

SECTION 6.0 CITY OF INDIAN WELLS

6.1 City Profile

The City of Indian Wells (City) is located in the western Coachella Valley south of Interstate 10. The City is bound by Palm Desert on the north and west, La Quinta on the east and unincorporated County lands to the south. The southern city limits include a portion of the Santa Rosa Mountains, an area which is designated as open space. Indian Wells is a world-renowned resort destination with a strong tourism market; resort hotel properties, restaurants, and general retail centers are the three primary economic components of the tax base. The current city boundaries encompass approximately 15 square miles. The City's Sphere of Influence is coterminous with its boundary (see *Figure 6.1, City of Indian Wells*).

The City provides a full range of municipal services including: construction and maintenance of streets and infrastructure; planning and community development; building and safety; recreational activities; arts and culture; and parks. The City contracts with Riverside County for police and fire protection. The Indian Wells Redevelopment Agency (RDA) is providing economic stimulus, including the creation of affordable housing, within the Consolidated Whitewater Project Area. This area encompasses 5.3 square miles and is bounded by Fred Waring Drive on the north, the Palm Desert City limits on the west, the Deep Canyon storm channel on the south, unincorporated County land, and the La Quinta City limits on the east. The area is bisected by Highway 111 and contains the majority of developed land within the City.

**Table 6.1
Indian Wells Profile**

General Information	
City Hall Address:	44-950 Eldorado Drive Indian Wells, CA 92210 (760) 346-2489 www.cityofindianwells.org
Date of Incorporation:	July 14, 1967
Form of Government/Type of City:	Council-Manager/Charter
Area:	15.04 square miles
Population:	4,732 (Year 2005) / 11,065 (Year 2030) Average Annual Growth Rate = 5.4%
General Fund Operating Budget (FY 2006-2007):	Revenues: \$14,933,356 Expenditures: \$9,574,585
GANN Appropriations Limitation / Percentage:	\$51,822,397 / 21.29%
General Plan	1996 / Housing Element 2000
Services included in this MSR	
Law Enforcement:	Riverside County Sheriff , contract
Fire Protection:	Riverside County Fire Department – 1 station

Solid Waste/Recycling:	Burrtec Industries, Inc. (franchise agreement)
Stormwater/Drainage:	Public Works, Coachella Valley Water District, Riverside County Flood Control District
Roadways/Circulation:	Public Works
Recreation and Parks:	36 hole municipal golf course, 3.6 miles of paved bicycle paths
Library Services:	City of Rancho Mirage (by agreement)
Animal Control Services:	Riverside County, by contract
Code Enforcement:	Public Safety Dept., 1 code enforcement officer

Water and Wastewater Services: The Coachella Valley Water District serves the City of Indian Wells. These services are addressed in the *Coachella Valley Water and Wastewater Municipal Service Review* (2004).

