



## **Report to City Council**

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**TO:** Mayor and City Council  
Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)  
Mayor and City Council Acting in its Capacity as Chairman and Commissioners of the Moreno Valley Housing Authority (HA)  
Mayor and City Council Acting in its Capacity as Members of the Moreno Valley Successor Agency (SA)  
Mayor and City Council Moreno Valley Community Foundation (MVCF)

**FROM:** Brian Mohan, City Manager  
Melissa Walker, Public Works Director/City Engineer  
Dena Heald, Chief Financial Officer/City Treasurer

**AGENDA DATE:** June 3, 2025

**TITLE:** PUBLIC HEARING AND ADOPTION OF THE CAPITAL IMPROVEMENT PLAN AND BUDGET FOR FISCAL YEARS 2025/26 & 2026/27 (2025-XX, HA 2025-XX, CSD 2025-XX, SA 2025-XX, MVCF 2025-XX) (REPORT OF: CITY MANAGER) (ALL DISTRICTS)

**TITLE SUMMARY:** Public Hearing and Adoption of the Capital Improvement Plan and Budget for FYs 2025/26 & 2026/27

**DISTRICT:** All Districts

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### **Recommendation(s)**

That the City Council:

1. Conduct a Public Hearing to adopt Resolution No. 2025-XX. approving the Capital Improvement Plan (CIP) and Budget for FYs 2025/26 & 2026/27; and

2. Authorize the Public Works Director to prepare/finalize the CIP once adopted by Council for the purpose of completing the California Society of Municipal Finance Officers award program requirements and final distribution; and
3. Authorize the Chief Financial Officer to consolidate the adopted CIP Budget with adopted City Operating Budget for FYs 2025/26 and 2026/27.

That the Housing Authority:

1. Conduct a Public Hearing to adopt Resolution No. HA 2025-XX, a Resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, approving the CIP for FYs 2025/26 and 2026/27; and
2. Authorize the Public Works Director to prepare/finalize the CIP once adopted by Council for the purpose of completing the California Society of Municipal Finance Officers award program requirements and final distribution; and
3. Authorize the Chief Financial Officer to consolidate the adopted CIP Budget with the adopted City Operating Budget for FYs 2025/26 and 2026/27.

That the CSD:

1. Conduct a Public Hearing to adopt Resolution No. CSD 2025-XX, a Resolution of the Community Services District of the City of Moreno Valley, California, approving the CIP for FYs 2025/26 and 2026/27; and
2. Authorize the Public Works Director to prepare/finalize the CIP once adopted by Council for the purpose of completing the California Society of Municipal Finance Officers award program requirements and final distribution; and
3. Authorize the Chief Financial Officer to consolidate the adopted CIP Budget with the adopted City Operating Budget for FYs 2025/26 and 2026/27.

That the City Council as Successor Agency:

1. Conduct a Public Hearing to adopt Resolution No. SA 2025-XX, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, California, approving the CIP for FYs 2025/26 and 2026/27; and
2. Authorize the Public Works Director to prepare/finalize the CIP once adopted by Council for the purpose of completing the California Society of Municipal Finance Officers award program requirements and final distribution; and
3. Authorize the Chief Financial Officer to consolidate the adopted CIP Budget with the adopted City Operating Budget for FYs 2025/26 and 2026/27.

That the Moreno Valley Community Foundation:

1. Conduct a Public Hearing to adopt Resolution No. MVCF 2025-XX, a Resolution of the Moreno Valley Community Foundation of the City of Moreno Valley, California, approving the CIP for FYs 2025/26 and 2026/27; and
2. Authorize the Public Works Director to prepare/finalize the CIP once adopted by Council for the purpose of completing the California Society of Municipal Finance Officers award program requirements and final distribution; and
3. Authorize the Chief Financial Officer to consolidate the adopted CIP Budget with the adopted City Operating Budget for FYs 2025/26 and 2026/27.

