY GENERAL FUND EXPENDITURE OUTLOOK



FY 2025-26 budget is under development.

Preliminary General Fund operating expenditures starting with \$9 million (2.9%) increase for baseline:

- \$2 million for employee wages and benefits

- \$2 million for operating costs

- \$5 million for capital expenditures.



Cost adjustments for specific services and program enhancement requests are under evaluation and not yet reflected in expenditure outlook.



FY 2025-26 PRELIMINARY CAPITAL FUNDING OUTLOOK

Staff recommends General Fund capital funding be maintained as shown due to:

- Inflationary impacts
- Significant upcoming projects
- Addressing long-term capital needs.

	FY 2024-25	FY 2025-26
General Fund Capital Improvement Fund	\$6.5 M	\$ 6.5 M
Tidelands Capital Fund (HBMP)	\$5.8 M	\$ 6.0 M
Facilities Financing Plan Fund	\$9.9 M	\$15.3 M
Facilities Maintenance Fund	\$2.5 M	\$ 2.5 M
Park Maintenance Fund	<u>\$2.3 M</u>	<u>\$ 2.3 M</u>
Capital Funding in Original Budget	\$27.0 M	\$32.6 M
FY 2023-24 Year-End Surplus Funds	<u>\$10.8 M</u>	<u>\$ -</u>
Total Capital Funding	\$37.8 M	\$32.6 M



PENSION PAYDOWN STRATEGY

- Revisited annually.
- FY 2024-25 budget included \$45 million to pay down pension liability.
 - Baseline allocation of \$40 million
 - Discretionary contribution of \$5 million from projected General Fund surplus at budget adoption
- Continued commitment of \$45 million eliminates pension liability in 8 years
 - Assuming CalPERS meets investment earnings expectations
 - Liability anticipated to be eliminated by 2033
- FY 2025-26 budget includes baseline allocation of \$40 million.
- Additional \$5 million discretionary contribution can be funded at budget adoption or from year-end surplus.





MAJOR INITIATIVES – SERVICES

PUBLIC SAFETY

Crime Information Center (CIC)

- Operational January 14, 2025
- 3 civilian investigators
- Fusus

Flock License Plate Readers (LPR)

- 69 cameras installed
- HOAs and private partnerships
- Success stories



PUBLIC SAFETY

- Quality of Life Team
 - Additional officers assigned as Homeless Liaison Officers (HLOs)
 - 4 HLOs, 3 bicycle officers, 1 sergeant
 - Coverage 7 days a week, 9 a.m. to midnight
 - New Municipal Codes
- Results:
 - January 2024 Point in Time Count: 71
 - November 2024 PATH Census: 11
- Additional Support:
 - New City Prosecutor position
 - Proposed budget amendment to City Council



PUBLIC SAFETY

Drone Program

- Research conducted into top drone companies
- Proactive patrols to affected areas
- Can act as first responders
- 5 drones pre-positioned to bases throughout the City
- Backpack drones for specific operations
- Contract anticipated for Council review February 25
- Equipment deployed within 90 days after contract completion



CHANGES TO CODE ENFORCEMENT PROGRAM IN 2024

4 New Full-Time Positions Created:

- Vendor enforcement (1)
- Commercial use in residential zones (1)
- Refuse enforcement (2)

Program Changes

- Purchased ATV and trailer for beach enforcement
- Refuse enforcement transitioned from Public Works to Community Development
- Proactive inspection program for commercial uses in residential zones



BEACH VENDOR ENFORCEMENT

- 294 unpermitted vendor cases
- 9 vendors paid impound fees to recover items
- Decrease in the number of vendors and complaints
- Positive feedback from local business owners
- Joint enforcement between Code Enforcement, Lifeguards, NBPD



SHORT TERM LODGING INSPECTION PROGRAM

- All 1,550 short term lodging units inspected over a two-year period.
- 172 inspection completed since November 2024.
- Inspections include:
 - Health and safety
 - Unpermitted construction
 - Property maintenance
 - Parking
 - Compliance with all conditions of NBMC 5.95.045



Properties Inspected (Proactive)	Complaints (Reactive)
172	41
Smoke/Carbon detectors	51
Refuse – 3 Containers	47
Required postings	24
Peeling paint/Wood rot	21
Address visible	17
Heating	9
Property maintenance	8
Unpermitted construction	8
Square footage/occupancy	4
Pool safety	2
Electrical Hazard	2
Parking	1
Total	194

SHORT TERM LODGING PERMITS

Calendar year 2024:

- 40 permits issued from waitlist
- 2 notices of intent to revoke issued (1 overturned)
- 4 notices of intent to suspend issued (1 overturned)
- 25 permits closed at request of owner
- 10 permits closed and not reinstated
 - No TOT reported for 2 years
- 19 permits abandoned
- 1,496 active permits as of January 1, 2025
- 688 properties on waitlist



SHORT-TERM LODGING PERMITS

Hardship appeal process:

- October 8 City Council meeting discussion on potential appeal process for revoked permits.
- Council members requested matter be brought back for further discussion at the City Council Planning Session



REFUSE ENFORCEMENT

7/1/24 to 1/15/25

- Refuse enforcement program transitioned to Community Development on July 1
- 2 full-time officers dedicated to refuse enforcement related to State mandates
- Increase:
 - 262 cases to 2,352 cases (over same time period previous year)

Type	Total Cases
Demo Deposit	616
Exhibit E (Hauler submitted violations)	102
Refuse (Storage, maintenance)	173
SB 1383 (3 Waste stream system)	1,299
Unfranchised hauler	162
Total Cases	2,352