6.2 Governance

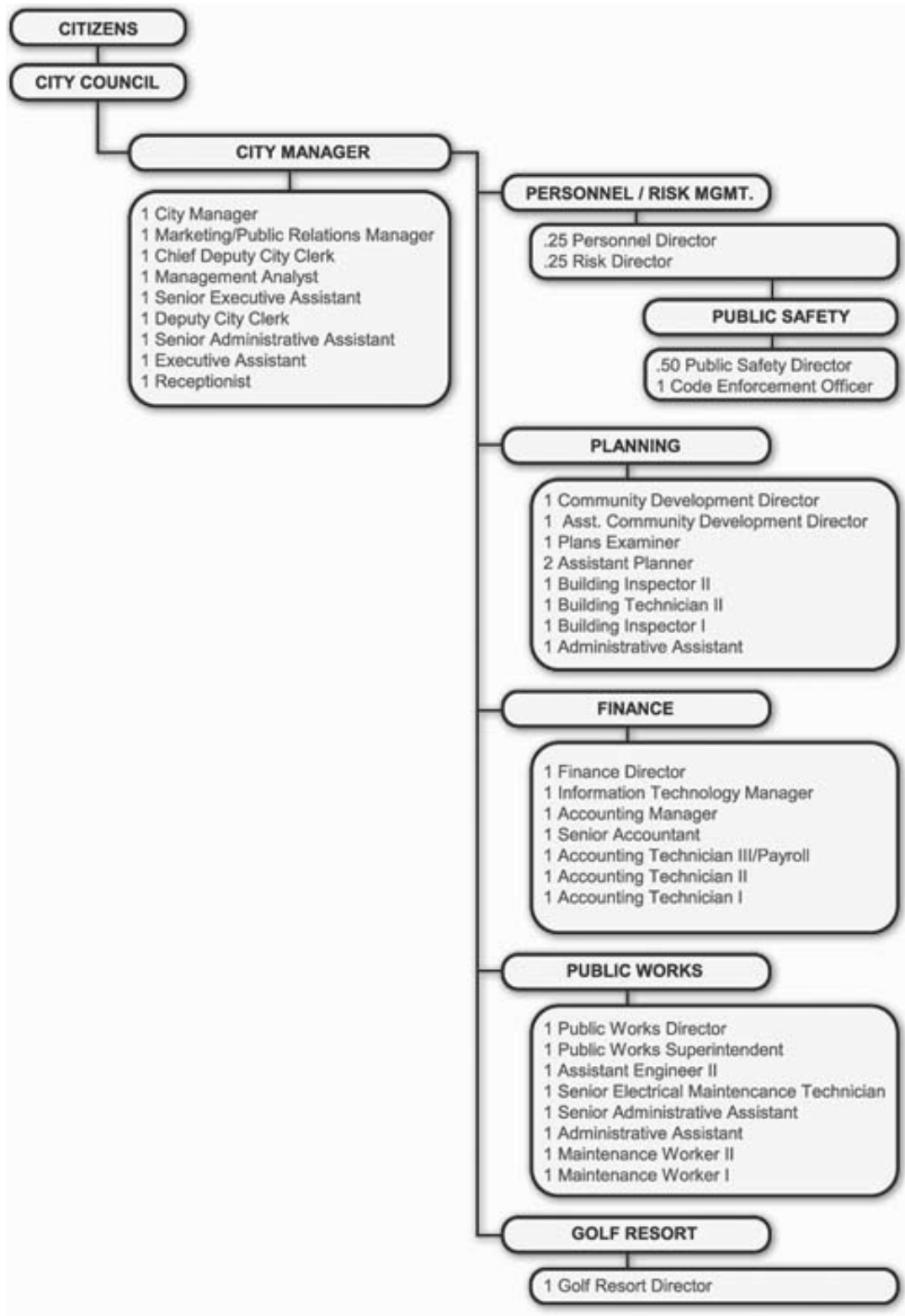
The City was incorporated in 1967 under the General Laws of the State of California. The voters approved a City charter in 2003. The City operates under a Council-Manager form of government. Policy making and legislative responsibility are under the authority of the City Council consisting of the mayor and four other members, all elected on a non-partisan basis. Council members serve four-year terms. The Council appoints the City Manager and City Attorney. The City Manager is responsible for implementing policies as directed and established by the Council, and manages administrative and operational functions through City staff departments (see *Figure 6.2, City of Indian Wells Organization Chart*). The City Council meets in Council Chambers at City Hall the first and third Thursday of each month at 1:30 p.m. City Council meeting agendas and minutes are available on the City’s website (www.cityofindianwells.org). As part of the commitment to local accountability, senior management staff from the City attends all Indian Wells HOA meetings in order to give presentations on City projects and answer questions on City services and programs.

6.3 Financial Condition

Indian Wells is a no/low property tax city; therefore, the City’s General Fund revenues are primarily generated from tourism through the transient occupancy tax and sales tax. In November 2006 the voters overwhelmingly approved Measure P, which imposes the following: 1) a 9.25 percent transient occupancy tax on condominium hotels; 2) a \$25 per day tax on condominium hotel units where owners live in their units for more than 60 days per year; and 3) an annual fee of \$2,400 per unit in condominium-hotels which entitles the owner to use the City’s golf resort. The City also has an admissions tax for entertainment venues. In November 2005 the voters approved an amendment to the Municipal Code granting authority for the City Council to increase the Admissions Tax from 5 percent to 10 percent as

