

# INDIAN WELLS CITY COUNCIL

## November 6, 2025



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**To:** City Council  
**From:** Finance Department  
**Prepared by:** Kevin McCarthy, Finance Director  
**Subject:** **Annual Developer Impact Fee Report Fiscal Year 2024-25**

### RECOMMENDED ACTIONS:

Council **APPROVES** the Annual Developer Impact Fee Report for Fiscal Year 2024-25 as submitted; and

**FINDS** the project to action is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2).

### BACKGROUND:

Pursuant to California Government Code Section 66000 et seq., cities are required to prepare and present an annual accounting of developer impact fees collected, allocated, and expended. This report fulfills that statutory requirement and demonstrates the City's continued commitment to fiscal transparency and responsible growth management.

The Annual Developer Impact Fee Report provides a detailed summary of revenues, expenditures, and fund balances for each impact fee category. It ensures full compliance with State disclosure requirements by accounting for all transactions within 180 days of fiscal year-end. The report further demonstrates the City's ongoing commitment to sound financial stewardship, transparent governance, and equitable infrastructure investment.

Developer impact fees serve as a critical mechanism for aligning new development with community infrastructure needs. The funds support capital improvements, community amenities, and public facilities that preserve and enhance the quality of life in Indian Wells.

## Key Highlights:

- **Transparency and Accountability:** Demonstrates full compliance with State reporting requirements and reinforces public confidence in the City's fiscal management.
- **Infrastructure Investment:** Ensures that new development contributes its equitable share toward the cost of public facilities and improvements that serve the broader community.
- **Fiscal Stewardship:** Reflects prudent financial planning, strategic use of resources, and appropriate reimbursement of interfund advances to maintain project momentum.
- **Sustainable Growth:** Supports infrastructure and public amenity projects that sustain the City's exceptional service levels and community character as growth continues.

Detailed schedules of revenues, expenditures, and fund balances are provided in the attached report, including those subject to the five-year expenditure limitation under State law.

## **FISCAL IMPACT:**

During Fiscal Year 2024-25, the City collected a total of \$351,121 in developer impact fees. These funds were allocated to capital improvement and infrastructure projects consistent with the purpose for which they were collected. In certain instances, impact fee revenues reimbursed prior advances from other City funds to expedite public improvements.

### Summary of Developer Impact Fee Programs:

#### Park Facilities Fees

- Collected: \$1,434 Expended: \$1,434

Funds supported parkland development and recreational facility enhancements at the Indian Wells Golf Resort. Participants are no longer required to traverse the Whitewater channel or circumnavigate the Renaissance hotel. Now all the holes are aligned.

Improved hole alignment is expected to facilitate a new walkers program, thereby augmenting our annual rounds. Developing a walker's program, Resort Staff expects to see an increase in rounds, particularly during early mornings and late afternoons in the shoulder seasons. This enhanced capacity broadens player access and positively impacts our financial performance.

This program is expected to last several years, based on the completion of the Player's golf course and the expected rehabilitation of the Celebrity golf course.

#### Transportation Facilities Fees

- Collected: \$41,783 Expended: \$39,832

Fees funded the Warner Trail Right-Turn Lane Expansion Project, improving traffic flow during school peak hours and large-scale events such as the BNP Paribas Open. This multi-year program continues to support ongoing traffic management and safety improvements.

#### Recreation Facilities Fees

- Collected: \$31,861 Expended: \$27,905

The facility improvements were designed not only to enhance energy efficiency and sustainability but also to improve comfort and expand public use throughout the year. The installation of solar panel structures provided dual benefits — generating renewable energy to reduce operating costs while simultaneously creating shaded areas that enhance guest comfort during warm summer months.

These solar structures have become an integral part of the recreation facilities' design and operation. At the recreation complex, the shaded areas have attracted additional guests during the warmer months and have evolved into natural gathering spaces for residents, supporting daytime programming and community events that were previously limited by high temperatures. At the golf driving range, the shade structures have extended playability and guest activity into late afternoon and evening hours, creating opportunities for nighttime entertainment, lessons, and special events.

The solar components directly support increased public use while maintaining the City's long-term sustainability goals. By integrating renewable energy systems with functional facility enhancements, the City has reduced its carbon footprint, lowered operating costs, and created more inviting, versatile spaces that attract both residents and visitors. As a result, the improvements have contributed to measurable growth in facility utilization, including increased operational hours, rounds, covers, and overall guest participation.

#### Park-In-Lieu Fees

- Collected: \$185,720 Expended: \$420,183

Funds contributed to the completion of Fairway Park in partnership with the Desert Recreation District, improving neighborhood connectivity and recreation access. Phase II will introduce new shade structures to expand usability.

#### Citywide Public Improvement Fees

- Collected: \$16,505 Expended: \$15,851

Fees supported new directional and wayfinding signage throughout the City, improving traffic circulation and visitor navigation. This is part of an ongoing multi-year improvement plan.

#### Art in Public Places Fees

- Collected: \$77,818 Expended: \$131,881

The public art at the Indian Wells Golf Resort (IWGR) serves as a defining feature of the property, elevating it beyond a recreation venue into a destination that reflects the City's cultural values and aesthetic identity. The collection — prominently displayed throughout the clubhouse — celebrates the beauty of the Coachella Valley and the City's commitment to art, nature, and community.

Inside the clubhouse, guests are greeted by large-scale sculptural pieces inspired by the surrounding mountains, palms, and native flora. These works are complemented by metal and glass installations that capture the region's sunlight, creating dynamic reflections and a sense of movement throughout the day. Together, the art and architecture create a warm, elegant setting that honors both the natural environment and the refined experience for which IWGR is known.

The City Council has formally integrated Public Art at IWGR into its new strategic plan and goals for the coming year. By highlighting these installations as part of the City's broader vision, the Council has reinforced the role of art in fostering community engagement, enhancing public spaces, and promoting cultural identity.

Since the installation of these artworks, the City has observed measurable outcomes, including increased clubhouse visitation, higher attendance at public events, and greater participation in city events. Residents and visitors are now spending more time in the clubhouse and adjacent spaces, engaging with the art, and attending cultural and social events.

By integrating public art into the resort's design and strategic initiatives, the City has transformed the clubhouse into a civic showcase — a space that encourages residents and visitors to engage in art in a relaxed, social environment. The program enhances aesthetic appeal, fosters community pride, supports measurable growth in public participation, and underscores Indian Wells' long-standing commitment to cultural enrichment and quality public spaces.

#### Storm Drain Facilities Fees

- Collected: \$0 Expended: \$0

No revenue was collected during Fiscal Year 2024-25.

## **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 action is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

## **ATTACHMENTS:**

1. Fee Report – Fiscal Year 2024-25