SB1383 STATE MANDATED 3-CART WASTE STREAM

7/1/24-1/15/25

SB1383/EXHIBIT E CASES	1401
COMPLIANT	1183
	84%

FY24-25 GOALS

- Require short term lodging unit(s) during inspection to meet compliance
- 2500 Cases with a compliance rate of 90%
- Implement residential enforcement



CODE DIVISION STAFFING

- 8 officers in Code Enforcement
- Serve the public 7 days a week
- 24/7 short term lodging hotline operates at City Hall during summer season for higher level of customer service.
- Code Enforcement is expected to handle approximately 10,000 cases in 2025



PROGRAM ENHANCEMENT PROPOSALS FY 2025-26 BUDGET

- Review of department proposals underway
- Areas of focus / increasing service level demands:
 - Cybersecurity
 - Facilities maintenance
 - Real estate management
 - Building inspection services
 - Overtime
 - Contract services
 - Supplies





STATUS OF MAJOR CAPITAL IMPROVEMENT PROJECTS

Witte Lecture Hall



- Under construction
- Estimated completion January 2026
- \$23.5 million total project cost

- 9,814 SF world-class Lecture Hall
- Seating for up to 299



Balboa Island Utility Undergrounding

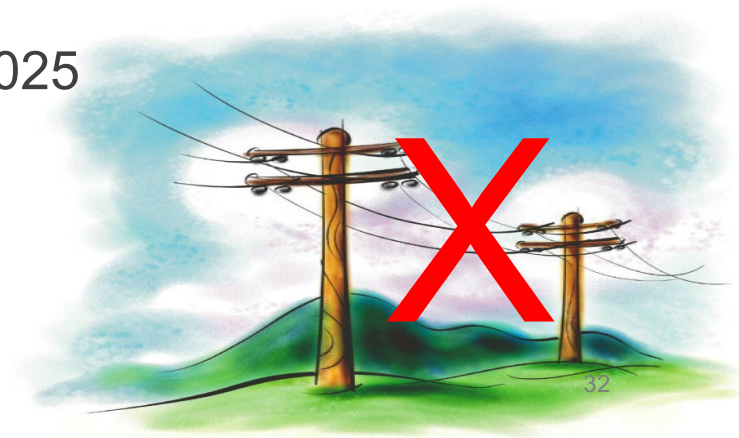
UUD 113 - West End Balboa Island

- Agate Avenue to the West
- About 1 month of construction remaining (alley reconstruction)

UUD 124 - Remainder of Big Balboa Island

Phase 1: Almost complete; working on alley restoration

- Phase 2: Under construction; finishing conduit installation
- Phase 3: Starting construction; February 2025
- Entire island to be completed in 2028



Lower Harbor Navigation Channel Dredging

- City partnering with US Army Corps of Engineers
- Permitting and project bidding underway
- Port of Long Beach disposal site
- Construction expected to begin Spring 2025
- Approximately \$23 million project cost

Project Funding in Place

- \$13 million Federal
- \$10 million City Tideland Funds



Balboa Branch Library and Fire Station Replacement



New Library and Fire Station:

- \$18M estimated cost
- Bid and award: Spring/Summer 2025
- Construction: Begins Fall 2025
- Estimated Completion: Spring/Summer 2027

Temporary Fire Station:

- \$375,000 estimated cost
- Plan, permit, bid: Winter/Spring 2025
- Construction: Spring/Summer 2025
- Move staff and equipment: late Summer 2025



City Yard Fleet Fueling System

Fleet Fueling Challenges:

CNG filling station location creates circulation and security issues

- Requires 24/7 access
- Public and City contractors use 88% of fuel
- City has 19 CNG vehicles
- High demand causing congestion at Corp Yard entry and long re-pressurization times
- Agreement with Clean Energy for O&M expires 2028 (extended in 2023)



City Yard Fleet Fueling System

Existing underground unleaded tank permit expires 2025

- Unleaded tank next to CNG pumps
- Removal will impact CNG fueling

Future electric vehicle regulations unknown

- State order issued September 2020 sets goals for zero emissions vehicles
- 100% of all in-state passenger car and truck sales by 2035
- 50% of all medium and heavy-duty vehicles by 2025; 100% by 2045

Fueling Reconstruction Project Relocates Unleaded and Adds Slow Fill CNG

- Relieves congestion, decrease City fleet fueling times, maintains compliance
- Estimated cost \$6.5M (does not include any electrification)



Balboa Island Drainage Master Plan - Pipes and Pump Stations

- New Balboa Island drainage system
- Replace manual valves with automated pump system
- 6-7 smaller storm water pump stations
- Connect to a system of underground drain pipes
- First 2 pump stations under design
- Construction estimated to start Spring 2026
- \$7 million estimated cost for this phase
- \$35 million estimated cost for remainder of island



MAJOR PROJECTS UNDERWAY

MacArthur Blvd Street Revitalization Campus Drive to Jamboree Road

MacArthur Blvd. Pavement Rehabilitation *Campus Drive to Jamboree Road*

- Install landscaped medians
- Add City monument sign
- Rehabilitate traffic signals
- Repave roadway
- Add on-street bike lanes
- Estimated cost: \$6.5M
- Construction: January 2026 to July 2026



MAJOR PROJECTS UNDERWAY

Replace 15th Street Beach Restroom & Beach Trail Split from 14th St to Newport Pier



- Original structure built in 1961, major rehabs in 1987 and 2001
- Currently budgeted, in concept development
- \$2.8 million estimated cost



