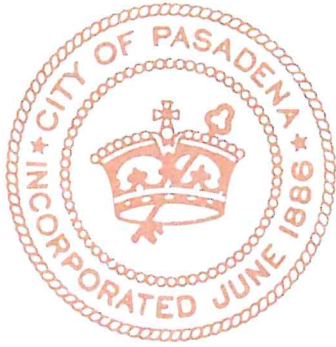




Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council
THROUGH: Finance Committee
FROM: Department of Finance
SUBJECT: **APPROVE AMENDMENTS TO THE FISCAL YEAR 2027
ADOPTED OPERATING BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action herein is 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); and
2. Approve amendments to the Fiscal Year (FY) 2027 Adopted Operating Budget as detailed in the following report and an increase to the Citywide total Full-Time Equivalents (FTEs) by 2.0 permanent positions.

EXECUTIVE SUMMARY:

Throughout the fiscal year, budget amendments are necessary to account for unanticipated changes to the adopted budget. These revenue and appropriation amendments are presented to the City Council for consideration. This agenda report includes proposed amendments to the FY 2027 Operating Budget as adopted by the City Council on June 22, 2026. The proposed budget amendments fall into one of the following categories:

- Re-appropriations or "carry-forwards" of previously approved appropriations from the FY 2026 budget that were unexpended as of June 30, 2026; (purchase orders, contracts, and grants), where sufficient funding was available in the account and are now anticipated to be expended during FY 2027. As detailed in *Attachments A and B* of this report, approval of the proposed carry-forwards will increase FY 2027 total authorized operating appropriations across multiple funds by a net amount of \$8,851,482; or
- Amendments to the FY 2027 Operating Budget that are based on information that was not available when the Operating Budget was presented to the City Council for adoption on June 22, 2026. As detailed in *Attachment C* of this report, approval of

the proposed budget amendments will increase FY 2027 total authorized operating appropriations across multiple funds by a net amount of \$1,928,799 as well as the Citywide total FTE count by 2.0 positions.

Proposed Carry-Forward Items

1. **Carry-Forward of FY 2026 Purchase Orders and Contracts** – The Department of Finance recommends appropriations in the amount of \$8,847,971 be carried forward from FY 2026 to FY 2027 throughout various funds. As detailed in *Attachment A*, the recommended appropriations represent eighteen (18) contractual obligations where goods or services were ordered in FY 2026, but which will not be received until FY 2027. Delays were primarily caused by extended build times, vendor scheduling constraints, and manufacturing and delivery delays.
2. **Carry-Forward of FY 2026 Grants** – The Department of Finance recommends recognizing revenue of \$782,118 and appropriating \$785,629, to carry forward grants from FY 2026 to FY 2027 across two different funds. As detailed in *Attachment B*, the recommended revenue and appropriations represent six (6) grants. The multi-year grants will continue to fund programs such as the Caltrans Clean California Local Grant, Community Development Block Grant (CDBG) Micro Enterprise Grant Program to assist small businesses impacted by the Eaton Fire, and library grants for Lunch at the Library and the Civic Makers Lab.

Proposed Budget Amendments

3. **Housing Department Funding** – The Housing Department recommends recognizing revenue and appropriating \$869,800 in the Other Housing Funds (238), appropriating \$331,073 in the Home Investment Partnership Fund (221), and appropriating \$55,612 in the General Fund (101) for the actions described below.
 - a. **Measure A Funding** – The Department recommends recognizing and appropriating \$832,300 in the Other Housing Funds (238) for rental assistance funding. On May 19, 2025, the City Council authorized the City Manager to enter into a contract with the County for the receipt of FY 2026 Measure A Local Solutions Funds in the amount of \$867,473 to support households receiving emergency household vouchers. However, due to unspent funds and the continuation of the program, funding is necessary to be established again in FY 2027.
 - b. **Ramona Street Affordable Housing** – The Department recommends appropriating \$331,073 from the unappropriated fund balance in the Home Investment Partnership Fund (221) for the Ramona Seniors, a 100-unit affordable housing project for seniors on City-owned property at 280 Ramona Street. On November 14, 2022, the City Council approved the original key business terms of the project. The full amount of the budgeted HOME funds for this project, totaling \$2,756,073, will be used towards project costs during the construction phase.

