

# City of Hesperia STAFF REPORT



**DATE:** June 16, 2026

**TO:** Mayor and Council Members  
Chair and Board Members, Hesperia Housing Authority  
Chair and Board Members, Hesperia Water District

**FROM:** Rachel Molina, City Manager

**BY:** Casey Brooksher, Assistant City Manager  
Cassandra Sanchez, Director of Public Works/City Engineer  
Keith Cheong, Deputy Finance Director

**SUBJECT:** Fiscal Year (FY) 2026-27 Proposed Capital Improvement Program (CIP) Budget Adoption

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## RECOMMENDED ACTION

It is recommended that the City Council, the Board of Directors of the Hesperia Housing Authority (HHA), and the Board of Directors of the Hesperia Water District (HWD) hold a Public Hearing and adopt the following Resolutions approving the Fiscal Year (FY) 2026-27 Proposed CIP Budget for the City of Hesperia and the Hesperia Water District:

1. City of Hesperia Resolution No. 2026-12 adopting the FY CIP 2026-27 Budget
2. Resolution HHA 2026-03 adopting the FY CIP 2026-27 Budget
3. Resolution HWD 2026-06 adopting the FY CIP 2026-27 Budget

## BACKGROUND

In compliance with the City Council's policy direction, staff has prepared the FY 2026-27 CIP Budget for the City of Hesperia, Hesperia Housing Authority, and the Hesperia Water District. The CIP Budget includes the funding of capital projects within the City. Additionally, California Government Code, Section 66002 provides that any local agency which levies a Development Impact Fee subject to California Government Code, Section 66001 may adopt a Capital Improvement Plan. The FY 2026-27 Proposed CIP Budget provides the funding plan for such projects.

In the past, the CIP Budget was presented in conjunction with the City's operating budget. To comply with the state code, the CIP Budget will be presented for Council and Board consideration separate from the operating budget.

## ISSUES/ANALYSIS

As an attachment to this staff report, the FY 2026-27 Proposed CIP Budget includes the following type of projects: Street Improvements, Storm Drainage, Facilities, Water, and Sewer projects. Upon Council and Board approval, the CIP Budgeted expenditures and revenues will be included

into the City's overall FY 2026-27 Proposed Budget, which was presented and approved by the City Council on June 2, 2026.

Staff requests authority to make technical corrections, minor edits, etc. to the FY 2026-27 Proposed CIP Budget document to be incorporated into the final FY 2026-27 CIP Budget as approved by the City Council, Hesperia Housing Authority Board, and Hesperia Water Board.

### **CITY GOAL SUPPORTED BY THIS ITEM**

**Public Safety** - Ensure public safety resources adequately protect our community;

**Future Development** - Facilitate balanced growth to ensure cohesive community development and pursue economic development;

**Capital Improvement** - Continually evaluate capital improvement priorities.

### **FISCAL IMPACT**

See Fiscal Year 2026-27 CIP Proposed Budget.

### **ALTERNATIVE(S)**

Provide alternative direction to staff.

### **ATTACHMENT(S)**

1. Resolution No. 2026-12
2. Resolution No. HHA 2026-03
3. Resolution HWD 2026-06
4. Fiscal Year 2026-27 Capital Improvement Program (CIP) Budget (On file in the City Clerk's Office)