



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-187

Meeting Date: 3/12/2026

TITLE:

PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET FOR FISCAL YEAR 2026-27 AND THE FIVE-YEAR CIP BUDGET THROUGH FISCAL YEAR 2030-31

DEPARTMENT: PUBLIC WORKS DEPARTMENT/MAINTENANCE SERVICES DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: ROBERT RYAN, MAINTENANCE SERVICES MANAGER (714)
754-5123

RECOMMENDATION:

Provide recommendations to the City Council for the following:

1. The proposed Fiscal Year (FY) 2026-27 Capital Improvement Program (CIP) Budget as it pertains to Parks, Parkways and Medians (Attachment 1); and
2. The proposed Five-Year Capital Improvement Program (CIP) through FY 2030-31 as it pertains to Parks, Parkways and Medians (Attachment 2).

BACKGROUND:

A Capital Improvement Program (CIP) is a long-term financial plan used by local governments to manage large infrastructure and public service projects. These plans help ensure that essential facilities are built, maintained, and improved over time. CIP projects are funded using a combination of local, state, federal, and private resources.

Each year, the City Council reviews and adopts an annual CIP to provide funds for essential public improvements. The City Council also approves a longer term outlook in the Five-Year CIP to anticipate future funding needs, maintain eligibility for grant funding, and identify future priority demands. The Five-Year CIP runs through FY 2030-31.

As a part of that process, the Parks and Community Services (PACS) Commission reviews the proposed CIP and Five-Year CIP for consistency with the City's Streetscape and Median Development Standards, Park Assessment Study, and the Open Space Master Plan of Parks and Recreation. Each year, the Commission, through a public hearing process, will make recommendations to the City Council for its consideration in finalizing the CIP budget.

ANALYSIS:

The CIP budget for FY 2026-27 begins on July 1, 2026, and was developed based on input from various departments, community needs identified over the past year, as well as consideration of City Council priorities and economic forecasts. The FY 2026-27 proposed CIP budget for “Park” facilities, “Parks” and “Parkway & Median” categories represent approximately \$2.2 million in funding.

Attached for the Commission’s review is the following:

1. Proposed One-Year CIP for FY 2026-27 (Attachment 1); and
2. Proposed Five-Year CIP (Attachment 2) that runs through FY 2030-31.

Staff requests that the Commission provide input on the proposed One-Year CIP for FY 2026-27 (Attachment 1) and the Five-Year CIP (Attachment 2), as it relates to Park facilities, Parks, and Parkways and Medians. Input received from public comments and recommendations from the PACS Commission will be forwarded to the City Council for budget consideration. The final approval is expected during an upcoming City Council meeting in June 2026.

ALTERNATIVES

The PACS Commission can provide revisions to the proposed One-Year and Five-Year CIP, which may include additions, deletions or modifications to the proposed projects and schedule. These will be included in the CIP report to City Council for their consideration.

FISCAL REVIEW:

The FY 2026-27 CIP and the Five-Year CIP being reviewed by the Commission are proposed to be funded through a combination of Park Development Fees, State, County, and General Fund revenues.

LEGAL REVIEW:

No legal review is required since this item is administrative in nature.

CONCLUSION:

Staff has proposed a list of projects for the upcoming FY 2026-27 Capital Improvement Program budget for City Council consideration. These projects, along with the proposed Five-Year Capital Improvement Program, are being submitted to the Commission for review and public input. This input, along with any Commission recommendations related to the CIP, will be presented to the City Council during its upcoming budget discussions.