

# FISCAL YEAR 2026-27 PLANNING SESSION

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January 31, 2026



# AGENDA

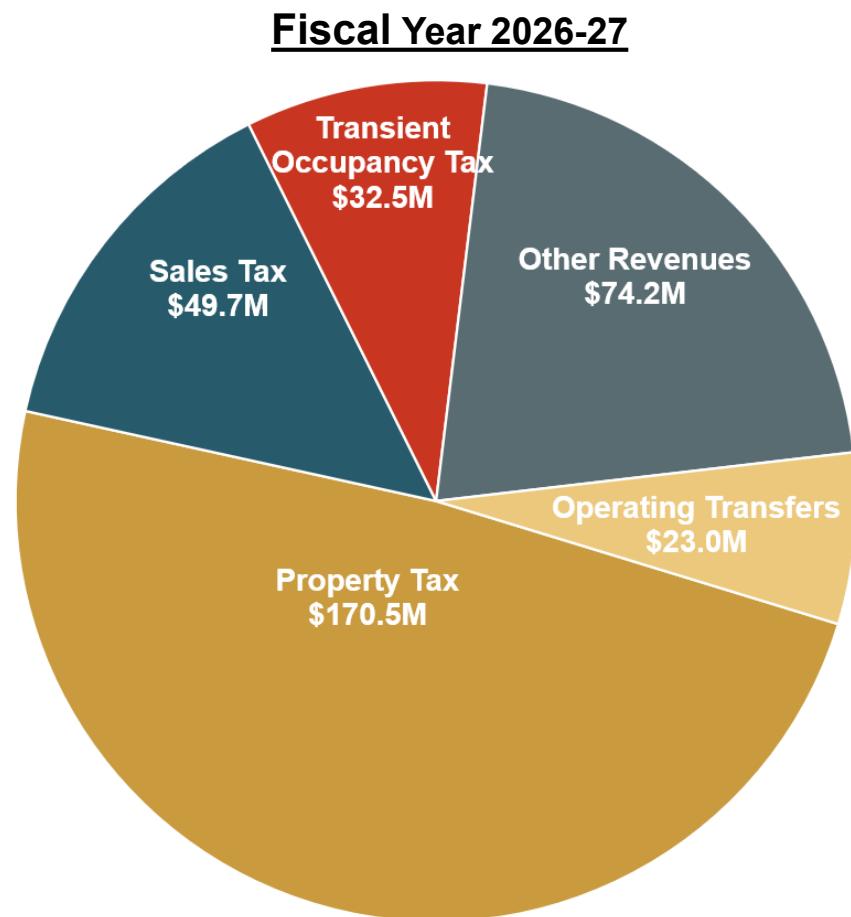
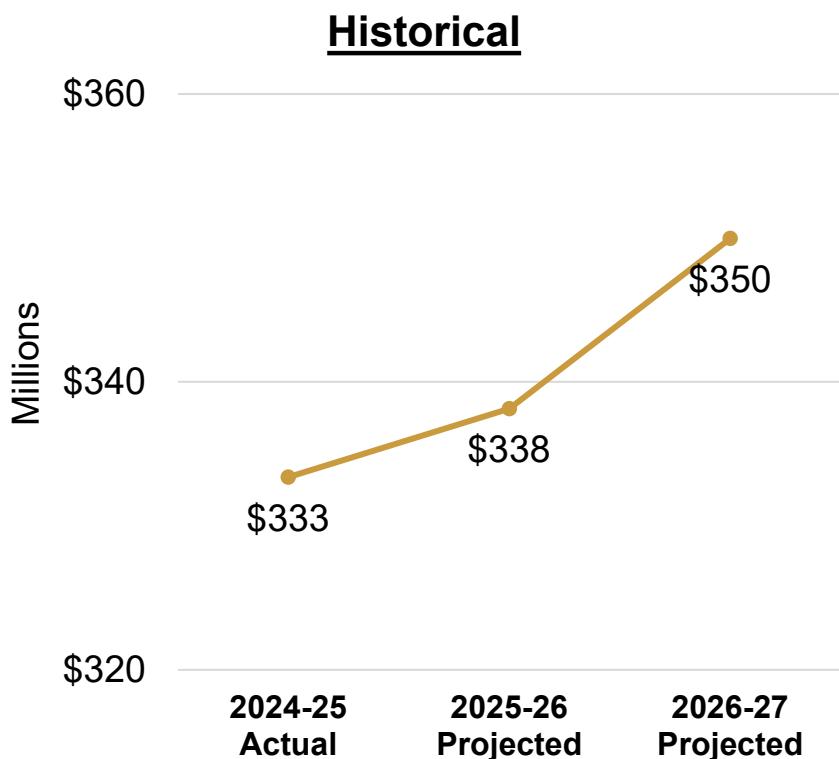
- Update on Financial Status and Budget
- City Initiatives
- Updates on Advanced Planning and Land Use
- Updates on Public Works and Capital Improvement
- Public Comments on Non-Agenda Items





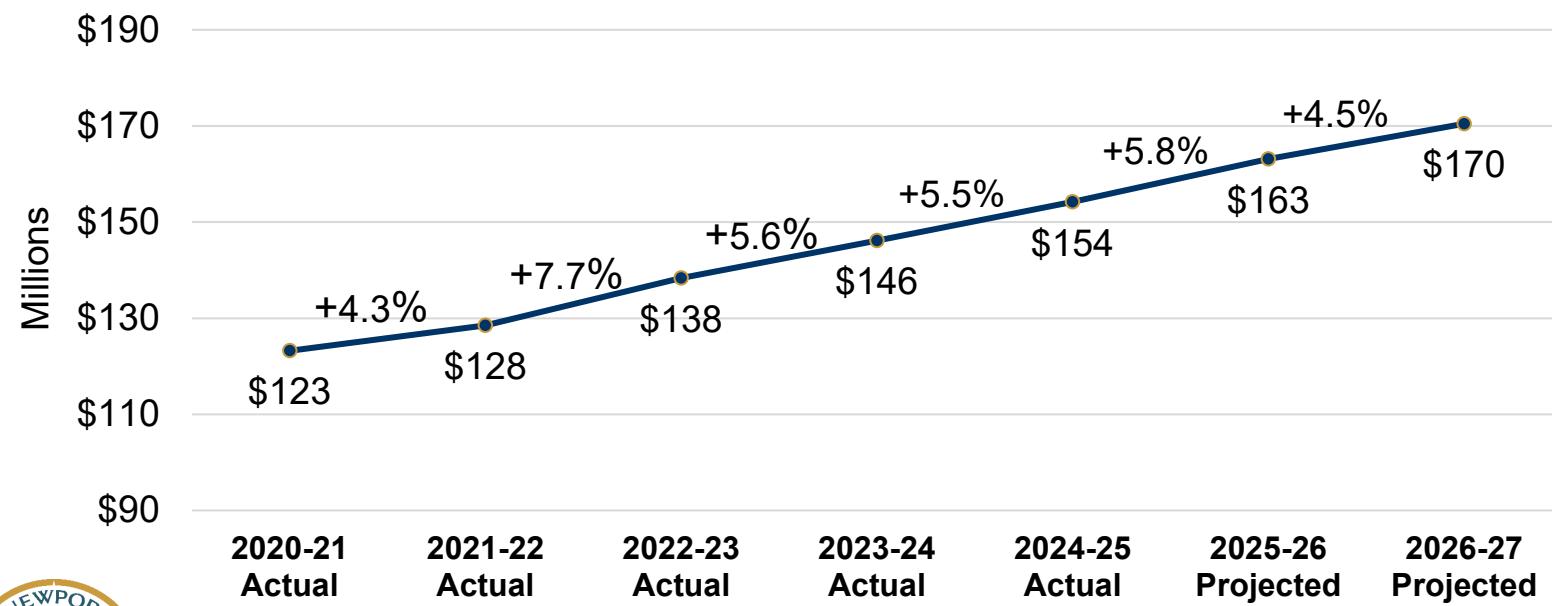
# UPDATE ON FINANCIAL STATUS

# GENERAL FUND REVENUES



# PROPERTY TAX REVENUE

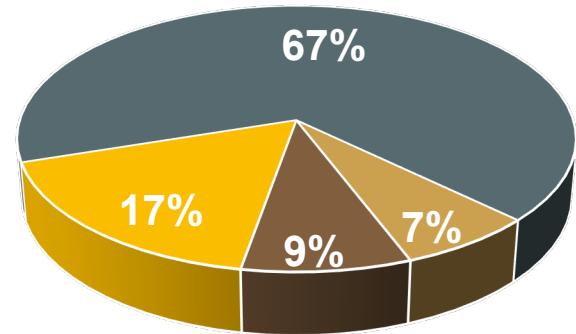
Property tax revenue, the City's largest source of revenue, is projected to increase by \$7 million (4.5%) due to an increase in assessed values related to the Proposition 13 inflationary adjustment and due to changes in ownership and new construction.



# PROPERTY TAX REVENUE

The City receives 17% of the 1% property tax.

- Each city's percentage of the 1% varies.
- Newport Beach has the third highest city-share of the 1% property tax in Orange County, behind Santa Ana and Laguna Beach.
- A higher share of the total tax, combined with higher assessed values than many surrounding cities, significantly contributes 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 \$88 billion in FY 2026-27.

