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## HOUSING AUTHORITY AGENDA

CITY HALL COUNCIL CHAMBERS  
78495 Calle Tampico, La Quinta

**SPECIAL MEETING**  
**TUESDAY, DECEMBER 20, 2022**  
**AT 5:00 P.M. (or thereafter)**

Members of the public **may listen to this meeting by tuning-in live via** <http://laquinta.12milesout.com/video/live>.

### **CALL TO ORDER – HOUSING AUTHORITY**

ROLL CALL: Authority Members: Evans, Fitzpatrick, McGarrey, Peña,  
Chairperson Sanchez

### **PUBLIC COMMENTS - INSTRUCTIONS**

Members of the public may address the Housing Authority on any matter listed or not listed on the agenda as follows:

WRITTEN PUBLIC COMMENTS can be provided either in-person during the meeting by submitting 15 copies to the City Clerk, it is requested that this takes place prior to the beginning of the meeting; or can be emailed in advance to [CityClerkMail@LaQuintaCA.gov](mailto:CityClerkMail@LaQuintaCA.gov), no later than 12:00 p.m., on the day of the meeting. Written public comments will be distributed to the Housing Authority, made public, and will be incorporated into the public record of the meeting, but will not be read during the meeting unless, upon the request of the Chairperson, a brief summary of public comments is asked to be reported.

If written public comments are emailed, the email subject line must clearly state **“Written Comments” and should include: 1) full name, 2) city of residence, and 3) subject matter.**

VERBAL PUBLIC COMMENTS can be provided in-person during the meeting by completing a "Request to Speak" form and submitting it to the City Clerk; it is requested that this takes place prior to the beginning of the meeting. Please limit your comments to three (3) minutes (or approximately 350 words). Members of the public shall be called upon to speak by the Chairperson.

In accordance with City Council Resolution No. 2022-027, a one-time additional speaker time donation of three (3) minutes per individual is permitted; please note that the member of the public donating time must: 1) submit this in writing to the City Clerk by completing a "Request to Speak" form noting the name of the person to whom time is being donated to, and 2) be present at the time the speaker provides verbal comments.

Verbal public comments are defined as comments provided in the speakers' own voice and may not include video or sound recordings of the speaker or of other individuals or entities, unless permitted by the Chairperson.

Public speakers may elect to use printed presentation materials to aid their comments; 15 copies of such printed materials shall be provided to the City Clerk to be disseminated to the Housing Authority, made public, and incorporated into the public record of the meeting; it is requested that the printed materials are provided prior to the beginning of the meeting. There shall be no use of Chamber resources and technology to display visual or audible presentations during public comments, unless permitted by the Chairperson.

All writings or documents, including but not limited to emails and attachments to emails, submitted to the City regarding any item(s) listed or not listed on this agenda are public records. All information in such writings and documents is subject to disclosure as being in the public domain and subject to search and review by electronic means, including but not limited to the City's Internet Web site and any other Internet Web-based platform or other Web-based form of communication. All information in such writings and documents similarly is subject to disclosure pursuant to the California Public Records Act [Government Code § 6250 et seq.].

**PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

At this time, members of the public may address the Housing Authority on any matter not listed on the agenda pursuant to the "Public Comments – Instructions" listed above. The Housing Authority values your comments; however, in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by the Brown Act [Government Code § 54954.2(b)].

**VERBAL ANNOUNCEMENT – AB 23 [AUTHORITY SECRETARY]**

**PLEDGE OF ALLEGIANCE**

**CONFIRMATION OF AGENDA**

**CONSENT CALENDAR**

- 1. APPROVE HOUSING AUTHORITY MEETING MINUTES OF JULY 19, 2022

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**BUSINESS SESSION**

- 1. RECEIVE AND FILE FISCAL YEAR 2021/22 HOUSING AUTHORITY YEAR-END BUDGET REPORT

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**HOUSING AUTHORITY MEMBERS' ITEMS**

**ADJOURNMENT**

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The next quarterly regular meeting of the Housing Authority will be held on January 17, 2023, at 4:00 p.m. at the City Hall Council Chambers, 78495 Calle Tampico, La Quinta, CA 92253.