Replace 15th Street Beach Restroom & Beach Trail Split from 14th St to Newport Pier

- PB&R Commission community public hearings on concept design – Winter/early Spring 2025
- City Council community public hearings on concept design and concept design approval – Spring 2025
- Design and permitting complete late 2025
- Construction Spring 2026 - Early 2027



West Coast Highway Pedestrian and Bicycle Bridge at Superior

- Critical intersection
- City and OCTA working on improving capacity and pedestrian/cyclist movements
- Sunset Bridge was first step
- Next: Add vehicle lane improvements, take pedestrians and cyclists out of intersection
- Requires another bridge over PCH





Development of the FY 2025-26 CIP Budget

Draft FY 2025-26 CIP Budget

How projects are selected for CIP:

- Included in City Master Plans:
 - Pavement Management Plan
 - Harbor & Beaches Master Plan
 - Facilities Financing Plan
 - Bicycle Master Plan
 - Water Master Plan
 - Sewer Master Plan
- Identified by City Council, community, staff
- Developed to support Council goals, objectives, priorities
- Required by Federal, State law or legal action



Draft FY 2025-26 CIP Budget

Major Infrastructure Funding Sources

- General Fund
 - City general use funds
 - City special directed funds
- Tidelands Funds
- Roadway/Transportation Directed Funds
 - State gas tax
 - County Measure M
 - Roadway maintenance and repair funds (SB1)
 - City transportation and circulation impact fee
- Matching grants and contributions (Federal, State, local private)
- Special directed use funds
 - Environmental liability fee (City commercial refuse franchises)
 - City building excise tax
 - Federal Community Development Block Grants (CDBG)
 - AQMD clean air subvention funds
- Enterprise Funds
 - Sewer utility user charge
 - Water utility user charge



FACILITIES FINANCING PLAN (FFP)

