Great Park Operating Budget

February 24, 2026

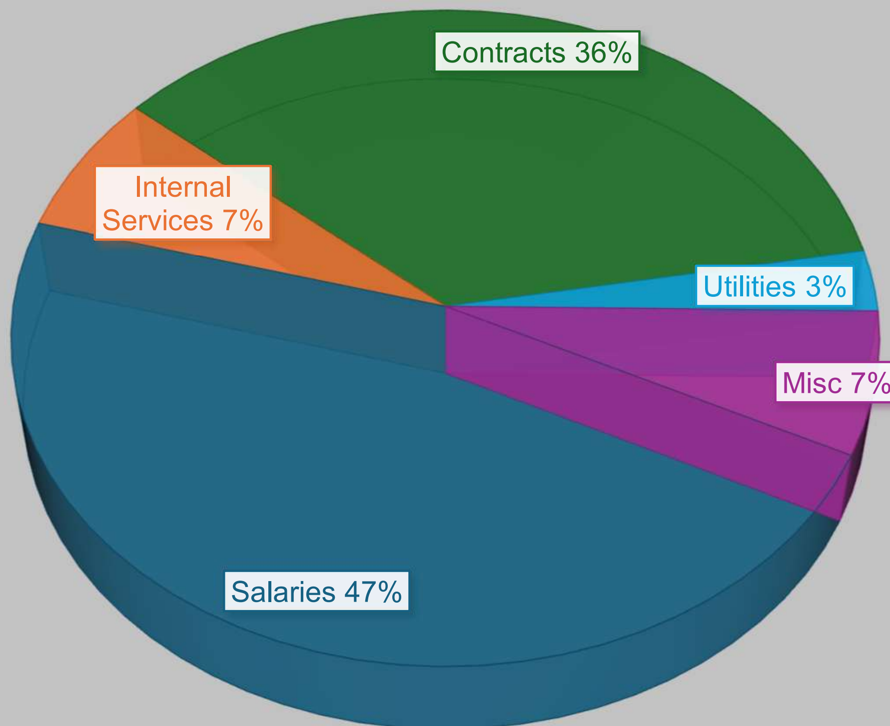
Great Park Financial Policies

- City Council Resolution 06-71
  - No General Fund revenue to Great Park
    - Carveout for GF sources originating as part of redevelopment of MCAS El Toro
- Initiative Ordinance 14-04 – Great Park Fiscal Transparency
  - All expenditures only upon GPB recommendation and City Council approval
  - Annual Great Park Financial Audit
- Great Park Sports Complex Cost Recovery
  - Local/Tournament model
  - 90% Cost Recovery goal

Great Park Expenditures

Expenditures

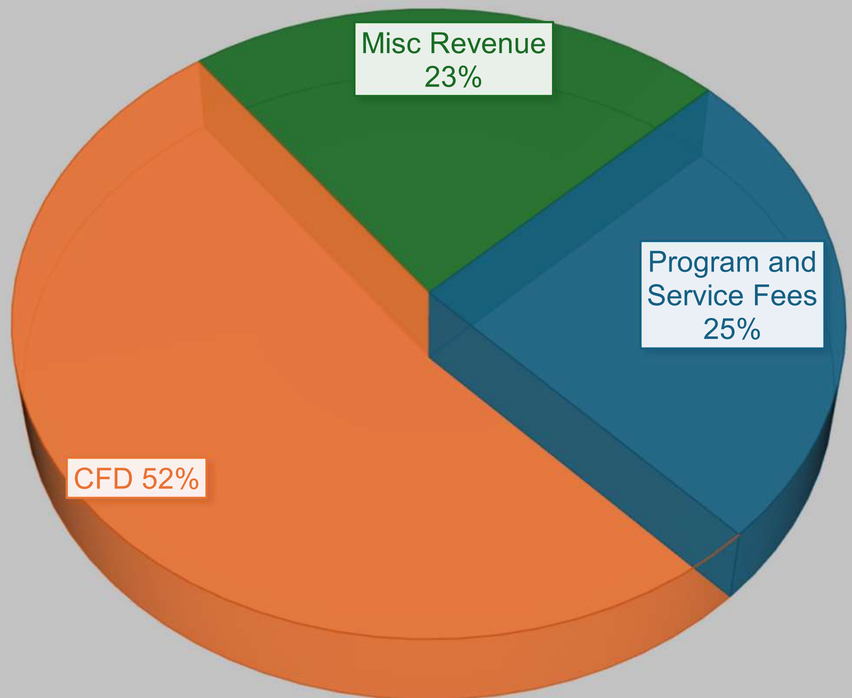
- O&M for over 500-acres
  - Personnel from all departments
- Contract Services
  - Landscape and facilities maintenance
  - Professional services
- Utilities
- Miscellaneous
- Internal Services



Great Park Revenues

Revenues

- Program and Service fees
  - Field reservations
  - Classes and camps
- Misc Revenue
  - Ground Leases (TVI, Wild Rivers)
  - Interest
  - Parking
- CFD 2013-3 Special Taxes
  - Guaranteed amount
  - Excess special tax receipts



Context and Forecasting Assumptions

- Minimum wage up 69% over past 10 years
  - Outpacing CPI (~30% over same period)
  - Prevailing wage increases trigger with minimum wage
- Programs and projects without corresponding revenue recoveries
- Other financial implications
  - User fee stagnation
  - Great Park IPSF Funding ($2M)

Context and Forecasting Assumptions

- Costs increase as the Great Park is built out
  - Operating expenses expected to increase by $19M with implementation of the Framework Plan
    - Increases to personnel costs (+$5M)
    - Increases in contract services for new park features (+10M)
    - Increases in existing contract services costs due to market conditions (+$4M)
- New sources of revenue are critical to long-term sustainability
  - Permanent Amphitheater annual revenue $12M
  - Parking annual revenue $9M

Forecast

GREAT PARK OPERATION FUND 180	2024-25 Actuals	2025-26 Estimate	2026-27 Estimate	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast	2030-31 Forecast	2031-32 Forecast
GREAT PARK OPERATING								
Beginning Balance	69,443,513	71,330,232	63,784,928	56,386,346	47,259,942	37,031,081	24,329,411	17,203,370
Revenues	35,957,826	35,343,543	43,712,613	39,920,451	44,042,861	44,857,047	53,593,101	59,387,967
Expenditures	34,071,107	42,888,847	51,111,195	49,046,855	54,271,722	57,558,717	60,719,142	61,872,022
ENDING AVAILABLE BALANCE	71,330,232	63,784,928	56,386,346	47,259,942	37,031,081	24,329,411	17,203,370	14,719,315
NET	1,886,719	(7,545,304)	(7,398,582)	(9,126,404)	(10,228,861)	(12,701,670)	(7,126,041)	(2,484,055)

Balancing Measures

- Update user fees to match market rates
  - Great Park cost of services and market study for Sports Complex
  - Returning with mid-cycle budget process
- Reduce operating costs
  - Review of maintenance and operations best practices
- Pursue sponsorship opportunities
- Pursue additional revenue opportunities
  - Capture of hotel and sales tax within Great Park Neighborhoods area