**DECLARATION OF POSTING**

I, Monika Radeva, Authority Secretary of the La Quinta Housing Authority, do hereby declare that the foregoing Agenda for the La Quinta Housing Authority special meeting was posted on the City’s website, near the entrance to the Council Chamber at 78495 Calle Tampico, and the bulletin boards at the Stater Brothers Supermarket at 78630 Highway 111, and the La Quinta Cove Post Office at 51321 Avenida Bermudas, on December 16, 2022.

DATED: December 16, 2022

MONIKA RADEVA, Authority Secretary  
La Quinta Housing Authority

### **Public Notices**

- The La Quinta Housing Authority Chamber is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk's office at (760) 777-7123, twenty-four (24) hours in advance of the meeting and accommodations will be made.
- If background material is to be presented to the Authority Members during a Housing Authority meeting, please be advised that 15 copies of all documents, exhibits, etc., must be supplied to the Authority Secretary for distribution. It is requested that this takes place prior to the beginning of the meeting.



**LA QUINTA HOUSING AUTHORITY  
QUARTERLY MEETING  
MINUTES  
TUESDAY, JULY 19, 2022**

**CALL TO ORDER**

A regular quarterly meeting of the La Quinta Housing Authority was called to order at 8:33 p.m. by Chairperson Sanchez.

PRESENT: Authority Members Evans, Fitzpatrick, Peña, Radi, and Chairperson Sanchez

ABSENT: None

**VERBAL ANNOUNCEMENT – AB 23** was made by Authority Secretary Radeva

STAFF PRESENT: Executive Director McMillen, Authority Counsel Ihrke, City Clerk/Authority Secretary Radeva, Acting Deputy City Clerk McGinley, Director of Business Unit and Housing Development Villalpando, Housing Analyst Kinley

**PLEDGE OF ALLEGIANCE**

Authority Member Radi led the audience in the Pledge of Allegiance.

**PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA** – None

**CONFIRMATION OF AGENDA**

Executive Director McMillen said staff would like to include two (2) additional recitals in the proposed resolution for Consent Calendar Item No. 1 stating that real property disposition is in compliance with the Surplus Land Act [Government Code section 54220 *et seq.*].

Authority Member Peña said he will recuse himself and abstain from the discussion and vote on Consent Calendar Item No. 1 due to a potential conflict of interest stemming from the proximity of real property to the real property under negotiations.

The Authority concurred.

## **CONSENT CALENDAR**

- 1. ADOPT RESOLUTION TO APPROVE AGREEMENT FOR PURCHASE AND SALE AND ESCROW INSTRUCTIONS BETWEEN THE LA QUINTA HOUSING AUTHORITY AND CORONEL HOMES & DESIGN INC., FOR VACANT PARCEL; LOCATION: SOUTHEAST SECTION OF AVENIDA VILLA AND CALLE SONORA; ASSESSOR'S PARCEL NUMBER 773-233-019** [RESOLUTION NO. HA 2022-004]

City Manager McMillen said the following two (2) recitals will be added to the proposed resolution:

***WHEREAS**, the Property may be disposed in compliance with the Surplus Land Act (Gov. Code, § 54220 et seq.) because the Property is less than 5,000 square feet in area, is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes, and is therefore "exempt surplus land"; and*

***WHEREAS**, even if the Property were not exempt surplus land, a written notice of availability seeking offers for sale or lease of the Property for the purpose of developing low- or moderate-income housing had been sent to local public agencies as identified in the Act, and no response was received or recorded; and*

**MOTION** – A motion was made and seconded by Authority Members Evans/Radi to approve Consent Calendar Item No. 1, adopting Resolution No. HA 2022-004, as amended. Motion passed: ayes – 4, noes – 0, abstain – 1(Peña).

**HOUSING AUTHORITY MEMBERS' ITEMS** – None

## **ADJOURNMENT**

There being no further business, a motion was made and seconded by Authority Members Evans/Radi adjourned the meeting at 8:35 p.m. Motion passed unanimously.

