

INDIAN WELLS CITY COUNCIL

March 2, 2023



To: City Council
From: Finance Department
Prepared by: Kevin McCarthy, Finance Director
Subject: **Resolution Approving Special Fire Tax Standby and Availability Charges Annual Levy**

RECOMMENDED ACTION:

City 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 2023-24; and

ORDERS the Special Fire Tax levy to be placed on the fiscal year 2023-24 Riverside County tax roll.

SUMMARY:

Annually, the City Council is required to hold a Public Hearing, take comments from the public, and adopt a Resolution for the annual collection of levies for the Special Fire Tax Stand By and Availability charges for each new fiscal year. The levy collections upgrade Fire Safety services within the City. The Fiscal Year 2023-24 Special Fire Tax Assessment remains the same.

The City contracts with the Riverside County Fire Department for fire services. The Fire Station is staffed 24 hours a day, 365 days per year, with five full-time personnel, including two firefighter paramedics trained in advanced life support. Indian Wells has access to specialized fire services teams and rescue equipment for vehicle accidents, hazardous materials services, confined space rescues, and swift water/flood rescues.

Background

In 1980, Indian Wells voters approved a special tax of \$120 per home per year. The special tax is used for fire suppression, paramedic services and equipment, and ladder truck services. Special Fire Tax revenues are vital to the City's emergency services program contributing approximately \$600,000 of the \$5.2 million annual fire services budget.

Calculations of the Special Fire Tax Standby and Availability charges

For parcels classified for residential use with structure value (improved with a structure such as a single home), the charge will be \$120.00 per year per dwelling unit. For example, a parcel with a single house would pay \$120.00 per year, while a parcel with a duplex unit would pay \$240.00 per year.

For parcels classified for residential use without structure value (subdivided improved without a structure), the charge will be \$60.00 per year per dwelling unit. A parcel of land subdivided for residential use but has yet to have any development will be charged \$60.00 per year for each home that could be built on that parcel.

For parcels classified as vacant land and not subdivided, the charge will be a minimum of \$39.00 for the first acre or portion thereof per year. For vacant parcels not subdivided with over 1 acre through and including 50 acres, the charge will be \$39.00 for the first acre plus \$6.50 per acre prorated for any portion of an acre over one acre per year.

For vacant parcels not subdivided with over 50 acres through and including 100 acres, the charge will be \$39.00 for the first acre plus \$6.50 per acre for acres 2 through 50 plus \$2.60 per acre prorated for any portion of an acre, over 50 acres, per year. For vacant parcels not subdivided with over 100 acres will be \$39.00 for the first acre plus \$6.50 per acre for acres 2 through 50 plus \$2.60 per acre for acres over 50 through 100 plus \$0.65 per acre prorated for any portion of an acre, over 100 acres, per year.

Additionally, in accordance with City Ordinance No. 170, all non-residential land shall be levied upon the class of improvements to property and the use of property basis utilizing estimated fire flow requirements determined in accordance with the formula contained in the Insurance Services Office guidelines in the Fire Prevention and Control Master Planning Guide distributed by the United States Department of Commerce.

City Ordinance No. 170 references a document the United States Department of Commerce produced. This document is no longer in production and has been replaced by Riverside County Fire Flow regulations. The City of Indian Wells has adopted these County regulations through Ordinance Nos. 370 and 451 and are part of the City's Municipal Code. Fire Flow requirements are primarily consistent though the location of the authority has changed from National to Local.

FISCAL IMPACT:

There is no financial impact on the City. Since this special tax is not subject to a CPI index, the voter-approved annual levy rate will remain consistent. The levy collection in the fiscal year 2023/24 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