

Attachment D

May 12, 2026 Finance Committee Meeting

Q1. Would like more information to approve staff's recommendation to reallocate \$3.4 million of funding from certain projects to other projects and would like to see a schedule for traffic calming plan.

A1. Additional information regarding the recommended reallocation of \$3.4 million is included in the staff report. The map included within this attachment (bottom of document) identifies the top 15 requests Citywide. In terms of the requested traffic calming plan, it is currently being worked on and will be brought to Council in September 2026.

Q2. Did the street repairs and pavement budget increase from the prior year?

A2. Please see the below for each year.

FY 25/26 \$17.1 million

FY 26/27 \$17.3 million

FY 27/28 \$9.5 million

The modest increase in Year 1 and reduction in Year 2 is due to significant use of fund balance in the Road Improvement Funds (Gas Tax, Measure X, SB1) in the prior year(s). The biennial budget allocations reflect mostly use of projected revenues for each year.

In addition, CIP Carryover is approximately \$29.3 million for streets, sidewalks, and road improvement related projects. This brings the total investment to **\$46.6 million in Year 1** of the Biennial Budget.

Q3. Does this budget include a Community Outreach Assistant and Evidence Technician?

A3. The Proposed Budget does not include funding for the Community Outreach Assistant but is included in the staff report for Council consideration. Staff will continue to work with the Police Department to review the Evidence Technician position. Currently, the Police Department has 24 vacancies, one of which is an Evidence Technician. There are 4 Police Officers and 1 Deputy Chief included in the Proposed Budget. If this Council approves the budget as proposed and the additional Community Outreach Assistant, they will have 30 vacancies across most divisions – Administration, Evidence, Investigations, Patrol, Personnel & Training, Records, Special Operations, Support Services, and the Traffic Unit.

May 26, 2026 Budget Study Session

Q4. Where is the \$10 million the City received from Amazon?

A4. It is in the Arterial Development Impact Fee Fund 2306 and has yet to be appropriated. The revenue was received in February 2025. Since this revenue was received in FY 2024/25, it is not being captured as new revenue in the Biennial Budget but is reflected in the beginning fund balance for that fund. The Arterial Development Impact Fee beginning fund balance is included in the Summaries & Schedules section of the Biennial Budget document. The beginning fund balance is \$13.9 million.

A potential use for this budget is signal and intersection improvements on the Abbott St. and South Sanborn Rd. corridors. Staff is also working to develop a plan to evaluate traffic flow or

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other improvements in the surrounding area. Council will have an opportunity to review staff's recommendation and provide direction.

Q5. Provide more information on the \$3.4 million reallocation from projects.

A5. This information is included in the staff report.

Q6. Provide a description of the Williams Road budget allocation in the Proposed Budget.

A6. Williams Road will receive multiple improvements from various sources. Safety improvements from E. Alisal Street to Freedom Boulevard. Improvements will include enhanced pedestrian crossings and three roundabouts at E. Alisal Street, E. Market Street, and Freedom Boulevard. Total project construction cost is estimated to be \$20 million. The City received \$16 million from the federal government for the Safe Streets for All Grant in December 2023. The grant will fund safety improvements at Williams Road. Funding is set aside for construction. It is anticipated that the City will be fund design and state and federal environmental permits. Staff is also working with PG&E for underground of overhead lines. Currently the project is funded from E Alisal St to Grandhaven St. An additional grant of \$7.9 million was received from the state for bicycle improvements along John St and Williams Road.

The project is currently in environmental review and anticipated to move into design by the end of 2026 with construction to begin in 2028.

Q7. How much revenue came in for cannabis?

A7. Please see the below for each year.

2022-23	\$1,358,462
2023-24	\$1,001,588
2024-25	\$787,830
2025-26	\$508,216 to date

Q8. How much revenue has the City received in revenue from the Rodeo?

A8. Please see the below for each year. The variance from FY 2022/23 to 2023/24 is due to the Rodeo reconciling their financials and calculating the gate fees. Since then, they have been regularly submitting gate fees to the City.

2022-23	\$34,694
2023-24	\$141,009
2024-25	\$109,917
2025-26	\$80,217 to date

Q9. Councilmember asked if the rest of the Council would assist with providing direction to staff to give Ciclovía \$60,000 and Gavilan Monterey One Water \$25,000.

A9. In regard to Ciclovía, since there appeared to be a majority in favor of providing this funding, staff is providing a few options below.

Option 1. \$60,000 can be funded with reserves or fund balance. Currently, the economic contingency reserve level is 12%, which translates to one and a half months of General Fund expenditures. Total General Fund reserves, including Infrastructure, Facilities Maintenance, and OPEB (115) translate to two and a half months of General Fund expenditures. The fund balance at Year 1 is estimated to be \$5.3 million and Year 2 is \$1.4 million.

Option 2. Ciclovía applies through the Community Sponsorship Program although the program limits awards to \$50,000 which is consistent with what we're asking other agencies to do. Last

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year, the City received 37 applications totaling \$1.1 million and awarded to 7 applicants for a total of \$150,000.

Option 3. Per the Community Sponsorship Policy, the total award amount for all agencies can be up to \$250,000 and limits each award to \$50,000. The Biennial Budget includes \$150,000 each year. Council could revise the budget allocation upwards of \$150,000 and could also revise the policy to increase the amount per agency.

In regard to the Gavilan Monterey One Water request to provide \$25,000 in funding, staff recommends this go through the Community Sponsorship process.

Q10. How much revenue do food trucks bring into the City?

A10. Revenue for food trucks (including food catering) is shown below.

FY 24/25	\$8,547.66
FY 25/26	\$7,210.41 to date

Q11. The City would benefit from having a Director of Grants (grant writer) to coordinate across departments. Ideally, it would be a team of 4 or 5.

A11. The City contracts with California Consulting to assist with writing grants. They are available to engage with departments as needed and can also assist with grant monitoring and reporting. They have approximately 26 team members throughout the state and contract with cities, school districts, community colleges, special districts, non-profits, and others.

In addition, the City has an Accountant/Auditor and Senior Accounting Technician within the Finance Department that work with departments specifically on grant reporting, monitoring, and compliance.

Q12. Would like to see the rental assistance program budget increase to by an additional \$100,000 in this budget to increase the allotment provided to the Monterey County Office Education (MCOE) from \$250,000 to \$350,000 to help students and families.

A12. The Council has the following options:

Option 1. Of the \$500,000 reflected in the budget provide direction to designate \$350,000 for MCOE and \$150,000 for general rental assistance.

Option 2. Increase the appropriation reflected in the budget to \$600,000 and direct that \$350,000 go to MCOE and \$250,000 for general assistance. Should this option be the preferred, \$100,000 would come from the General Fund – Fund Balance or Reserves.

Councilmember Comments/Questions

Comment 1: Councilmember: In FY 2026/27, would like to see street repairs and potholes addressed and advocate for recreation centers such as El Dorado Park, Breadbox, Salinas Recreation Center. They would like to hear back from department heads to learn more about the needs for these programs/facilities.

Comment 1 Response: This will be brought back for discussion after the Summer Council recess.

Comment 2: Councilmember has previously addressed that they would like a floating office/meeting space for Councilmembers or law enforcement

Comment 2 Response: Staff could work with individual Councilmembers to establish floating office/meeting space at City facilities.

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Comment/Request 3: Double funding for the Neighborhood Grant Program to help residents and neighborhood groups address local priorities and community improvements.

Comment/Request 3 Response: Is included in this Attachment D to the staff report for Council for consideration.

