CITY OF PASADENA
FINANCE COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER S249
MARCH 17, 2025
SPECIAL MEETING

OPENING Chair Gordo called the special meeting of the Finance Committee to order at 3:34 p.m.

ROLL CALL: Mayor Victor M. Gordo (Chair)
Councilmember Rick Cole
Councilmember Tyron Hampton (Absent)
Councilmember Gene Masuda

Staff: Miguel Márquez, City Manager
Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance
Arnold Lee, Chief Assistant City Attorney
David Klug, Economic Development Director
Vic Erganian, Deputy Director of Finance/City Treasurer
James Wong, Acting Director of Housing
Jennifer O'Reilly-Jones, Program Coordinator III
Dianne Russell, Career Services Administrator
Tim McDonald, Director of Library and Information Services
Chinua, Obaze, Management Analyst III
Paul Enge, Management Analyst II
Gloria Acevedo, Recording Secretary

Guests: Mo Salama, Chief Financial Officer, Rose Bowl Operating Company
Brandon Kfoury, Municipal Advisor, Urban Futures

APPROVAL OF MINUTES: It was moved by Councilmember Masuda, seconded by Councilmember Cole, to approve the minutes of the February 24, 2025, Special Finance Committee Meeting (Motion Unanimously carried) (Absent Councilmember Hampton).

NEW BUSINESS: **AMEND THE HOUSING DEPARTMENT'S FISCAL YEAR 2025 OPERATING BUDGET BY RECOGNIZING REVENUE AND APPROPRIATING $2,418,575.85 OF STATE AND COUNTY GRANT FUNDS FOR HOMELESS SERVICES**

Chair Gordo introduced the item and Miguel Márquez, City Manager, introduced James Wong, Acting Director of Housing, who provided a PowerPoint presentation and responded to questions.

Councilmember Cole expressed concern that the report lacks data, such as how the dollars have been spent, what are future allocations, success and failures of current programs, and the number of participants. Answers to these questions are needed to provide transparency and accountability to the residents. Councilmember Cole would like to see the formation of a standing committee on housing and homeliness and more attention placed on the continued of care program as the plan was adopted without City Council consideration.

Chair Gordo reminded the Committee that the action today is to recognize the grant from the State, staff can follow up to Councilmember Cole's questions, and that the City has had much success with homeless services, reducing the numbers over the years. Chair Gordo agreed that a closer look should be taken to the programmatic components, such as reviewing contracts issued to outside agencies. Metrics that are already in place, those mandated by the state, and any future, City initiated, should come back to either the Finance Committee or the Economic Development and Technology Committee.

Councilmember Masuda thanked Mr. Wong for the report and asked for the latest homeless numbers given the numbers have significantly improved to about half from 2011. Jennifer O'Reilly-Jones, Program Coordinator III, shared that the results of the recent 2025 count will be provided to the City Council in June; however, the prior year's numbers were flat and the annual number of people experiencing homelessness at any given point during the calendar year number came in 9% lower than the prior annual count.

It was moved by Councilmember Cole with the recommendation to bring back to the City Council the metrics associated with this report, seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE FOOTHILL UNITY CENTER, INC. TO RECEIVE HELPING JUSTICE-INVOLVED REENTER EMPLOYMENT (H.I.R.E) GRANT FUNDS AND TO SUB-AWARD A PORTION OF THE AWARDED GRANT FUNDS TO THE FLINTRIDGE CENTER AND AMEND THE BUDGET TO ACCEPT AND SPEND THE GRANT FUNDS

Chair Gordo introduced the item and Paul Enge, Management Analyst II, provided a PowerPoint presentation and responded to questions.

Councilmember Cole congratulated staff on the grant award. Councilmember Cole asked that future agenda reports provide details on the number of members the grant will assist, where the members are located, existing program enrollment, and the current/anticipated success of the program. In addition, given it is more cost effective to provide job training to individuals than to pay for members of society to be incarcerated, this is a great program. The public and legislators should hear about the success stories.

Councilmember Masuda asked if there is a current on the job training program that pays a percentage to employers for the cost to train and employ enrollees. Mr. Enge shared there is a program in place; however, there are no active employers. The department will continue to promote the program.

Chair Gordo inquired about any foreseeable cuts to funding from the Federal Government. Mr. Enge stated that 40% of the current budget comes from the Federal Government and that there is a current contract that allows for a 10% year-over-year cut.

It was moved by Councilmember Masuda seconded by Councilmember Cole, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

JOINT ACTION BETWEEN THE CITY AND THE PASADENA PUBLIC FINANCING AUTHORITY: APPROVE EXTENSION OF BANK OF AMERICA LETTER OF CREDIT RELATED TO THE VARIABLE RATE DEMAND REFUNDING CERTIFICATES OF PARTICIPATION SERIES, 2008A (CONFERENCE CENTER PROJECT)

Chair Gordo introduced the item and Vic Erganian, Deputy Director of Finance/ City Treasurer, provided a PowerPoint presentation and responded to questions.

Councilmember Masuda asked what the alternative would be to receiving a letter of credit from Bank of America. Mr. Erganian stated that the City would need to provide $129 million to cover the investment, given the City would not be able to remarket the bonds.

It was moved by Councilmember Cole seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

QUARTERLY INVESTMENT REPORT - QUARTER ENDING DECEMBER 31, 2024

Chair Gordo introduced the item and Vic Erganian, Deputy Director of Finance/ City Treasurer, provided a PowerPoint presentation and responded to questions.

Councilmember Masuda agreed that possible tariffs bring much uncertainty and concern to the nation and thanked Mr. Erganian for his positive investment strategies.

Councilmember Cole agreed with Mr. Masuda in thanking Mr. Erganian for the success and providing a detailed report, it serves as a model. Councilmember Cole asked about the risk factors related to the investments. In particular with banks. Mr. Erganian shared the banking sector drives most of the concern, that the City's portfolio only holds large banks, and staff is consistently monitoring their performance.

Chair Gordo stated being vigilant is important in the current climate. Monitoring the constant change and moving with caution is very important for the City.

It was moved by Councilmember Masuda seconded by Councilmember Cole, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

INFORMATION ONLY:

LIBRARY GENERAL OBLIGATION BONDS UPDATE

Chair Gordo introduced the item and Vic Erganian, Deputy Director of Finance/ City Treasurer, provided an overview of the item.

Chair Gordo cautioned staff to avoid mistakes like the ones made when issuing the Build America Bonds, where due to time constraints, the City rushed into action.

Councilmember Masuda inquired about what additional information the April 7, 2025, agenda report will provide. Mr. Erganian stated the report will be very similar to today's and will include supporting documents to take the bonds to the market. He shared there is great interest in the market for the City's AAA rated bonds.

On the order of the Chair and consensus of the Committee, the item was received and filed.

ROSE BOWL OPERATING COMPANY FINANCIAL UPDATE

Chair Gordo introduced the item and Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance, provided a brief overview.

Councilmember Cole requested clarification on the status of the reserves. Mr. Hawkesworth responded that the Rose Bowl Operating Company (RBOC) is fully funded, the amount above their reserves is slated to decrease at year end.

Chair Gordo noticed increased activity at the Rose Bowl and congratulated the RBOC staff and the Finance staff for their report.

On the order of the Chair and consensus of the Committee, the item was received and filed.

ADJOURNMENT: On the order of the Chair, the special meeting of the Finance Committee was adjourned at 4:57 p.m.

ATTEST:

Victor M. Gordo

Mayor Victor Gordo, Chair
Finance Committee

Gloria Acevedo

Gloria Acevedo
Recording Secretary