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HOUSING AUTHORITY AGENDA

CITY HALL COUNCIL CHAMBER
78495 Calle Tampico La Quinta

SPECIAL MEETING
TUESDAY, DECEMBER 17, 2019 AT 4:00 P.M.

CALL TO ORDER

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

VERBAL ANNOUNCEMENT – AB 23 [AUTHORITY SECRETARY]

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. Please complete a "request to speak" form and limit your comments to three minutes. 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 GC 54954.2(b).

CONFIRMATION OF AGENDA

CONSENT CALENDAR

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BUSINESS SESSION

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2. RECEIVE AND FILE FISCAL YEAR 2019/20 FIRST QUARTER HOUSING AUTHORITY BUDGET REPORT AND APPROVE THE RECOMMENDED BUDGET ADJUSTMENTS

CHAIR AND BOARD MEMBERS' ITEMS

REPORTS AND INFORMATIONAL ITEMS – NONE

ADJOURNMENT

The next regular quarterly meeting of the Housing Authority will be held on January 21, 2020 at 4:00 p.m. in the City 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 was posted near the entrance to the Council Chambers at 78495 Calle Tampico and on the bulletin boards at 51321 Avenida Bermudas and 78630 Highway 111, on December 13, 2019.

DATED: December 13, 2019

MONIKA RADEVA, Authority Secretary
La Quinta Housing Authority

Public Notices

- The La Quinta City Council Chamber is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk's Office at (760) 777-7092, twenty-four (24) hours in advance of the meeting and accommodations will be made.
- If special electronic equipment is needed to make presentations to the Housing Authority, arrangement should be made in advance by contacting the City Clerk's Office at (760) 777-7092. A one (1) week notice is required.
- If background material is to be presented to the Housing Authority during a meeting, please be advised that eight (8) copies of all documents, exhibits, etc., must be supplied to the City Clerk for distribution. It is requested that this take place prior to the beginning of the meeting.
- Any writings or documents provided to a majority of the Housing Authority regarding any item on this agenda will be made available for public inspection at the City Clerk counter at City Hall located at 78495 Calle Tampico, La Quinta, California, 92253, during normal business hours.



HOUSING AUTHORITY SPECIAL MEETING MINUTES TUESDAY, NOVEMBER 5, 2019

CALL TO ORDER

A special quarterly meeting of the La Quinta Housing Authority (Authority) was called to order at 6:24 p.m. by Chairperson Peña.

PRESENT: Authority Members: Evans, Fitzpatrick, Radi, 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 REGULAR QUARTERLY MEETING MINUTES OF OCTOBER 15, 2019**

MOTION – A motion was made and seconded by Authority Members Fitzpatrick/Evans to approve the Consent Calendar as recommended. Motion passed unanimously.

BUSINESS SESSION

- 1. AMEND THE 2019/20 HOUSING AUTHORITY BUDGET, APPROVE LOT LINE ADJUSTMENT, ACCESS EASEMENT, AND AGREEMENT FOR PURCHASE AND SALE AND ESCROW INSTRUCTIONS OF PORTIONS OF REAL PROPERTY AT 46150 – 46176 DUNE PALMS ROAD (APNs 600-030-022 AND 600-030-023) FROM THE LA QUINTA HOUSING AUTHORITY TO THE CITY OF LA QUINTA FOR FUTURE PARK AND DRAINAGE IMPROVEMENTS**

The Authority waived presentation of the staff report, which is on file in the Clerk's Office.

MOTION – A motion was made and seconded by Authority Members Radi/Fitzpatrick to amend fiscal year 2019/20 Authority budget, approve lot line adjustment, access easement, and sale of portions of real property located at 46150 – 46176 Dune Palms Road (APNs 600-030-022 and -023) from the Authority to the City of La Quinta for \$1,061,456 for future park and drainage improvements; and authorize the Executive Director to execute the purchase and sale agreement. Motion passed unanimously.

CHAIR AND BOARD MEMBERS' ITEMS – None

REPORTS AND INFORMATION ITEMS – None

ADJOURNMENT

There being no further business, it was moved and seconded by Authority Members Fitzpatrick/Sanchez to adjourn at 6:26 p.m. Motion passed unanimously.