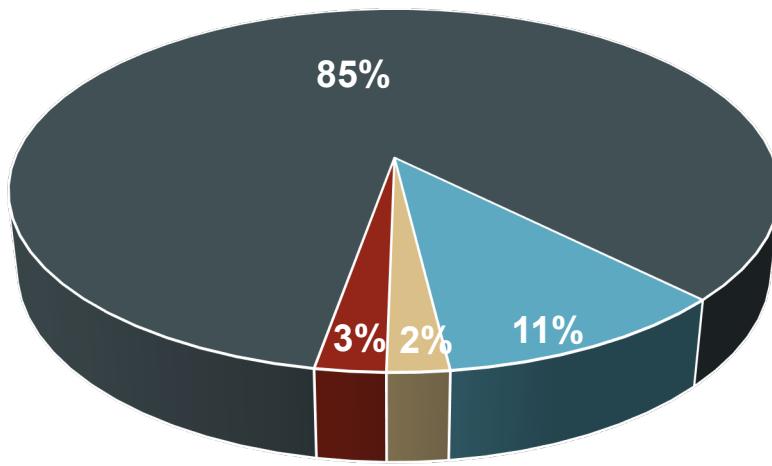


- City of Newport Beach
- Schools
- County of Orange
- Special Districts



# PROPERTY TAX REVENUE BY CATEGORY & RESIDENTIAL SALES TRENDS

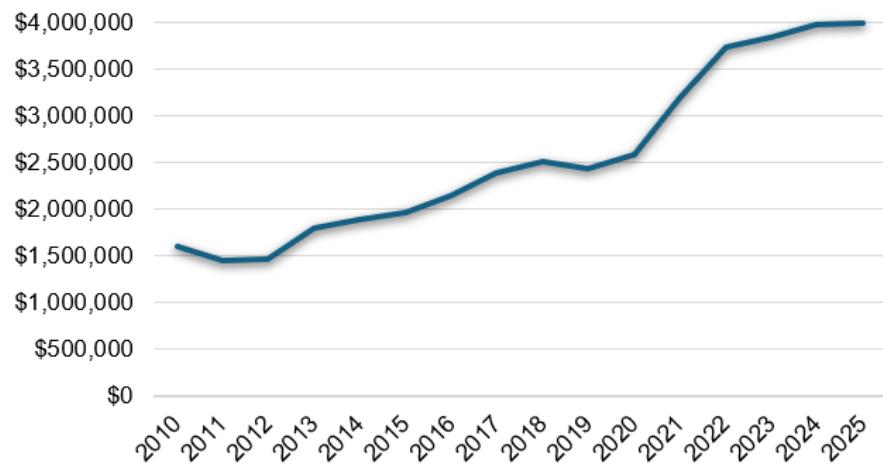
## Property Tax Revenue by Category



## DETACHED SINGLE-FAMILY HOMES MEDIAN SALES PRICE HISTORY

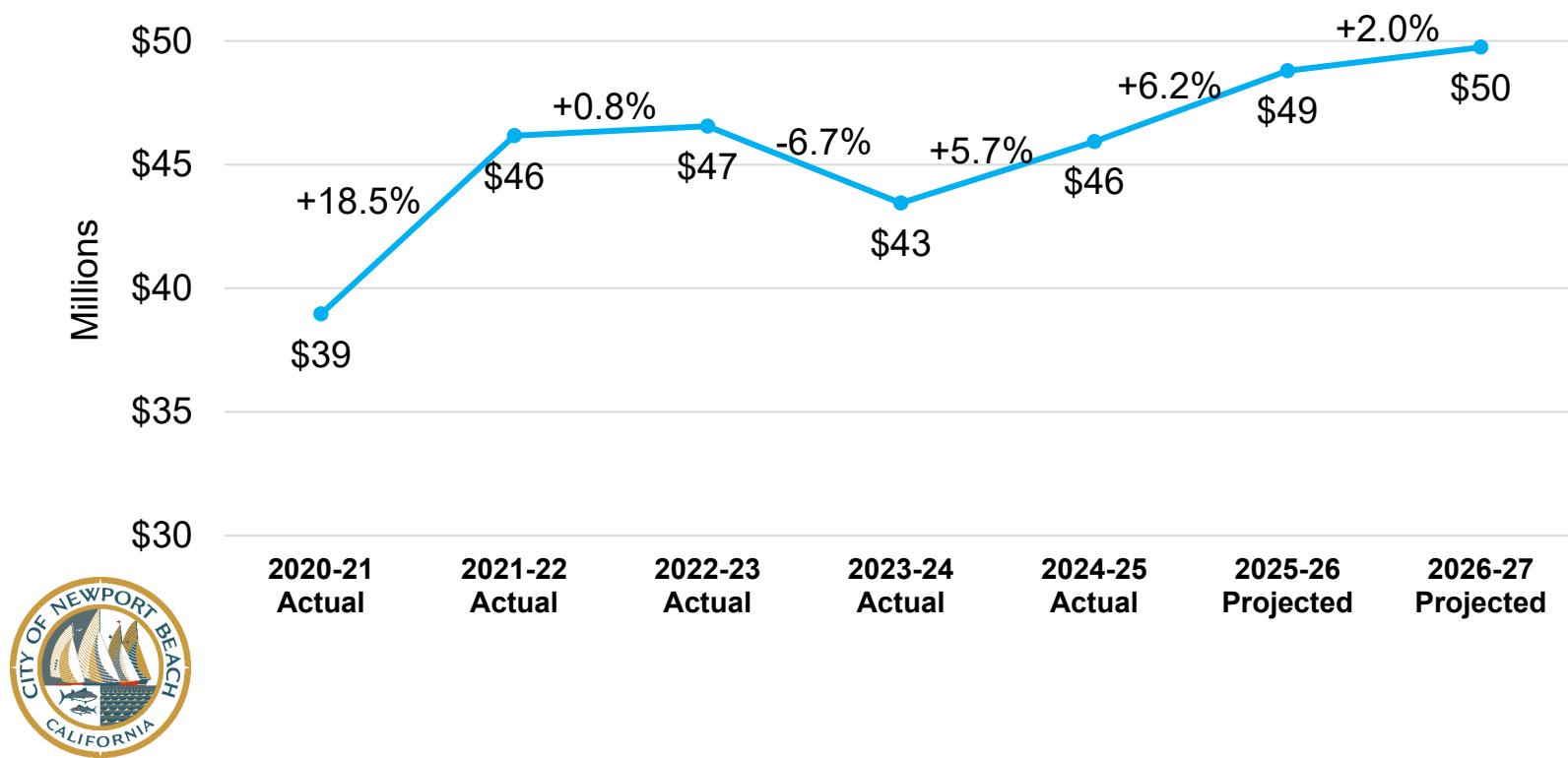
YEAR	SALES	MEDIAN PRICE	CHANGE %
2021	1,414	\$3,200,000	23.31%
2022	833	\$3,736,500	16.77%
2023	687	\$3,845,000	2.90%
2024	705	\$3,976,000	3.41%
2025	712	\$3,994,500	0.47%

## MEDIAN PRICE



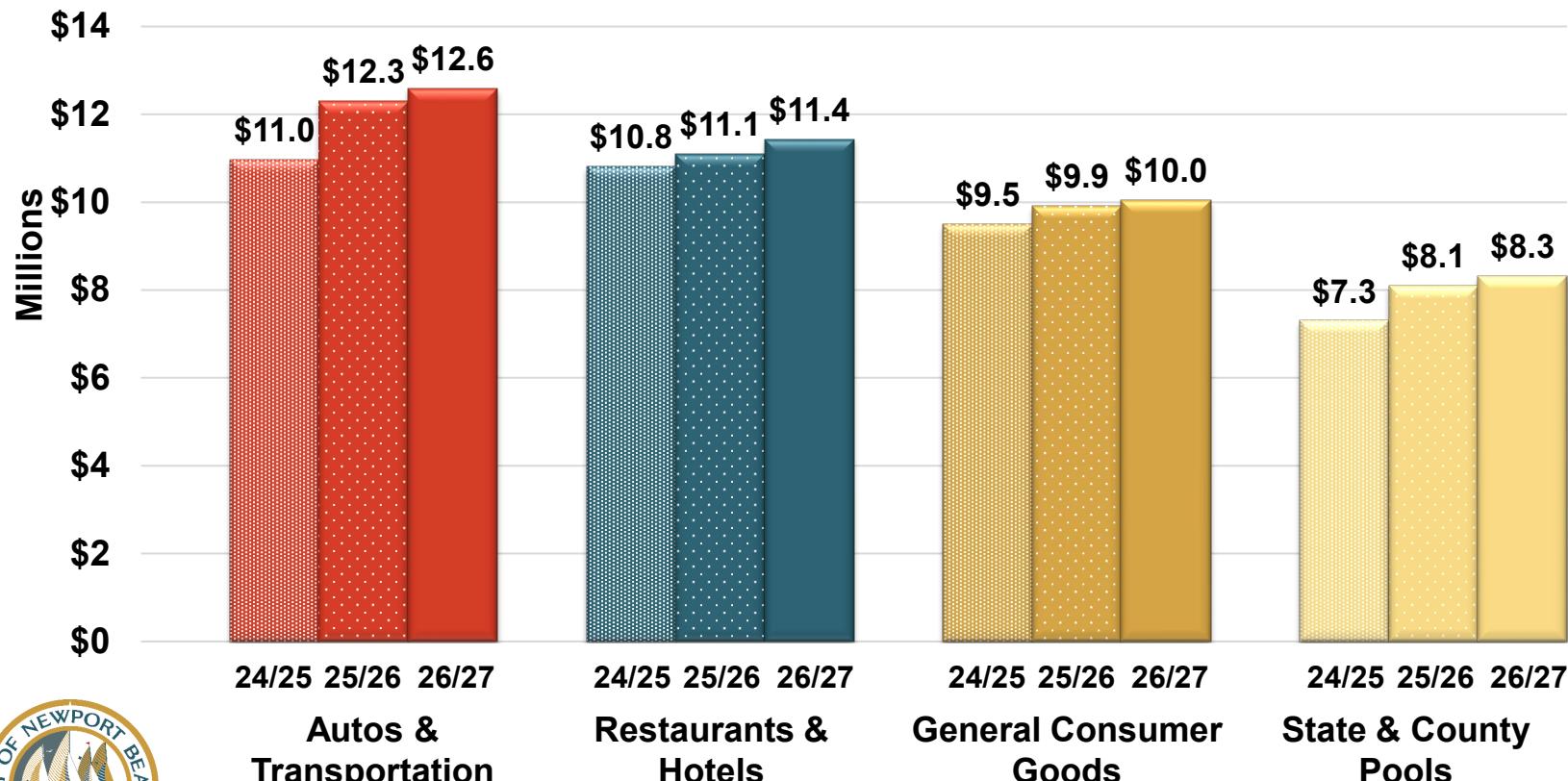
# SALES TAX REVENUE

Sales tax revenue, the City's second largest revenue source, is projected to increase by \$1 million (2%), primarily due to anticipated growth in autos & transportation and restaurants & hotels.