Project Planning Worksheet						Last Updated		01/28/2025									
Active Projects						Current Age From: 2025											
Ref	New/Repl acement	Function	Project	Yr Built / Refurb	OG yr Built	Repl Sq Ft	Est \$/Sq Ft	2025	Useful Life	Years to Start	Project Estimate	FY Design Year	FY Const Start Year	FV Cost Est @ 2.5% Growth	Private Contributions	Net Proposed Cost	
4	R	Gen Gov	15th Street Beach Restroom	1961	1961	1,100	1,200	64	60	0	1,320,000	2023	2025	1,320,000		1,320,000	
5	R	Municipal Operations	Corporation Yard (Fueling and Transfer Station)	TBD	TBD	NA			40	0	7,400,000	2023	2025	7,400,000		7,400,000	
6	R	Fire/Library	FS 1 - Peninsula/Balboa Library	1962	1962	10,877	1,470	63	60	0	16,000,000	2023	2025	16,000,000		16,000,000	
7	R	Rec Facility	Bonita Creek - Artificial Turf Replacement	2015	2015	1,700,000	12	10	10	1	2,040,000	2025	2026	2,091,000		2,091,000	
40	N	Rec Facility	Aquatic Center at Lower Castaways							2	47,000,000	2025	2027	49,379,375	24,689,688	24,689,687	
37	N	Gen Gov	PCH Ped Bridge at Superior	TBD	TBD					3	27,000,000	2026	2028	29,076,047	21,807,035	7,269,012	
38	R	Rec Facility	Grant Howald - Artificial Turf Replacement	2021	2021	66,000	12	4	10	6	792,000	2030	2031	918,477		918,477	
8	R	Police	Police Station	1973	1973	60,000	1,600	52	60	8	96,000,000	2030	2033	116,966,678		116,966,678	
9	R	Rec Facility	Newport Theatre Arts Center	1973	1973	7,950	900	52	60	8	7,155,000	2030	2033	8,717,673	4,358,836	4,358,836	
3	R	Rec Facility	Arroyo Park Synthetic Turf Field	2024	2024	102,500	12	1	10	9	1,230,000	2032	2034	1,536,101		1,536,101	
11	R	Rec Facility	Lawn Bowling Facility (San Joaquin Hills Park)	1974	1974	2,750	800	51	60	9	2,200,000	2031	2034	2,747,499		2,747,499	
12	R	Fire	FS 3 - Santa Barbara	1971	1971	13,500	1,400	54	60	10	18,900,000	2032	2035	24,193,598		24,193,598	
13	R	Fire	Lifeguard HQ Replacement	1988	1965	3,000	900	37	50	13	2,700,000	2035	2038	3,721,980		3,721,980	
15	R	Rec Facility	Community Youth Center (CYC) - Grant Howald	2008	1988	5,658	850	17	30	13	4,809,300	2035	2038	6,629,673		6,629,673	
10	R	Fire	FS 6 - Mariners (living area rebuild)	2009	1957	3,000	1,400	16	30	14	4,200,000	2036	2039	5,934,490		5,934,490	
14	R	Rec Facility	Carroll Beek Center	2010	1980	1,500	1,000	15	30	15	1,500,000	2037	2040	2,172,447		2,172,447	
17	R	Rec Facility	Cliff Drive Community Room	2022	1960	761	1,000	3	30	27	761,000	2051	2052	1,482,276		1,482,276	
16	R	Rec Facility	Bonita Creek Community Ctr.	2024	1988	2,876	850	1	30	29	2,444,600	2051	2054	5,002,648		5,002,648	
18	R	Fire	FS 4 - Balboa Island	1994	1994	4,600	1,400	31	60	29	6,440,000	2051	2054	13,178,864		13,178,864	
19	R	Fire	FS 8 - Npt. Coast	2002	1995	7,000	1,400	23	60	30	9,800,000	2052	2055	20,556,162		20,556,162	
20	R	Library	Library-Central	2013	1997	65,000	850	12	60	32	55,250,000	2054	2057	121,757,571		121,757,571	
2	R	Rec Facility	Newport Coast Pickleball Court	2024	2024	28,700	45	1	40	39	1,291,500	2062	2064	3,383,180		3,383,180	
21	R	Library	Library-Mariners	2006	2006	15,300	850	19	60	41	11,478,750	2063	2066	31,591,706		31,591,706	
22	R	Fire	FS 7 - SAH	2007	2007	11,000	1,400	18	60	42	15,400,000	2064	2067	43,443,326		43,443,326	
23	R	Rec Facility	Newport Coast Community Ctr.	2007	2007	16,900	850	18	60	42	14,365,000	2064	2067	40,523,596		40,523,596	
39	R	Rec Facility	CDM Concessions/LGHQ	2007	2007	2,338	850	18	60	42	1,987,300	2064	2067	5,606,164		5,606,164	
24	R	Rec Facility	Girls & Boys Club (East Bluff Park)	2019	1971	11,800	850	6	50	44	10,030,000	2066	2069	29,726,995		29,726,995	
25	R	Rec Facility	OASIS Senior Ctr.	2010	2010	43,200	850	15	60	45	36,720,000	2067	2070	111,551,808		111,551,808	
26	R	Gen Gov	Civic Center	2013	2013	123,000	850	12	60	48	104,550,000	2070	2073	342,034,234		342,034,234	
27	R	Gen Gov	Council Chambers	2013	2013	5,600	850	12	60	48	4,760,000	2070	2073	15,572,290		15,572,290	
28	R	Rec Facility	Marina Park	2015	2015	24,390	850	10	60	52	20,731,500	2074	2077	74,863,776		74,863,776	
29	R	Fire	FS 6 - Mariners (apparatus bay only)	2018	1957	1,436	1,400	7	60	53	2,010,400	2075	2078	7,441,275		7,441,275	
30	R	Fire/Library	FS 5 and CDM Library	2019	2019	10,300	1,400	6	60	54	14,420,000	2076	2079	54,708,397		54,708,397	
31	R	Police	Animal Shelter	2022	1955	2,320	850	3	60	57	1,972,000	2079	2082	8,056,886		8,056,886	
32	R	Fire	FS 2 - Fire Station No 2	2022	1952	11,600	1,400	3	60	57	16,240,000	2080	2082	66,350,829		66,350,829	
33	R	Fire	Newport Jr. Guard Building	2024	2024	5,400	850	1	60	59	4,590,000	2081	2084	19,702,473		19,702,473	
1	R	Library	Library Lecture Hall	2025	2025	9,814	2,500	0	60	60	24,535,000	2082	2085	107,948,841		107,948,841	
34	R	Gen Gov	Civic Center Parking Structure (450 Stalls)	2013	2013	450	22,000	12	75	63	9,900,000	2085	2088	46,907,114		46,907,114	
															Total	1,399,339,890	
Unfunded/Unapproved Potential Projects																	
A	Municipal Operations	Utilities Yard/Admin Bldg		1970	1970	4,500	850	55	60	5	3,825,000	2027	2030	4,327,636		4,327,636	
B	Municipal Operations	Corporation Yard/Admin Bldg		1984	1984	3,400	850	41	60	19	2,890,000	2041	2044	4,620,099		4,620,099	
C	Rec Facility	West Newport Community Center		TBD	TBD	11,000	850				9,350,000			9,350,000		9,350,000	
															Total	18,297,735	
														TOTAL REPLACEMENT	-	23,722,113	1,433,289,445
														TOTAL NEW	78,455,422	46,496,723	31,958,699
														TOTAL PROJECT COST	1,479,639,721	37,299,011	1,442,340,711

FFP Projects and Funding Challenges

Major projects in the FFP near term include:

- Balboa Library and Fire Station No. 1
 - Expected funding shortfall of at least \$5.8 million
- City's share of the Pedestrian/Bicycle Bridge Project at PCH and Superior estimated at \$7.2 million
- City's share of aquatics complex at Lower Castaways Park estimated at \$25 million
 - Assuming additional \$25 million from private donations
- McFadden Plaza/Newport Pier rehabilitation project and other projects not included in the FFP - costs unknown



FFP Projects and Funding Challenges

- FY 2024-25 Budget included \$1.3 million General Fund contribution to the FFP to support future projects
- City contributed additional \$10.8 million to FFP in FY 2024-25 from prior year-end surplus
- City has \$15 million in unrestricted FFP reserves



Draft FY 2025-26 CIP Budget Community/Council Requested Projects

Redevelop Corona del Mar Villas frontage

- Wall showing signs of wear, age and distress. Including removing trees and re-landscaping complete frontage.
- \$1 million construction cost
- \$120,000 design estimate



