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HOUSING AUTHORITY AGENDA

CITY HALL COUNCIL CHAMBERS
78495 Calle Tampico, La Quinta

SPECIAL MEETING
TUESDAY, DECEMBER 19, 2023
AT 6:00 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, Sanchez, and Chairperson Peña

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 OCTOBER 17, 2023

PAGE
5

BUSINESS SESSION

1. RECEIVE AND FILE FISCAL YEAR 2022/23 HOUSING AUTHORITY YEAR-END BUDGET REPORT

HOUSING AUTHORITY MEMBERS' ITEMS

ADJOURNMENT

The next quarterly regular meeting of the Housing Authority will be held on January 16, 2024, 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 board at the La Quinta Cove Post Office at 51321 Avenida Bermudas, on December 15, 2023.

DATED: December 15, 2023

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.

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, 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 § 7920 *et seq.*].

TELECONFERENCE ACCESSIBILITY – INSTRUCTIONS

Teleconference accessibility may be triggered in accordance with AB 2449 (Stats. 2022, Ch. 285), codified in the Brown Act [Government Code § 54953], if a member of the Housing Authority requests to attend and participate in this meeting remotely due to “just cause” or “emergency circumstances,” as defined, and only if the request is approved. In such instances, remote public accessibility and participation will be facilitated via Zoom Webinar as detailed at the end of this Agenda.

***** TELECONFERENCE PROCEDURES – PURSUANT TO AB 2449*****

APPLICABLE ONLY WHEN TELECONFERENCE ACCESSIBILITY IS IN EFFECT

Verbal public comments via Teleconference – members of the public may attend and participate in this meeting by teleconference via Zoom and use the “raise your hand” feature when public comments are prompted by the Chair; the City will facilitate the ability for a member of the public to be audible to the Housing Authority and general public and allow him/her/them to speak on the item(s) requested. **Please note – members of the public must unmute themselves when prompted upon being recognized by the Chairperson, in order to become audible to the Housing Authority and the public.**

Only one person at a time may speak by teleconference and only after being recognized by the Chair.

ZOOM LINK: <https://us06web.zoom.us/j/82540879912>
Meeting ID: 825 4087 9912
Or join by phone: (253) 215 – 8782

Written public comments – can be provided in person during the meeting or emailed to the City Clerk's Office at CityClerkMail@LaQuintaCA.gov any time prior to the adjournment of the meeting, and will be distributed to the Housing Authority, made public, incorporated into the public record of the meeting, and will not be read during the meeting unless, upon the request of the Chairperson, a brief summary of any public comment is asked to be read, to the extent the City Clerk's Office can accommodate such request.



**HOUSING AUTHORITY
MINUTES
TUESDAY, OCTOBER 17, 2023**

CALL TO ORDER

A regular quarterly meeting of the La Quinta Housing Authority was called to order at 7:35 p.m. by Chairperson Peña.

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

ABSENT: None

VERBAL ANNOUNCEMENT – AB 23 was made by the Authority Secretary

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA – None

CONFIRMATION OF AGENDA – Confirmed

CONSENT CALENDAR

1. **APPROVE HOUSING AUTHORITY SPECIAL MEETING MINUTES DATED JUNE 20, 2023**
2. **ADOPT RESOLUTION TO APPROVE AMENDMENT NO. 1 TO AGREEMENT FOR PURCHASE AND SALE AND ESCROW INSTRUCTIONS WITH BP DUNE PALMS, LP, BY GENERAL PARTNER BLACKPOINT PROPERTIES, LLC, REGARDING STORMWATER OUTFLOW IMPROVEMENTS RELATED TO THE ACQUISITION OF A PORTION OF CERTAIN REAL PROPERTY COMPRISED OF 5.199 ACRES LOCATED ON THE NORTHEAST CORNER OF HIGHWAY 111 AND DUNE PALMS ROAD (APN: 600-030-018); CEQA: THE PROJECT IS EXEMPT FROM ENVIRONMENTAL REVIEW PURSUANT TO SECTION 15061 (b)(3) “COMMON SENSE EXEMPTION” [RESOLUTION NO. HA 2023-004]**

MOTION – A motion was made and seconded by Authority Members Evans/Sanchez to approve the Consent Calendar as recommended, with Item No. 2 adopting Resolution No. HA 2023-004. Motion passed unanimously.