Respectfully submitted,

MONIKA RADEVA, Authority Secretary
La Quinta Housing Authority

City of La Quinta

HOUSING AUTHORITY MEETING: December 17, 2019

STAFF REPORT

AGENDA TITLE: RECEIVE AND FILE FISCAL YEAR 2018/19 HOUSING AUTHORITY YEAR-END BUDGET REPORT AND APPROVE AMENDED BUDGET CARRYOVERS

RECOMMENDATION

Receive and file 2018/19 Housing Authority Year-End Budget Report and approve amended budget carryovers.

EXECUTIVE SUMMARY

- After closing the prior fiscal year, Finance presents a year-end summary that compares the final budget to actual transactions.
- Overall revenue was \$696,457 higher than budgeted.
- Overall expenditures were \$550,154 under budget and \$531,500 would be carried over to 2019/20.

BACKGROUND/ANALYSIS

Total revenues were over budget by \$696,457; mostly due to interest earnings and the sale of a vacant parcel.

Total expenditures were under budget by \$550,154 with the majority to be carried over to 2019/20 for the Washington Street Apartments rehabilitation project, homelessness funding, and for future evaluation of affordable housing projects.

Revenues, expenditures, carryovers, and fund balances are discussed in the FY 2018/19 Housing Authority Year-End Budget Report (Attachment 1).

ALTERNATIVES

No alternatives are applicable.

Prepared by: Karla Romero, Finance Director

Approved by: Jon McMillen, Executive Director/City Manager

Attachment: 1. FY 2018/19 Housing Authority Year-End Budget Report



HOUSING AUTHORITY

FISCAL YEAR-END 2018/19 BUDGET REPORT

The La Quinta Housing Authority oversee four funds, which are restricted for affordable housing programs. This report focuses on significant activities and variances from the final budget during the fiscal year ending June 30, 2019.

REVENUES

Total revenues were over budget by \$696,457 with the largest variances deriving from interest earnings (\$630,878) and the sale of a vacant Housing Authority parcel (\$58,814). Revenues are summarized by fund below and detailed in Exhibit A.

Housing Authority Revenues	Final Budget	Actual	Variance
Housing Authority Fund	543,000	873,445	330,445
RDA Low-Mod Housing Fund	18,000	55,555	37,555
2004 Bond Fund	10,000	17,587	7,587
2011 Bond Fund	170,000	490,870	320,870
Total Revenues	741,000	1,437,457	696,457

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	347,500	302,753	(44,747)
La Quinta Cove Properties	255,000	307,302	52,302
RDA Low-Mod Housing Fund	267,667	166,666	(101,001)
2004 Bond Fund	1,451,947	1,035,215	(416,732)
2011 Bond Fund	7,416,000	7,376,024	(39,976)
Total Expenditures	9,738,114	9,187,960	(550,154)
Capital Project Carryovers		390,500	
Operational/Contractual Carryovers		141,000	
Total Expenditures After Carryovers	9,738,114	9,719,460	(18,654)

HOUSING AUTHORITY FUND (241)

This fund recognizes administrative expenses and housing activities for several Authority owned properties in the La Quinta Cove. The greatest year-over-year variance occurred as a result of the transfer of Washington Street Apartments (WSA) to the Coachella Valley Housing Coalition (CVHC) who now owns and operates the complex as of March 2018.

Combined administration savings of \$44,747 for salaries and benefits, professional program oversight, and legal services was offset by an overage of \$52,302 for rental maintenance expenses associated with properties in the Cove. Additional expenses included air conditioning units, removal of grass, installation of water efficient desert landscaping, and perimeter walls for added safety. As of June 30, 2019, the available balance in this fund was \$10,675,204.

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, 2019 is \$34,894,713; with \$6,978,943 or 20% recognized in this fund as a future receivable.

In 2018/19, a total of \$166,666 was expensed for homelessness programs in the greater Coachella Valley. Savings of \$101,001 are being carried over to 2019/20. As of June 30, 2019, the available balance in this fund was \$1,980,411.

2004 BOND FUND (248) & 2011 BOND FUND (249)

WSA's rehabilitation and relocation plan expenses were incorporated in the 2004 and 2011 Bond Fund budgets, these bonds were refinanced in 2014 and 2016 respectively. These project expenses met the original intended purpose of the bond proceeds and a portion of the unexpended amount is being carried over to 2019/20. Carryovers will fully



deplete resources in the 2004 Bond Fund, as originally anticipated. The 2011 Bond Fund had an ending balance of \$16,726,135 as of June 30, 2019.