- c. **Mobile Shower Services** – The Department recommends recognizing and appropriating \$37,500 from the County of Los Angeles in the Other Housing Funds (238) for mobile shower services. The City maintains a partnership with The Shower of Hope to provide weekly mobile shower services to people experiencing homelessness. The objective is to promote individual and public health by providing critical hygiene services to the unhoused population within the City.
 - d. **Bad Weather Shelter** – The Department recommends appropriating \$55,612 from the unappropriated fund balance in the General Fund (101) for capital improvements at the Trinity Evangelical Lutheran Church necessary for operation of the Bad Weather Shelter. This funding was previously approved by the City Council on December 8, 2025, and in FY 2027 will be used for the completion of the laundry room, shower room, and restrooms, in addition to addressing an attic access issue.
4. **Street Sweeper Purchases** – The Public Works Department recommends appropriating \$935,551 from the unappropriated fund balance in the Refuse Collection Fund (406) for the purchase of two street sweepers. The funding is necessary to replace two existing street sweepers that have reached the end of their useful lives; however, due to procurement delays, a purchase order was never opened and therefore was unable to be completed in FY 2026.
5. **City Manager's Office Funding** – The Office of the City Manager recommends recognizing \$200,500 and appropriating \$632,667 from the unappropriated fund balance in the General Fund (101) for the programs detailed below.
- a. **Dine Out Grant Program** – The Office recommends appropriating \$432,467 from the unappropriated fund balance in the General Fund (101) for the continuation of the Dine Out Grant Program. Approved by the City Council on February 26, 2024, this program was funded through a \$1.5 million one-time federal earmark administered by the Small Business Administration (SBA). However, due to delays in completing the Program, re-appropriation of the funding in FY 2027 is necessary for the remaining grantees/businesses to complete their projects. This program has until August 31, 2028 to use the funding and the City will be fully reimbursed by the grant.
 - b. **CDBG Commercial Façade Program** – The Office recommends recognizing and appropriating \$200,500 in the General Fund (101) for the CDBG-funded Commercial Façade Improvement Program. On May 19, 2025, the City Council approved the program as part of the FY 2025 Annual Action Plan submitted by the Housing Department to the Department of Housing and Urban Development (HUD). This program would assist in enhancing commercial districts to create quality shopping and dining experiences. However, the Economic Development Division's FY 2026 budget was not amended in time for the program, which will continue into FY 2027 and will be fully reimbursed by the grant.

6. **Pasadena Fire Department Funding** – The Fire Department recommends recognizing and appropriating \$238,328 in the General Fund (101) and recognizing and appropriating \$247,200 in the Homeland Security Grant Fund (230) for the programs detailed below.
- a. **2024 CalOES Regional US&R Task Force Four (RTF-4)** – The Department recommends recognizing and appropriating \$247,200 in the Homeland Security Grant Fund (230) for funding awarded by CalOES (California Office of Emergency Services) via the 2024 Regional Urban Search and Rescue (US&R) Response Training Reimbursement Agreement. The RTF-4 is comprised of 30 people across seven fire departments in the region who are specially trained and equipped for large or complex US&R operations. The multi-disciplinary organization provides eight functional elements that include Supervision, Search, Rescue, Medical, Planning, Safety, Haz-Mat and Tool/Equipment Support. The reimbursement agreement with Cal OES will allow participating fire agencies to maintain regular staffing to avoid degradation of services or reduction in emergency response capabilities to the local community during the training.
 - b. **Rio Hondo Community College Program** – The Department recommends recognizing and re-appropriating \$111,328 in the General Fund (101) for the continuation of an Instructional Service Agreement (ISA) with the Rio Hondo Community College District (RHCCD). This funding was previously approved by the City Council on May 18, 2026 and was recommended to support ongoing training programs and department needs, including contract services with Auro Physiotherapy and Wellness to provide on-site physical therapy services, and for multi-cancer screenings and testing for fire personnel. As this budget was amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.
 - c. **California Fire Foundation Funds for Brush Abatement** – The Department recommends recognizing and re-appropriating \$100,000 from the California Fire Foundation in the General Fund (101) for brush abatement. This funding was previously approved by the City Council on May 18, 2026 to reduce wildfire risk in Pasadena's High Fire Severity Zones through vegetation management, including clearing hazardous fuel and trimming trees near electrical infrastructure, while also addressing ongoing recovery needs following the Eaton Canyon Fire. As this budget was amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.
 - d. **Direct Relief Funds for Swift Water Program** – The Department recommends recognizing and re-appropriating \$27,000 in the General Fund (101) for grant funding from Direct Relief to support the acquisition of a swift water trailer. This funding was previously approved by the City Council on May 18, 2026 for equipment that will enhance the Department's operational capacity to respond to water-related emergencies, including swift water rescues and post-wildfire mud and debris flow incidents. As this budget was

amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.

7. **Parks, Recreation, and Community Services (PRCS) Funding** – The PRCS Department recommends appropriating \$235,311 from the unappropriated fund balance in the General Fund (101) for the following purchases.
 - a. **Park Maintenance Equipment** – The Department recommends re-appropriating \$200,000 from the unappropriated fund balance in the General Fund (101) for previously approved funding to purchase park maintenance equipment. Procurement of the equipment was delayed while the appropriate purchasing method was clarified. Because the proposed cooperative contract could not be used in FY 2026, a competitive bid will be required in FY 2027.
 - b. **Robinson Park Equipment** – The Department recommends re-appropriating \$35,311 from the unappropriated fund balance in the General Fund (101) for previously approved FY 2026 funding for Robinson Park Gymnasium basketball backboards. Due to unanticipated delays, a purchase order for this equipment was not requested prior to the end of the fiscal year.
8. **Pasadena Public Health Funding** – The Pasadena Public Health Department (PPHD) recommends recognizing \$500,000 and appropriating \$150,000 in the Health Fund (203) and recognizing and appropriating \$80,000 in the Homeland Security Grant Fund (230) for the programs outlined below.
 - a. **Measure B Funding** – The Department recommends recognizing and appropriating funding in the amount of \$150,000 in the Health Fund (203) for Measure B funding awarded by LA County Supervisorial District 5, which will be disbursed through the County's Department of Health Services (LAC DHS). The Measure B Fund provides financial assistance to support trauma and emergency services and bioterrorism preparedness efforts in Los Angeles County. Unallocated funds are split evenly between the County Supervisory Districts and made available for one-time projects that meet Measure B requirements. The funding will be used to purchase a mobile command unit for field operations management for bioterrorism and other public health emergency responses. The new mobile command unit will replace the prior trailer that was destroyed in the Eaton Fire in 2025.
 - b. **Urban Area Security Initiative (UASI) Grant** – The Department recommends recognizing and appropriating \$80,000 in the Homeland Security Grant Fund (230) for the UASI 24 grant. The UASI program provides financial assistance to address the planning, organization, equipment, training, and exercise needs of high-threat, high-density Urban Areas, and to assist these areas in building and sustaining capabilities to prevent, protect against, mitigate, respond to, and recover from threats or acts of terrorism using the Whole Community approach. As a passthrough from Cal OES, the City of Los Angeles awarded the Department a total of \$80,000. The funding will be used to purchase a prepositioned cache of antibiotics for staff in the

case of a bioterrorism attack and for a vendor to deliver a Public Information Officer training for identified PPHD staff.

- c. **General Fund Support Transfer to Public Health Fund** – The Department recommends recognizing revenue in the amount of \$350,000 in the Health Fund (203) as a transfer from the General Fund. While the appropriation side of this transfer in the General Fund (101) was previously approved in the FY 2027 Adopted Operating Budget and described in the Department's budget narrative, the revenue side of the transfer in the Health Fund was inadvertently excluded in the City's system of record.
9. **Purchase of Clean Air Vehicles** – The Human Resources Department recommends appropriating \$215,000 from the unappropriated fund balance in the Air Quality Improvement Fund (216) to purchase clean-air electric vehicles for the Fire Department and PRCS. This allocation of Air Quality Management District funding supports the City's ongoing commitment to sustainability and clean-air initiatives.