HOUSING AUTHORITY MEMBERS' ITEMS

Authority Member Evans said Governor Newsom approved, on 10/11/2023, Assembly Bill 1449 (Alvarez and Wicks) (Ch. 761, 2023-24), an act to add and repeal Section 21080.40 of the Public Resources Code, related to housing, which may exempt affordable housing developments from California Environmental Quality Act (CEQA) review if certain criteria are met; and requested that the Authority receive an update on AB 1449.

ADJOURNMENT

There being no further business, it was moved and seconded by Authority Members Evans/Sanchez to adjourn at 7:38 p.m. Motion passed unanimously.

Respectfully submitted,

MONIKA RADEVA, Authority Secretary
La Quinta Housing Authority

City of La Quinta

HOUSING AUTHORITY MEETING: December 19, 2023

STAFF REPORT

AGENDA TITLE: RECEIVE AND FILE FISCAL YEAR 2022/23 HOUSING AUTHORITY YEAR-END BUDGET REPORT

RECOMMENDATION

Receive and file 2022/23 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 \$164,151 higher than budgeted, after carryovers in the amount of \$1,387,009 are carried over to FY 2023/24.
- Overall expenditures were \$188,391 higher than budgeted, after carryovers in the amount of \$4,024,192 are carried over to FY 2023/24.
- The Report will be received and filed by the Housing Commission in January 2024.

BACKGROUND/ANALYSIS

Total adjusted revenues were over budget by \$164,151; after \$1,387,009 is carried over to FY 2023/24 for a land purchase. The overage is mostly due to second trust deed payments and rent revenue.

Total expenditures were over budget by \$188,391; after \$4,024,192 is carried over to FY 2023/24 for building improvements, homelessness assistance programs, and a land purchase. The overage is mostly due to landscape conversions to be reimbursed once completed and other home improvements.

Revenues, expenditures, carryovers, and fund balances are discussed in the Fiscal Year-End 2022/23 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 2022/23 Housing Authority Budget Report



HOUSING AUTHORITY

FISCAL YEAR-END 2022/23 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, 2023.

REVENUES

Total revenues, after non-cash adjustments, were over budget by \$1,222,858 which includes carryovers of \$1,387,009, resulting in an actual revenue overage of \$164,151. Revenues are summarized by fund below and detailed in Exhibit A.

Housing Authority Revenues	Final Budget	Actual	Variance
Housing Authority Fund	1,574,500	1,593,961	19,461
RDA Low-Mod Housing Fund	20,000	136,908	116,908
2011 Bond Fund	1,412,009	59,764	(1,352,245)
Total Revenues	3,006,509	1,790,633	(1,215,876)
Non-Cash Adjustments			
Investments Fair Market Value Adjustment		88,316	88,316
RDA Loan Interest Earned, Extraordinary Gain		(95,298)	(95,298)
Total Adjusted Revenues		1,783,651	(1,222,858)

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 \$88,316 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.
- Extraordinary Gain revenue of \$95,298 in the RDA Low-Mod Housing Fund records the annual former Redevelopment Agency loan repayment interest earned in FY 2022/23. 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.

Housing Authority Expenditures	Final Budget	Actual	Variance
Housing Authority Fund			
Administration	582,295	552,947	(29,348)
La Quinta Cove Properties	490,000	760,748	270,748
Dune Palms Mobile Estates	1,040,000	591,746	(448,254)
RDA Low-Mod Housing Fund	305,000	255,000	(50,000)
2011 Bond Fund	3,644,192	65,245	(3,578,947)
Total Expenditures	6,061,487	2,225,686	(3,835,801)
Capital Project Carryovers		-	
Operational/Contractual Carryovers		4,024,192	
Total Expenditures After Carryovers	6,061,487	6,249,878	188,391

Carryovers from FY 2022/23 to FY 2023/24 in the amount of \$4,024,192 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 \$29,348 were recognized for salaries and benefits, legal services, and operational expenses. An overage in the amount of \$270,748 was for rental expenses for the Cove properties due to landscape conversions to be reimbursed by the Coachella Valley Water District’s (CVWD) landscape rebate program as well as other home improvements. The majority of the savings in the amount of \$448,254 is attributed to building/site improvements for Dune Palms Mobile Estates which are currently underway.

Funds not being carried over are recognized as Restricted Fund balance in the Housing Fund. As of June 30, 2023, the available balance in this fund was \$12,207,429.