Draft FY 2025-26 CIP Budget Community/Council Requested Projects

Add Lights to the Newport Coast Pickleball Courts

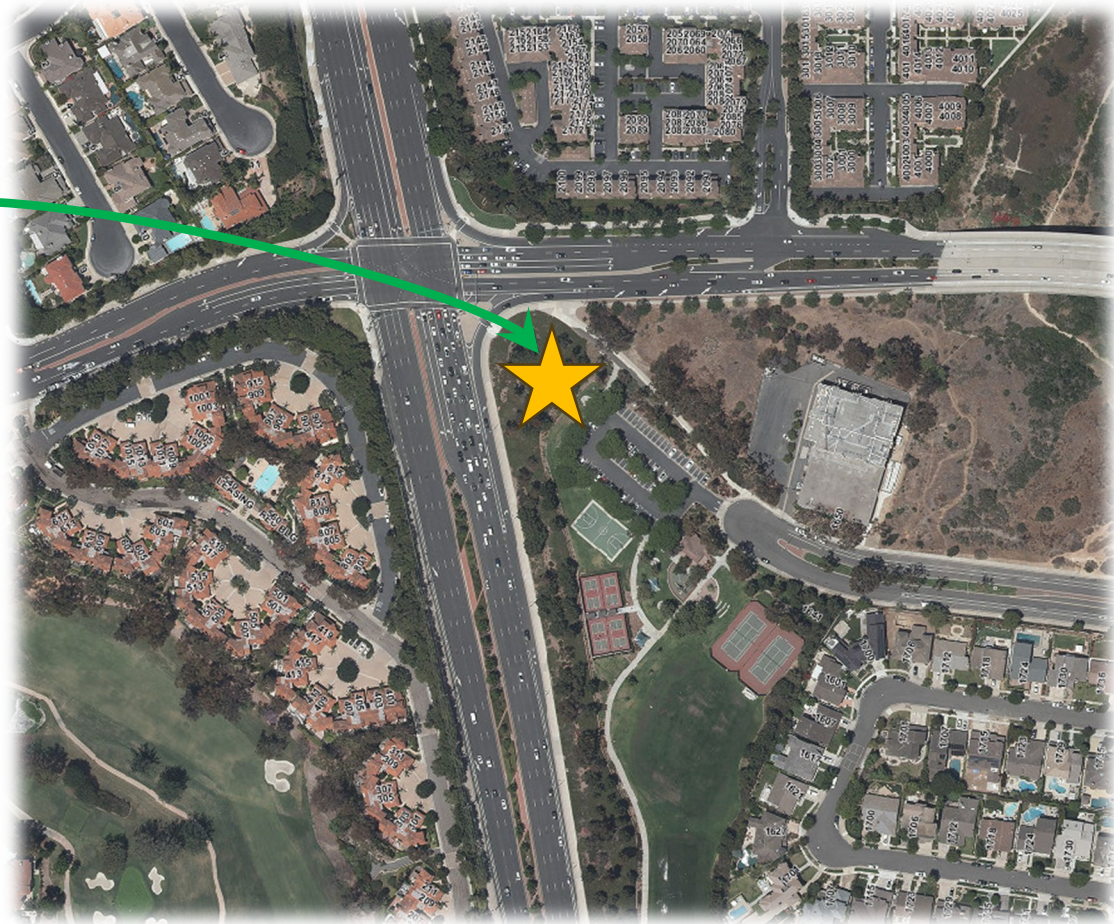
- Requested by HOA and Community
- \$130,000- \$250,000 construction cost
- + Annual operating costs



Draft FY 2025-26 CIP Budget

Community Desired Project Needs

Additional Pickleball Courts at Bonita Canyon Sports Park



- Underutilized area toward intersection of MacArthur and Bonita Canyon
- \$1.3 million construction cost + operating costs