Funding in the amount of \$180,000 will be allocated to PRCS to purchase three 2026 Chevrolet Silverado EVs. This purchase was previously approved as part of the FY 2026 budget, but the purchases were not completed within the fiscal year and the funds remain available.

Funding in the amount of \$35,000 will be allocated to the Fire Department to purchase an electric vehicle for the Fire Inspector position approved as part of the FY 2027 Adopted Operating Budget.
 10. **Metro Section 5310 Grant Program** – The Transportation Department recommends recognizing and appropriating \$185,805 from the appropriated fund balance in the Transportation Sales Tax Fund (208) to implement the first year of the Metro Section 5310 grant program. On July 23, 2026 the City Council approved receipt of these grant funds, and while the FY 2027 local match was included in the FY 2027 Adopted Operating Budget, the grant-funded expenditures and corresponding grant revenue were inadvertently omitted.
 11. **Concierge Program Positions (2.0 Management Analyst II)** – The Planning and Community Development Departments recommends appropriating \$179,766 from the unappropriated fund balance in the Building Services Fund (204) and adding 2.0 FTE Management Analyst II positions on an ongoing basis to support an expansion to the City's development services concierge program. These positions will serve as dedicated development services concierges responsible for providing enhanced customer service and assisting commercial and residential applicants in navigating complex development projects that require coordination across multiple City departments, divisions, permitting processes, and inspections. The costs of these two positions are pro-rated for nine (9) months in FY 2027. The total cost of these positions in future years will be approximately \$282,000.
 12. **Historic Resources Survey Phase II** – The Planning and Community Development Department recommends re-appropriating \$54,319 from the unappropriated fund

balance in the General Fund (101) to fund the continuation of the City-Wide Historic Resource Survey. These funds have been carried forward previously and are necessary to complete Phase II of the Historic Resource Survey, which includes the intensive level survey of eligible resources identified from the reconnaissance survey and public engagement, the final phase of the project. The final Historic Context Statement and final project report is anticipated to be completed and presented to the City Council by Spring 2027.

- 13. Rent Stabilization Fund Revenue** – The Rent Stabilization Department recommends recognizing revenue in the amount of \$160,000 in the Rent Stabilization Fund (689) to align revenue estimates with budgeted appropriations. During the FY 2027 budget process, appropriation adjustments were made to the budget for which the revenue portion of the adjustments were not.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by monitoring the FY 2027 Adopted Operating Budget and by implementing necessary budget amendments.

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" government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The actions proposed herein, amending the City's FY 2027 Operating Budget, are governmental fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

As detailed in *Attachments A and B* of this report, approval of the proposed carry-forward items will increase FY 2027 total authorized operating appropriations across multiple funds by \$9,633,600, which will be offset through increased revenues of \$782,118, resulting in a net increase of \$8,851,482.

As detailed in *Attachment C*, approval of the proposed budget amendments will increase FY 2027 total authorized operating appropriations across multiple funds by \$4,410,432, which will be offset through increased revenues of \$2,481,633, resulting in a net increase of \$1,928,799.

The General Fund's unappropriated fund balance will decrease by a net amount of \$1,702,558.

Full-Time Equivalents will increase overall by 2.00 permanent positions in the Building Services Fund (204).

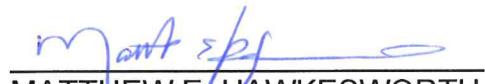
Respectfully submitted,


KARIN SCHNAIDER
Director of Finance

Prepared by:


Jonathan Paul
Principal Administrative Analyst

Approved by:


MATTHEW E. HAWKESWORTH
Interim City Manager

Attachments: (3)

- A) Attachment A: Listing of Carry-Forward Purchase Orders and Contracts
- B) Attachment B: Listing of Carry-Forward Grants
- C) Attachment C: Summary of Proposed 1st Quarter FY 2027 Budget Amendments