

INDIAN WELLS CITY COUNCIL

November 3, 2022



To: City Council
From: Finance Department
Prepared by: Ruby Walla, Assistant Finance Director
Subject: **Annual Developer Impact Fee Report**

RECOMMENDED ACTION:

Council **APPROVES** the Annual Developer Impact Fee Report submitted for the Fiscal Year 2021-22.

BACKGROUND:

Within 180 days after the last day of the fiscal year, the City must report on the use of developer impact fees collected within the City. The City created separate funds to account for the collection of developer's fees.

The City remains in compliance pursuant to the conditions outlined in California Government Code Chapter 5, Section 66000. The attached schedules denote the expenditures to date and total revenues subject to the five-year limitation established by the California Government Code.

FISCAL IMPACT:

During Fiscal Year 2021-22, the City collected \$1,117,747 in developer fees and Special District contributions to fund various capital projects throughout the City. In some cases, developer fees are used to reimburse "advances" that come from other funds. Advances allow for the immediate construction of a public improvement rather than delaying the general progress until the necessary developer fees are collected.

Park-in-Lieu fees

Park-in-Lieu fees are used for the construction of recreation and open spaces. In 2022, the City collaborated with the Desert Recreation District to purchase open space to construct a passive park.

The City collected \$692,999 in Park-in-Lieu fees and Special District contributions from the Desert Recreation District during the fiscal year 2021-22. On June 30, 2022, the remaining advance was \$1,483,512.

Citywide Public Improvement fees

Citywide Public Improvement fees are used to acquire and construct general capital improvement projects. The City collected \$241,433 in Citywide Public Improvement fees during the Fiscal Year 2021-22. In 2005, the City advanced the Citywide Public Improvement fund of \$3,750,000 to build a portion of the Miles Avenue Bridge Project. Since 2005, the City has collected \$3,300,823 for this purpose. As of June 30, 2022, the remaining advance was \$449,177.

Art in Public Places fees

Art in Public Places fees is used to support public art and culture. The City collected \$161,488 in Art in Public Places fees during the Fiscal Year 2021-22. The City is developing a new Art in Public Places project consistent with Council Goals. As of June 30, 2022, the cash balance in the Art in Public Places fund was \$311,734.

Highway 111 Circulation Improvement fees

Highway 111 Circulation Improvement fees finance capital improvements along Highway 111. The City collected \$49,725 in Highway 111 Circulation Improvement fees during the Fiscal Year 2021-22. These fees were applied to pay down the advance of a previous Highway 111 landscape project. As of June 30, 2022, the Highway 111 landscape project has been paid off. As of June 30, 2022, the fund balance is \$19,659.

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. Annual Developer Impact Fees Report
2. DVBA Correspondence

**City of Indian Wells
Park - in - Lieu Fees - Fund 314
As of June 30, 2022**

The fees collected by this fund are used for the acquisition, construction, and maintenance of parks, recreation and open space capital improvement projects. Fee Schedules are available in the Building Department.

PART 1**Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Revenue	692,999	40,194	82,504	49,168	40,376	2,064,020
Interest	-	4	-	-	-	126,170
TOTAL REVENUE	692,999	40,198	82,504	49,168	40,376	2,190,190
Expenditures	1,073,726	-	-	-	-	3,505,221
Capital Reserve	-	-	-	-	-	-
Revenue Over (Under) Expenditures	(380,727)	40,198	82,504	49,168	40,376	(1,315,031)
Beginning Fund Balance	(1,102,785)	(1,142,983)	(1,225,487)	(1,274,655)	(1,315,031)	(1,356,887)
Ending Fund Balance	(1,483,513)	(1,102,785)	(1,142,983)	(1,225,487)	(1,274,655)	(1,315,031)

PART 2**Compliance With Government Code 66001****Projects:**

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Parkland Acquisition	1,073,726	-	-	-	-	-
Community Development	-	-	-	-	-	9,480
GRIW Sand Trap Renovation	-	-	-	-	-	342,437
GRIW Greens	-	-	-	-	-	187,862
GRIW Landscape	-	-	-	-	-	302,027
GRIW Sprinkler Replacement	-	-	-	-	-	212,094
GRIW Equipment Acquisition	-	-	-	-	-	280,226
GRIW Course Construction	-	-	-	-	-	2,171,095
TOTAL	1,073,726	-	-	-	-	3,505,221
Expenditures to Date	4,578,947					

Expenditures to Date	Total Revenues Subject to 5 yr Limitation Through 6/30/17	Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/22
4,578,947	2,190,190	2,388,757

**City of Indian Wells
Citywide Public Improvement Fee - Fund 315
As of June 30, 2022**

**The fees collected by this fund are used for the acquisition and construction of general governmental capital improvement projects.
Fee Schedules are available in the Building Department.**

