

## **SECTION 13.0 MSR DETERMINATIONS**

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The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 requires that each LAFCO in California be responsible for conducting a review of the municipal services in their specific county. LAFCOs must complete a service review before updating or adopting a Sphere of Influence. As part of this effort, Government Code §56430 requires LAFCOs to make written determinations in nine areas. Following are the written determinations for the Western Coachella Valley:

### **13.1 Infrastructure Needs or Deficiencies**

*Purpose: To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities, and service quality.*

The cities have each planned for road and drainage infrastructure needs in their respective Capital Improvement Programs. The projects will be implemented through development as conditions of approval or, if not development related, as funding permits.

Cathedral City has identified four road segments that are anticipated to operate at a Level of Service F at build-out: Ramon Road, west of Landau Boulevard; Palm Drive, south of Date Palm Drive; Date Palm Drive, north of Vista Chino; and East Palm Canyon Drive, east of Date Palm Drive. To relieve this condition, additional through lanes may be needed which could require property acquisition.

The City of Desert Hot Springs has a CIP Maintenance program; the City notes that the program's budget has been reduced. With the increasing inventory and infrastructure for public streets it will be a challenge to maintain existing roads as well as new roads and infrastructure.

Desert Hot Springs is subject to severe flooding from storms, which can isolate the community. Only Pierson Boulevard has an all-weather crossing to maintain accessibility during major flooding events. Highway 62 has low flow facilities that would not be adequate. The City has funded an effort to address the full range of circulation issues. As the City expands its overall ability to fund circulation improvements through developer agreements, grants and fees, circulation improvements addressing both convenience and safety will be prioritized.

Cathedral City, Desert Hot Springs and Palm Springs have their own police departments, while Indian Wells, Palm Desert and Rancho Mirage contract with the Riverside County Sheriff. Staffing for the Cathedral City Police Department is below the adopted service standard of 1.5 sworn officers per 1,000 residents.

Cathedral City and Palm Springs have their own fire departments, while Desert Hot Springs, Indian Wells, Palm Desert and Rancho Mirage contract with the Riverside County Fire Department for services. County Service Area 60 (Pinyon) provides funding for enhanced fire protection within its boundaries.

City contracts with the County are negotiated individually by the cities and are based on levels of service. The County of Riverside contracts with the California Department of Forestry and Fire Protection to administer and staff the County Fire Department. Personnel rates, employee benefits and administrative costs are determined by the State of California. The following infrastructure needs were noted by the agencies:

- Cathedral City will need a new fire station to serve new development north of Interstate 10 in order to avoid longer response times, inadequate staffing based on population, and potential risk hazards associated with the area.
- The Cathedral City Fire Department has identified the following infrastructure needs: 1) replacement of Station 411 downtown; 2) replacement of an aging Type-1 engine; 3) full-time staffing for a third medic ambulance; and 4) staffing for a fourth truck company.
- The City of Desert Hot Springs has identified the following needs in the next five years: 1) additional staffing for the second engine, with 3 personnel and paramedic services; 2) an additional fire station on the west end of the city; 3) an additional station to serve the east end of the city; and 4) the addition of a Fire Safety Specialist position.
- The City of Palm Desert has identified the need for a new fire station in the vicinity of Cook Street and Interstate 10 in order to serve future growth in the northern portion of the City.
- The Palm Springs Fire Department has identified the following needs over the next five years: 1) upgrade to 3-person staffing on all engine companies; 2) acquire an aerial ladder truck and two fire engines; 3) construct a sixth station to serve the northeastern portion of the City; 4) develop mobile GIS mapping and data terminals for engines; 5) replace the fire training classroom; and 6) staff a Fire Prevention Supervisor position.

All of the cities, with the exception of Palm Springs, have a shortage of parkland based on their adopted standard, or in absence of an adopted standard, the standard for the Quimby Act. Cathedral City is significantly below a standard of 3.0 acres per thousand of population, having 0.87 acres per 1,000 residents. Cathedral City adopted a Parks and Recreation Master Plan in 2005 that establishes goals for park development. The City of Rancho Mirage has 1.35 acres per 1,000 residents.

The California Public Resources Code (Section 41780) requires that agencies implement recycling programs that achieve a diversion rate of 50 percent by 2000. For the Year 2004 reporting period, Desert Hot Springs reported a rate of 11 percent; the City has taken steps to open discussions with the contract hauler to immediately improve the rate of diversion. The other cities achieved 54 percent or better.

Palm Springs and Rancho Mirage own and operate their own city libraries. The Rancho Mirage Public Library opened in 2006 and serves the city as well as Indian Wells. The City of Palm Springs has completed a study identifying the need to expand the existing library by 25,000 square feet in order to serve the needs of the City over the next 20 years. The City has noted that a satellite facility is needed to serve North Palm Springs, an area which is underserved due to lack of transportation.

The infrastructure needs within the County Service Areas are addressed by the County of Riverside through the Economic Development Agency, as the managing agency. Projects are implemented subject to available funding, which may include federal grants and redevelopment funds.

### **13.2 Growth and Population**

*Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.*

The western Coachella Valley has some of the highest projected growth rates within Riverside County. The population is expected to increase by 220,000 residents by Year 2030. Based on the 2007 locally generated projections, the highest average annual projected growth rates are for Desert Hot Springs at 8.6 percent and the unincorporated area at 13.5 percent. This projected growth will result in increased demand for public facilities and services.

Growth and development that occurs within outlying areas will impact service levels and needs to a greater degree than if it occurred within core development areas that have existing services and facilities.

