



Agenda Item

Orange City Council

Item #: 10.4.

12/9/2025

File #: 25-0635

TO: Honorable Mayor and Members of the City Council

FROM: Jarad Hildenbrand, City Manager

1. SUBJECT

Fiscal Years 2025-2030 Citywide Strategic Plan and Grant Thornton Advisors, LLC Budget Risk and Economic Advisory Services Report Quarterly Updates.

2. SUMMARY

On November 26, 2024, the Orange City Council adopted the Fiscal Years 2025-2030 Citywide Strategic Plan. Then on July 22, 2025, the City Council received and filed Grant Thornton Advisors, LLC's Budget Risk and Economic Advisory Services report. This presentation and report details the progress made over the past quarter regarding the City's Fiscal Years 2025-2030 Citywide Strategic Plan as well as the Budget Risk and Economic Advisory Services Report recommendations.

3. RECOMMENDED ACTION

Receive and file an update on the Fiscal Years 2025-2030 Citywide Strategic Plan and Grant Thornton, LLC Budget Risk and Economic Advisory Services report.

4. FISCAL IMPACT

None.

5. STRATEGIC PLAN GOALS

The quarterly updates will support every goal detailed in the Fiscal Years 2025-2030 Citywide Strategic Plan.

6. DISCUSSION AND BACKGROUND

Fiscal Years 2025-2030 Citywide Strategic Plan

The Fiscal Years 2025-2030 Citywide Strategic Plan (Plan) was adopted on November 26, 2024. The Plan's adoption included a commitment to provide quarterly updates to the City Council and public. Each update is included in the attachment under the column entitled, "December 9 Update."

Grant Thornton Advisors, LLC Budget Risk and Economic Advisory Services Report

On July 22, 2025, the Orange City Council received and filed the Grant Thornton Advisors, LLC (GT) Economic Advisory Services report (Report). While GT's analyses and recommendations were multi-faceted, they can generally be summarized into three categories:

1. Enhance Economic Development.
2. Incorporate cost reductions.

3. Find opportunities for revenue enhancements.

Progress reports for the three categories are discussed in turn.

Enhance Economic Development

The GT Report expressed a need to eliminate the old “Orange Way.” In its place, the City must foster an “open for business” environment that streamlines development and cultivates an investor friendly experience, thereby enticing more businesses to locate in Orange. The GT report provided a roadmap and many recommendations to advance the City’s economic development program. Since the City Council received and filed the GT Report in July, the City has made the following efforts to incorporate the GT Report recommendations:

- Moved the City’s Economic Development Division to the Community Development Department (GT Report Page 42).
- Working with Kosmont Companies to create a cohesive development strategy for City-owned property in Old Towne Orange (GT Report Page 41).
- Modified the City’s development review process and considering potential changes to the City’s master land use policies (GT Report Page 41).
- Identifying sites where the City can attract long-sought-after businesses like Costco (GT Report Page 46).
- Communicating to investors and companies that the City is “open for business” and ready to implement the new Orange Way (GT Report Page 41).

While the GT report details many recommendations, the steps achieved over the past several months have set a foundation to help spur future economic growth.

Incorporate Cost Reductions

The GT Report evaluated the City’s General Fund budget, and provided clear recommendations on ways the City could possibly reduce expenditures. The following has been achieved over the past several months:

- The adopted Fiscal Year 2026 General Fund budget represents a 4% decrease from the adopted Fiscal Year 2025 General Fund budget; moreover, it is anticipated that *actual* Fiscal Year 2025 General Fund expenditures will be 6% below the Fiscal Year 2025 *budgeted* amount (GT Report Page 34).
- In preparation of the Fiscal Year 2027 budget, staff has been engaging the public through “Our Orange Conversation” to hear public input as staff begins the budget development process (GT Report Pages 51-52).
- During the Fiscal Year 2027 budget development process, staff will utilize a Zero-based budgeting approach and evaluate current vacancies.
- Staff will also conduct a strategic planning session in January which will help guide the Fiscal Year 2027 budget direction (GT Report Pages 51-52).

Identify Opportunities for Revenue Enhancements

- Aside from promoting economic development to expand the City's tax base, staff completed the cost allocation and draft fee study and presented this to the City Council on September 9th. Staff received feedback from the City Council and public and will schedule a fee study session. The intent of the cost allocation and fee study is to ensure cost recovery, and where appropriate, reduce General Fund subsidies (GT Report Page 37).
- Evaluating investment management strategies to maximize the City's return within the parameters of the City's adopted Statement of Investment Policy (GT Report Page 38).

7. ATTACHMENTS

- Fiscal Years 2025-2030 Citywide Strategic Plan and Grant Thornton Advisors Report - Quarterly Update: December 9, 2025.