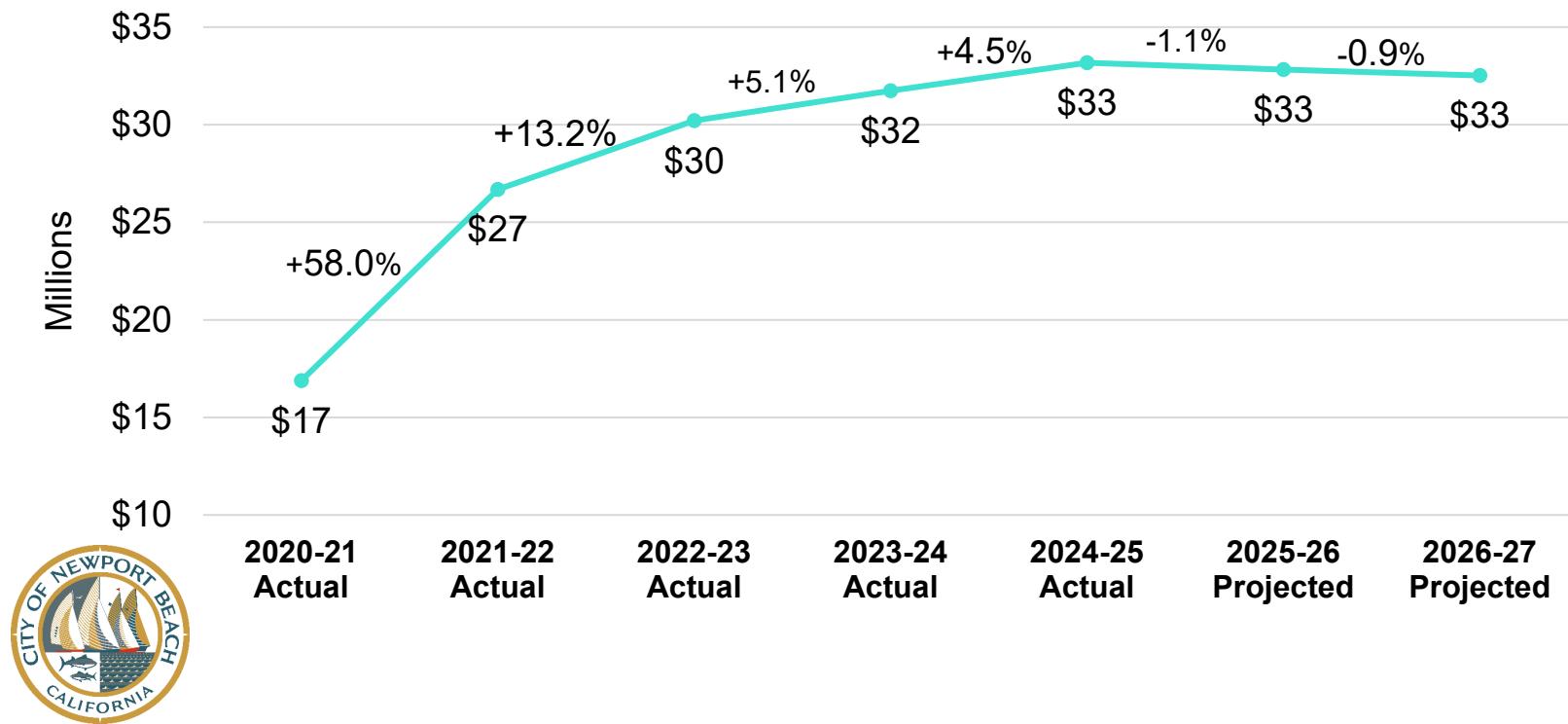
# SALES TAX REVENUE MAJOR INDUSTRY GROUPS

Fiscal Years 2024/25, 2025/26 & 2026/27



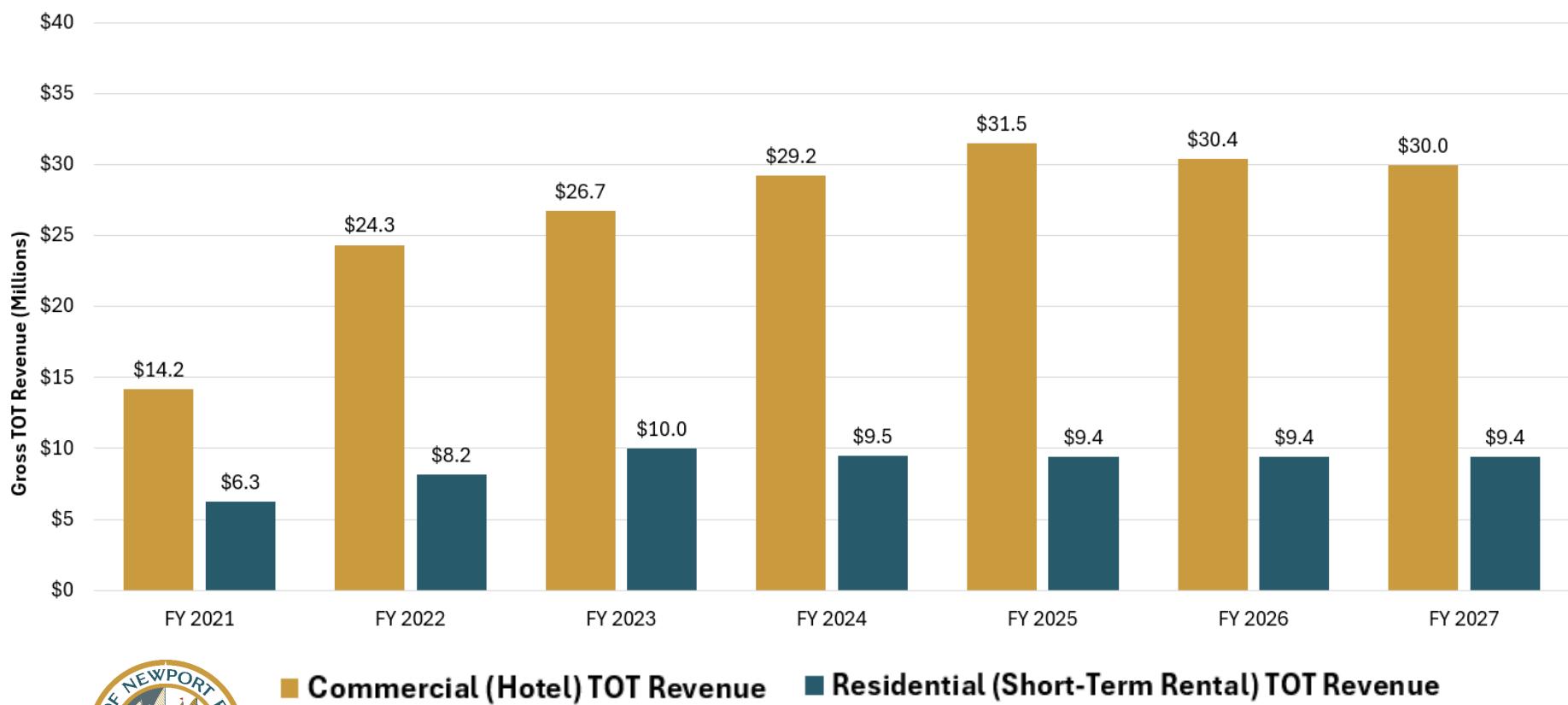
# TRANSIENT OCCUPANCY TAX

Transient Occupancy Tax (TOT) revenue, the City's third-largest revenue source, is projected to decrease by \$0.3 million, net of payments to VNB, or 0.9%. The projected decline is primarily driven by reduced international tourism.



# TRANSIENT OCCUPANCY TAX COMMERCIAL vs. RESIDENTIAL

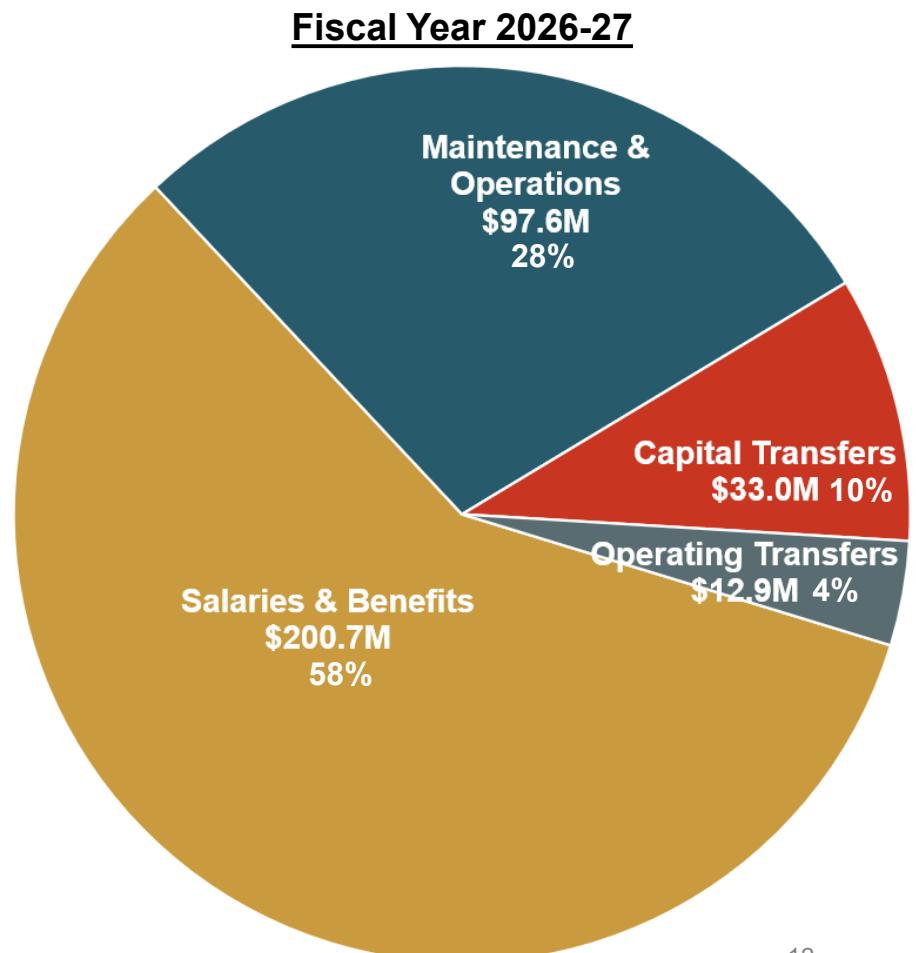
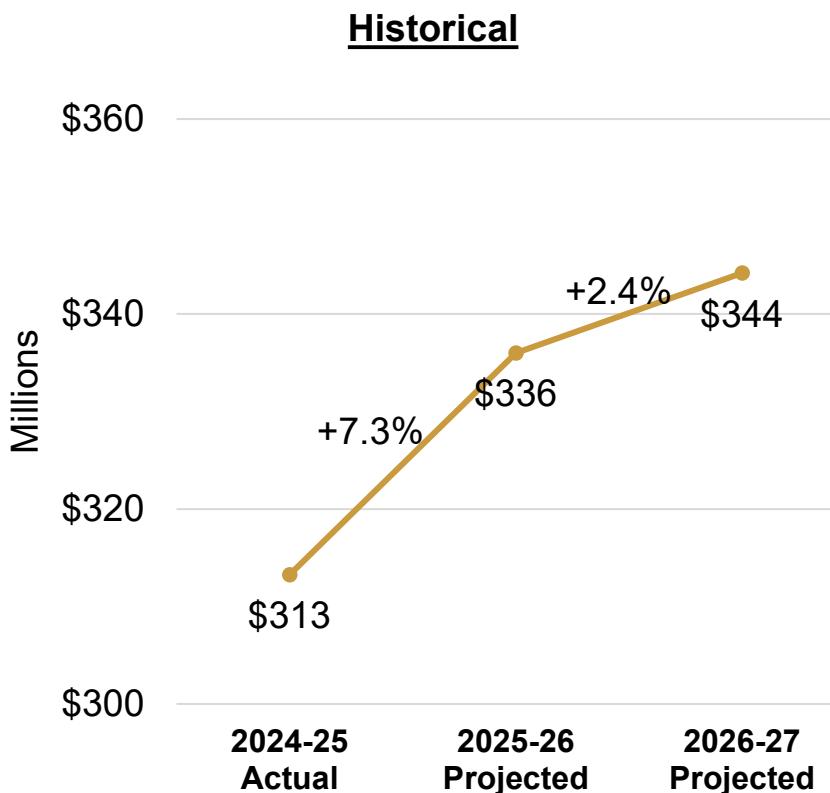
## Commercial vs. Residential Transient Occupancy Tax



