

INDIAN WELLS CITY COUNCIL

March 5, 2026



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 2026-27; and

ORDERS the Special Fire Tax levy to be placed on the fiscal year 2026-27 Riverside County tax roll; and

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 obligated to conduct a Public Hearing, receive public comments, and enact a Resolution pertaining to the annual collection of levies for the Special Fire Tax Stand By and Availability charges for each upcoming fiscal year. These levy collections are crucial in enhancing Fire Safety services within the City. Notably, the Fiscal Year 2026-27 Special Fire Tax Assessment will remain unchanged.

The City has entered into a contractual arrangement with the Riverside County Fire Department to secure fire services. The Fire Station is operational around the clock, 365 days a year, with a dedicated team of five full-time personnel, including two firefighter paramedics trained in advanced life support. Indian Wells benefits from specialized fire services teams and rescue equipment, addressing needs such as vehicle accidents, hazardous materials services, confined space rescues, and swift water/flood rescues.

In 1980, Indian Wells voters endorsed a special tax of \$120 per home annually. This special tax is earmarked for fire suppression, paramedic services and equipment, and ladder truck services. The revenues generated from the Special Fire Tax play a pivotal role in sustaining

the City's emergency services program, contributing approximately \$600,000 to the overall \$6.4 million annual fire services budget.

Calculations of the Special Fire Tax Standby and Availability charges

For residential parcels with structures (e.g., single-family homes), the annual charge is \$120.00 per dwelling unit. Therefore, a parcel with a single house would incur a yearly fee of \$120.00, while a duplex unit would be charged \$240.00 annually.

For residential parcels without structures (subdivided but undeveloped), the annual charge is \$60.00 per dwelling unit. This applies to parcels earmarked for residential use yet to be developed. In such cases, the cost is \$60.00 per year for each home that could be built on the parcel.

For vacant land parcels not subdivided, the annual charge is a minimum of \$39.00 for the first acre or portion thereof. The charge for parcels over 1 acre through 50 acres is \$39.00 for the first acre plus \$6.50 per acre, prorated for any portion over one acre. Parcels over 50 acres through 100 acres incur a charge of \$39.00 for the first acre plus \$6.50 per acre for acres 2 through 50 and \$2.60 per acre, prorated for any portion over 50 acres. Parcels over 100 acres are charged \$39.00 for the first acre plus \$6.50 per acre for acres 2 through 50, \$2.60 per acre for acres over 50 through 100, and \$0.65 per acre, prorated for any portion over 100 acres.

Furthermore, in alignment with City Ordinance No. 170, non-residential land is subject to levies based on property improvements and usage. This is determined by estimated fire flow requirements, following the formula outlined in the Fire Prevention and Control Master Planning Guide distributed 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 2026-27 is \$600,000.

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. Resolution