### **SUMMARY**

This report recommends the adoption of five resolutions approving the Capital Improvement Program (CIP) for FYs 2025/26 and 2026/27. The CIP identifies the City of Moreno Valley's infrastructure repairs and replacements as well as capital improvement needs for future expansion and build-out for each fiscal year prioritizing them based on City Council direction and anticipated funding availability. The proposed improvements as included in this CIP are found to be in conformance with City's General Plan by the Planning Commission, and the proposed CIP budget was reviewed and recommended for City Council's approval by the Finance Subcommittee.

### **DISCUSSION**

The purpose of the CIP is a planning tool that identifies needed repairs and replacements of aging City infrastructure over the years, as well as prioritizing improvements and expansions to meet future demands. The proposed CIP covers a 5 year period and establishes capital budget for the first two years, Fiscal Years 2025/26 and 2026/27. The Proposed CIP also provides budget projection for infrastructure improvements beyond a 5 year period until City build-out as referenced in the General Plan's land use and circulation elements. Improvement work included in the Proposed CIP are categorized in different infrastructure types and corresponding funding sources. The improvements are further grouped into different funding statuses as fully funded, partially funded, and unfunded (for future years). A detailed project sheet is prepared for each improvement to include general information such as work description, implementation schedule, and current budget and/or new budget requests for the next two years.

The CIP identifies and estimates the costs of planning, designing, repairing/replacing existing facilities or constructing new facilities in various infrastructure types, including:

- Streets and Highways
- Bridges
- Buildings
- Drainage
- Electric Utility
- Parks and Landscaping
- Traffic Signals
- Underground Utilities
- Others

The proposed improvements prioritized for the current year and for the next two years, FYs 2025/26 and 2026/27, are based on the community's immediate enhancement needs and council's requests, economic feasibility, safety, anticipated development trends, and other similar factors. In addition, the proposed CIP also incorporates improvements that match the strategic plan priorities, objectives, and initiatives from the Council approved Momentum MoVal document.

California Government Code Section 66002 provides that the CIP shall be updated and adopted through a resolution by the governing body of the local agency at a public hearing. The Proposed CIP was made available for public review on May 15, 2025, and a public notice was published in the Press Enterprise. The CIP for FYs 2025/26 and 2026/27 book is not attached to this report due to its size and is available for review on the City's Public website. A hard copy of the document is also available at the City Clerk's office and the Main Library. The sixty-six (66) projects with new fund requests in FYs 2025/26 and 2026/27 are attached to this report for review.

The CIP was presented to the Planning Commission on May 8, 2025, and was found to be in conformance with the City's General Plan.

The CIP was presented at the May 13, 2025 study session meeting with Council.

If approved, staff anticipates submitting the CIP and required documents to the California Society of Municipal Finance Officers Capital Budget award program for consideration.

## **ALTERNATIVES**

1. Approve and authorize the recommended actions as presented in this staff report and as set forth in the proposed Resolutions approving the CIP. *Staff recommends this alternative as it will allow for implementing the funding, planning, design, and construction of necessary capital improvements.*
2. Do not approve and authorize the recommended actions as presented in this staff report and as set forth in the proposed Resolutions and Capital Improvement Plan and direct staff to return with changes. *Staff does not recommend this alternative as it will delay the funding, planning, design, and construction of necessary capital improvements.*

## **FISCAL IMPACT**

Projects have been identified as funded, partially funded or unfunded for FYs 2025/26 and 2026/27 and beyond to better understand anticipated future needs for the City. However, approval of the recommended actions as included in this staff report will provide the funding and expenditure plan for capital improvements for FYs 2025/26 and 2026/27 only.

