

CITY OF COACHELLA
DEVELOPMENT IMPACT FEES ANNUAL REPORT
FISCAL YEAR 2024-25

(Revised October 2026 — Exhibit A to October 14, 2026 Staff Report)

NOTE TO READER: This exhibit revises the version of the Fiscal Year 2024-25 Development Impact Fee Annual Report originally presented to City Council. Underlying fund balances, revenues, and expenditures for the fiscal year ended June 30, 2025 are UNCHANGED from the original report. Revisions are limited to: (1) clarifying footnotes responsive to the Desert Valleys Builders Association's (DVBA) July 17, 2026 comment letter; (2) relocating certain debt-service amounts, already disclosed elsewhere in the original report, into the Current Year Expenditures tables where DVBA requested them; (3) references to capital improvement plan (CIP) documentation located since the report was first presented; and (4) a note regarding the City Council's October 14, 2026 forgiveness of certain interfund loans under Resolution No. 2026-57.

Park Land Impact Fee (Fund 120)

Description — Providing necessary Parkland and Open-Space to meet the needs of new residential construction.

Fee — Single Family Units - \$1,377.00 Multi-Family Units - \$1,134.68

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		\$ 99,461	
Investment earnings (loss)		\$ 7,551	
Total Sources		\$ 107,012	
Expenditures & Other Uses			
Total Uses		\$ -	
Total Available	\$ (171,870)	\$ 107,012	\$ (64,858)

Note: Developer fees and Investment earnings for this fund are positive amounts (credits in the General Ledger, reflecting an increase in revenue); the parentheses shown in the originally published version of this report were a formatting error and have been corrected above. DVBA's reading of these amounts as negative revenue collected was based on that formatting error.

Note: This fund's negative available balance reflects a prior interfund loan from the General Fund; per Government Code Section 66006(b)(1)(G), amounts owed are repaid from future impact fee revenue as it becomes available, with interest calculated at the Local Agency Investment Fund (LAIF) rate of return.

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
Total	\$ -	\$ -	

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Total	\$ -		\$ -	

Note: No capital improvements are currently identified in the facilities-needs table above. The City's Development Impact Fee Nexus Study, currently underway with Willdan Financial Services, will identify any capital projects this fund is expected to fund over the next five years; if no such projects are identified, the fee will be reconsidered on a going-forward basis.

Library Facilities Impact Fee (Fund 121, now Fund 2206)

Description — provide library access to books, internet, and other reading and learning materials to a growing residential population.

Fees — Single Family - \$577.88 Multi-Family - \$485.42

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		58,366	
Investment earnings		1,879	
Total Sources		\$ 60,245	
Expenditures & Other Uses			
Admin Fees		-	
Interest expense ¹		119,603	
Total Uses		\$ 119,603	
Total Available	\$ (11,794,005)	\$ (59,358)	\$ (11,853,363)

¹ As of June 30, 2025, outstanding interfund loans of \$3,381,925 (rounded) were owed to the General Fund. The interfund loans will be repaid when impact fee revenues become available, with interest set at the Local Agency Investment Fund (LAIF) rate of return.

Note: On September 13, 2016 the City issued Lease Revenue Bonds, Series 2016 in the amount of \$12,150,000, payable over 30 years for the construction of a new library. As of June 30, 2025, the outstanding balance was \$9,495,000. These bonds are reflected as a long-term liability of this fund.

Note: The \$3,381,925 interfund loan balance above is presented rounded to the nearest dollar; the precise balance, inclusive of interest accrued at the LAIF rate, was \$3,181,925.36 as of June 30, 2026. On October 14, 2026, the City Council adopted Resolution No. 2026-57, forgiving this General Fund loan and a related Debt Service Fund obligation of \$8,473,063.13 (representing this fund's share of debt service paid on the 2016 Lease Revenue Bonds), effective retroactively to June 30, 2026. This forgiveness will be reflected in the City's Fiscal Year 2025-26 Development Impact Fee Annual Report; it does not change the balances presented above for the fiscal year ended June 30, 2025. The 2016 Lease Revenue Bonds themselves are not forgiven and remain an outstanding obligation of this fund.

Current Year Expenditures

Item	Cost FY 2024-2025	DIF Funded	% DIF Funded
Debt Service — Interfund Loan Interest (LAIF rate)	119,603	119,603	100%
Total	\$ 119,603	\$ 119,603	

Note: This table has been revised to show the fund's FY 2024-25 interfund loan interest expense (also disclosed in the Expenditures & Other Uses section above) as a Current Year Expenditure, consistent with DVBA's request.

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Total	\$ -		\$ -	

Bus Shelter Impact Fee (Fund 123)

Description — To provide sufficient bus shelters at designated bus stops to accommodate transit expansion.