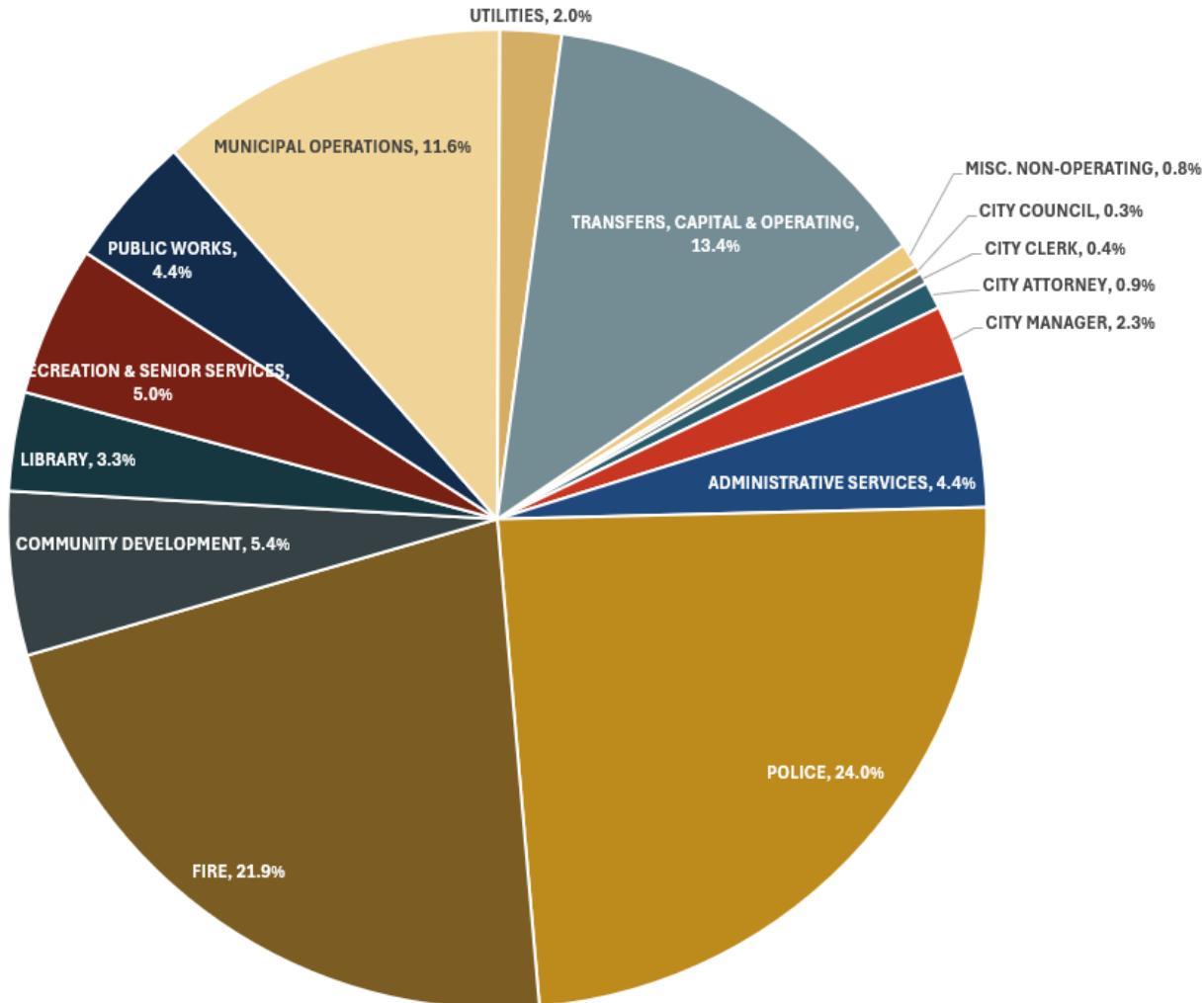
Commercial (Hotel) TOT Revenue

Residential (Short-Term Rental) TOT Revenue

# GENERAL FUND EXPENDITURES



# GENERAL FUND EXPENDITURES BY DEPARTMENT



# FY 2026-27 PRELIMINARY GENERAL FUND EXPENDITURE OUTLOOK



While next year's budget is still under development, preliminary estimates for General Fund operating expenditures show an increase of \$8 million, or 2.4%. This includes \$5 million for employee wages and benefits, \$5 million for operating costs, and a \$2 million reduction related to operating transfers.



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



# FY 2026-27 PRELIMINARY CAPITAL FUNDING OUTLOOK

Considering inflationary impacts and significant upcoming projects, it is recommended that the capital funding in the proposed FY 2026-27 General Fund budget be maintained at the following levels to address the city's long-term capital needs.

	FY 2025-26	FY 2026-27
General Fund Capital Improvement Fund	\$6.5 M	\$ 6.5 M
Tidelands Capital Fund (HBMP)	\$5.8 M	\$ 6.1 M
Facilities Financing Plan Fund	\$15.3 M	\$15.6 M
Facilities Maintenance Fund	\$2.5 M	\$ 2.5 M
Park Maintenance Fund	<u>\$2.3 M</u>	<u>\$ 2.3 M</u>
<b>Capital Funding in Original Budget</b>	<b>\$32.4 M</b>	<b>\$33.0 M</b>
<b>FY 2024-25 Year-End Surplus Funds</b>	<u>\$13.8 M</u>	<u>\$ -</u>
<b>Total Capital Funding</b>	<b>\$46.2 M</b>	<b>\$33.0 M</b>



# PENSION PAYDOWN STRATEGY

## Pension paydown strategy (annual review)

- The Finance Committee reviewed the strategy in November 2025 and recommended:
  - Targeting a 95% funded status
  - Continuing to commit \$45 million per year toward UAL reduction
- By contributing \$45 million per year - \$15 million above the required amount - the City can eliminate its pension liability by 2033.
- The FY 2026–27 budget includes \$40 million for pension paydown, with an additional \$5 million available at budget adoption or from the year-end surplus.



# Questions and Comments





# CITY INITIATIVES

# RESILIENCY INITIATIVE

- Communication
  - Tsunami warning system expansion
  - Telecom expansion
  - Public information
- Backup Power Connection
  - Community centers
  - Jr. Guard Building public facilities
- Emergency Management
  - Emergency evacuation routes and redundancy
  - Training and readiness
- Cybersecurity for City systems





# CRIME PREVENTION PUBLIC SAFETY

# CRIME PREVENTION

## Staffing Priorities

- Partnering with The Irvine Company to increase our police presence at Fashion Island
- Continue to provide police presence at Corona del Mar State Beach and provide a security presence during evening hours

## Animal Shelter

- Working with the Recreation and Senior Services Department on how to best provide excellent animal shelter services



# FOURTH OF JULY PREPARATION

Staff is proposing municipal code updates to:

- Expand the Safety Enhancement Zone
- Modify shade structure rules for the beaches
- Enhance Short Term Lodging rules
  - Require the owner or owner's agent and renter to respond within two hours of a violation
  - Impose a mandatory one strike revocation rule for certain offenses



When appropriate, the Council could adopt a resolution declaring a Safety Enhancement Zone during the spring break period.



# FOURTH OF JULY PLANNING

Staff is planning operational changes including:

- Increasing outside agency assistance
- Deploying a mobile booking station
- Partnering with Hoag Hospital
- Improving social media messaging
- Working with Caltrans / CHP on congestion relief
- Moving staging to City Corp Yard

The NBPD and other City departments will continue to collaborate for enforcement (short term lodging, bar occupancy, street vendors, parking).



# Questions and Comments





# TECHNOLOGY AND COMMUNICATION

# TECHNOLOGY AND COMMUNICATION

## Artificial Intelligence Integration

- Initial Use Cases
  - Staff report writing, general research, and data analysis
- Initial Tools
  - ChatGPT - General-purpose AI assistant
  - Madison AI - Designed specifically for local government

## Social Media Engagement

- Retained new consultant
  - Initial focus - reach target audiences for Fourth of July / Spring Break
  - Next steps - increase public safety messaging and highlight what makes Newport Beach unique



# Questions and Comments





# HARBOR DEPARTMENT

# BALBOA YACHT BASIN MARINA



# BALBOA YACHT BASIN MARINA MANAGEMENT

## Recommendation

Propose the Harbor Department manages the City-owned marina and garages at the Balboa Yacht Basin rather than contracting with a third-party operator.