Respectfully submitted,

MONIKA RADEVA, Authority Secretary  
La Quinta Housing Authority

# City of La Quinta

HOUSING AUTHORITY MEETING: December 20, 2022

## STAFF REPORT

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**AGENDA TITLE:** RECEIVE AND FILE FISCAL YEAR 2021/22 HOUSING AUTHORITY YEAR-END BUDGET REPORT

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### RECOMMENDATION

Receive and file 2021/22 Housing Authority Year-End Budget Report.

### EXECUTIVE SUMMARY

- After closing the prior fiscal year (FY), Finance presents a year-end summary that compares the final budget to actual transactions.
- Overall revenue was \$121,381 higher than budgeted.
- Overall expenditures were \$734,188 under budget and \$55,000 would be carried over to FY 2022/23.
- The Report was received and filed by the Housing Commission on December 14, 2022.

### BACKGROUND/ANALYSIS

Total adjusted revenues were over budget by \$121,381; mostly due to second trust deed payments and rent revenue.

Total expenditures were under budget by \$734,188 with \$55,000 to be carried over to FY 2022/23 for homelessness assistance programs.

Revenues, expenditures, carryovers, and fund balances are discussed in the Fiscal Year-End 2021/22 Housing Authority Budget Report (Attachment 1).

### ALTERNATIVES

No alternatives are applicable.

Prepared by: Claudia Martinez, Finance Director

Approved by: Jon McMillen, Executive Director

Attachment: 1. Fiscal Year-End 2021/22 Housing Authority Budget Report

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**HOUSING AUTHORITY**

**FISCAL YEAR-END 2021/22 BUDGET REPORT**

The La Quinta Housing Authority oversees three funds, which are restricted for affordable housing programs. This report focuses on significant activities and variances from the final budget during the fiscal year (FY) ended June 30, 2022.

**REVENUES**

Total revenues, after non-cash adjustments, were over budget by \$121,381. Revenues are summarized by fund below and detailed in Exhibit A.

<b>Housing Authority Revenues</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Housing Authority Fund	1,666,400	1,403,947	(262,453)
RDA Low-Mod Housing Fund	35,000	43,583	8,583
2011 Bond Fund	26,000	8,177	(17,823)
<b>Total Revenues</b>	<b>1,727,400</b>	<b>1,455,707</b>	<b>(271,693)</b>
<b>Non-Cash Adjustments</b>			
Investments Fair Market Value Adjustment		514,977	514,977
RDA Loan Interest Earned, Extraordinary Gain		(121,903)	(121,903)
<b>Total Adjusted Revenues</b>		<b>1,848,781</b>	<b>121,381</b>

Larger revenue variances from the final budget are described below.

- Use of Money and Property includes the annual fair market value adjustment to the Authority’s investments; noted as GASB 31 Interest on the revenue line items. In accordance with accounting regulations, a portfolio value adjustment of \$514,977 was recorded in order to recognize current market values. This amount has been recorded as an adjustment to revenues, as it is not cash received nor anticipated to be received in the future.

The Authority’s investments have a five-year horizon with laddered maturities. The Authority has worked diligently to leverage highly restricted investments under volatile market conditions. On June 30, 2021, the portfolio was earning a 0.95% rate of return and on June 30, 2022 the return was 0.79%. The fiscal year to date rate of return is

1.30% as of September 2022, which will increase interest earnings going forward.

- Extraordinary Gain revenue of \$121,903 in the RDA Low-Mod Housing Fund records the annual former Redevelopment Agency loan repayment interest earned in FY 2021/22. The loan repayments are structured to pay all principal first, then interest. Each year the City records the payment received and interest earned in accordance with the State Department of Finance approved loan repayment schedule. This amount is also reduced from revenues as an adjustment because it is earned, but not received until a future date.

## EXPENSES

Housing Authority expenses by fund are summarized below and detailed in Exhibit B.