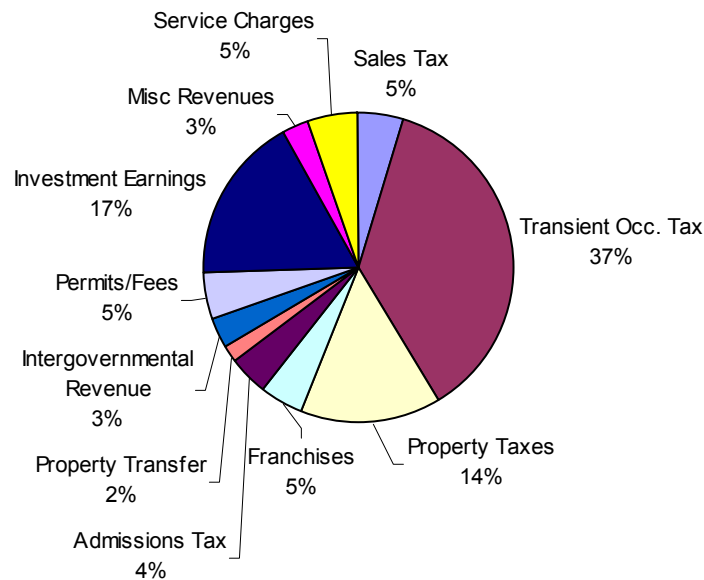
Insert Figure 6.1 – City of Indian Wells

Figure 6.2, City of Indian Wells Organization Chart



necessary to pay for public services and offset costs associated with any entertainment, amusement or recreational activity for which admission is charged. The City is working with developers to construct two new hotels within the city. Long-term growth includes development of a restaurant row along Highway 111 and a high-end town center shopping experience next to the Indian Wells Tennis Gardens. These projects would generate additional sales tax and transient occupancy tax revenue. The budgeted General Fund revenues for FY 2007 are shown below in *Figure 6.3, City of Indian Wells General Fund Revenues, FY 2007 Budget*:

Figure 6.3 – City of Indian Wells General Fund Revenues, FY 2007 Budget



Note: \$10 million transfer from reserves to General Fund is not included.

The City adopts a biennial budget, with the current budget covering FYs 2006-2007 and 2007-2008. This enables the City to benefit from cost efficiencies while providing a long-term evaluation of expenditures and resources. The budgeting process includes semi-annual financial reviews and in-depth budgetary analysis so that appropriations can be adjusted when necessary. The City maintains a strong financial position, as shown in *Table 6.2*:

**Table 6.2
Indian Wells General Fund Summary**

General Fund	2004-2005 <i>(actual)</i>	2005-2006 <i>(projected)</i>	2006-2007 <i>(budgeted)</i>	2007-2008 <i>(budgeted)</i>
Revenues	\$12,484,409	\$13,059,167	\$14,933,356	\$15,354,254
Expenditures	\$8,561,884	\$8,721,763	\$9,574,585	\$9,819,220
Surplus/(Deficit)	\$3,922,525	\$4,337,404	\$5,358,771	\$5,535,034

The City is implementing a \$153 million citywide capital improvement plan, with initial funding provided by a \$90 million tax allocation bond issue in 2003. In FYs 2006 through 2008, the City budgeted to transfer \$35 million from the General Fund Emergency Reserves to the General Fund for capital improvements. The largest capital project is the \$45 million improvement of the Indian Wells Golf Resort, in order to maintain its status as one of the leading resorts in the valley. At FY 2005, the City had \$45.2 million in emergency reserves and the unreserved, undesignated General Fund balance and \$98.6 million of long-term liabilities. The City of Indian Wells Redevelopment Agency maintains an AAA bond rating from Standard & Poor’s and an Aaa bond rating from Moody’s Investors Service.

The City’s financial position is such that it budgets annually to provide grants through its Community Assistance Program. The program is intended to provide financial support to community-based organizations offering critical services which the City does not provide directly. It also provides funding to local public schools for program and supplies, and other beneficial programs. The City Council appoints five residents to the Grants-in-Aid Committee for review and recommendation of all funding requests. For FY 2007, the budget includes \$506,000 for Grants-in-Aid, Grants-in-Aid/Education, Grants-in-Aid/Ford School, and contributions to the Rancho Mirage Library, the Joslyn Cove Senior Center, and the Indian Wells Chamber of Commerce.

