

**McMillan, Acquanette (Netta)**

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**From:** Sonja Berndt  
**Sent:** Sunday, May 10, 2026 9:55 PM  
**To:** PublicComment-AutoResponse; Gordo, Victor; Cole, Rick; Hampton, Tyron; Lyon, Jason; Jones, Justin; Madison, Steve; Masuda, Gene; Rivas, Jessica  
**Cc:** Wong, Jim  
**Subject:** City Council Meeting 5/11/2026: #19, FY2027 Operating Budget  
**Attachments:** 5.11.2026 CC meeting - FY2027 Operating Budget.pdf

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Dear Clerk Staff:

Attached please find a letter for tomorrow night's City Council meeting, agenda #19. Please ensure it is made a part of the public record. Thank you.

Sonja Berndt  
Pasadena

05/11/2026  
Item 19

SONJA K. BERNDT  
Pasadena, CA

May 10, 2026

Mayor Victor Gordo  
Members of the Pasadena City Council  
Pasadena, CA  
[correspondence@cityofpasadena.net](mailto:correspondence@cityofpasadena.net)  
(By Email)

City Council Meeting May 11, 2026 Agenda Item # 19

Dear Mayor Gordo and Members of the Pasadena City Council:

A. Introduction

I am a long-time resident of Pasadena and an advocate for the unhoused residents of our City. This letter is to express my deep concerns regarding the FY 2027 proposed Operating Budget as a whole and the Housing Department's budget specifically. I am most concerned about the grossly inadequate resources for our 581 unhoused residents, 342 of which have no shelter at all. I am hopeful that after consideration of this letter you will approve a substantial increase in the proposed appropriations to the Housing Department specifically for interim (transitional) housing for our unsheltered and a year-round shelter.

I will discuss the narrative provided by Housing Department ("Department") staff, providing comments based upon my research and posing questions related to its homelessness program. Scrutiny of the narrative and data presented by staff is necessary to ascertain precisely what is being done for our unhoused residents and where there are gaps in meeting their needs. Transparency and accountability are crucial, or the City will never make any meaningful progress in ending its homelessness crisis.

B. Background

Last December, staff was given five City Council priorities including investing in a year-round shelter and transitional housing for our City's hundreds of unsheltered residents. Staff was told to find potential ways to fund the Council's priorities. However, a year-round shelter and transitional housing appear **nowhere** in the proposed FY2027 Operating Budget. And what is staff's answer to the 7% **increase** in unsheltered homelessness in our City? To **decrease** the Housing Department's General Fund budget to a pathetic 0.69% of total General Fund appropriations to departments.

For years, interim and permanent housing as well as critical services for our unhoused (and especially our unsheltered residents) have been vastly underfunded because our Housing Department receives only “crumbs” from City-generated sources to serve our most vulnerable residents.

Meanwhile, the Pasadena Police Department’s (PPD’s) General Fund appropriations have increased by over \$10 million over last year’s adopted budget with a nearly \$10 million increase in personnel costs. The year-after-year steep increases in PPD salary and pension costs are unsustainable. To make matters worse, the Council continues to approve every piece of equipment that PPD wants, at the expense of people suffering on the street.

Significantly, the Interim City Manager’s transmittal letter states “Without adjustments to service levels, staffing, or long-term financial strategies, the gap between revenues and expenditures will continue to expand.” The necessary “adjustments” need to start with PPD which receives over \$121 million from the General Fund. If the City provided housing for our unsheltered residents, the calls for service would substantially decrease and PPD staffing and pension costs could be substantially reduced as well.

#### C. Department’s Narrative in the Proposed FY2027 Operating Budget

In FY2026, 91.4% of the Department’s budget was received from the federal and state governments. For FY2027, it is slightly higher. This is significant since the Trump Administration has threatened substantial cuts in federal funding for programs benefiting our unhoused residents and the state faces a structural deficit of \$20-30 billion. Shockingly, only 4.59% of the Department’s proposed budget is funded by the City’s General Fund.

It is unclear what specific federal funding is at risk or what funding is included in the multistate case against the Trump Administration related to cuts in federal funding for state homelessness programs. Recent media reports state that HUD’s discretionary budget authority will be cut by \$10.7 billion starting this October. But it is not clear how that will affect the substantial funding the Department hopes to receive from the federal government. There must be a full discussion on this BEFORE the FY2027 Operating Budget is approved.

##### 1. FY 2026 Accomplishments (Proposed Budget, p. 87)

#### Housing Production

I compared the list of FY2026 accomplishments with the list of FY2025 accomplishments in last year’s proposed budget to ascertain what **new** units of housing

were developed in 2026 to avoid “double counting” of units already reported in the 2025 accomplishments.

- Door of Hope (20 units of transitional housing under construction): these also appeared in the Department’s list of FY2025 housing production accomplishments and should not be double counted.<sup>1</sup>
- The Starr (57 units): according to the developer’s website it is in “pre-development” phase. It is unclear whether necessary funding has been identified.
- Ramona Senior Housing project (100 units): the Disposition and Development Agreement for this project was approved by the City Council **five years ago** and it remains mostly a weed lot after all these years. The project, with a reported ballooning estimated cost of \$83.1 million, will have only 48 units set aside for seniors experiencing homelessness, and not until possibly in 2028.
- CalTrans Homes: the City has reportedly netted \$18 million from the sale of these homes. At page 87, the Department states it will deploy the sales proceeds for affordable housing projects. A substantial portion of the money should be used for interim housing to rescue our hundreds of unsheltered residents from our unsafe streets.

