



City of Costa Mesa

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

Arts Commission

Item #: 26-129

Meeting Date: 2/05/2026

TITLE: ARTS AND CULTURE MASTER PLAN BUDGET FOR
FISCAL YEAR 2026-27

DEPARTMENT: PARKS AND COMMUNITY SERVICES

PRESENTED BY: MONIQUE VILLASENOR, RECREATION MANAGER

CONTACT INFORMATION: LAURETTE GARNER, ARTS SPECIALIST, (714) 754-5322

RECOMMENDATION:

Staff recommends the Arts Commission:

1. Review and discuss the update on budget requests for Fiscal Year 2026-27 in alignment with the previous/current Arts and Culture Master Plan.

BACKGROUND:

On November 3, 2020, Costa Mesa voters approved the "City of Costa Mesa Retail Cannabis Tax and Regulation Measure" (Measure Q). Currently the Arts & Culture Master Plan budget (Attachment 1) is partially funded through Measure Q, and is defined by municipal code as follows:

9-29.5 Cannabis Tax:

Notwithstanding any other provision of this Code, every person engaged in, managing, conducting, or carrying on any cannabis business defined in Chapter VI of this title, or any other marijuana and/or cannabis business, shall pay an annual business tax as follows:

(c) Every person who is engaged in, managing, conducting, or carrying on a business as a cannabis store-front retailer, as set forth in section 9-486(a), and/or who otherwise sells, dispenses and/or furnishes cannabis anywhere within the city, shall pay an annual business tax of 7% based on the gross receipts of that business.

(d) Every person who is engaged in, managing, conducting, or carrying on a business as a cannabis nonstore front retailer, as set forth in section 9-486(a), and/or who otherwise delivers cannabis anywhere within the city, shall pay an annual business tax of 7% based on the gross receipts of that business, subject to the applicable provisions of section 9-40.

(g) One-half of one percent of the proceeds of the tax set forth in subsections (c) and (d) shall be directed toward the implementation of the cultural and arts master plan and one-half of one percent shall be directed towards the implementation of a first time homebuyer program for current residents of the city, former residents who were raised in the city and/or who graduated from the Newport Mesa Unified School District.

In Fiscal Year (FY) 2024-25, staff requested and received funding for the programs outlined in year four (4) of the Arts & Culture Master Plan. In addition, City Council allocated an additional \$10,000 to increase the allocation amount for arts grants for a total of \$20,000 for the grant program.

In Fiscal Year (FY) 2025-26, staff requested and received funding for the programs outlined in year four (4) of the Arts & Culture Master Plan.

In Fiscal Year (FY) 2026-27, an arts consultant will be hired to complete an update to the Arts and Culture Master Plan that was approved by City Council in March of 2021.

ANALYSIS:

In the interim period before a new update to the Arts and Culture Master Plan is complete, staff is requesting funding for the FY 2026-2027 budget to fund the current programs outlined below for a total amount of **\$228,900**:

- Action Arts/ARTventure: **\$45,000**
- Art Crawl: **\$4,000**
- Poet Laureate: **\$3,500**
- Arts Grants: **\$25,000**
- Free at Segerstrom Center Campus: **\$30,000**
- Free Park Performances: **\$48,000**
- Galleries/Exhibition Spaces: **\$900**
- Sculpture Garden/Arts and Culture Master Plan Consultant: **\$60,000**
- Utility Box Art: **\$12,500**

Arts Commissioner stipends and staffing costs will continue to be funded outside of programmatic funding requests.

FISCAL REVIEW

No fiscal review is required.

LEGAL REVIEW

No legal review is required.

CONCLUSION:

Staff recommends the Arts Commission:

1. Review and discuss the update on budget requests for Fiscal Year 2026-27 in alignment with the previous/current Arts and Culture Master Plan.