



Office of the City Manager

City Council Priorities Follow-up Workshop

April 6, 2026





Workshop Purpose

Part I – Budget Workshop Follow-up

- Confirm the five refined priority descriptions
- Agree on a reporting cadence and format
- Discuss a simple protocol for mid-year shifts in priorities
- KPI approach

Part II – Funding Discussion

- Funding Realities & Strategic Choices
- Funding Approach for Top Priorities
- Local Funding Options
- Response to Council request regarding ballot measures



Council's Top 5 Priorities

PRIORITIES (Unranked)



Housing & Homelessness

1. Year-Round Homeless Shelter



2. Homeless Transition/Temporary Housing



3. Homeless Court / Home Diversion Program

Community, Health & Wellbeing

12. Sustain Essential Programs When Grant Funding Is Reduced or Terminated



13. Unpermitted Vending at Rose Bowl Displacement Events

14. Youth Programming (PRCS)



15. Senior Programming (PRCS)

Climate, Environment & Sustainability

4. Urban Forest - Maintain or Improve



5. Code Enforcement - Gas Blower Ban

6. Carbon-Free Electricity Transition - Resolution 9977



Economic & Neighborhood Development

16. Economic Development Strategic Plan - Implementation



17. Implement Neighborhood Specific Plans



18. Expansion/Modifications of Local Hiring Practices & Local Procurement Strategies



Other:

Four horizontal lines for additional priority entries.

Public Safety

7. Emergency Preparedness / Enhanced Fire Prevention



8. Active Intelligence Center - Modernize PD 911 / Resource & Data Integration / Crime Analysis



9. Maintain Public Health Communicable Disease Prevention and Control Services



10. Traffic Enforcement (PD)



11. Fire Department Facilities Upgrades & Training Center



Transportation & Infrastructure

19. Pedestrian, Bicycle and Motorist Safety



20. Roadways / PCI Improvements



21. Debris Removal (Public Right-of-Way Clean-Up)





Council's Top 5 Priorities

- **Modernize fire department facilities & Enhanced Fire Prevention**
 - > Facilities upgrades; Training Center; Brush clearance
- **Improve roadways & implement pedestrian/bike safety strategies**
 - > Pavement condition, Enforcement, Pedestrian/bike safety
- **Invest in year-round shelter & transitional housing**
 - > Year-round facility, Transitional housing, Pathway to stability
- **Move Pasadena decisively toward a carbon-free future**
 - > Resolution 9977, Clean energy procurement, Infrastructure modernization
- **Implement Economic Development Strategic Plan with placemaking focus**
 - > Economic Development Strategic Plan, Streetscapes, Neighborhood plans



Recommended Progress Reporting

- Quarterly Dashboard
 - > High-level Status update
 - > Traffic light indicators (on track / at risk / off track)
 - > Short narrative on progress, challenges & risks
- Mid-Year Deep Dive
 - > More detailed review of each priority area
 - > Adjustments, reprioritization, and financial impacts
- Reporting Format – Decision Needed
 - > Full Council presentations
 - > Council committee review
 - > Public-facing website for transparency and continues updates



When Should Priorities Shift?

- Possible Triggers:
 - > New funding or grant opportunities
 - > Significant constraints (staffing, capacity, cost escalation)
 - > State/federal mandates or emergencies
 - > Prolonged lack of progress due to external factors
- Draft Adjustment Protocol:
 - > Trigger identified
 - > Staff analysis of impact
 - > Discussion & direction during quarterly or mid-year check-ins
- Competing Priorities:
 - > Immigration policy development
 - > Investment policy
 - > Olympics
 - > Quasi-judicial appeals



Key Performance Indicators (KPIs)

Where We Are Today With KPIs?

Departments already track hundreds of KPIs

- Most existing KPIs are:
 - > Activity-focused (counts, volumes, turnaround times)
 - > Operationally useful
- Departments developing new, outcome-based KPIs to strengthen measurement of results.
- Introducing an initial set of revised KPIs for FY 2027 as a foundation for future expansion.
 - > Updated KPIs will be included in FY 2027 department budget presentations.



Key Performance Indicators (KPIs)

If KPIs Are Going to Drive Decisions...They Must Measure the Right Things

- KPIs become meaningful when tied to Council's goals (beyond only the top 5)
- “Right” KPIs clearly show whether the City is moving the needle on the outcomes Council wants to influence.

How Council Can Shape Them

- As departments present their FY 2027 budget proposals, Council feedback will help refine and strengthen these KPIs.



Funding Realities & Strategic Choices

- General Fund forecast does not anticipate capacity to increase funding for these priorities
- Federal reductions for formula funding not as severe as threatened, but grant eliminations are being realized
- Departments are already advancing work aligned with the 5 priorities
 - > Priority work is being challenged by workload of other projects
- Council discussion point:
 - > Staff can revisit proposed CIP and recommend projects shifts that only focus on the priorities when feasible/allowable
 - > Direct staff to bring back options for larger Operating Budget decisions (reallocation, reductions, new revenues, timing shifts)



Funding Approaches for Top Priorities

- **Modernize fire department facilities & Enhanced Fire Prevention (\$200M)**
 - > Current Approach: Pursue new revenue sources.
- **Improve roadways & implement pedestrian/bike safety strategies (\$125M+)**
 - > Current Approach: Pursue new revenue sources, re-evaluate all relevant CIP to prioritize achieving this goal.
- **Invest in year-round shelter & transitional housing (\$10M+ capital; \$2-\$4M annually)**
 - > Current Approach: Leverage grants, County partnerships, and use of City-owned property for a future shelter.
- **Implement Economic Development Strategic Plan with placemaking focus (\$25M+)**
 - > Current Approach: Pursue grants, consider EIFD, align with ongoing development activity.



Local Funding Options

- Use Tax similar to Measure I – general or special tax
 - > Current capacity of quarter-cent - \$11m annually
 - > Capacity depends on County measure and AB 1768
- Parcel Tax – special tax
 - > Could fund priorities around Fire and/or Streets
 - > Can be assessed on a variety of factors: parcel size, parcel use type, developed square footage, etc.
 - > Time limited or until repealed
- Benefit type district – special tax
 - > Likely Fire specific
 - > Could be a district of all or part of the City



Local Funding Options

- Transfer Tax – likely a special tax
 - > Tax on real estate sales transactions
 - > Expected statewide November ballot measure to prohibit local transfer tax
 - > Revenue can be volatile based on economic climate
- Parking Tax – general of special tax
 - > Similar to TOT in terms of percentage tax charged on parking rates
 - > Generally, applies to all paid parking
 - > Limited revenue growth over time



Local Funding Options

- November 2026 Election
 - > Would need to place an item by early August
 - > Expect a constitutional amendment on the statewide ballot regarding voter initiated measures and real estate transfer taxes
 - Require all special taxes to receive 2/3 approval
 - Prohibit all existing and future local transfer taxes
- Benefit Districts
 - > Could follow various timelines not tied to a general election



Ballot Measure Follow-up

- County Sales Tax Measure and AB 1768 (Bryan)
 - > Half-cent sales tax as a General Tax Measure
 - > Plan to allocate formula revenue to Pasadena/Long Beach
 - > Current legal limit of quarter-cent unless AB 1768 approved
 - > Estimate of \$22m of tax revenue generated in Pasadena
 - > Cities opposed and expect legal challenges
- AB 1768
 - Hearing of headwinds around approval of counties pushing higher over the 2% cap