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,

2023 is \$24,500,992; with \$4,900,198 or 20% recognized in this fund as a future receivable.

In FY 2022/23, a total of \$255,000 was expensed for homelessness programs in the greater Coachella Valley, with savings of \$50,000 being carried over to FY 2023/24. As of June 30, 2023, the available balance in this fund was \$3,913,326.

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. The amount of \$3,574,192 will be carried over into FY 2023/24, as the final property purchase was completed in October 2023. As of June 30, 2023, the available balance in this fund was \$2,857,811.

FUND BALANCES

Below is a summary of Housing Authority fund balances as of June 30, 2023. These funds are restricted for housing programs.

Housing Funds	Fund Balance as of 6/30/23
Housing Authority Fund (241)	12,207,429
Low-Mod Housing Fund (243)	3,913,326
2011 Bond Fund (249)	2,857,811
TOTAL HOUSING FUNDS	18,978,566

REVENUE DETAILS

2022/23 YEAR-END BUDGET REPORT

	2021/22 Actuals	2022/23 Original Budget	2022/23 Final Budget	2022/23 Actuals
241 - HOUSING AUTHORITY				
241-9101-41900	Allocated Interest	99,822	100,000	248,848
241-9101-41910	GASB 31 Interest	(385,817)	0	(54,726)
241-9101-41915	Non-Allocated Interest	430	500	0
241-9101-42301	Miscellaneous Revenue	226	0	1
241-9101-42706	Loan Repayments	96,215	0	190,528
241-9101-43504	2nd Trust Deed Repayments	130,179	100,000	50,253
241-9101-45000	Sale of Other Assets	367,078	200,000	0
241-9102-42305	Miscellaneous Reimbursements	(1,820)	0	0
241-9103-43502	Rent Revenue/LQRP	306,372	300,000	372,345
241-9104-42112	Rent Revenue/Tenant/Dune Palms	791,261	750,000	786,712
241-9104-42302	Miscellaneous Revenue/Dune Palr	0	1,000	0
Total:	1,403,947	1,451,500	1,574,500	1,593,961
243 - RDA LOW-MOD HOUSING FUND				
243-0000-41900	Allocated Interest	24,081	20,000	69,979
243-0000-41910	GASB 31 Interest	(102,401)	0	(28,370)
243-0000-48500	Extraordinary Gain	121,903	0	95,298
Total:	43,583	20,000	20,000	136,908
249 - SA 2011 LOW/MOD BOND FUND (Refinance)				
249-0000-41900	Allocated Interest	5,494	5,000	16,611
249-0000-41910	GASB 31 Interest	(26,759)	0	(5,220)
249-0000-41915	Non-Allocated Interest	29,442	20,000	47,267
249-0000-42301	Miscellaneous Revenue	0	0	1,106
249-0000-49500	Transfers In	0	0	0
Total:	8,177	25,000	1,412,009	59,764
HOUSING AUTHORITY REVENUE	1,455,707	1,496,500	3,006,509	1,790,633

Non-Cash Transactions

(6,982)

