

**HAND OUTS**

**FAC**

**MEETING**

**MAY 8, 2024**

Financial Advisory Committee Members,

The Financial Advisory Commission (FAC) provides oversight of Measure G tax revenue. Measure G was passed by voters in November 2016 and provides a 1% transactions and use tax, effective April 1, 2017 and with no sunset date, which is fully allocated to the City and protected from State takeaways. Measure G revenues are to be used in accordance with the ballot measure for public safety, Capital Improvement Projects and other general expenditures supporting our businesses and residents.

For the fiscal years 2016/17 through 2022/23, Measure G revenues totaled \$77 million. During these fiscal years Measure G uses have been for public safety services (\$21 million) and Capital Improvement Projects (\$27 million), with the balance of these revenues (\$29 million) in reserves.

For fiscal year 2023/24, as of January 31, 2024, Measure G revenues are about \$9 million, with uses of \$5 million for public safety and \$6.3 million for Capital Improvement Projects, resulting in a current reserve balance of \$25 million.

The FAC's Measure G Sales Tax Compliance Report for Fiscal Year 2022/23 included a recommendation for the City to "explore the use of Measure G reserve funds to prioritize additional funding to accelerate Capital Improvement Projects, including for major street improvements."

At the April 3, 2024 FAC Meeting, there was a discussion of projects to be included in Fiscal Years 2024/25 through 2028/29 Capital Improvement Program. The proposed projects are estimated to use only \$19.2 million of Measure G funds. Assuming a starting point of March 31, 2024 of \$25 million in Measure G reserves, and a conservative estimate of Measure G revenues over these next 5 fiscal years of \$70 million (\$14 million per fiscal year), spending only \$19.2 million of Measure G funds for our Capital Improvement Program, and an estimated \$30 million for public safety services (\$7 million per fiscal year), would result in a projected Measure G reserve balance of \$50 million at June 30, 2029. We strongly encourage the additional use of Measure G funds, while they are available and while economic conditions support it.

Accordingly, we recommend a greater use of Measure G funds for the 5-year Capital Improvement Program by allocating certain spending from the General Fund to Measure G funds. Specifically, we suggest the \$2 million dollar per year Pavement Management Street Improvements (\$10 million in total) be earmarked from Measure G funds/reserves. Also, we suggest accelerating the \$3 million payment for the Phase III Public Safety Camera System expenditure in Fiscal Year 2025/26, to Fiscal Year 2024/25. We lastly suggest designating an additional use of Measure G funds for both the Maintenance and Operations Yard (which is currently projected to use \$4 million of General Funds in addition to \$4.4 million in Measure G funds), and the Fritz Burns Park Improvements (which is currently projected to use \$2 million of General Funds in addition to \$2.5 million of Measure G Funds).

These suggestions utilize an additional \$16 million of Measure G funds/reserves for our Capital Improvement Program over the next 5 fiscal years, reducing the projected Measure G Reserve balance at June 30, 2029 of \$50 million to \$35 million. This balance could be utilized for long-term capital projects discussed at the recent Community Workshop such as addressing the Imperial Irrigation District (IID) lease expiration and equipment needs and plan to underground utilities.

CITY OF LA QUINTA  
CAPITAL IMPROVEMENT PROGRAM  
REVENUE SUMMARY

Project #	Project Description	General Fund Operating	Measure G Sales Tax	Community /Cultural Center DIF	SB 1 Road Maint/Rehab	DIF Transportation	Maintenance and Facilities DIF	Measure A	Other Revenue	Other Revenue Source	Total
<b>2024/2025</b>											
2425ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2425CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2425PMP	Pavement Management Plan Street Improvements	2,000,000	2,000,000								2,000,000
2425STI	Sidewalks - Various Locations	55,000									55,000
2425TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2425DRA	Citywide Drainage Enhancements	477,000							2,000,000	Earmark Funding 2025	2,477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201805	Maintenance and Operations Yard	500,000	400,000	900,000					100,000		1,000,000
201901	Cultural Campus		1,000,000	500,000							1,500,000
201905	Highway 111 Corridor Area Plan Implementation (for 2022-25)		3,050,000		950,000				4,000,000	Earmark Funding 2024	8,000,000
202101	Dune Palms Pavement Rehabilitation (Miles Avenue to Fred Waring Drive)							200,000			200,000
202102	Fritz Burns Park Improvements	2,000,000	2,500,000	4,500,000					500,000	Reprogram project 202304	5,000,000
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)					579,109					579,109
202401	Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)							400,000			400,000
202402	Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)				478,000					Reprogram of 23/24 SB1 funds	478,000
202403	Cove Area Slurry Seal Improvements Phase 1							950,000			950,000
202404	City Hall Drainage Improvements	1,000,000									1,000,000
202405	Citywide Miscellaneous ADA Improvements								175,000	CDBG	175,000
202406	Citywide Miscellaneous Concrete Improvements	1,000,000									1,000,000
202407	Citywide Dog Park Improvements		500,000						1,000,000	Reprogram project 202310	1,500,000
202408	Village Parking Lot Utility Undergrounding	500,000									500,000
202409	Welcome Center Improvements		750,000								750,000
202410	Avenue 52 at Jefferson Street Roundabout Improvements					600,000					600,000
202411	SilverRock Way Slurry Seal Improvements							500,000			500,000
202505	Phase III Public Safety Camera System		3,000,000								
	<b>FY 2024/2025 SUBTOTAL:</b>	<b>8,052,000</b>	<b>8,200,000</b>	<b>500,000</b>	<b>1,428,000</b>	<b>1,579,109</b>	<b>100,000</b>	<b>2,285,000</b>	<b>7,725,000</b>		<b>29,869,109</b>
		<del>3,552,000</del>	<del>15,700,000</del>								<del>32,869,109</del>
<b>2025/2026</b>											
2526ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2526CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2526PMP	Pavement Management Plan Street Improvements	2,000,000	2,000,000								2,000,000
2526STI	Sidewalks - Various Locations	55,000									55,000
2526TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2425DRA	Citywide Drainage Enhancements	477,000									477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201805	Maintenance and Operations Yard	3,500,000	4,000,000	7,500,000							7,500,000
201905	Highway 111 Corridor Area Plan Implementation		1,000,000								1,000,000
202501	Citywide Striping Refresh							500,000			500,000
202502	Highway 111/Simon Drive Dual Left Turn Lanes							723,850			723,850
202503	Cove Area Slurry Seal Improvements Phase 2				950,000						950,000
202504	Avenue 47 Pavement Rehabilitation (Washington Street to Adams Street)							512,617			512,617
202505	Phase III Public Safety Camera System		3,000,000								3,000,000
202506	Washington Street at Lake La Quinta Drive (New Traffic Signal)					430,000					430,000
202507	Francis Hack Lane Pavement Rehabilitation (Avenida Bermudas to Cul-De-Sac)							580,000			580,000
202508	Corporate Centre Drive Gap Closure					1,000,000					1,000,000
202509	5-Year PMPUpdate							75,000			75,000
	<b>FY 2025/2026 SUBTOTAL:</b>	<b>6,552,000</b>	<b>8,000,000</b>	<b>0</b>	<b>950,000</b>	<b>1,830,000</b>		<b>2,626,467</b>	<b>50,000</b>		<b>20,008,467</b>
		<del>1,052,000</del>	<del>10,500,000</del>								<del>17,008,467</del>
<b>2026/2027</b>											
2627ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2627CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2627PMP	Pavement Management Plan Street Improvements	2,000,000	2,000,000								2,000,000

