

City of Palm Desert Staff Report

Meeting Date: April 23, 2026

Prepared By: Erika Castellano, Assistant to the City Manager
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Department: City Manager's Office

Subject: Establish a Pilot Adoption Incentive Program, Approve Operating Procedures, and Convert One Mobile Spay/Neuter Clinic to a Trap-Neuter-Release Clinic for Fiscal Year 2025-2026

Recommendation

1. Ratify City Manager Approval of the use of Innovation Reserves from Fiscal Year (FY) 2025-26 Cost Savings to fund the Animal Services Homeward Paws Pilot Pet Adoption Incentive Program.
2. Approve the conversion of one budgeted mobile spay/neuter clinic to a Trap-Neuter-Release clinic for FY 2025/26.
3. Authorize the City Manager, or designee, to develop procedures and administer the program.
4. Authorize the City Manager to execute all necessary documents to effectuate this action.
5. Find that the action is not a project under the California Environmental Quality Act because it will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Executive Summary

The City of Palm Desert contracts with the County of Riverside for Animal Services. Staff is recommending the launch of a pilot adoption incentive program, "Homeward Paws", to augment current Riverside County Animal Services (RCAS) efforts for Palm Desert residents to adopt dogs and cats that originate from Palm Desert and are housed through RCAS. Eligible adopters would receive a \$125 gift card to a local pet supply store to help with initial pet care costs.

The Pilot program would be funded from Animal Services savings (\$32,000) identified as eligible for reprogramming from FY 2025-26 Innovation Reserves. Staff also recommends converting one previously budgeted mobile spay/neuter clinic into a TNR clinic to address limited TNR availability. Together, these actions are intended to improve animal outcomes, reduce shelter stays, and expand access to animal services without requiring additional General Fund support beyond available budgeted resources.

Background

The City Council has identified expanded access to animal services as an urgent community need in FY 2025-26.

In August 2025, Animal Samaritans donated 90 spay/neuter vouchers. All were claimed within two weeks, showing strong community demand. By comparison, the City’s prior pet reimbursement program had low participation, with only 42 reimbursements processed since 2020.

In December 2025, the City Council approved a spay/neuter partnership with Animal Samaritans. The new voucher program launched on January 6, 2026, covering 100% of the cost of spay/neuter procedures for Palm Desert residents. As of April 1, 2026, 232 vouchers have been claimed, and 168 procedures have been completed.

During the first two quarters of FY 2025-26, RCAS costs for Animal Services were lower than projected, with significant savings in our sheltering costs.

RCAS Breakdown	Budget - Q2	Actual - Q2	Unspent – Q2
Animal Services	146,987	150,576	(3,589)
Sheltering Costs	99,000	63,411*	35,589
Total/Bal Available	\$245,987	\$213,987	\$32,000

**Actual payment to RCAS reduced by prior year credit and excluded in savings.*

Discussion

The proposed Homeward Paws pilot program is designed to reduce the upfront cost of pet adoption and encourage more residents to adopt. Helping residents with initial expenses may increase adoptions, reduce shelter overcrowding, shorten shelter stays, and improve animal welfare outcomes.

This approach may also reduce the City’s long-term shelter costs.

- Palm Desert animals currently stay in the shelter for an average of 13.2 days.
- Shelter costs have a daily rate of \$35.81.
- The average kenneling costs per animal is about \$473 per animal.

Even modest reductions in shelter stay can generate meaningful savings. This is particularly significant under the new RCAS contract structure, in which future-year shelter service costs are based on prior year levels, making reductions in shelter use financially beneficial as they compound over time.

Proposed Animal Eligibility

- Dogs and cats are eligible
- Animals must be adopted from RCAS
- Animals must be identified as originating from Palm Desert

Proposed Adopter Eligibility

- Adopters must be Palm Desert residents
- Adopters must provide proof of adoption from RCAS
- Adopters must license the animal with the City, if required
- Incentives would be limited to two per household per calendar year

Proposed Evaluation

Staff plans to track the following performance measures:

- Number of Palm Desert-origin animal adoptions
- Changes in shelter length of stay
- Net shelter costs savings
- Pet licensing compliance

Staff will also coordinate this pilot with the existing spay/neuter voucher program to support spay/neuter compliance and responsible pet ownership. Similarly, residents will be able to submit their eligibility documentation and obtain the gift cards at the library, which provides access after 5:00 PM and on the weekends.

Appointed Body Recommendation

Staff presented the adoption incentive pilot and proposed clinic conversion to the City Council Animal Services Subcommittee in March and April 2026. The subcommittee recommended using Animal Services savings to fund the pilot program and supported converting one previously budgeted mobile clinic to TNR service.

Environmental Review

This action is not a project under the California Environmental Quality Act because it is an administrative, organizational, procedural, fiscal, or informational activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment. (14 Cal. Code Regs. §§ 15060(c), 15378(b), 15061(b)(3).)

Legal Review

This report has been reviewed by the City Attorney’s Office.

Financial Impact

The FY 2025-26 budget includes \$620,000 for Animal Services and Program Resources with actual expenditures projected at \$588,000. Staff recommends using \$32,000 of the cost savings for the pilot program. The TNR clinic is a reallocation of the current budget.

FY 2025-26 Animal Services & Program Budget	\$620,000
FY 2025-26 Projected Shelter Services	224,040
FY 2025-26 Projected Field Services	293,960
Animal Samaritans Spay/Neuter Program	50,000
Mobile Clinics	17,500
Pet Reimbursement Program	2,500
Total Projected Expenditures	\$588,000
Est. Cost Savings/Pilot Program Request	\$32,000

**Actual payment to RCAS reduced by prior year credit and excluded in savings.*

Attachments

1. PowerPoint Presentation

Conflict of Interest Awareness Checklist

Note: *This checklist is informational only and does not constitute a legal determination. Each Councilmember remains responsible for identifying, disclosing, and evaluating any disqualifying interests under the Political Reform Act and applicable FPPC regulations.*

1. Site-Specific Property Interest

Does this item involve a project site or other identifiable real property?

Yes

No

If yes, identify the project site:

Councilmembers should consider whether they own, lease, or hold interests in real property within 1,000 feet of the project site. (Gov. Code § 87103(b); FPPC Reg. 18702.2).

2. SB 1439 / Gov. Code § 84308 Applicability (Campaign Contributions)

Does this item involve a license, permit, other entitlement for use, or a contract or franchise agreement that is not competitively bid, a labor agreement, or a personal employment contract?

Yes

No

If yes, identify the applicant(s), appellant(s), party, or participant(s):

Councilmembers should review campaign contributions received within the prior 12 months from parties or participants to the proceeding and must not accept contributions over \$500 from those parties for 12 months following the final decision. (Gov. Code § 84308).