



# INDIAN WELLS CITY COUNCIL

## April 6, 2023

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**To:** City Council  
**From:** Finance Department  
**Prepared by:** Kevin McCarthy, City Finance Director  
**Subject:** **Adoption of Proposed City of Indian Wells Goals and Policies Concerning the Use of the Mello-Roos Community Facilities Act of 1982 to Finance Public Facilities and Services**

### RECOMMENDED ACTION:

Council **ADOPTS** Resolution Approving Goals and Policies Concerning the Use of the Mello-Roos Community Facilities Act of 1982 to Finance Public Facilities and Services.

### SUMMARY:

The City has recognized the need for new development to be fiscally neutral and to pay for all public facilities and services necessary to serve the needs imposed by each new development.

The City has recently engaged in talks with the owners of undeveloped property seeking to develop projects and a special tax consultant to assist in establishing the City's first community facilities district ("CFD"). Community Facilities District No. 2023-1 (Public Safety) is proposed to be the City's first CFD to levy a special tax to fund public safety services in association with all new development. However, prior to the formation of the CFD, the City must adopt its local goals and policies described below.

The Mello-Roos Community Facilities Act of 1982, as amended, California Government Code Section 53311 *et seq.* (the "Act") requires public agencies to establish and adopt a "local goals and policy" document prior to establishing any CFD for the purposes of financing public improvements and services. Accordingly, the City Council has been provided the attached document, entitled the "City of Indian Wells Goals and Policies Concerning the use of the Mello-Roos Community Facilities Act of 1982 to Finance Public Facilities and Services" (the "CFD Goals and Policies").

The CFD Goals and Policies contain the requirements set forth in Section 53312.7 of the Act. As such, the City has established specific criteria to be used and followed regarding the formation and administration of CFDs. These goals and policies may be amended and updated by the City at any time.

Approval of the attached resolution and the CFD Goals and Policies satisfies the requirements of the Act and allows the City to proceed with the planned formation of Community Facilities District No. 2023-1 (Public Safety).

**FISCAL IMPACT:**

There is no fiscal impact on the City's general fund.

**ALTERNATIVES:**

Council provides alternative direction to staff.

**California Environmental Quality Act (CEQA):**

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that this resolution is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

**ATTACHMENTS:**

1. Resolution- Intention to Adopting Goals and Policies
2. Indian Wells Goals and Policies Concerning the Use of the Mello-Roos