AMENDED CARRYOVERS

Original carryovers from the 2018/19 to 2019/20 budget were estimated based on projected invoices in the Spring of 2019. Upon completion of the final audit in October, Finance verifies account balances and carryovers. Amended carryovers are presented on the following page and if approved will be added to the 2019/20 budget.

Amended Continuing Appropriations/Carryovers from 2018/19 to 2019/20				
Vendor/Program	Account Number	Original	Amended	Difference
HOUSING AUTHORITY FUNDS				
Hoemlessness Assistance	243-0000-60532	-	101,000	101,000
Washington Street Apts. Rehabilitation	248-9102-60103	145,000	145,000	-
Washington Street Apts Rehabilitation	248-9102-60159	250,000	245,500	(4,500)
Affordable Housing Programs	249-0000-80050	40,000	40,000	-
HOUSING AUTHORITY CARRYOVERS		435,000	531,500	96,500

FUND BALANCES

Below is a summary of Housing Authority fund balances as of June 30, 2019. These funds are restricted for housing programs.

Housing Fund	Available for appropriation as of 6/30/19
Housing Authority Fund (241)	10,675,204
Low-Mod Housing Fund (243)	1,980,411
2011 Bond Fund (249)	16,726,135
TOTAL HOUSING FUNDS	29,381,750

	2017/18 Actuals	2018/19 Original Budget	2018/19 Final Budget	2018/19 Actuals	Variance w/ Final Budget
241 - HOUSING AUTHORITY					
241-0000-41900	Allocated Interest	(426)	0	0	0
241-9101-41900	Allocated Interest	78,182	35,000	75,000	264,095
241-9101-41915	Non-Allocated Interest	795	0	771	771
241-9101-42301	Miscellaneous Revenue	1,001	0	1	1
241-9101-42706	Loan Repayments	305,277	0	0	0
241-9101-43500	Home Sale Proceeds	0	0	58,814	58,814
241-9101-43504	2nd Trust Deed Repayments	122,771	0	188,000	(108)
241-9101-45000	Sale of Other Assets	93,800	0	0	0
241-9102-41916	Non-Allocated Interest/WSA	5,281	0	0	0
241-9102-42112	Rent Revenue/Tenant/WSA	137,308	0	0	0
241-9102-42113	Rent Variance - WSA	(1,501)	0	0	0
241-9102-42302	Miscellaneous Revenue/WSA	3,308	0	0	0
241-9102-43520	Federal Government Assist. Prgm/	304,474	0	0	0
241-9103-43502	Rent Revenue/LQRP	293,991	280,000	286,872	6,872
Total:	1,344,262	315,000	543,000	873,444	330,444
243 - RDA LOW-MOD HOUSING FUND					
243-0000-41900	Allocated Interest	17,876	8,000	18,000	37,555
Total:	17,876	8,000	18,000	55,555	37,555
248 - SA 2004 LO/MOD BOND FUND (Refinanced in 201					
248-0000-41900	Allocated Interest	(8,367)	0	10,000	7,587
Total:	(8,367)	0	10,000	17,587	7,587
249 - SA 2011 LOW/MOD BOND FUND (Refinanced in 20					
249-0000-41900	Allocated Interest	52,385	30,000	0	3,289
249-0000-41915	Non-Allocated Interest	181,649	0	170,000	317,581
Total:	234,034	30,000	170,000	490,870	320,870
HOUSING AUTHORITY REVENUE	1,587,806	353,000	741,000	1,437,457	696,457