PRIVATE DEVELOPMENT UNDER NEW HOUSING AND LAND USE ELEMENTS

MAJOR HOUSING PROJECTS

★ - Entitled Housing

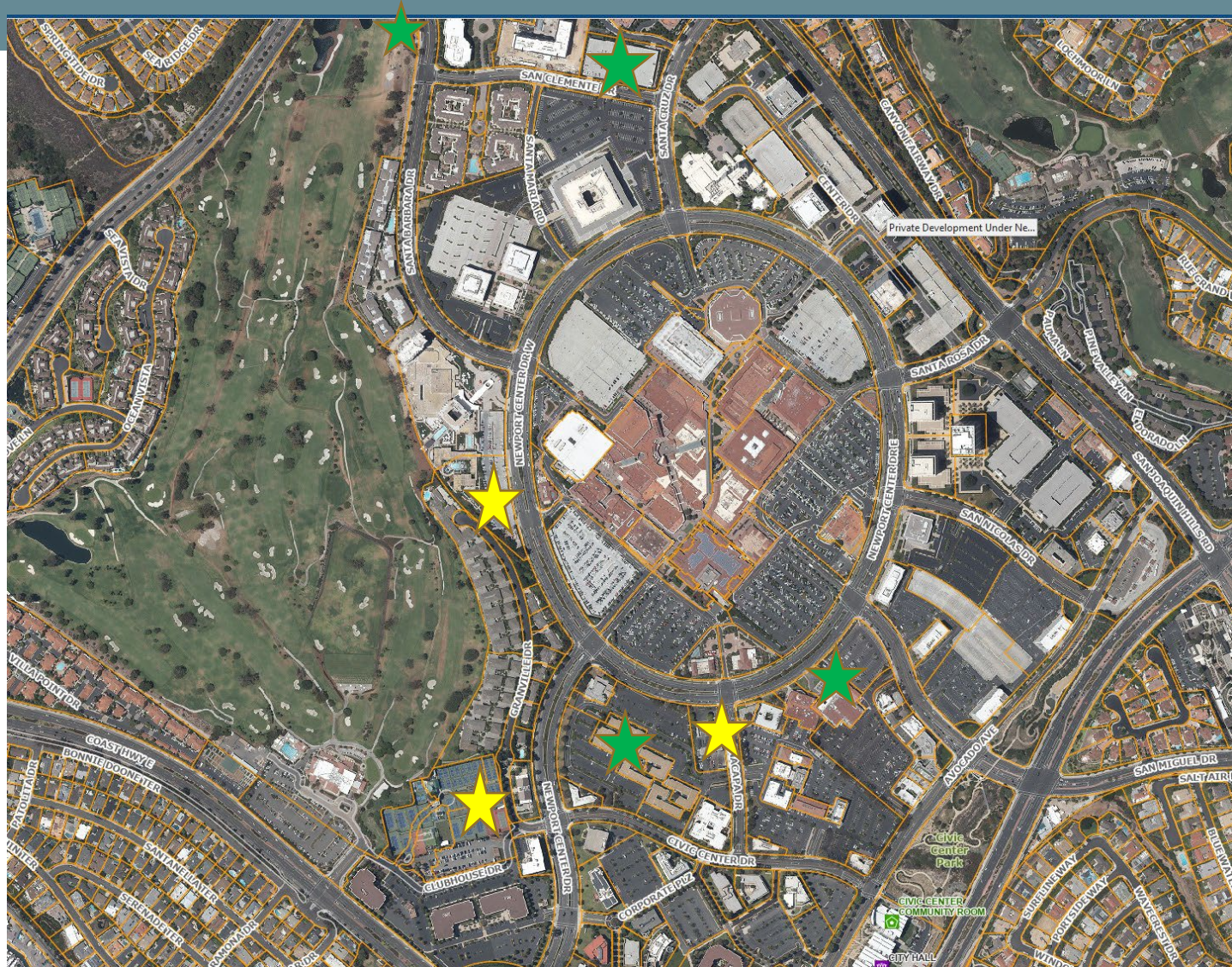
★ - RHNA Housing



MAJOR HOUSING PROJECTS

★ - Entitled Housing

★ - RHNA Housing



HOUSING NUMBERS

	Total Housing Units	Affordable Units
★ Entitled Housing	1,591	165
★ RHNA Housing	3,505	200
TOTAL	5,096	365



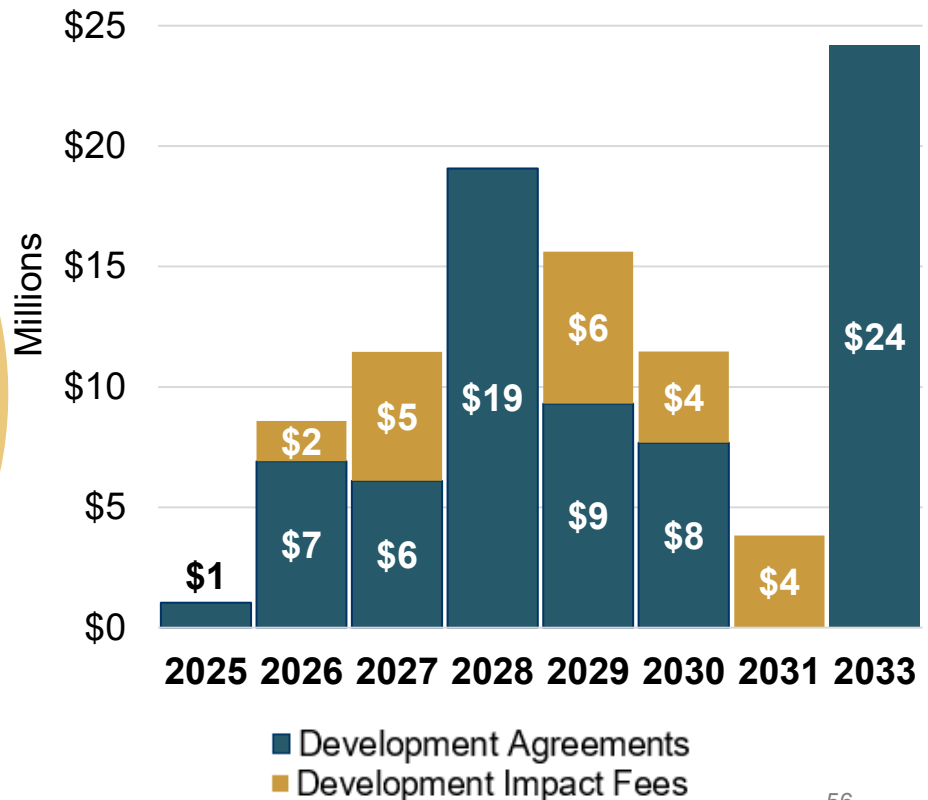
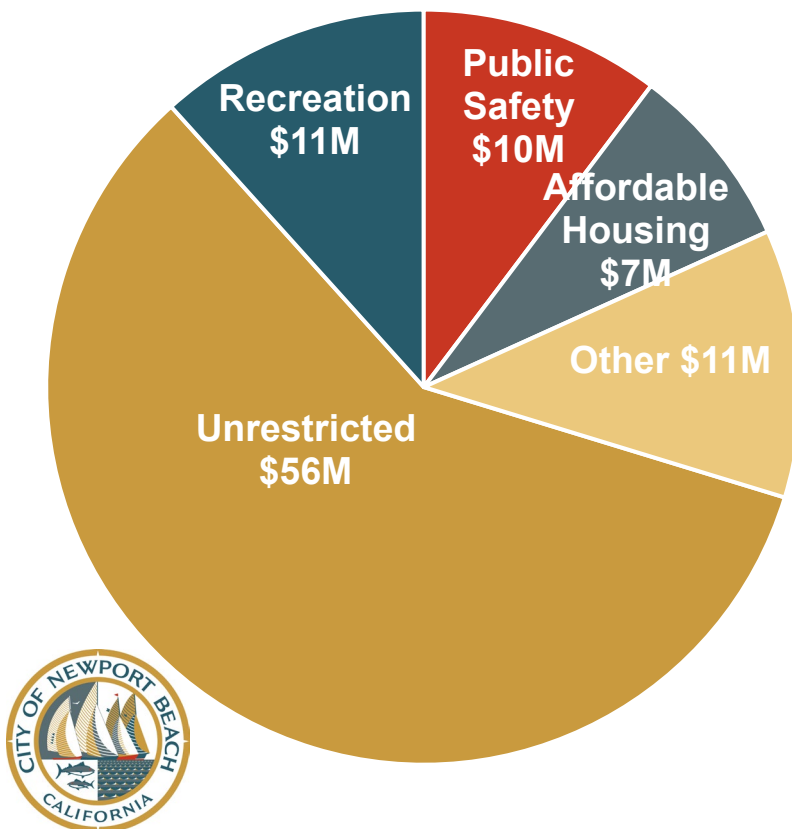
LOOKING FORWARD - 2025