<b>Housing Authority Expenditures</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Housing Authority Fund			
Administration	519,200	507,209	(11,991)
La Quinta Cove Properties	250,000	251,793	1,793
Dune Palms Mobile Estates	992,000	461,780	(530,220)
RDA Low-Mod Housing Fund	250,000	50,700	(199,300)
2011 Bond Fund	8,650,545	8,656,075	5,530
<b>Total Expenditures</b>	<b>10,661,745</b>	<b>9,927,557</b>	<b>(734,188)</b>
Capital Project Carryovers		-	
Operational/Contractual Carryovers		55,000	
<b>Total Expenditures After Carryovers</b>	<b>10,661,745</b>	<b>9,982,557</b>	<b>(679,188)</b>

Carryovers from FY 2021/22 to FY 2022/23 in the amount of \$55,000 can be found on Exhibit C.

## HOUSING AUTHORITY FUND (241)

This fund recognizes administrative expenses and housing activities for several Authority-owned properties in the La Quinta Cove and Dune Palms Mobile Estates.

Combined administration savings of \$11,991 were recognized for salaries and benefits, legal services, and operational expenses. A minor overage in the amount of \$1,793 was for rental expenses for cove Properties. The majority of the savings in the amount of \$530,220 is attributed to building/site

improvements for Dune Palms Mobile Estates which are currently underway in FY 2022/23.

Funds not being carried over are recognized as Restricted Fund balance in the Housing Fund. As of June 30, 2022, the available balance in this fund was \$12,402,782.

### **LOW-MOD HOUSING FUND (243)**

Revenue in this fund is solely derived from Redevelopment Agency loan repayments and interest earnings. Annually loan repayments are allocated 80% to the General Fund and 20% to the Low-Mod Housing Fund. The total outstanding loan balance as of June 30, 2022 is \$27,394,184; with \$5,478,837 or 20% recognized in this fund as a future receivable.

In FY 2021/22, a total of \$50,700 was expensed for homelessness programs in the greater Coachella Valley, with savings of \$55,000 being carried over to FY 2022/23. As of June 30, 2022, the available balance in this fund was \$3,475,630.

### **2011 BOND FUND (249)**

This fund is restricted to future housing projects. In FY 21/22, the City acquired vacant property located between the Pavilion at La Quinta Shopping Center and the La Quinta Valley Plaza Shopping Center on Highway 111, for the purposes of building affordable housing and potentially mixed-use economic development projects with commercial and residential components, with an obligation for the City to repay the housing fund if a portion of the property is subsequently sold or used for purposes that are not in furtherance of affordable housing and related infrastructure. As of June 30, 2022, the available balance in this fund was \$2,887,859.

### **FUND BALANCES**

Below is a summary of Housing Authority fund balances as of June 30, 2022. These funds are restricted for housing programs.

<b>Housing Funds</b>	<b>Fund Balance as of 6/30/22</b>
Housing Authority Fund (241)	12,402,782
Low-Mod Housing Fund (243)	3,475,630
2011 Bond Fund (249)	2,887,859
<b>TOTAL HOUSING FUNDS</b>	<b>18,766,271</b>

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	<b>2020/21 Actuals</b>	<b>2021/22 Original Budget</b>	<b>2021/22 Final Budget</b>	<b>2021/22 Actuals</b>
<b>241 - HOUSING AUTHORITY</b>				
241-9101-41900	Allocated Interest	130,011	160,000	99,822
241-9101-41910	GASB 31 Interest	(122,128)	0	(385,817)
241-9101-41915	Non-Allocated Interest	366	400	430
241-9101-42301	Miscellaneous Revenue	1	0	226
241-9101-42706	Loan Repayments	0	0	96,215
241-9101-43504	2nd Trust Deed Repayments	385,447	50,000	130,179
241-9101-45000	Sale of Other Assets	1,219,485	0	367,078
241-9102-42305	Miscellaneous Reimbursements	1,820	0	(1,820)
241-9103-43502	Rent Revenue/LQRP	290,939	290,000	306,372
241-9104-42112	Rent Revenue/Tenant/Dune Palms	363,115	370,000	791,261
241-9104-42302	Miscellaneous Revenue/Dune Palr	0	1,000	0
<b>Total:</b>		<b>2,269,056</b>	<b>871,400</b>	<b>1,403,947</b>
<b>243 - RDA LOW-MOD HOUSING FUND</b>				
243-0000-41900	Allocated Interest	28,268	35,000	24,081
243-0000-41910	GASB 31 Interest	(27,323)	0	(102,401)
243-0000-48500	Extraordinary Gain	147,987	0	121,903
<b>Total:</b>		<b>148,931</b>	<b>35,000</b>	<b>43,583</b>
<b>249 - SA 2011 LOW/MOD BOND FUND (Refinance)</b>				
249-0000-41900	Allocated Interest	5,696	1,000	5,494
249-0000-41910	GASB 31 Interest	(81,406)	0	(26,759)
249-0000-41915	Non-Allocated Interest	79,292	200,000	29,442
<b>Total:</b>		<b>3,582</b>	<b>201,000</b>	<b>8,177</b>
<b>HOUSING AUTHORITY REVENUE</b>		<b>2,421,570</b>	<b>1,107,400</b>	<b>1,455,707</b>
Non-Cash Transactions				393,074
<b>Adjusted Revenues</b>				<b>1,848,781</b>