## Why This Matters

Direct City management provides public value, accountability and cost efficiencies while maintaining quality service.

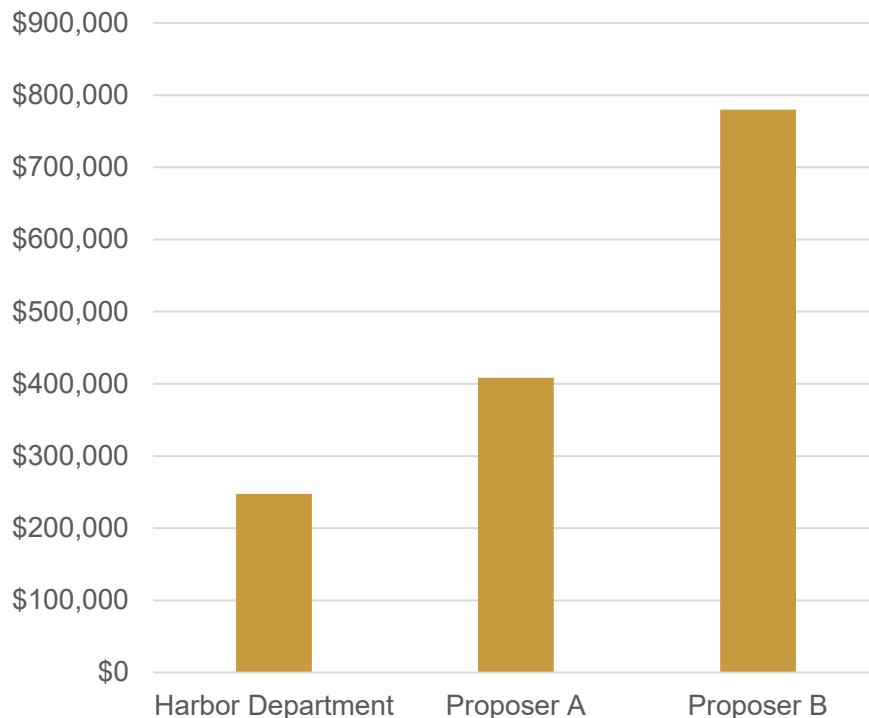
## Key Takeaway

The Harbor Department provides superior customer service and ongoing savings while keeping City control of a major public asset.

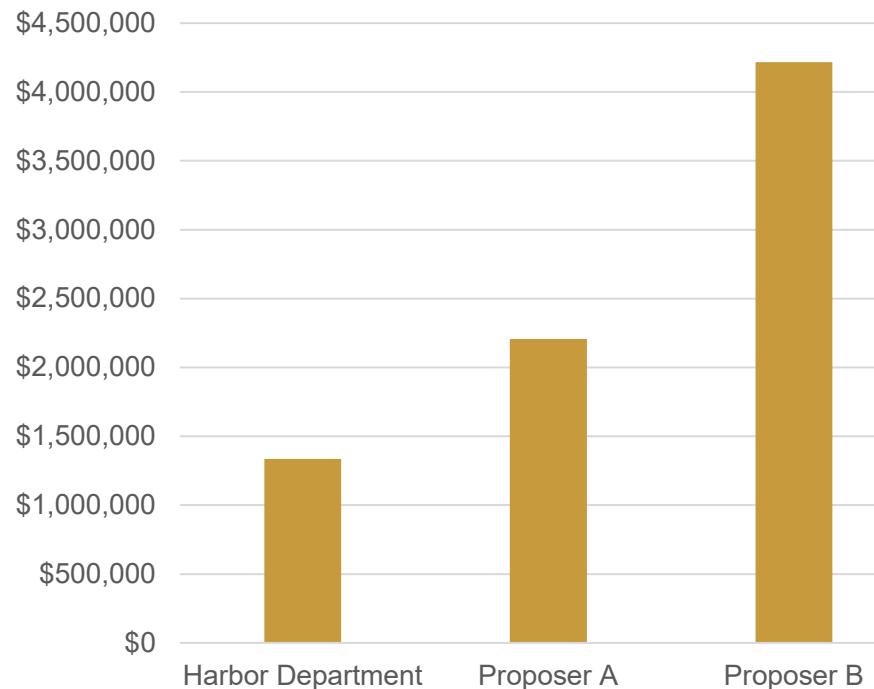


# BALBOA YACHT BASIN MARINA MANAGEMENT BENEFITS

Cost Comparison - FY27



Cost Comparison - Five Year Indexed



# Questions and Comments





# UPDATES ON COMMUNITY DEVELOPMENT AND PROJECTS



# CUSTOMER SERVICE

## Expectation

- Platinum-level customer service
- Plan Review: 80% of plans reviewed in one day
- Inspection: 99% scheduled next day

## Customers

- 2025: 18,251 In-Person / 10,203 Online

	Excellent	Good	Satisfactory	Needs Improvement
<b>Quality</b>	<b>89%</b>	<b>5%</b>	<b>1%</b>	<b>5%</b>
	<b>90%</b>	<b>3%</b>	<b>1%</b>	<b>6%</b>
<b>Courtesy</b>	<b>93%</b>	<b>4%</b>	<b>2%</b>	<b>2%</b>
	<b>92%</b>	<b>4%</b>	<b>1%</b>	<b>2%</b>
<b>Time</b>	<b>78%</b>	<b>12%</b>	<b>3%</b>	<b>5%</b>
	<b>81%</b>	<b>7%</b>	<b>5%</b>	<b>6%</b>
<b>Completeness</b>	<b>90%</b>	<b>4%</b>	<b>2%</b>	<b>3%</b>
	<b>90%</b>	<b>4%</b>	<b>1%</b>	<b>4%</b>



2024: 448 surveys

2025: 482 surveys

# HOUSING DEVELOPMENT

Housing Application	Projects	Units
<b>Preliminary Applications</b>	2	375 units [15 affordable]
<b>Applied [Overlay]</b>	7	1,686 [88 affordable]
<b>Entitled [Overlay]</b>	7	1,947 units [105 affordable]
<b>Entitled [Pre-Overlay]</b>	8	2,030 units [199 affordable]
<b>TOTAL</b>	<b>24</b>	<b>6,038 Units [407 affordable)</b>



# CUSTOMER SERVICE IMPROVEMENTS

## Time

- High number of projects
- Two counters: one virtual and one in person
- Increasing complexity of building inspections



## Revisions

- Online plans require coordination for intake and distribution

## Project Review Delays

- Inefficiencies in interdepartmental reviews
- Permit Streaming Act and Housing Accountability Act considerations

## Solutions

- Customer service training
- Prioritizing revisions
- Expand use of permitting software to all departments involved
- Expand software licensing to expand use of consultants
- Recruit & retention of experienced building inspectors

# COMPLETING THE GENERAL PLAN UPDATE

- First comprehensive update since 2006
- Started in 2019 and pivoted to housing, restarted in 2022
- Drafted with help of 24-member GPAC and 3-member GPUSC

## Next Steps:

- February – April 2026: City Boards, Commissions and Committees formal review
- ***May 2026: City Council review and possible adoption***



# WIRELESS STREAMLINING AND IMPROVEMENTS

- Modernize City's wireless ordinance (last updated 2014)
- Streamline review for installations in public right-of-way and on City property
- Improve regulations for installations on private property

## Next Step:

*March 2026: Planning Commission review*



# CDM CORRIDOR STUDY IMPLEMENTATION

January – June 2026:

- Initiate code amendments to incentivize priority uses
- Kick-off pilot programs

June – December 2026:

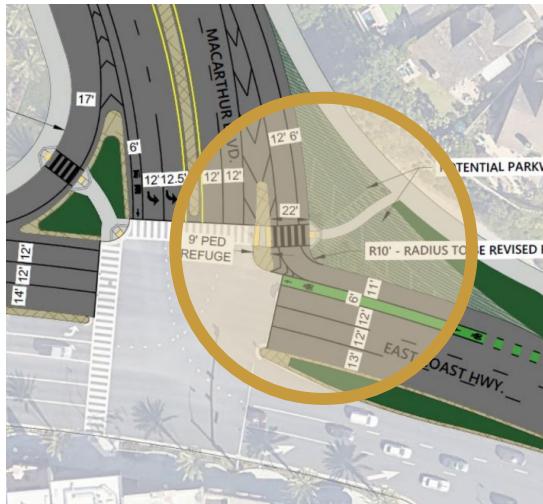
- Public hearings for code amendments
- Complete plans for infrastructure improvements
- Launch parking phone application

May 2027:

- Trolley service to Corona del Mar starts



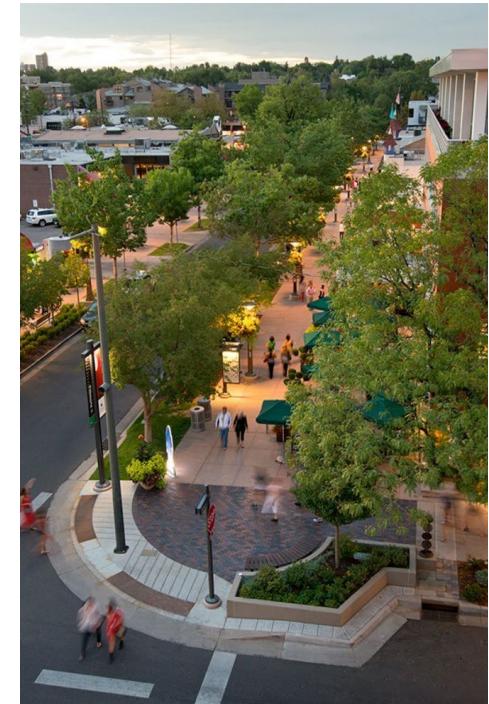
# CDM INFRASTRUCTURE IMPROVEMENTS



MacArthur Blvd. Intersection



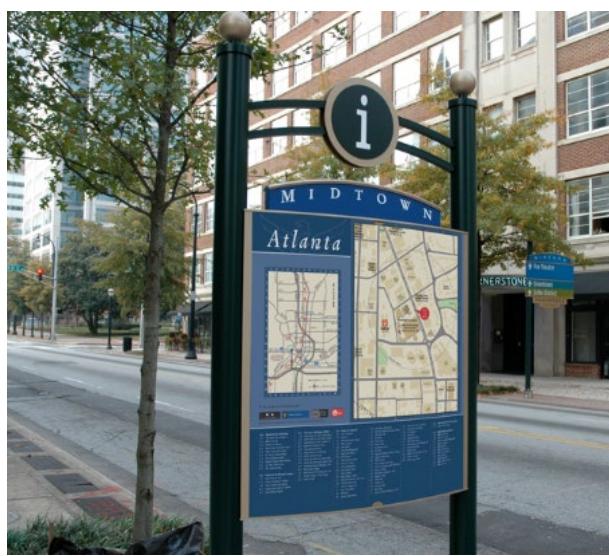
Orchid/Coast Highway Intersection



Bulbouts



Parking Technology Signage



Wayfinding and Trolley Signage

# NEWPORT COAST LCP ADOPTION

- Annexed in 2001
- Building permit authority transfers to City after buildout
- Coastal Development Permit authority remains with County
- Split jurisdiction causing problems and dissatisfaction



# 7<sup>TH</sup> CYCLE HOUSING PERIOD

## JUNE 30, 2029 – OCTOBER 15, 2037

2026- 2027



2027



2027-2028



2028-2029



Local input to develop regional projections for housing, population, employment, etc.



