

INDIAN WELLS CITY COUNCIL

March 6, 2025



To: City Council
From: Finance Department
Prepared by: Kevin McCarthy, City Finance Director
Subject: **Ordering the Levy and Collection of Assessments for the Special Fire Tax Standby and Availability Charges**

RECOMMENDED ACTIONS:

Council **OPENS** the Public Hearing, takes any public testimony, **CLOSES** the Public Hearing, and

ADOPTS Resolution approving the annual levy of the Special Fire Tax Standby and Availability Charges for the Fiscal Year 2025-26 and

ORDERS the Special Fire Tax levy to be placed on the Fiscal Year 2025-26 Riverside County tax roll.

FINDS the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

BACKGROUND:

Annually, the City Council is required to conduct a Public Hearing, solicit public input, and adopt a Resolution regarding the collection of levies for the Special Fire Tax Standby and Availability charges for the upcoming fiscal year. These levy collections are essential for enhancing fire safety services within the City. It is noteworthy that the Special Fire Tax Assessment for Fiscal Year 2024-25 will remain unchanged.

The City has entered into a contractual agreement with the Riverside County Fire Department to provide fire protection services. The Fire Station operates continuously, 24/7, with a dedicated team of five full-time personnel, including two firefighter paramedics trained in advanced life support. Indian Wells benefits from specialized fire service teams and rescue equipment, addressing critical needs such as vehicle accidents, hazardous materials incidents, confined space rescues, and swift water/flood rescues.

In 1980, Indian Wells voters approved a special tax of \$120 per household annually, specifically designated for fire suppression, paramedic services and equipment, and ladder truck services. The revenues generated from the Special Fire Tax are crucial to sustaining

the City's emergency services program, contributing approximately \$600,000 to the overall \$5.2 million annual fire services budget.

The Special Fire Tax Standby and Availability charges are calculated as follows:

For residential parcels with existing structures, such as single-family homes, the annual charge is set at \$120.00 per dwelling unit. Consequently, a parcel with a single residence is assessed at \$120.00 annually, while a duplex is charged \$240.00 annually.

The annual charge is \$60.00 per potential dwelling unit for residential parcels that are subdivided but remain undeveloped. This applies to parcels designated for residential development that have not been constructed. In these cases, the annual charge is \$60.00 per unit for each future residence that could be built on the parcel.

For vacant land parcels not subdivided, the annual charge begins at \$39.00 for the first acre or any portion thereof. For parcels larger than one acre but up to 50 acres, the charge is \$39.00 for the first acre plus \$6.50 for each additional acre, prorated for any portion over one acre. The charge for parcels between 50 and 100 acres is \$39.00 for the first acre, \$6.50 per acre for the next 49 acres, and \$2.60 per acre for the remaining acres up to 100, prorated for any portion over 50 acres. Parcels exceeding 100 acres are charged \$39.00 for the first acre, \$6.50 per acre for the next 49 acres, \$2.60 per acre for the subsequent 50 acres, and \$0.65 per acre for any portion exceeding 100 acres.

Additionally, in accordance with City Ordinance No. 170, non-residential land is subject to levies based on property improvements and usage. These charges are determined by the estimated fire flow requirements, as outlined in the Fire Prevention and Control Master Planning Guide published by the United States Department of Commerce.

FISCAL IMPACT:

There is no financial impact on the City. The voter-approved annual levy rate will remain consistent since this special tax is not subject to a CPI index. The levy collection in the Fiscal Year 2025-26 is \$600,000.

OPTIONS:

1. Approve the annual levy of the Special Fire Tax Standby and Availability Charges for the Fiscal Year 2025-26.
2. Decide against approving the annual levy.
3. Provide alternative instructions for the 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 the ordinance 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.

ATTACHMENT:

1. Fire Tax Resolution