Fee — Residential - \$85/unit; Hotel/Motel - \$85/Rm; Office - \$99/1,000 sq.ft.; Retail - \$85/1,000 sq.ft.; Restaurant/Gaming - \$106/1,000 sq.ft.; Gasoline - \$118/1,000 sq.ft.; Open Uses - \$126/Acre

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Investment earnings (loss)		-	
Total Sources		\$ -	
Transfers out — CIP fund		-	
Total Uses		\$ -	
Total Available	\$ -	\$ -	\$ -

Note: The Bus Shelter Fee has not been charged to developers since Fiscal Year 2013 and is no longer considered an active DIF fee of the City. Bus shelter facilities were considered in the Street and Transportation Nexus study. Remaining funds have been appropriated for the Pueblo Viejo Villas transportation hub in downtown Coachella. This fund will no longer be utilized.

Note: The Pueblo Viejo Transportation Hub included a bus shelter component, which is the basis on which Bus Shelter Impact Fee (Fund 123) funds were historically applied to that project. This fund has had no revenue or expenditure activity in the past three years and, along with the fee itself, will be considered for formal closure as part of the City's Development Impact Fee Nexus Study.

Park Improvement Impact Fee (Fund 126)

Description — provide sufficient park facilities and equipment for additional residents.

Fees — Single Family Residential - \$6,480.35/unit Multi-Family Residential - \$5,443.49/unit

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		467,881	
Investment earnings		112,741	
Total Sources		\$ 580,622	
Expenditures & Other Uses			
Capital Outlay — P-32 Bagdouma Restroom & Snack Bar		919,000	
Total Uses		\$ 919,000	
Total Available	\$ 1,995,751	\$ (338,378)	\$ 1,657,373

Note: The \$919,000 FY 2024-25 expenditure was capital outlay for Project P-32, the Bagdouma Park Restroom & Snack Bar, and has been re-labeled above accordingly (the originally published report mislabeled this line as “Interest expense”).

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
P-32 Bagdouma Restroom & Snack Bar	919,000	919,000	100%
Total	\$ 919,000	\$ 919,000	

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
P-32 Bagdouma Restroom & Snack Bar	919,000	100%	919,000	100%
Total	\$ 919,000		\$ 919,000	

Note: No further capital improvements are currently identified for this fund beyond the P-32 project above. This item will be addressed in the City's current Development Impact Fee Nexus Study, which will identify any projects this fund is expected to fund over the next five years.

Street & Transportation Impact Fee (Fund 127)

Description — To provide for street improvements based on trip demand placed on the road system by new development. This fee includes streets, bridges, interchanges, and grade separations.

Fees — Residential: Single Family - \$2,685.98; Multi-Family - \$1,390.95. Non-Residential: Commercial - \$4.62/sq.ft.; Office - \$5.46/sq.ft.; Industrial - \$3.75/sq.ft.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		2,152,754	
Investment earnings (loss)		(31,484)	
Total Sources		\$ 2,121,270	
Expenditures & Other Uses			
New Interchange @ Ave 50 & 86S EXPY (ST-81)		9,099	
Ave 50 Widening Project (ST-93)		-	
Current Year Expenditures		578,775	
Total Uses		\$ 587,874	
Total Available	\$ (1,692,533)	\$ 1,533,396	\$ (159,137)

Note: This fund's negative available balance reflects a prior interfund loan from the General Fund, consistent with the other three DIF funds carrying General Fund loans (Park Land, Library, and General Government Facilities). Per Finance, based on current projections, this fund is expected to return to a positive available balance by the end of Fiscal Year 2026-27, with no new projects currently scheduled against the fund for the current fiscal year.

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
Ave 50 Bridge/Whitewater (ST-69)	959,013	-	0.00%
Avenue 50 Interchange (ST-81)	28,664	9,099	31.74%
50 Widening Project (ST-93)	1,363,214	578,775	42.46%

Ave 50 Extension (ST-98)	-	-	0.00%
Ave 48 Widening (ST-131)	-	-	0.00%
Pedestrian & Safety (ST-134)	-	-	0.00%
Urban Greening & Connectivity (ST-123)	240,777	-	0.00%
Total	\$ 2,591,668	\$ 587,874	

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Ave 50 Bridge/Whitewater (ST-69)	52,365,000	8%	304,306	0.58%
Avenue 50 Interchange (ST-81)	54,928,767	3%	1,865,359	3%
50 Widening Project (ST-93)	3,693,750	57%	474,930	13%
Ave 50 Extension (ST-98)	32,765,773	10%	582,140	2%
Ave 48 Widening (ST-131)	1,733,000	3%	-	0%
Pedestrian & Safety (ST-134)	1,666,543	100%	51,386	3%
Urban Greening & Connectivity (ST-123)	5,505,110	100%	240,777	4%
Total	\$ 152,657,943		\$ 3,518,898	

Note: Project-level cost estimates, funding sources, and status detail supporting the projects listed above (including ST-81, ST-93, ST-98, ST-131, and ST-134) are documented in the City's 5-year Capital Improvement Program budget workbook. Staff will make these sheets available in response to DVBA's request for supporting CIP documentation.

Police Facilities Impact Fee (Fund 128)

Description — To provide police facilities and service equipment for increased police needs from expected community growth.