- Height amendment for Newport Center – March 20, 2025
- Specific plan for airport planning area (North Newport Specific Plan)
cost approx. \$750,000
- Inclusionary (affordable) ordinance review
- Transfer of RHNA units between planning areas
- Design standards for tall structures



DEVELOPMENT-RELATED FEES

- Next 9 years: 17 private development projects projected to generate \$95 million in one-time revenue (impact fees or development agreements).





MAJOR INITIATIVES - PROJECTS

Aquatic Complex at Lower Castaways Park

Schedule

Council approval to start Entitlement, Traffic Study, CEQA – October 2024

- Community Outreach Kickoff – February 2025
- CEQA Contract – March 2025
- Entitlement – Schematic Design, CEQA and CDP Approvals – Spring 2026
- Complete Final Design and Permits – Fall 2026
- Construction Begins – Winter 2026
- Grand Opening – Spring 2028

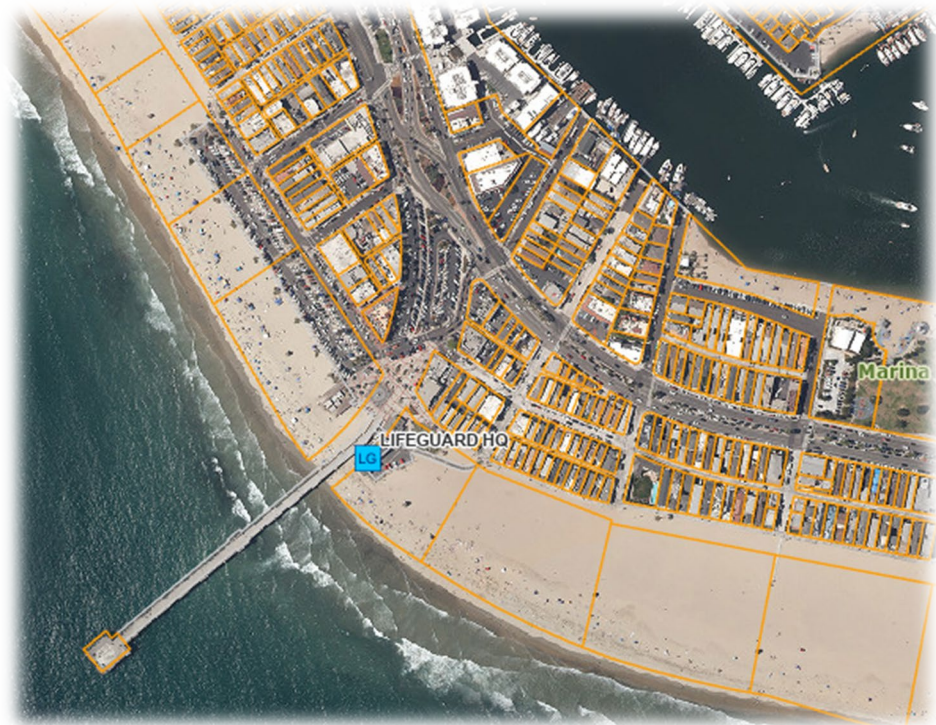
Cost

- Construction: \$47.1 million
- Annual operating: \$2.5 million



McFadden Plaza and Newport Pier Rehabilitation

- Reviewing/rethinking public space, pier replacement, parking and circulation, business/public space interface.
- Community discussion in Winter 2025/Spring 2026
- Cost TBD



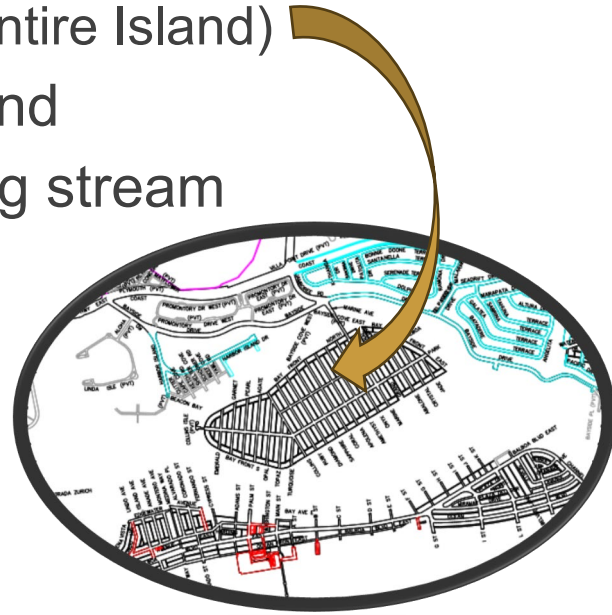
New Police Building

- Construction of new 60,000 square-foot police facility in Facility Finance Plan scheduled for 2033
- 1201 Dove Street
- All-In cost: \$96 million (today)