HCD determines regional need

Develops methodology for distribution to all local jurisdictions

Must identify sites for potential housing, and update GP and Zoning

# Questions and Comments





# **PUBLIC WORKS AND CAPITAL IMPROVEMENT PROGRAM**

# PUBLIC WORKS CUSTOMER SERVICE ENHANCEMENTS

## Development Processing Section

- Recruiting principal engineer to oversee/manage PW Development Section and re-assigning senior engineer to Capital Project Delivery Program
- Requesting additional associate engineer in FY 2026-27 budget

## Storm Water Quality, Harbor/Ocean Tidelands Management Section

- Re-positioned administrative manager position to manage/oversee section

## Capital Project Delivery Program

- Re-positioned assistant city engineer position to Capital Project Delivery Program
- Re-position senior engineer position from Development into Capital Project Delivery Program
- Requesting additional associate engineer in FY 2026-27 budget (for water & sewer related projects)



# PROGRAM COST ADJUSTMENTS

## Facility Maintenance Master Program (FMMP)

- City dedicates \$2.5 million / year to CIP for major facility maintenance and upkeep. Fund balance reserves can be used to fund projects and catch up on backlog.

## Refuse Collection/Disposal Program

- The County will be significantly adjusting landfill disposal rates (WISE agreement to Council ~ April 2026).
  - ~ \$1,500,000 per year starting in FY 2026-27 (*from \$9,568,081 to \$11,120,420*)
  - ~ \$2,500,000 per year starting in FY 2029-30 (*from \$9,568,081 to \$12,060,244*)

## Miscellaneous Capital Program Needs

- Additional \$300,000 per year (for 3 years) into FY 2026-27 CIP for 7<sup>th</sup> Cycle Housing Element.
- Additional of \$500,000 one-time funds into FY 2026-27 CIP for Corona del Mar Village Improvements.



# HOW PROJECTS ARE SELECTED FOR CIP

- Identified by Council, Community or Staff
- Developed to Support Council Goals, Objectives, Priorities
- Required by Federal, State Law, or Legal Action
- Included in City Master Plans such as:
  - Facilities Financing Plan
  - Harbor & Beaches Master Plan
  - Pavement Management Plan
  - Bicycle Master Plan
  - Water Master Plan
  - Sewer Master Plan



# MCFADDEN PLAZA AND NEWPORT PIER REHABILITATION PROJECT

- FY 2025-26 CIP: \$1.65 million budgeted to initiate effort (Tidelands Funding).
- Council Working Group (Stapleton, Blom): Conducted preliminary outreach with businesses/property owners; no vision concurrence identified.
- Recommendation: De-program project and funding for now; reconsider broader area or a pier & lifeguard building project in future years.



# FACILITIES FINANCING PLAN

- City owns/maintains a lot of buildings and facilities, many of significant size and cost.
- The Facility Financing Plan (FFP) - Plans for the construction or reconstruction/replacement of large City facilities which will require significant funding, typically over \$1 million, and often require saving for many years to fund.
- Plan funding comes from new development fees and an annual General Fund contribution, which is set at 3% of total General Fund Revenues.



# CURRENT FACILITIES FINANCING PLAN

## Project Planning Worksheet

Active Projects										Last Updated	Current Age From: 2026									
Ref	New/Replacement	Function	Project	Yr Built / Refurb	OG yr Built	Repl Sq Ft	Est \$/Sq Ft	2026	Useful Life	Years to Start	Project Estimate	FY Design Year	FY Const Start Year	FVCost Est @ 2.5% Growth	Private Contributions	Net Proposed Cost				
4	R	Gen Gov	15th Street Beach Restroom	1961	1961	1,100	1,200	65	60	1	1,320,000	2024	2027	1,353,000		1,353,000				
7	R	Rec Facility	Bonita Creek - Artificial Turf Replacement	2015	2015	1,700,000	12	11	10	1	2,040,000	2026	2027	2,091,000		2,091,000				
40	N	Rec Facility	Lower Castaways Park	TBD	TBD						26,500,000	2026	2028	27,841,563		27,841,563				
8a	R	Police	Police Station	1973	1973	75,000	1,827	53	60	3	137,000,000	2026	2029	147,534,016		147,534,016				
8b	N	Police	Police Parking Structure	TBD	TBD	275	90,909			3	25,000,000	2026	2029	26,922,266		26,922,266				
37	N	Gen Gov	PCH Ped Bridge at Superior	TBD	TBD				3		27,000,000	2027	2029	29,076,047	21,807,035	7,269,012				
12	R	Fire	FS 3 - Santa Barbara	1971	1971	13,500	1,400	55	60	5	18,900,000	2029	2031	21,383,615		21,383,615				
38	R	Rec Facility	Grant Howald - Artificial Turf Replacement	2021	2021	66,000	12	5	10	5	792,000	2030	2031	896,075		896,075				
9	R	Rec Facility	Newport Theatre Arts Center	1973	1973	7,950	900	53	60	7	7,155,000	2030	2033	8,505,047	4,252,523	4,252,523				
11	R	Rec Facility	Lawn Bowling Facility (San Joaquin Hills Park)	1974	1974	2,750	800	52	60	8	2,200,000	2031	2034	2,680,486		2,680,486				
5	R	Municipal Operations	Corporation Yard (Bldg B & Warehouse) - Phase 2	TBD						40	8	7,000,000	2032	2034	8,528,820		8,528,820			
3	R	Rec Facility	Arroyo Park Synthetic Turf Field	2024	2024	102,500	12	2	10	8	1,230,000	2032	2034	1,498,636		1,498,636				
13	R	Fire	Lifeguard HQ Replacement	1988	1965	3,000	1,400	38	50	12	4,200,000	2035	2038	5,648,533		5,648,533				
15	R	Rec Facility	Community Youth Center (CYC) - Grant Howald	2008	1988	5,658	850	18	30	12	4,809,300	2035	2038	6,467,974		6,467,974				
10	R	Fire	FS 6 - Mariners (living area rebuild)	2009	1957	3,000	1,400	17	30	13	4,200,000	2036	2039	5,789,746		5,789,746				
14	R	Rec Facility	Carroll Beach Center	2010	1980	1,500	900	16	30	14	1,350,000	2037	2040	1,907,515		1,907,515				
31	R	Police	Animal Shelter	2022	1955	2,320	850	4	30	26	1,972,000	2049	2052	3,747,377		3,747,377				
17	R	Rec Facility	Cliff Drive Community Room	2022	1960	761	900	4	30	26	684,000	2051	2052	1,301,510		1,301,510				
18	R	Fire	FS 4 - Balboa Island	1994	1994	4,600	1,400	32	60	28	6,440,000	2051	2054	12,857,428		12,857,428				
16	R	Rec Facility	Bonita Creek Community Cr.	2024	1988	2,876	850	2	30	28	2,444,600	2051	2054	4,880,632		4,880,632				
19	R	Fire	FS 8 - Npt. Coast	2002	1995	7,000	1,400	24	60	29	9,800,000	2052	2055	20,054,792		20,054,792				
20	R	Library	Library-Central	2013	1997	65,000	850	13	60	31	55,250,000	2054	2057	118,787,874		118,787,874				
2	R	Rec Facility	Newport Coast Pickleball Court	2024	2024	28,700	45	2	40	38	1,291,500	2062	2064	3,300,664		3,300,664				
21	R	Library	Library-Mariners	2006	2006	15,300	850	20	60	40	11,478,750	2063	2066	30,821,177		30,821,177				
22	R	Fire	FS 7 - SAH	2007	2007	11,000	1,400	19	60	41	15,400,000	2064	2067	42,383,733		42,383,733				
23	R	Rec Facility	Newport Coast Community Cr.	2007	2007	16,900	850	19	60	41	14,365,000	2064	2067	39,535,216		39,535,216				
39	R	Rec Facility	CDM Concessions/LGHQ	2007	2007	2,338	850	19	60	41	1,987,300	2064	2067	5,469,428		5,469,428				
24	R	Rec Facility	Girls & Boys Club (East Bluff Park)	2019	1971	11,800	850	7	30	43	10,030,000	2066	2069	29,001,946		29,001,946				
25	R	Rec Facility	OASIS Senior Cr.	2010	2010	43,200	850	16	60	44	36,720,000	2067	2070	108,831,033		108,831,033				
26	R	Gen Gov	Civic Center	2013	2013	123,000	850	13	60	47	104,550,000	2070	2073	333,691,935		333,691,935				
27	R	Gen Gov	Council Chambers	2013	2013	5,600	850	13	60	47	4,760,000	2070	2073	15,192,478		15,192,478				
28	R	Rec Facility	Marina Park	2015	2015	24,390	850	11	60	51	20,731,500	2074	2077	73,037,830		73,037,830				
29	R	Fire	FS 6 - Mariners (apparatus bay only)	2018	2018	1,436	1,400	8	60	52	2,010,400	2075	2078	7,259,780		7,259,780				
30	R	Fire/Library	FS 5 and CDM Library	2019	2019	10,300	1,400	7	60	53	14,420,000	2076	2079	53,374,046		53,374,046				
32	R	Fire	FS 2 - Fire Station No 2	2022	2022	11,600	1,400	4	60	56	16,240,000	2080	2082	64,732,516		64,732,516				
33	R	Fire	Newport Cr. Guard Building	2024	2024	5,400	850	2	60	58	4,590,000	2081	2084	19,221,925		19,221,925				
1	R	Library	Lecture Hall	2025	2025	9,814	2,500	1	60	59	24,535,000	2082	2085	105,315,943		105,315,943				
34	R	Gen Gov	Civic Center Parking Structure (450 Stalls)	2013	2013	450	22,000	13	75	62	9,900,000	2085	2088	45,763,038		45,763,038				
6	R	Fire/Library	FS 1 - Peninsula/Bulboa Library	TBD	2028	10,877	1,400	-2	60	62	16,000,000	2085	2088	73,960,466		73,960,466				