### Rental Assistance Program

At page 87 of the FY2027 proposed budget, the Department states that 1,350 households received rental assistance (from the federal government). This is apparently through the federal (Section 8) Housing Choice Voucher Program. As discussed above, is any of this very substantial funding at risk?

“Implemented new subsidy (HOME TBRA, Local Solutions Fund) and transferred 42 EHV households before EHV sunsets. The Department previously advised the Council that the Emergency Housing Voucher (EHV) program was sunsetting at the end of 2025 and that 35 of the 87 very low-income households in the program would be funded by the City’s Measure A Local Solutions Fund allotment. At the May 6, 2026 HHP Committee meeting, staff advised that no funding has been found to fund continued housing vouchers for 42 EHV households.

### Homeless Services

At page 88 of the proposed budget, the Department states that 489 formerly homeless individuals were provided ongoing permanent supportive housing. The city “provides” this housing through non-city financial resources. The real question is how many **new**

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<sup>1</sup> At the May 6, 2026 HHP Committee meeting, Housing Director Wong stated the Door of Hope units should not be included as they will not be completed until early 2027.

units of permanent supportive housing the City has created to address our rising number of unsheltered residents. What progress, if any, did the City make in FY2026?

Last year, the Department reported the number of formerly homeless individuals provided ongoing permanent supportive housing as 505. There is no explanation for the **decrease** in the number of permanent supportive units. Is it because the City **lost** 142 units of permanent supportive housing when Centennial Place was repurposed for senior housing? Councilmember Jones has repeatedly stated that Centennial Place, with an SRO model, suffered several substantial problems. But that opinion does not address the fact that the City still **lost** 142 units of permanent supportive housing at a time when those units are desperately needed. The City could have chosen to renovate Centennial Place for formerly unhoused persons, but it specifically chose senior housing instead. The failure to even mention these lost units illustrates a lack of transparency in the Department's narrative.

At page 88, the narrative states that 65 households experiencing homelessness were placed in permanent housing through 12/31/2025. Were any of these 65 households simply transferred from Centennial Place to another permanent supportive housing site? If so, those persons were not experiencing homelessness at the time of the transfer and should not be counted as such. Transfers of a housed person to another housing site does nothing to decrease our unsheltered count.

Another FY2026 accomplishment listed is an award \$2.19 million in Measure A funding for homeless services. This is troubling. In last year's report of **FY2025** Homeless Services accomplishments, the Housing Department reported a total of just under \$5 million in grants. Was there a substantial decrease in state and federal grant funding received for homeless services in FY2026?

## 2. Fiscal Year 2027 Recommended Operating Budget (Proposed Budget, p. 88)

The Department notes that the FY 2027 Recommended Budget of \$58,022,974 is \$8,904,349 or 18.1 percent higher than the FY 2026 Adopted Budget. However, the FY2027 recommended budget is \$2.5 million **lower** than the FY 2026 revised budget. The Department's appropriations are 95.41 percent funded with federal, state and local sources and 4.59 percent General Fund support. The Department's General Fund appropriations for FY2027 are less than FY2026.

## 3. Future Outlook (Proposed Budget, p. 89)

### Homeless Services

The Department’s plan for addressing homelessness in FY2027 is as follows:

In FY 2027, the Department will continue to work to support the goals as outlined in the Pasadena Continuum of Care's Homelessness Plan. The Department will also administer County Measure A funds allocated to the City under the following fund categories: Local Solutions Fund, Continuum of Care Allocation, and Renter Protection and Homelessness Prevention.<sup>2</sup>

There is no plan stated for accomplishing the goals set forth in the Continuum of Care’s Homelessness Plan other than the City will administer whatever Measure A or other non-City-generated funds come its way. This is unacceptable. The continued neglect of our unsheltered residents is inhumane.

Conclusion

For all of the reasons stated, I respectfully request the HHPC to do the following:

- For the FY2027 Operating Budget: Recommend additional appropriations from the General Fund, reserves, and/or other source to create a year-round shelter;
- For the FY2027 Operating Budget: Recommend additional appropriations from the General Fund, reserves and/or other source to fund interim housing for at least 100 currently unsheltered residents; and
- Explore on an urgent basis a dedicated funding stream for interim housing and permanent supportive housing.

The stark reality is that the City cannot possibly address its homelessness crisis in any meaningful way with the meager amount of city-generated funds the City contributes year after year. And the plan addressing homelessness set forth in the proposed FY2027 Operating Budget will do little to alleviate the suffering endured by our unsheltered residents living on our streets.

Sincerely,  
/s/

Sonja K. Berndt, Esq. (retired)

Cc: James Wong, Housing Director

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<sup>2</sup> In the FY2026 recommended budget, the following was stated: “In FY 2026, the Department will complete capital improvements at the Bad Weather Shelter location.” Were the capital improvements at the Bad Weather Shelter completed?