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	2020/21 Actuals	2021/22 Original Budget	2021/22 Final Budget	2021/22 Actuals	
<b>241 - HOUSING AUTHORITY</b>					
<b>9101 - Housing Authority - Admin</b>					
<b>50 - Salaries and Benefits</b>					
241-9101-50101	Permanent Full Time	253,048	258,300	258,300	252,219
241-9101-50105	Salaries - Overtime	385	0	0	172
241-9101-50110	Commissions & Boards	650	1,800	1,800	550
241-9101-50150	Other Compensation	185	200	200	103
241-9101-50200	PERS-City Portion	20,263	23,400	23,400	20,432
241-9101-50215	Other Fringe Benefits	4,208	0	0	2,000
241-9101-50221	Medical Insurance	40,720	58,600	58,600	44,830
241-9101-50222	Vision Insurance	542	0	0	415
241-9101-50223	Dental Insurance	2,118	0	0	2,337
241-9101-50224	Life Insurance	113	0	0	151
241-9101-50225	Long Term Disability	975	1,600	1,600	1,320
241-9101-50230	Workers Comp Insurance	5,700	5,900	5,900	5,900
241-9101-50240	Social Security-Medicare	3,716	3,800	3,800	3,697
241-9101-50241	Social Security-FICA	82	0	0	66
<b>50 - Salaries and Benefits Totals:</b>		<b>332,705</b>	<b>353,600</b>	<b>353,600</b>	<b>334,191</b>
<b>60 - Contract Services</b>					
241-9101-60103	Professional Services	82,963	60,000	60,000	74,532
241-9101-60106	Auditors	5,000	5,000	5,000	5,000
241-9101-60153	Attorney	12,109	20,000	20,000	15,792
<b>60 - Contract Services Totals:</b>		<b>100,073</b>	<b>85,000</b>	<b>85,000</b>	<b>95,324</b>
<b>62 - Maintenance &amp; Operations</b>					
241-9101-60320	Travel & Training	209	1,000	1,000	0
241-9101-60420	Operating Supplies	1,513	2,000	2,000	94
<b>62 - Maintenance &amp; Operations Totals:</b>		<b>1,722</b>	<b>3,000</b>	<b>3,000</b>	<b>94</b>
<b>69 - Internal Service Charges</b>					
241-9101-91843	Property & Crime Insurance	8,000	8,100	8,100	8,100
241-9101-91844	Earthquake Insurance	14,000	16,100	16,100	16,100
241-9101-98110	Information Tech Charges	52,400	53,400	53,400	53,400
<b>69 - Internal Service Charges Totals:</b>		<b>74,400</b>	<b>77,600</b>	<b>77,600</b>	<b>77,600</b>
<b>99 - Transfers Out</b>					
241-9101-99900	Transfers Out	278,062	0	0	0
<b>99 - Transfers Out Totals:</b>		<b>278,062</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>9101 - Housing Authority - Admin Totals:</b>		<b>786,962</b>	<b>519,200</b>	<b>519,200</b>	<b>507,209</b>
<b>9103 - Housing Authority - LQRP</b>					
<b>62 - Maintenance &amp; Operations</b>					
241-9103-60157	Rental Expenses	157,545	250,000	250,000	251,793
<b>62 - Maintenance &amp; Operations Totals:</b>		<b>157,545</b>	<b>250,000</b>	<b>250,000</b>	<b>251,793</b>
<b>9103 - Housing Authority - LQRP Totals:</b>		<b>157,545</b>	<b>250,000</b>	<b>250,000</b>	<b>251,793</b>
<b>9104 - Dune Palms Mobile Estates</b>					
<b>60 - Contract Services</b>					
241-9104-60103	Professional Services	56,960	33,000	77,000	101,257
241-9104-60157	Rental Expense	95,307	240,000	415,000	360,523
<b>60 - Contract Services Totals:</b>		<b>152,267</b>	<b>273,000</b>	<b>492,000</b>	<b>461,780</b>
<b>68 - Capital Expenses</b>					
241-9104-72110	Building/Site Improvements	0	500,000	500,000	0
<b>68 - Capital Expenses Totals:</b>		<b>0</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>
<b>9104 - Dune Palms Mobile Estates Totals:</b>		<b>152,267</b>	<b>773,000</b>	<b>992,000</b>	<b>461,780</b>
<b>241 - HOUSING AUTHORITY Totals:</b>		<b>1,096,775</b>	<b>1,542,200</b>	<b>1,761,200</b>	<b>1,220,781</b>

