

May 13, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to authorize the City Manager, or designee, to execute all documents necessary to terminate the agreement with and return advance payment grant funding to Community Partners for California Accountable Communities for Health Initiative in the amount of \$270,806 for the California Accountable Communities for Health Initiative Program; and,

Decrease appropriations in the Health Fund Group in the Health and Human Services Department by \$270,806, offset by grant revenue. (Citywide)

DISCUSSION

At its meeting on August 8, 2023, the City Council voted to accept and expend grant funding in the amount of \$300,000 for the California Accountable Communities for Health Initiative Program, for the period of April 1, 2023, through December 31, 2025. Accordingly, the City of Long Beach (CLB) Department of Health and Human Services (Health Department) entered into a Grant Agreement (Agreement) with Community Partners for California Accountable Communities for Health Initiative (CACHI) in August 2023 to establish the Racial Health Equity Community Workgroup (RHECW).

The RHECW has made significant strides in its initial phase by facilitating collaborative efforts between community members and the Health Department. Since its inception in 2023, the workgroup has provided valuable insights into how the Health Department's policies and practices can be improved to address systemic health disparities and ensure services are more inclusive and equitable. RHECW has been instrumental in evaluating the Health Department's current operations, offering equity-focused recommendations, and shaping the development of a portfolio of interventions for future health initiatives. Additionally, the workgroup has promoted community trust in the Health Department by ensuring that community voices are central in decision-making processes and that feedback loops are built into the policy and service design. The workgroup has proposed feedback for policy and operational discussions, including recommendations for strategies to address the department's Racial Equity Action Plan, ensuring that health services are more effectively aligned with the department's equity goals.

After careful review, the Health Department has ended its agreement with the funder due to structural and operational misalignments that emerged during implementation. Following the start of the contract, new deliverables, meetings, and technical assistance requirements were introduced that were not part of the original agreement. These additions significantly increased the workload for LBDHHS and its partners, with some overlapping existing efforts already

underway. In particular, the technical assistance requirements duplicated internal equity initiatives. Additionally, the funder's evolving expectations conflicted with the approved work plan and were not feasible to implement. Moving forward with the proposed changes would have required major revisions to the project scope that did not align with current strategies or community-identified needs. The Health Department communicated their 30-day notice of intention to terminate to CACHI on December 9, 2024. CACHI acknowledged the cancellation of the grant on February 6, 2025, and sent a formal letter of acknowledgement on February 14, 2025.

Even with the agreement's termination, the work of the RHECW will continue. The workgroup's ongoing efforts will remain vital in ensuring that the Health Department policies and programs continue to align with the needs of the community, especially in areas with the most significant health disparities. The community leaders involved in the workgroup will continue to provide guidance, feedback, and recommendations to improve health service delivery and policy decisions. Future work will also focus on refining the interventions outlined in the proposed portfolio, ensuring long-term sustainability, and continuously evaluating the effectiveness of health programs. The engagement of RHECW members will continue to ensure that the community remains actively involved in shaping health policies, driving systemic change, and addressing disparities well beyond the term of this initial contract.

The grant amount of \$300,000 for the period of April 1, 2023, through December 31, 2025, has \$29,194 expended. City Council approval is requested to return unspent funds of \$270,806. Nothing is owed to CACHI beyond unspent grant dollars.

This matter was reviewed by Deputy City Attorney Nicholas Masero on April 28, 2025, and Budget Analysis Officer Greg Sorensen on April 25, 2025.

TIMING CONSIDERATIONS

City Council action to return grant funding is requested on May 13, 2025, to comply with the grantor's deadline for funding return.

FISCAL IMPACT

On December 9, 2024, the Health Department notified CACHI of its 30-day notice of intention to terminate the grant and return unspent funds, which CACHI acknowledged and agreed to on February 6, 2025. The total amount of unspent funds as of December 31, 2024, is \$270,806. A decrease in appropriations is being requested in the amount of \$270,806 in the Health Fund Group in the Health and Human Services Department. No expenditures will need to be transferred to other funds. This recommendation has no staffing impact beyond the normal budgeted scope of duties. There is no local job impact associated with this recommendation.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,



Alison King
Director
Health and Human Services

APPROVED:



THOMAS B. MODICA
CITY MANAGER