Section	Description	FY 2025/26 New Request	FY 2026/27 New Request	Total
80001	Street Improvements	\$15,195,000	\$9,595,000	\$24,790,000
80002	Bridges	\$1,310,000	\$10,000	\$1,320,000
80003	Buildings	\$6,400,000	\$50,000	\$6,450,000
80004	Drainage, Sewers, and Waterlines	\$390,000	\$390,000	\$780,000
80005	Electric Utility	\$24,818,501	\$26,292,500	\$51,111,001
80006	Landscaping	\$1,830,000	\$1,825,000	\$3,655,000
80007	Parks	\$1,894,000	\$3,970,000	\$5,864,000
80008	Traffic Signals	\$3,517,000	\$1,370,000	\$4,887,000
80009	Underground Utilities	-	-	-
80010	Other	\$500,000	\$500,000	\$1,000,000
	<b>Total</b>	<b>\$55,854,501</b>	<b>\$44,002,500</b>	<b>\$99,857,001</b>

The project sheets attached to this staff report provide information regarding the proposed funding source for each project requesting new funding over the next two years. A summary of the funding sources for the projects in FYs 2025/26 and 2026/27 are as follows:

Revenue Sources	Total
General Fund	\$1,600,000
Capital Projects Reimbursements	\$100,000
Community Facility District Fees	\$1,275,000
Development Impact Fees	\$5,457,000
Facilities Replacement Reserves	\$7,400,000
Highway Users Tax Account (HUTA) / Gas Tax	\$2,290,000
Measure A	\$10,080,000
Moreno Valley Utility	\$51,511,001
Parkland Improvements Fees	\$4,814,000
Quimby In-Lieu Park Fees	\$950,000
Road Maintenance and Rehabilitation Account (RMRA) / SB1	\$10,800,000
Special Districts Landscape Zones/Medians / Districts Fees	\$2,580,000
Storm Water Management Fees	\$780,000
Traffic Signal Mitigation	\$220,000

The City Council will be kept apprised of the City's projects through Quarterly CIP Reviews. This practice has been utilized in the past with Operating Budget and will be applied during this two-year CIP funding cycle to ensure that the City Council is apprised of project progress compared to the CIP. Any unexpected changes will be analyzed and addressed quickly to maintain the integrity of the CIP.

## **NOTIFICATION**

Notice of this meeting was published in the Press Enterprise newspaper on May 15, 2025.

Additional notification was made available through the City website and Publication of the agenda. As of the date of this report preparation, staff has not received any public inquiries in response to the notice for this Capital Improvement Plan adoption.

## **PREPARATION OF STAFF REPORT**

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City Manager

## **CITY COUNCIL GOALS**

**Public Safety.** Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

**Community Image, Neighborhood Pride and Cleanliness.** Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

## **CITY COUNCIL STRATEGIC PRIORITIES**

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

## **ATTACHMENTS**

1. FY 2025.26 & 2026.27 CIP - City Resolution
2. FY 2025.26 & 2026.27 CIP - HA Resolution
3. FY 2025.26 & 2026.27 CIP - CSD Resolution
4. FY 2025.26 & 2026.27 CIP - SA Resolution
5. FY 2025.26 & 2026.27 CIP - MVCF Resolution
6. FY 2025.26 & 2026.27 CIP - New Funding Requests

## Report Approval Details

Document Title:	STAFFREPORT_CM_CIP ADOPTION_06.03.25.docx
Attachments:	<ul style="list-style-type: none"><li>- FY 2025.26-2026.27 CIP-City Resolution.pdf</li><li>- FY 2025.26-2026.27 CIP - HA Resolution.pdf</li><li>- FY 2025.26-2026.27 CIP - CSD Resolution.pdf</li><li>- FY 2025.26-2026.27 CIP - SA Resolution.pdf</li><li>- FY 2025.26-2026.27 CIP - MVCF Resolution.pdf</li><li>- FY 2025.26-2026.27 CIP - New Funding Requests.pdf</li></ul>
Final Approval Date:	May 28, 2025

This report and all of its attachments were approved and signed as outlined below:

Brian Mohan

Patty Rodriguez

Natalia Lopez

Dena Heald

Launa Jimenez

Patty Rodriguez