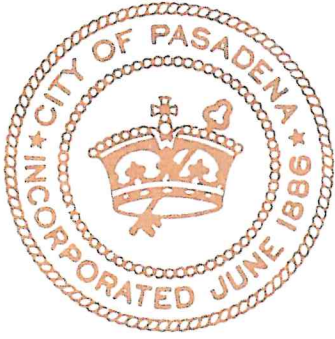




Agenda Report

November 24, 2025

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Public Health Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA BOARD OF STATE AND COMMUNITY CORRECTIONS FOR \$2,000,000 AND RECOGNIZE AND APPROPRIATE \$300,000 TO THE FISCAL YEAR 2026 PUBLIC HEALTH DEPARTMENT OPERATING BUDGET FOR THE PASADENA OUTREACH RESPONSE TEAM EXPANSION ("PORT-E") PROGRAM

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions herein are not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Section 15378(b);
2. Authorize the City Manager to enter into an agreement with the California Board of State and Community Corrections ("BSCC") to accept and administer \$2,000,000 in Proposition 47 grant funds on behalf of the City of Pasadena to expand Pasadena Outreach Response Team ("PORT") services through June 30, 2029;
3. Amend the Fiscal Year 2026 Public Health Department operating budget by recognizing and appropriating \$300,000 in BSCC Proposition 47 grant funding;
4. Authorize the City Manager to enter into a contract with Huntington Health in an amount not-to-exceed \$482,000 for clinical and nursing services through June 30, 2029, contingent on continued grant funding; and
5. Grant the proposed contract an exemption from the competitive selection process pursuant to Pasadena Municipal Code (PMC) Section 4.08.049(B), contracts for which the City's best interests are served. This transaction is exempt from competitive bidding per PMC Section 4.08.030 and City Charter Section 1002(F) based on contracts for professional or unique services.

BACKGROUND:

To better meet the needs of Pasadena's homeless population, the Pasadena Public Health Department ("Department"), in partnership with the Pasadena Fire Department ("PFD"), launched the Pasadena Outreach Response Team ("PORT") in 2019. PORT provides field-based engagement, advocacy, and support to individuals experiencing homelessness, living with chronic health conditions, and/or affected by mental health or substance use disorders. The program employs a multidisciplinary, cross-sector model that pairs a case manager or social worker with a firefighter and a peer navigator to deliver proactive, coordinated interventions before crises occur.

In July 2021, the Department expanded PORT by adding a second team, which provides case management services and responds to 9-1-1 dispatch calls involving individuals experiencing homelessness. In September 2022, PORT integrated a registered nurse with funding from a previous Proposition 47 grant. In FY 2025, PORT responded to 484 calls for service, reducing the need for law enforcement response to non-criminal concerns.

Criminal justice involvement remains a major risk factor for homelessness. According to the Prison Policy Initiative, formerly incarcerated individuals are nearly 10 times more likely to experience homelessness than the general population. People with behavioral health conditions, such as mental illness or substance use disorders, also face a heightened risk of justice-system involvement, further increasing their vulnerability to homelessness. Based on this data, the Department has pursued opportunities to expand the work of PORT to better serve justice-involved individuals experiencing homelessness.

In October 2025, the Department was awarded \$2,000,000 through the Proposition 47 Grant administered by the BSCC. If approved, the grant will support PORT's operations and service enhancements through June 30, 2029. The Department recommends recognizing and appropriating \$300,000 of the grant award in FY 2026 to support the start-up costs of this program expansion, including procurement of a mobile outreach vehicle and contracted clinical/nursing services. The remaining grant funding will be appropriated through the budget process in each of the remaining fiscal years.

The Department proposes to expend the grant funds in Fiscal Year 2026 as follows:

Category	Fund Amount
Salaries and Benefits • 0.75 FTE CSR III • 0.10 FTE Division Manager • 0.10 FTE Management Analyst II • 0.10 FTE Senior Office Assistant • 0.05 FTE Administrative Specialist	\$85,505
Services and Supplies • Office supplies • Hygiene supplies • Program participant support items	\$6,810
Contracts • Huntington Health	\$74,150
Equipment • Mobile outreach vehicle	\$108,485
Internal Service Charges	\$25,050
TOTAL	\$300,000

The grant requires the use of matching funds to support the program over the life of the Prop 47 program. The match will be satisfied through PPHD funds allocated to staff for program oversight, match commitments by subcontractors and by resources of the existing PORT, which includes the previously awarded Prop 47 grant allocations through Fiscal Year 2026. The grant also requires at least half of the grant award be passed through to Non-Governmental Organizations. The Department intends to satisfy this requirement with a funding passthrough of 50% to subcontracted community partners who satisfy grant requirements including status as a federally recognized nonprofit.

The Department intends to release a Request for Proposals (“RFP”) for qualified nonprofit agencies to provide housing navigation and peer outreach services. However, the Department recommends the City Council provide a competitive selection exemption to Huntington Health for clinical and nursing services based on their subject matter expertise, history in Pasadena, and familiarity with community needs. Huntington Health was included as an identified partner in the Department grant application to the BSCC due to their ongoing support for PORT activities.

Huntington Health, a provider of world-class health care services for the San Gabriel Valley since 1892, has partnered with the PORT program since 2021 by providing an 100% in-kind 0.75 FTE Registered Nurse for field-based health services with PORT. If the requested exemption is approved, the contract will include a Registered Nurse at 0.75 FTE and expand to include a Clinician (i.e. a Nurse Practitioner or Physician’s Assistant) at 0.15 FTE on the PORT team, with the grant supporting 60% of the cost and Huntington Health supporting the remaining 40% as an in-kind match to the grant. The proposed contract term is through June 30, 2029 and is contingent on continued

grant funding. The total not-to-exceed contract value is \$482,000 with an anticipated start date of January 2026. The proposed services align with previously identified objectives to add a medical provider to the team as discussed with City Council in September 2024.

COUNCIL POLICY CONSIDERATION:

The proposed contract amendment aligns with the City Council's strategic plan goal to ensure public safety.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein, authorizing the City Manager to execute all grant-related documents and amending the Public Health Department's operating budget, are organizational or administrative governmental activities that do not result in physical changes to the environment, and therefore are not a "project" as defined by CEQA. Since the actions are not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

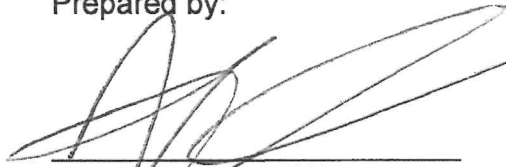
It is anticipated that the grant award of \$300,000 will be received and spent in Fiscal Year 2026. If approved, the Department's Fiscal Year 2026 Operating Budget will be increased by \$300,000 for project implementation. No net impact to the unappropriated fund balance is anticipated. Remaining grant funding will be appropriated and recognized in the annual budget submission in future fiscal years.

Respectfully submitted,



MANUEL CARMONA, MPH, MPA
Director
Public Health Department

Prepared by:



Nathan Press, ASW
Division Manager
Public Health Department

Approved by:



MIGUEL MÁRQUEZ
City Manager