	<b>2020/21 Actuals</b>	<b>2021/22 Original Budget</b>	<b>2021/22 Final Budget</b>	<b>2021/22 Actuals</b>
<b>243 - RDA LOW-MOD HOUSING FUND</b>				
<b>0000 - Undesignated</b>				
<b>64 - Other Expenses</b>				
243-0000-60532 Homelessness Assistance	300,000	250,000	250,000	50,700
<b>64 - Other Expenses Totals:</b>	<b>300,000</b>	<b>250,000</b>	<b>250,000</b>	<b>50,700</b>
<b>0000 - Undesignated Totals:</b>	<b>300,000</b>	<b>250,000</b>	<b>250,000</b>	<b>50,700</b>
<b>243 - RDA LOW-MOD HOUSING FUND Totals:</b>	<b>300,000</b>	<b>250,000</b>	<b>250,000</b>	<b>50,700</b>



		<b>2020/21</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>
		<b>Actuals</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actuals</b>
<b>249 - SA 2011 LOW/MOD BOND FUND (Refinanced in</b>					
<b>0000 - Undesignated</b>					
<b>68 - Capital Expenses</b>					
249-0000-74010	Land Acquisition	5,813,436	0	8,630,545	8,631,040
249-0000-80050	Affordable Housing Project Developme	0	20,000	20,000	25,035
<b>68 - Capital Expenses Totals:</b>		<b>5,813,436</b>	<b>20,000</b>	<b>8,650,545</b>	<b>8,656,075</b>
<b>0000 - Undesignated Totals:</b>		<b>5,813,436</b>	<b>20,000</b>	<b>8,650,545</b>	<b>8,656,075</b>
<b>I LOW/MOD BOND FUND (Refinanced in 2016) Totals:</b>		<b>5,813,436</b>	<b>20,000</b>	<b>8,650,545</b>	<b>8,656,075</b>

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**Revised Continuing Appropriations/Carryovers from 2021/22 to 2022/23**

Vendor/Program	Account Number	Description	Estimated	Revised
Homelessness Assistance	243-0000-60532	Homelessness Assistance	-	\$ 55,000
		<b>TOTAL AUTHORITY CARRYOVERS</b>	<b>\$ -</b>	<b>\$ 55,000</b>

*NOTE: In June 2022 when the budget was adopted all carryovers were estimates based on projected invoices to end fiscal year 2021/22. Upon completion of the final audit, Finance verified account balances and additional carryover recommendations based on current budgetary needs. In no event shall a carryover exceed the revised per account amount noted above.*

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