6.4 Projected Growth

Indian Wells is the smallest of the six cities within the study area, but has the second highest projected growth rate. The City projects that it has a seasonal influx of 5,000 residents. *Table 6.3, Projected Population Growth* shows a comparison of the growth of population in the City, in the western Coachella Valley incorporated areas¹, the unincorporated Coachella Valley and Coachella Valley as a whole.

**Table 6.3
Projected Population Growth**

Area	2005	2010	2015	2020	2025	2030	Avg. Annual Growth Rate
Indian Wells	4,732	5,278	6,786	8,273	9,698	11,065	5.4%
Western Coachella Valley incorporated areas	186,707	211,028	237,540	263,684	288,742	312,772	2.7%
Unincorporated Coachella Vly	90,668	103,079	126,925	149,159	169,437	187,870	4.3%
Coachella Valley	419,338	470,827	540,105	607,149	670,378	730,001	3.0%

Source: SCAG 2004 Growth Forecast.

¹ Cathedral City, Desert Hot Springs, Indian Wells, Palm Desert, Palm Springs, Rancho Mirage

The California Department of Finance (DOF) estimates the City's 2006 population to be 4,865 as of January 1, 2006, consistent with the SCAG projection. The DOF estimates that the City had 4,807 housing units, with 1.962 persons per household. Furthermore, the DOF estimates that approximately 48 percent of the City's housing units are considered vacant, which is primarily due to the number of partial year residents and vacation homes.

Indian Wells is nearing build-out; with the completion of the Miles Crossing and Indian Wells Town Center projects, there will be little vacant land available for resort/commercial or residential projects. A majority of the growth reflected in the SCAG projections in *Table 6.3* above will likely be a result of an increase in year-round residents.

Note: On January 29, 2007, the Coachella Valley Association of Governments adopted updated population projections for the SCAG Regional Housing Needs Assessment. Those projections are included in Section 2.0, Regional Population and Growth.

6.5 Law Enforcement

The City contracts with the Riverside County Sheriff's Department to provide law enforcement services, including patrol, traffic enforcement, investigations, dispatch and support personnel. The City's substation is located adjacent to City Hall. The City contracts for one deputy sheriff and one community service officer 24 hours a day. Indian Wells also contracts for an enhanced level of service including one full time motorcycle deputy, two Burglary Suppression Unit deputies, crime analyst services and commercial law enforcement services. The motorcycle unit has been highly successful in slowing traffic along Highway 111 and Fred Waring Drive. All administrative functions (reports, fingerprints, etc.) are handled at the Palm Desert Station, 73-250 Fred Waring Drive in the Palm Desert Civic Center.

In 2005, there were 8,104 calls for service, including 75 thefts, 108 burglaries, 152 traffic collisions, and 1,318 traffic citations. Of the six cities in the study area, in 2005 Indian Wells had the second lowest property crime rate (52.3 incidents per 1,000 residents) and the lowest in violent crime rate (1.5 incidents per 1,000 residents).

Indian Wells belongs to the Coachella Valley Emergency Managers Group, which meets monthly. The group participates in drills and special training courses. Its goal is to ensure orderly response to any foreseeable emergency. If an emergency occurs, the City's response will be conducted from the Indian Wells Emergency Operations Center, located at the police sub-station.

6.6 Fire Services

Indian Wells contracts with the Riverside County Fire Department for fire protection and emergency medical services. In October 1981 the Cities of Rancho Mirage, Palm Desert and Indian Wells formed the Cove Community Services Commission to oversee fire operations of the three cities; over the years paramedic and police services were added to the Commission's jurisdiction, as well as the Joslyn Senior Center. The three cities entered into a Joint Powers Agreement (JPA) to contract with the County for fire services. In July 2005, Palm Desert withdrew from the JPA, a change which resulted in each of the cities contracting with the County directly. The City of Indian Wells current contract extends through June 2010.