### **13.3 Financing Constraints and Opportunities**

*Purpose: To evaluate a jurisdiction's capacity to finance needed improvements and services.*

The cities within the western Coachella Valley are highly dependent upon revenue from sales tax, transient occupancy tax, and property taxes to finance municipal services. The City of Cathedral City, formed after Proposition 13, does not share in the ad valorem tax. In addition, Indian Wells, Palm Desert and Rancho Mirage are no/low property tax cities. Each of the cities has an active Redevelopment Agency that provides significant revenue for community redevelopment.

The voters within the region have generally approved increases in the transient occupancy tax (paid by visitors) and rejected increases that would affect residents and property owners. Consequently, the cities actively promote tourism and support projects that will increase this revenue as well as sales tax revenue.

Several of the cities, including Desert Hot Springs, Palm Desert, and Rancho Mirage have special taxes to fund services such as fire protection.

Cathedral City is challenged to operate with a balanced General Fund budget. The voters' decision in 1999 to not continue taxation for the Community Services District, which funded police, recreation and parks and street lighting, has impacted the City's financial condition. The City's opportunities to increase funding are limited as the voters have rejected a utility users tax and increase to the sales tax. They have approved an increase in the transient occupancy tax, and the City is actively pursuing commercial and tourism development.

The City of Desert Hot Springs is implementing policies and practices to improve financial stability. The City has emerged from a Chapter 9 bankruptcy, although with increased debt. The City adopted a fiscal policy in order to maintain financial solvency and improve financial performance. Desert Hot Springs does not currently have a balanced operating budget, although the amount needed from reserves to cover operational appropriations has been significantly reduced from the prior year.

The City of Palm Springs has had a budgeted deficit in its Operating Fund for the past three years. This financial condition is improving through economic and development growth. The City established a Community Facilities Public Safety District in 2005 which provides a new source of funding for public safety services.

### **13.4 Cost Avoidance Opportunities**

*Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.*

Cathedral City appropriations for police services have increased due to overtime resulting from low staffing levels. There are a number of vacant positions, but they are expected to remain unfilled due to budget constraints.

The City of Palm Desert contracts with the Coachella Valley Recreation and Park District to operate and schedule some of its facilities, including the Palm Desert Community Center and Civic Center Park. The City's Parks and Recreation Commission is evaluating whether there would be economies and greater benefit by detaching from the District and delivering those services directly or through contract with a private entity.

### **13.5 Opportunities for Rate Restructuring**

*Purpose: To identify opportunities to impact rates positively without decreasing service levels.*

The cities within the study area review rate structures for services and adjust them as needed.

The rates for the County Service Areas are reviewed annually in accordance with County policy; an updated rate structure is adopted and approved by the County Board of Supervisors.

### **13.6 Opportunities for Shared Facilities**

*Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.*

Several agencies within the Coachella Valley, including Cathedral City, Desert Hot Springs and the Riverside County Fire Department,, are implementing a coordinated, comprehensive communications network for voice and data in a mobile environment.

The Cathedral City Fire Department and Palm Springs Fire Department have an Automatic Aid agreement. All fire agencies within the Coachella Valley participate in the county-wide mutual aid agreement. (Automatic Aid is assistance dispatched automatically by contractual agreement between two fire agencies. Mutual aid occurs on a case by case basis.)

All of the law enforcement agencies within the Coachella Valley participate in a mutual aid agreement.

The Cove Community Services Commission, comprised of the cities of Palm Desert, Indian Wells and Rancho Mirage, provides a means for the three cities to cooperate on services. Although the cities no longer contract through the Commission for fire service, the Commission is used to provide fiscally responsible, well-coordinated and effective programs including park and recreation facilities, the Joslyn Senior Center, the Children’s Discovery Museum of the Desert, and general law enforcement issues.

The City of Indian Wells has entered into an agreement with the City of Rancho Mirage so that Indian Wells residents may use the new Rancho Mirage Public Library.

### **13.7 Government Structure Options**

*Purpose: To consider the advantages and disadvantages of various government structures to provide public services.*

The agencies within the study area have the ability to continue to provide services within their respective boundaries for the foreseeable future with no change in government structure.

The County Service Areas within the study area were all established prior to Proposition 13, with the exception of CSA 152 – Countywide Streetsweeping. The current government structure is serving the intended purpose of providing an enhanced level of services. Should adjacent areas continue to develop or land uses change, the means in which the services are provided should be evaluated to determine if there is a more beneficial government structure.

### **13.8 Evaluation of Management Efficiencies**

*Purpose: To evaluate the internal organizational structure of the jurisdiction.*

The agencies within the study area each have adopted budgets and undergo an annual independent audit.

The City of Desert Hot Springs has had significant management issues in the past. The City Council hired a new City Manager and City Attorney in 2006. Incremental changes are being implemented to improve both management and economic stability, including elimination of some positions and leadership changes in some departments.

### **13.9 Local Accountability and Governance**

*Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management process.*

The agencies within the study area provide public notice and hold meetings in accordance with the requirements of the Brown Act. The cities all have websites which contain information on the City and its elected officials. Cathedral City, Indian Wells, Palm Desert, Palm Springs and Rancho Mirage post City Council meeting agendas and minutes; some include video recordings of the minutes. Desert Hot Springs only post City Council agendas. The City should consider posting minutes as well.

The City of Desert Hot Springs has a history of discordant government leadership, which has impaired its political standing and progress toward creating a solid, diverse economic foundation. The City has not successfully fostered collaborative relationships with the other Coachella Valley cities on regional or boundary issues. With the expected growth in the region, and much of it anticipated to occur within Desert Hot Springs, it will be increasingly important for the City to establish stability in leadership and build working relationships with other agencies.