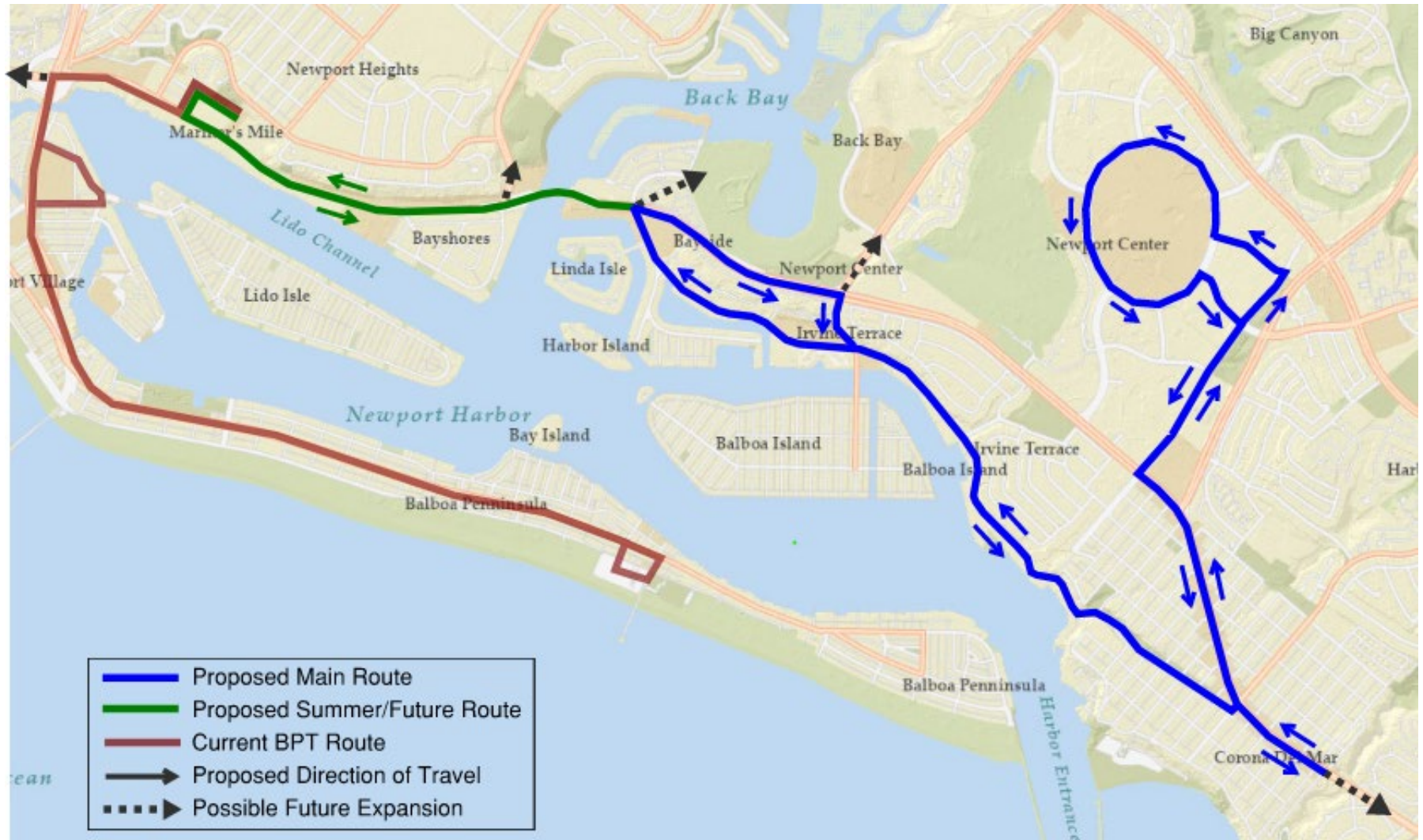
Concrete Pavement Needs

- PMP primarily funded to maintain the Asphalt Pavement System
Concrete Streets last 100+ years with little maintenance cost
- Ocean Blvd Concrete Pavement Replacement
Phase III - Carnation to Goldenrod
Estimated Cost \$4.4 million
- Balboa Island Concrete Street Replacement (Entire Island)
5+ years working West to East across the Island
Not included in pavement maintenance funding stream
Rough estimate: \$48+ Million



City Trolley Program

Potential Trolley Expansion Route



City Trolley

Timeline:

Summer 2025 - Balboa Peninsula Trolley with van shuttles

April 2026 - Expected delivery of 5 new trolleys

Summer 2026 - Begin new service with trolleys

Winter 2026 - CdM/Balboa Island pilot

Summer 2028 - Possible CdM/Balboa Island trolley route

Cost:

- 7-year OCTA grants

Peninsula Trolley: \$3.9 million summer weekends (2025-2031)

Approved City share \$641,000; OCTA grant share \$3.3 million

CdM/Balboa Island: \$4.3 million summer weekends (2028-2034)

Proposed 20/80: City share \$860,000; OCTA grants \$3.4 million



MAJOR INITIATIVES - PROJECTS



Additional Discussion

FISCAL YEAR 2025-26 PLANNING SESSION

February 1, 2025
City Council Planning Session