The Riverside County Fire Department maintains thirteen fire stations in the upper Coachella Valley. The City's fire station (County Fire Station No. 55) is located next to City Hall at 44-900 Eldorado Drive. The Department's fire protection goals include the following:

- Respond to all calls for emergency assistance with a minimum of 3 firefighters and 2 paramedics within 5 minutes
- Provide a minimum of 16 firefighters with a chief officer on a residential structure fire within 10 minutes
- Provide a minimum of 19 firefighters with a chief officer to a commercial structure fire within 10 minutes

The City's fire station is fully staffed 24 hours a day with 5 full-time personnel, including 3 on the engine and 2 paramedic firefighters on an advanced life support ambulance. They responded to 731 calls within the City in 2005, of which 73 percent were for medical aid. The City has budgeted to acquire a new ambulance and cardiac monitor in FY 2007.

6.7 Solid Waste

Residential solid waste and recycling services are provided by Burrtec Industries, which acquired Waste Management of the Desert. Burrtec also offers other services to large waste generators, including restaurants, retailers, and hotels and resorts. Residential property owners are charged an annual assessment on their property tax bill for services. Most trash destined for disposal at landfills is taken to the Edom Hill Transfer Station, near Desert Hot Springs. After arriving at the transfer station, the waste is moved onto larger trucks where it is then moved to either the Badlands Landfill, located off the Theodore Road exit on US Highway 60 at 31125 Ironwood Avenue on the east end of Moreno Valley, or Lamb Canyon Landfill located at 16411 Lamb Canyon Road near the City of Beaumont. The City's diversion rate under AB 939 was 60 percent in 2004.

6.8 Stormwater Drainage

There are two major flood control channels in Indian Wells that collect and convey stormwater runoff. The Whitewater River flood control channel runs west to east through the City north of Highway 111, carrying runoff from west of the City. The Deep Canyon flood control channel runs west to east just east of Fairway Drive collecting runoff from the mountains in the southern part of the City. The 100-year flood zone is generally restricted to the limits of these two channels. The only developed areas subject to the 100-year flood zone are golf courses developed within the channels. There are some residential areas within the 500-year flood zone.

The City is responsible for local storm drain improvements and maintenance. Regional flood and drainage control is provided by the Coachella Valley Water District and the Riverside County Flood Control District.

6.9 Roads and Circulation

The City's Capital Improvement Program identifies \$158 million in projects through FY 2011, of which approximately \$49 million will be paid by an outside agency, developer fees, or other grant reimbursements. The program includes approximately \$57 million for road and street related projects, including \$200,000 per year for citywide roadway improvements.

During FY 2005, the City completed the Miles Avenue Bridge project, enhancing a vital thoroughfare within Coachella Valley. The City is also participating in the multi-agency cooperative effort to widen Fred Waring Drive; widening has begun along the south side. The project is expected to be complete in 2008.

6.10 Parks and Recreation

The primary recreation facilities within the City are golf-related. The City owns two 18-hole championship golf courses surrounded by four luxury hotels. The City is undertaking a \$45 million improvement of the Indian Wells Golf Resort, including redesign of both golf courses, a new 50,000 square foot clubhouse, redesigning the existing driving range and practice facilities, and remodeling the entrance way of Highway 111. The entire renovation is scheduled to be completed by December 2007. The City has budgeted \$430,000 in funds from its Park Facilities In-lieu fund to the renovation project.

The City lies within the Coachella Valley Recreation and Park District boundaries (see *Section 12.0, Coachella Valley Recreation and Park District*). All Indian Wells residents are eligible to utilize the District's facilities and programs. A portion of the ad valorem property tax accrues to the Recreation and

Park District for the services they provide. In addition, the District has budgeted to receive \$570,000 in FY 2007 as a pass through from the Indian Wells Redevelopment Agency.

6.11 Library Facilities

The City has negotiated a 3-year Memorandum of Understanding with the City of Rancho Mirage to provide library services for Indian Wells residents. This includes a budgeted contribution of \$87,802 for FY 2007. The City of Rancho Mirage operates its library from a new facility located at 71-100 Highway 111. The Library provides a collection of current books, audio books, compact discs, DVDs, magazines and newspapers for adults and children.

6.12 Animal Control

The City of Indian Wells participates in the Coachella Valley Animal Campus regional kennel. The Animal Campus is governed by an oversight commission made up of representatives of each participating agency. The operation of the regional kennel is contracted to Riverside County Animal Control, with the Public Safety Department administering the contract for the City. The City contracts with the County for its field service needs.