Total 1,484,587,547

## Unfunded/Unapproved Potential Projects

A	Minicipal Operations	Utilities Yard/Admin Bldg	1970	1970	4,500	850	56	60	4	3,825,000	2028	2030	4,222,084		4,222,084
B	Minicipal Operations	Corporation Yard/Admin Bldg	1984	1984	3,400	850	42	60	18	2,890,000	2041	2044	4,507,414		4,507,414
C	N	Rec Facility	City Aquatic Center	TBD	TBD				1	40,000,000	TBD	TBD	40,000,000		40,000,000
D	Rec Facility	West Newport Community Center	TBD	TBD	11,000	1,500				16,500,000	TBD	TBD	16,500,000		16,500,000

Total 65,229,498

FFP Active Projects Total as of 2/27/2025	1,399,339,890.00
FFP Active Projects Total as of 1/29/2026	1,484,587,547.21
Net Active Project Increase	85,247,657.21

TOTAL REPLACEMENT	1,422,554,706
TOTAL NEW	62,032,841
TOTAL PROJECT COST	1,484,587,547



# SOME PROJECTS CURRENTLY IN THE FFP NEEDING PROGRAMMING REVIEW

## Facility Finance Plan as currently approved for FY 2025-26

- **Aquatic Center at Lower Castaways Park** (ref #40) cost ~ \$47M  
Scheduled to start design 2025, construction 2027
- **New Police Station** (ref #8) cost ~ \$96M  
Scheduled to start design 2030, construction 2033
- **New Fire Station No. 3** (ref #12) cost ~ \$18.9M  
Scheduled to start design 2032, construction 2035



# AQUATIC CENTER AT LOWER CASTAWAYS PARK

- Formed Council Ad Hoc Committee (Stapleton, Blom, Barto) to review/explore aquatic center at Lower Castaways
- Reviewed concepts for Lower Castaways Park and evaluated Bonita Creek Park as potential locations
- Eliminated both sites due to site constraints and community opposition



*One  
Concept  
for Lower  
Castaways*



*One Concept for Bonita Creek  
Park*

# A REVISED LAYOUT AT LOWER CASTAWAYS PARK

Draft concept for further consideration and FFP programming:



# A REVISED LAYOUT AT LOWER CASTAWAYS PARK

“Harbor-centric” concept is estimated to cost around \$26.5 million

## **Propose:**

- Replacing aquatic center in FFP (Ref # 40) with this park concept
- Move aquatic center to “Unfunded/Unapproved Potential Projects”

## **If Council desires to move forward with this park:**

- Reallocate \$500,000 in FY 2025-26 CIP from Lower Castaways Aquatic Center to Lower Castaways Park
- Direct staff / consultant to proceed with concept development, environmental documents and return to Council for final concept approval prior to Coastal Commission permitting and final construction plan preparation.



# CONSTRUCTION OF NEW POLICE FACILITY

Ad Hoc Council Committee (Blom, Weber, Barto):

- Formed to review and evaluate police facility sites and design options
- Evaluated multiple sites beyond the proposed 1201 Dove Street location
- Expressed growing interest in locating the facility near the Civic Center
- Hired a consultant to develop site massing concepts and preliminary cost estimates
- Reviewed additional sites, including:
  - Potential private sites near the Civic Center
  - A portion of Civic Center Park (NE corner of Avocado Ave. & Civic Center Dr.)



# POSSIBLE NEW POLICE FACILITY AT 1201 DOVE STREET

## Ad Hoc Committee's assessment:

- Property already owned by the City
- Location is not city-centric or near Civic Center
- Property is in a positive cashflow position and could be sold to help pay for new police facility
- Design/construction cost for police facility at this site estimated at \$150 million



# POSSIBLE NEW POLICE FACILITY CLOSER TO CIVIC CENTER

Ad Hoc Committee's assessment:

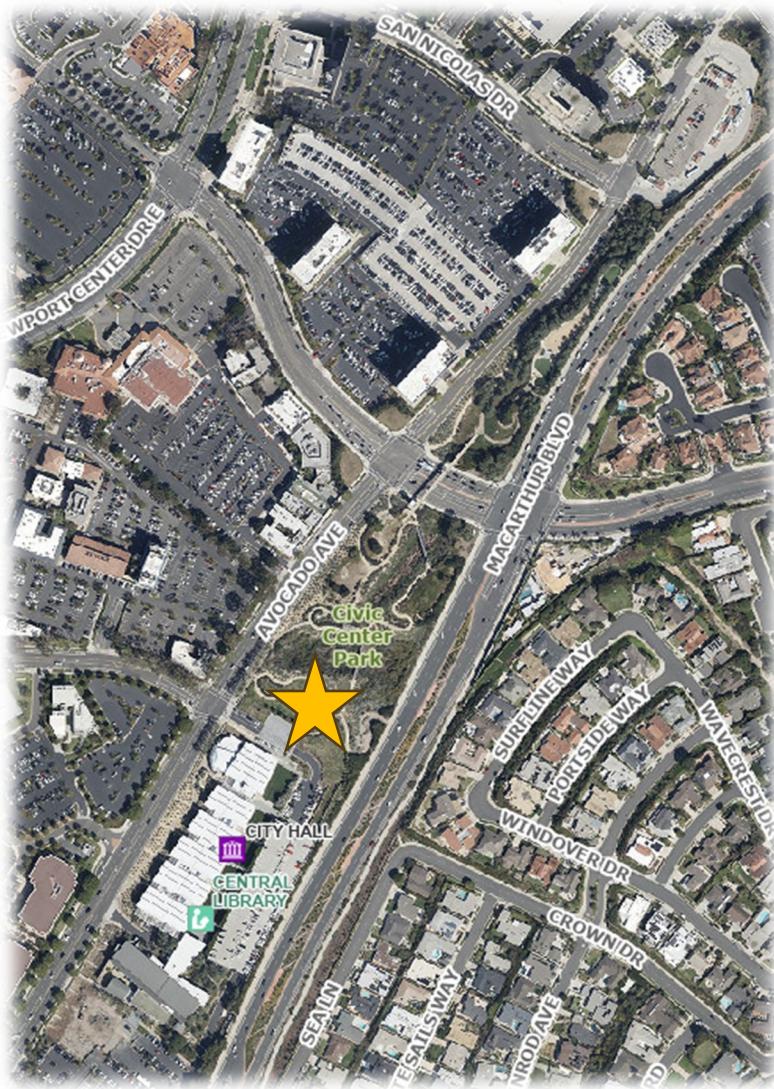
- Good locations and close to Civic Center.
- All privately owned. High cost of site acquisition is big deterrent.
- Design/construction cost estimated for police facility in this area would be around \$153 million.



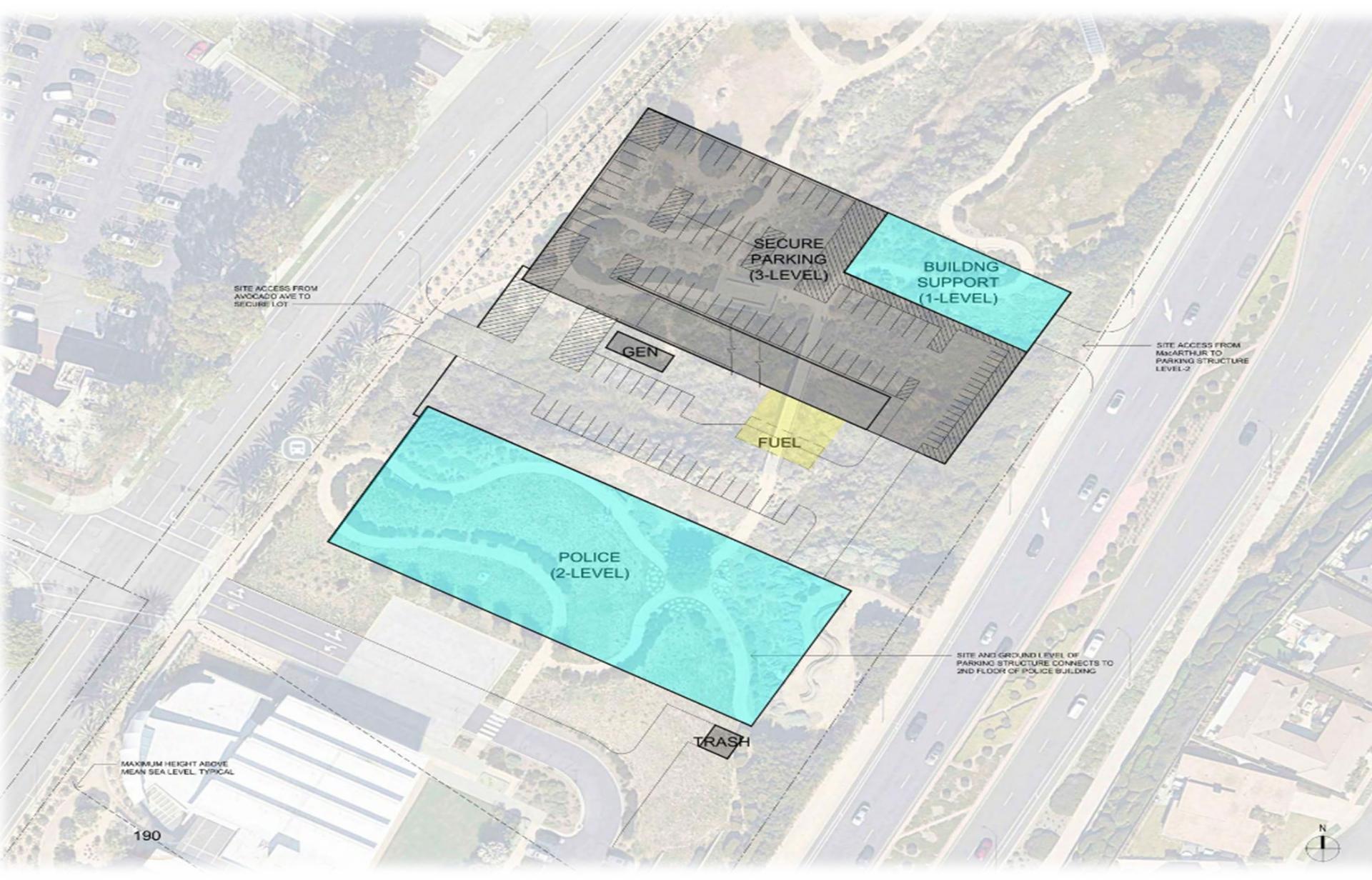
# POSSIBLE NEW POLICE FACILITY AT CIVIC CENTER PARK

Ad Hoc Committee's assessment:

- Adjacent to Civic Center.
- City owned - eliminates land cost.
- Design/construction cost for police facility at this site estimated at \$162 million (*excluding significant mitigation*).