**PART 1
Cash Balance, Revenue, Expenditures, Ending Cash Balance**

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Revenue	241,433	79,648	151,829	104,538	82,137	5,767,713
Interest	(12,119)	(67)	1,970	-	-	873,139
TOTAL REVENUE	229,314	79,581	153,799	104,538	82,137	6,640,852
Expenditures	229,314	154,081	79,300	102,049	84,626	6,640,851
Revenue Over (Under) Expenditures	-	(74,500)	74,499	2,489	(2,489)	1
Beginning Fund Balance	(0)	74,500	1	(2,488)	1	1
Ending Fund Balance	(0)	(0)	74,500	1	(2,488)	1

**PART 2
Compliance With Government Code 66001**

Projects:

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Civic Cntr Corp Yard						74,024
Civic Center Dev						18,465
Sheriff Sub Station						6,133
Add'l Bus Shelters						37,800
Emg. Generator						12,500
Council Cham. Modif.						16,371
ADA Upgrade-City Hall						2,847
Racquet Cl. Signal						21,322
Racquet Cl. Entrance						9,788
Hwy 111 Medians						22,301
City Hall Expansion						1,132,499
Civic Center Improvements						136,073
Miles Ave Bridge	229,314	154,081	79,300	104,538	82,137	2,651,453
Transfers Out						2,417,138
TOTAL	229,314	154,081	79,300	104,538	82,137	6,558,714
Expenditures to Date	7,208,084					

Expenditures to Date	Total Revenues Subject to 5 yr Limitation Through 6/30/17	Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/22
7,208,084	6,640,852	567,232

**City of Indian Wells
 Art in Public Places - Fund 319
 As of June 30, 2022**

The fees collected by this fund are used to support art and culture throughout the city.
 Fee Schedules are available in the Building Department.

PART 1

Cash Balance, Revenue, Expenditures, Ending Cash Balance

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Revenue	161,488	15,630	26,283	15,092	25,169	1,418,012
Interest	(14,702)	365	4,741	5,602	1,287	167,229
TOTAL REVENUE	146,786	15,995	31,024	20,694	26,456	1,585,241
Expenditures	-	-	41,259	5,717	558,606	904,892
Revenue Over (Under)						
Expenditures	146,786	15,995	(10,235)	14,977	(532,150)	680,348
Beginning Fund Balance	164,948	148,954	159,189	144,212	676,362	354,334
Ending Fund Balance	311,734	164,948	148,954	159,189	144,212	676,362

PART 2

Compliance With Government Code 66001

Projects:

	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	Prior Years
Planning						186
Art study						3,029
Path of the Bighorn Ram Art						12,000
Grove Gate North						529
City Monuments						45
Civic Center Enhance.						98
Walk of Honor Memorial						326,416
Entrance Signs						80,809
Indian Wells Lane Fountains						65,800
Indian Wells Golf Resort						224,061
Cook/Hwy 111 Entry Monuments	-	-	41,259	5,717	558,606	5,081
Carl Bray Interpretive Exhibit						191,919
TOTAL	-	-	41,259	5,717	558,606	909,973

Expenditures to Date 1,515,556

Expenditures to Date	Total Revenues Subject to 5 yr Limitation Through 6/30/17	Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/22
1,515,556	1,585,241	(69,685)

City of Indian Wells
Highway 111 Circulation Improvement Fee - Fund 321
As of June 30, 2022

The fees collected by this fund are used to finance Highway 111 capital improvement projects.
 Fee Schedules are available in the Building Department.

PART 1

Cash Balance, Revenue, Expenditures, Ending Cash Balance

	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/19</u>	<u>06/30/18</u>	<u>Prior Years</u>
Revenue	49,725	-	-	-	1,950	193,278
Interest	(1,077)	-	-	-	-	60,354
TOTAL REVENUE	48,648	-	-	-	1,950	253,632
Expenditures	-	-	-	-	-	284,571
Capital Reserve						
Revenue Over (Under) Expenditures	48,648	-	-	-	1,950	(30,939)
Beginning Fund Balance	(28,989)	(28,989)	(28,989)	(28,989)	(30,939)	(30,939)
Ending Fund Balance	19,659	(28,989)	(28,989)	(28,989)	(28,989)	(30,939)

PART 2

Compliance With Government Code 66001

Projects:

	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/19</u>	<u>06/30/18</u>	<u>Prior Years</u>
Hwy. 111 Landscape Replacement						283,963
Hwy. 111 Medians						48
Hwy. 111 Medians						560
TOTAL	-	-	-	-	-	284,571
Expenditures to Date	284,571					

<u>Expenditures to Date</u>	<u>Total Revenues Subject to 5 yr Limitation Through 6/30/17</u>	<u>Excess Expenditures=In Compliance (Under) Expenditures=Non-Compliance As of 6/30/22</u>
284,571	253,632	30,939