		2017/18	2018/19	2018/19	2018/19	Variance w/
		Actuals	Original Budget	Final Budget	Actuals	Final Budget
241 - HOUSING AUTHORITY						
9101 - Housing Authority - Admin						
Salaries and Benefits						
241-9101-50101	Permanent Full Time	18,755	145,300	142,600	130,085	(12,515)
241-9101-50110	Commissions & Boards	1,550	3,000	3,000	750	(2,250)
241-9101-50150	Other Compensation	4	300	300	196	(104)
241-9101-50200	PERS-City Portion	6,032	9,200	9,900	10,878	978
241-9101-50210	PERS-Survivor Benefits	0	100	100	0	(100)
241-9101-50215	Other Fringe Benefits	5	0	0	2,262	2,262
241-9101-50221	Medical Insurance	1,868	31,100	31,500	22,129	(9,371)
241-9101-50222	Vision Insurance	32	0	0	337	337
241-9101-50223	Dental Insurance	65	0	0	1,482	1,482
241-9101-50224	Life Insurance	18	0	0	58	58
241-9101-50225	Long Term Disability	150	3,200	3,200	587	(2,613)
241-9101-50230	Workers Comp Insurance	3,000	2,600	2,600	2,600	0
241-9101-50240	Social Security-Medicare	266	2,100	2,200	1,936	(264)
241-9101-50241	Social Security-FICA	102	0	0	92	92
50 - Salaries and Benefits Totals:		31,845	196,900	195,400	173,391	(22,009)
Contract Services						
241-9101-60103	Professional Services	63,768	65,000	70,000	59,667	(10,333)
241-9101-60106	Auditors	6,050	5,000	5,000	5,000	0
241-9101-60125	Temporary Agency Services	7,166	5,000	0	0	0
241-9101-60153	Attorney	32,618	25,000	25,000	13,453	(11,547)
60 - Contract Services Totals:		109,603	100,000	100,000	78,120	(21,880)
Maintenance & Operations						
241-9101-60320	Travel & Training	1,018	2,000	2,000	1,611	(389)
241-9101-60400	Office Supplies	0	0	0	153	153
241-9101-60420	Operating Supplies	2,217	2,000	2,000	1,377	(623)
62 - Maintenance & Operations Totals:		3,235	4,000	4,000	3,141	(859)
Insurance						
241-9101-91843	Property & Crime Insurance	0	10,000	10,000	10,000	0
63 - Insurance Totals:		0	10,000	10,000	10,000	0
Internal Service Charges						
241-9101-91844	Earthquake Insurance	20,000	20,000	20,000	20,000	0
241-9101-98110	Information Tech Charges	8,400	18,100	18,100	18,100	0
69 - Internal Service Charges Totals:		28,400	38,100	38,100	38,100	0
9101 - Housing Authority - Admin Totals:		173,083	349,000	347,500	302,753	(44,747)
9102 - Housing Authority - Wash St Apts						
Contract Services						
241-9102-60160	Financial Expenses	1,193,428	0	0	0	0
60 - Contract Services Totals:		1,193,428	0	0	0	0

		2017/18 Actuals	2018/19 Original Budget	2018/19 Final Budget	2018/19 Actuals	Variance w/ Final Budget
Maintenance & Operations						
241-9102-60157	Rental Expenses	206,828	0	0	0	0
62 - Maintenance & Operations Totals:		206,828	0	0	0	0
Debt Service						
241-9102-61609	Interest Expense - Provident	79,256	0	0	0	0
241-9102-61610	Interest Expense - USDA	10,192	0	0	0	0
241-9102-61680	Principal Payment - Provident	36,600	0	0	0	0
241-9102-61681	Principal Payment - USDA	15,388	0	0	0	0
67 - Debt Service Totals:		141,436	0	0	0	0
9102 - Housing Authority - Wash St Apts Totals:		1,541,692	0	0	0	0
9103 - Housing Authority - LQRP						
Maintenance & Operations						
241-9103-60157	Rental Expenses	153,309	255,000	255,000	307,302	52,302
62 - Maintenance & Operations Totals:		153,309	255,000	255,000	307,302	52,302
9103 - Housing Authority - LQRP Totals:		153,309	255,000	255,000	307,302	52,302
241 - HOUSING AUTHORITY Totals:		1,868,084	604,000	602,500	610,055	7,555

		2017/18	2018/19	2018/19	2018/19	Variance w/
		Actuals	Original Budget	Final Budget	Actuals	Final Budget
243 - RDA LOW-MOD HOUSING FUND						
0000 - Undesignated						
Other Expenses						
243-0000-60532	Homelessness Assistance	259,000	250,000	267,667	166,666	(101,001)
64 - Other Expenses Totals:		259,000	250,000	267,667	166,666	(101,001)
0000 - Undesignated Totals:		259,000	250,000	267,667	166,666	(101,001)
243 - RDA LOW-MOD HOUSING FUND Totals:		259,000	250,000	267,667	166,666	(101,001)