# POSSIBLE NEW POLICE FACILITY AT CIVIC CENTER PARK



# SIGHTING, CONSTRUCTION OF A NEW POLICE FACILITY

Ad Hoc Committee request:

- **If Ad Hoc's preferred Civic Center Park site is recommended -**
  - Update New Police Station (ref #8) in the FFP to show:
    - All In Cost ~ ~~\$96,000,000~~ \$162 million
    - Schedule - Start Design 2030 2026, Construction 2033 2029
    - Include \$1.5 million in the current FY 2025-26 CIP budget to hire consultant team for further design development, preparation of final concept and EIR for further Council review and approval.



# SIGHTING, CONSTRUCTION OF A NEW FIRE STATION NO. 3

- Considering relocating Fire Station No.3 further east (toward MacArthur Blvd.) to improve response times to the Port Streets
- Potential site - the current OCTA Transportation Center off Avocado Ave.
- OCTA study underway. 12- to 15-month timeline until we can determine if this is a possible relocation solution
- **Recommend modifying the FFP for Fire Station No. 3 to reflect desire to advance replacement project**
  - Update New Fire Station No. 3 (ref #12) in the FFP to show:  
Schedule Start Design ~~2032~~ 2029, Construction ~~2035~~ 2031



# PROPOSED FACILITIES FINANCING PLAN

Active Projects		Project		Last Updated		1/26/2026 - JH		Current Age From: 2026		FY		Design		FY Const		FV Cost Est @		Private		Net Proposed	
				Yr Built /	OG Yr	Repl Sq Ft	Est \$/Sq	Ft	2026			Useful Life	Years to Start	Project Estimate	Year	Start Year	2.5% Growth	Contributions			
New/Replacement	Function	Refurb	Built																		
R	Gen Gov	15th Street Beach Restroom	1961	1961		1,100	1,200	65		60	1			1,320,000	2024	2027	1,353,000		1,353,000		
R	Rec Facility	Bonita Creek - Artificial Turf Replacement	2015	2015		1,700,000	12	11		10	1			2,040,000	2026	2027	2,091,000		2,091,000		
N	Rec Facility	Lower Castaways Park	TBD	TBD							2			26,500,000	2026	2028	27,841,563		27,841,563		
R	Police	Police Station	1973	1973		75,000	1,827	53		60	3			137,000,000	2026	2029	147,534,016		147,534,016		
N	Police	Police Parking Structure	TBD	TBD		275	90,909				3			25,000,000	2026	2029	26,922,266		26,922,266		
N	Gen Gov	PCH Ped Bridge at Superior	TBD	TBD							3			27,000,000	2027	2029	29,076,047	21,807,035	7,269,012		
R	Fire	FS 3 - Santa Barbara	1971	1971		13,500	1,400	55		60	5			18,900,000	2029	2031	21,383,615		21,383,615		
R	Rec Facility	Grant Howald - Artificial Turf Replacement	2021	2021		66,000	12	5		10	5			792,000	2030	2031	896,075		896,075		
R	Rec Facility	Newport Theatre Arts Center	1973	1973		7,950	900	53		60	7			7,155,000	2030	2033	8,505,047	4,252,523	4,252,523		
R	Rec Facility	Lawn Bowling Facility (San Joaquin Hills Park)	1974	1974		2,750	800	52		60	8			2,200,000	2031	2034	2,680,486		2,680,486		
R	Municipal Operations	Corporation Yard (Bldg B & Warehouse) - Phase 2	TBD							40	8			7,000,000	2032	2034	8,528,820		8,528,820		
R	Rec Facility	Arroyo Park Synthetic Turf Field	2024	2024		102,500	12	2		10	8			1,230,000	2032	2034	1,498,636		1,498,636		
R	Fire	Lifeguard HQ Replacement	1988	1965		3,000	1,400	38		50	12			4,200,000	2035	2038	5,648,533		5,648,533		
R	Rec Facility	Community Youth Center (CYC) - Grant Howald	2008	1988		5,658	850	18		30	12			4,809,300	2035	2038	6,467,974		6,467,974		
R	Fire	FS 6 - Mariners (living area rebuild)	2009	1957		3,000	1,400	17		30	13			4,200,000	2036	2039	5,789,746		5,789,746		
R	Rec Facility	Carroll Beek Center	2010	1980		1,500	900	16		30	14			1,350,000	2037	2040	1,907,515		1,907,515		
R	Police	Animal Shelter	2022	1955		2,320	850	4		30	26			1,972,000	2049	2052	3,747,377		3,747,377		
R	Rec Facility	Cliff Drive Community Room	2022	1960		761	900	4		30	26			684,900	2051	2052	1,301,510		1,301,510		
R	Fire	FS 4 - Balboa Island	1994	1994		4,600	1,400	32		60	28			6,440,000	2051	2054	12,857,428		12,857,428		
R	Rec Facility	Bonita Creek Community Ctr.	2024	1988		2,876	850	2		30	28			2,444,600	2051	2054	4,880,632		4,880,632		
R	Fire	FS 8 - Npt. Coast	2002	1995		7,000	1,400	24		60	29			9,800,000	2052	2055	20,054,792		20,054,792		
R	Library	Library-Central	2013	1997		65,000	850	13		60	31			55,250,000	2054	2057	118,787,874		118,787,874		
R	Rec Facility	Newport Coast Pickleball Court	2024	2024		28,700	45	2		40	38			1,291,500	2062	2064	3,300,664		3,300,664		
R	Library	Library-Mariners	2006	2006		15,300	850	20		60	40			11,478,750	2063	2066	30,821,177		30,821,177		
R	Fire	FS7 - SAH	2007	2007		11,000	1,400	19		60	41			15,400,000	2064	2067	42,383,733		42,383,733		
R	Rec Facility	Newport Coast Community Ctr.	2007	2007		16,900	850	19		60	41			14,365,000	2064	2067	39,535,216		39,535,216		
R	Rec Facility	CDM Concessions/LGHQ	2007	2007		2,338	850	19		60	41			1,987,300	2064	2067	5,469,428		5,469,428		
R	Rec Facility	Girls & Boys Club (East Bluff Park)	2019	1971		11,800	850	7		50	43			10,030,000	2066	2069	29,001,946		29,001,946		
R	Rec Facility	OASIS Senior Ctr.	2010	2010		43,200	850	16		60	44			36,720,000	2067	2070	108,831,033		108,831,033		
R	Gen Gov	Civic Center	2013	2013		123,000	850	13		60	47			104,550,000	2070	2073	333,691,935		333,691,935		
R	Gen Gov	Council Chambers	2013	2013		5,600	850	13		60	47			4,760,000	2070	2073	15,192,478		15,192,478		
R	Rec Facility	Marina Park	2015	2015		24,390	850	11		60	51			20,731,500	2074	2077	73,037,830		73,037,830		
R	Fire	FS 6 - Mariners (apparatus bay only)	2018	2018		1,436	1,400	8		60	52			2,010,400	2075	2078	7,259,780		7,259,780		
R	Fire/Library	FS 5 and CDM Library	2019	2019		10,300	1,400	7		60	53			14,420,000	2076	2079	53,374,046		53,374,046		
R	Fire	FS2 - Fire Station No 2	2022	2022		11,600	1,400	4		60	56			16,240,000	2080	2082	64,732,516		64,732,516		
R	Fire	Newport Jr. Guard Building	2024	2024		5,400	850	2		60	58			4,590,000	2081	2084	19,221,925		19,221,925		
R	Library	Lecture Hall	2025	2025		9,814	2,500	1		60	59			24,535,000	2082	2085	105,315,943		105,315,943		
R	Gen Gov	Civic Center Parking Structure (450 Stalls)	2013	2013		450	22,000	13		75	62			9,900,000	2085	2088	45,763,038		45,763,038		
R	Fire/Library	FS 1 - Peninsula/Balboa Library	TBD	2028		10,877	1,400	-2		60	62			16,000,000	2085	2088	73,960,466		73,960,466		
																			Total <span style="border: 1px solid black; padding: 2px;">1,484,587,547</span>		
<b>Unfunded/Unapproved Potential Projects</b>																					
N	Municipal Operations	Utilities Yard/Admin Bldg	1970	1970		4,500	850	56		60	4			3,825,000	2028	2030	4,222,084		4,222,084		
	Municipal Operations	Corporation Yard/Admin Bldg	1984	1984		3,400	850	42		60	18			2,890,000	2041	2044	4,507,414		4,507,414		
	Rec Facility	City Aquatic Center	TBD	TBD						1				40,000,000	?	?			40,000,000		
	Rec Facility	West Newport Community Center	TBD	TBD		11,000	1,500							16,500,000					16,500,000		

# FACILITIES FINANCING PLAN RESERVES

- General Fund contributes 3% of revenues annually to FFP to support debt service and capital projects.
- Year-end surplus typically provides a significant share of FFP funding.
- Available FFP reserves total \$18.5 million, including \$13.8 million from the FY 2024–25 year-end surplus, excluding funds reserved for the Balboa Library and Fire Station No. 1.
- Future FFP projects will rely on a mix of developer fees, debt financing, property sale proceeds, and General Fund surplus.



# Questions and Comments