Adjusted Revenues

1,783,651

EXPENSE DETAILS

		2021/22	2022/23	2022/23	2022/23
		Actuals	Original Budget	Final Budget	Actuals
241 - HOUSING AUTHORITY					
9101 - Housing Authority - Admin					
50 - Salaries and Benefits					
241-9101-50101	Permanent Full Time	252,219	278,970	278,970	282,118
241-9101-50105	Salaries - Overtime	172	0	0	0
241-9101-50110	Commissions & Boards	550	1,800	1,800	700
241-9101-50150	Other Compensation	103	200	200	96
241-9101-50200	PERS-City Portion	20,432	24,200	24,200	22,352
241-9101-50215	Other Fringe Benefits	2,000	0	4,625	6,730
241-9101-50221	Medical Insurance	44,830	69,300	69,300	49,290
241-9101-50222	Vision Insurance	415	0	0	402
241-9101-50223	Dental Insurance	2,337	0	0	2,612
241-9101-50224	Life Insurance	151	0	0	182
241-9101-50225	Long Term Disability	1,320	1,700	1,700	1,634
241-9101-50230	Workers Comp Insurance	5,900	5,900	5,900	5,900
241-9101-50240	Social Security-Medicare	3,697	4,000	4,000	4,130
241-9101-50241	Social Security-FICA	66	0	0	87
50 - Salaries and Benefits Totals:		334,191	386,070	390,695	376,234
60 - Contract Services					
241-9101-60103	Professional Services	74,532	60,000	75,000	68,352
241-9101-60106	Auditors	5,000	5,000	5,000	3,780
241-9101-60153	Attorney	15,792	20,000	20,000	15,568
60 - Contract Services Totals:		95,324	85,000	100,000	87,700
62 - Maintenance & Operations					
241-9101-60320	Travel & Training	0	1,000	1,000	293
241-9101-60420	Operating Supplies	94	2,000	2,000	119
62 - Maintenance & Operations Totals:		94	3,000	3,000	412
69 - Internal Service Charges					
241-9101-91843	Property & Crime Insurance	8,100	8,100	8,100	8,100
241-9101-91844	Earthquake Insurance	16,100	16,100	16,100	16,100
241-9101-98110	Information Tech Charges	53,400	64,400	64,400	64,400
69 - Internal Service Charges Totals:		77,600	88,600	88,600	88,600
9101 - Housing Authority - Admin Totals:		507,209	562,670	582,295	552,947
9103 - Housing Authority - LQRP					
62 - Maintenance & Operations					
241-9103-60157	Rental Expenses	251,793	250,000	490,000	760,748
62 - Maintenance & Operations Totals:		251,793	250,000	490,000	760,748
9103 - Housing Authority - LQRP Totals:		251,793	250,000	490,000	760,748
9104 - Dune Palms Mobile Estates					
60 - Contract Services					
241-9104-60103	Professional Services	101,257	100,000	120,000	118,328
241-9104-60157	Rental Expense	360,523	300,000	420,000	383,008
60 - Contract Services Totals:		461,780	400,000	540,000	501,337
68 - Capital Expenses					
241-9104-72110	Building/Site Improvements	0	500,000	500,000	90,409
68 - Capital Expenses Totals:		0	500,000	500,000	90,409
9104 - Dune Palms Mobile Estates Totals:		461,780	900,000	1,040,000	591,746
241 - HOUSING AUTHORITY Totals:		1,220,781	1,712,670	2,112,295	1,905,441

EXPENSE DETAILS

	2021/22 Actuals	2022/23 Original Budget	2022/23 Final Budget	2022/23 Actuals
243 - RDA LOW-MOD HOUSING FUND				
0000 - Undesignated				
64 - Other Expenses				
243-0000-60532 Homelessness Assistance	50,700	250,000	305,000	255,000
64 - Other Expenses Totals:	50,700	250,000	305,000	255,000
0000 - Undesignated Totals:	50,700	250,000	305,000	255,000
243 - RDA LOW-MOD HOUSING FUND Totals:	50,700	250,000	305,000	255,000

EXPENSE DETAILS

	2021/22 Actuals	2022/23 Original Budget	2022/23 Final Budget	2022/23 Actuals
249 - SA 2011 LOW/MOD BOND FUND (Refinanced in				
0000 - Undesignated				
68 - Capital Expenses				
249-0000-74010 Land Acquisition	8,631,040	0	3,624,192	50,000
249-0000-80050 Affordable Housing Project Developme	25,035	20,000	20,000	15,245
68 - Capital Expenses Totals:	8,656,075	20,000	3,644,192	65,245
0000 - Undesignated Totals:	8,656,075	20,000	3,644,192	65,245
I LOW/MOD BOND FUND (Refinanced in 2016) Totals:	8,656,075	20,000	3,644,192	65,245

Revised Continuing Appropriations/Carryovers from 2022/23 to 2023/24

Vendor/Program	Account Number	Description	Estimated	Revised
Land Purchase- Highway 111 & Dune Palms	249-0000-49500	Transfers In	-	\$ 1,387,009
Dune Palms Mobile Estates improvements	241-9104-72110	Building/Site Improvements	400,000	\$ 400,000
Homelessness Assistance	243-0000-60532	Homelessness Assistance	-	\$ 50,000
Land Purchase- Highway 111 & Dune Palms	249-0000-74010	Land Acquisition	3,624,192	\$ 3,574,192
TOTAL AUTHORITY CARRYOVERS			\$ 4,024,192	\$ 5,411,201

NOTE: In June 2023 when the budget was adopted all carryovers were estimates based on projected invoices to end fiscal year 2022/23. 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.