		2017/18	2018/19	2018/19	2018/19	Variance w/
		Actuals	Original Budget	Final Budget	Actuals	Final Budget
248 - SA 2004 LO/MOD BOND FUND (Refinanced in 201						
9102 - Housing Authority - Wash St Apts						
Contract Services						
248-9102-60103	Professional Services	0	0	145,000	0	(145,000)
248-9102-60159	Relocation Benefits	228,870	0	1,200,000	954,480	(245,520)
248-9102-60185	Design/Construction	106,290	0	106,947	80,735	(26,212)
248-9102-60198	Planning & Development	12,823	0	0	0	0
60 - Contract Services Totals:		347,982	0	1,451,947	1,035,215	(416,732)
9102 - Housing Authority - Wash St Apts Totals:		347,982	0	1,451,947	1,035,215	(416,732)
2004 LO/MOD BOND FUND (Refinanced in 2014) Totals:		347,982	0	1,451,947	1,035,215	(416,732)

		2017/18 Actuals	2018/19 Original Budget	2018/19 Final Budget	2018/19 Actuals	Variance w/ Final Budget
249 - SA 2011 LOW/MOD BOND FUND (Refinanced in 2016)						
0000 - Undesignated						
Contract Services						
249-0000-60188	Construction	2,023,975	0	7,376,000	7,376,024	24
60 - Contract Services Totals:		2,023,975	0	7,376,000	7,376,024	24
Capital Expenses						
249-0000-80050	Affordable Housing Project Develop	0	0	40,000	0	(40,000)
68 - Capital Expenses Totals:		0	0	40,000	0	(40,000)
0000 - Undesignated Totals:		2,023,975	0	7,416,000	7,376,024	(39,976)
11 LOW/MOD BOND FUND (Refinanced in 2016) Totals:		2,023,975	0	7,416,000	7,376,024	(39,976)

City of La Quinta

HOUSING AUTHORITY MEETING: December 17, 2019

STAFF REPORT

AGENDA TITLE: RECEIVE AND FILE FISCAL YEAR 2019/20 FIRST QUARTER HOUSING AUTHORITY BUDGET REPORT AND APPROVE THE RECOMMENDED BUDGET ADJUSTMENTS

RECOMMENDATION

Receive and file fiscal year 2019/20 First Quarter Housing Authority Budget Report and approve the recommended budget adjustments.

EXECUTIVE SUMMARY

- The 2018/19 First Quarter Housing Authority Budget Report (Attachment 1) provides an update of the Authority's fiscal activities from July to September 2019.
- A budget report is prepared quarterly to assess the adopted budget and incorporate adjustments based on current economic conditions and operational requirements.

BACKGROUND/ANALYSIS

Throughout the fiscal year staff monitors its budget and proposes adjustments to reflect current conditions and ongoing operational needs. Requests are reviewed and discussed before recommending approval in the budget report . Funds with no adjustments from the originally presented 2019/20 Budget have been excluded from the report.

ALTERNATIVES

No alternatives are applicable.

Prepared by: Karla Romero, Finance Director

Approved by: Jon McMillen, Executive Director/City Manager

Attachment: 1. 2019/20 First Quarter Housing Authority Budget Report

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HOUSING AUTHORITY

FISCAL YEAR 2019/20 FIRST QUARTER BUDGET REPORT

The following is a summary of budgetary adjustments requested for the first quarter of fiscal year 2019/20. Account details are provided in Exhibit A and discussed in this report.

PROPOSED HOUSING AUTHORITY ADJUSTMENTS			
Fund	Revenues		Expenses
Housing Authority Fund (241)	\$	178,800	\$ -
Low-Mod Housing Fund (243)		18,000	-
2011 Bond Fund (249)		80,000	-
TOTAL FUND ADJUSTMENTS	\$	276,800	\$ -

REVENUES

Total revenue increases of \$276,800 are proposed and derive from two sources, interest and sales. Interest earnings in all Housing Funds require an increase. These increases reflect updated interest earning projections based on current cash balances for each fund and current investment portfolio interest rate returns. In addition, a vacant Housing Authority parcel was sold during the first quarter for \$58,800.

EXPENSES

During the first quarter, there are no proposed expenditure adjustments for any Authority fund. Below are pictures from the 2019 Thanksgiving resident luncheon at Washington Street Apartments.



Housing Authority (241)			
Account No.	Description	Revenues	Expenses
241-9101-41900	Allocated Interest	120,000	
241-9101-43500	Land Sale Proceeds	58,800	

RDA Low-Mod Housing (243)			
Account No.	Description	Revenues	Expenses
243-0000-41900	Allocated Interest	18,000	

2011 Bond (249)			
Account No.	Description	Revenues	Expenses
249-0000-41915	Non-Allocated Interest	80,000	

TOTAL ALL HOUSING FUNDS		276,800	-
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