Fees — Residential: Single Family - \$306.54/unit; Multi-Family - \$257.48. Non-Residential: Commercial - \$23.22/1,000 sq.ft.; Office - \$30.57/1,000 sq.ft.; Industrial - \$12.10/1,000 sq.ft.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		31,200	
Investment earnings		41,495	
Total Sources		\$ 72,695	
Expenditures & Other Uses			
Total Uses		\$ -	
Total Available	\$ 851,866	\$ 72,695	\$ 924,561

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
Total	\$ -	\$ -	

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Total	\$ -		\$ -	

Note: DVBA's most direct legal challenge is to this fund — the City contracts law enforcement from the Riverside County Sheriff's Department and does not operate its own police department, and DVBA argues this fee therefore lacks a nexus and violates the Mitigation Fee Act's fair-share requirement. This question will be addressed in the City's current Development Impact Fee Nexus Study, which will evaluate whether the City has any obligation to construct Sheriff facilities for the City's use and, if not, whether continued collection of this fee is supportable.

General Government Facilities Impact Fee (Fund 129, now Fund 2200)

Description — To provide general government facilities to serve a growing City population.

Fees — Residential: Single Family - \$2,357.61/unit; Multi-Family - \$1,980.39/unit. Non-Residential: Commercial - \$178.54/1,000 sq.ft.; Office - \$235.13/1,000 sq.ft.; Industrial - \$93.04/1,000 sq.ft.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		239,974	
Investment earnings (loss)		(7,054)	
Total Sources		\$ 232,920	
Expenditures & Other Uses			
Interest expense ¹		168,510	
Debt service ²		106,515	
Urban Greening to Fund 129 (ST-123)		-	
Total Uses		\$ 275,026	
Total Available	\$ (4,081,541)	\$ (42,105)	\$ (4,123,646)

¹ As of June 30, 2025, outstanding interfund loans of \$3,820,159 were owed to the General Fund. The interfund loans will be repaid when impact fee revenues become available, with interest set at the LAIF rate of return.

² The General Government Facilities Impact Fee Fund has an outstanding note payable for the purchase of the Civic Center Facility. As of June 30, 2025 the balance of the note is \$601,926. The note requires monthly payments of \$8,876.26 (Principal and Interest) and carries an annual interest rate of 4%.

Note: On October 14, 2026, the City Council adopted Resolution No. 2026-57, forgiving the General Fund loans to this fund — consisting of the Senior Center Loan (\$2,505,026.31) and the Civic Center Loan (\$1,483,643.07), together \$3,988,669.38 as of June 30, 2026 — effective retroactively to June 30, 2026. This forgiveness will be reflected in the City's Fiscal Year 2025-26 Development Impact Fee Annual Report; it does not change the balances presented above for the fiscal year ended June 30, 2025. The \$601,926 note payable for the Civic Center Facility purchase, owed to the Frances Berger Foundation, is a separate obligation and is not affected by this forgiveness.

Current Year Expenditures

Item	Cost FY 2024-2025	DIF Funded	% DIF Funded
Interest Expense — Interfund Loan (LAIF rate)	168,510	168,510	100%
Debt Service — Civic Center Facility Note	106,515	106,515	100%
Total	\$ 275,026	\$ 275,026	

Note: This table has been revised to show the fund's FY 2024-25 interest expense and Civic Center Facility debt service (also disclosed in the Expenditures & Other Uses section above) as Current Year Expenditures, consistent with DVBA's request.

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Total	\$ -		\$ -	

Note: This fund's negative available balance increases year-over-year because interest continues to accrue on the outstanding General Fund interfund loan faster than the fund's revenue and debt service payments reduce it.

Fire Facilities Impact Fee (Fund 130)

Description — To provide fire protection and medical services facilities and equipment.

Fees — Residential: Single Family - \$1,750.03/unit; Multi-Family - \$1,470.02/unit. Non-Residential: Commercial - \$381.04/1,000 sq.ft.; Office - \$501.80/1,000 sq.ft.; Industrial - \$198.57/1,000 sq.ft.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		31,200	
Investment Earnings (Loss)		41,495	
Total Sources		\$ 72,695	
Expenditures & Other Uses			
Fire Facilities Expansion (F7)		7,200	
Pueblo Viejo Villas (ST-130)		-	
Total Uses		\$ 7,200	
Total Available ¹	\$ 482,723	\$ 65,495	\$ 548,217

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
Fire Facilities Expansion (F7)	302,336	7,200	0.5%
Pueblo Viejo Villas (ST-130)	413,602	0	0%
Total	\$ 1,615,429	\$ 7,200	

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Fire Facilities Expansion (F7)	8,151,713	100%	1,365,429	17%
Pueblo Viejo Villas (ST-130)	4,430,471	100%	250,000	6%
Total	\$ 4,430,471		\$ 250,000	

Note: The City's CIP project sheet for F7 ("Fire Station Expansion") describes the project as rehabilitation and expansion of the fire station, including additional housing capacity, separate showers, apparatus bay, and generator and electrical system upgrades — supporting the City's position that the project constitutes an eligible expansion rather than mere rehabilitation of existing facilities. The CIP sheet for Pueblo Viejo Villas (ST-130) confirms a direct transfer of Fire DIF funds (Fund 130) to that street/transportation project, explaining its inclusion as a Fire Facilities Fund expenditure above.

Art in Public Places Impact Fee (Fund 131)

Fees — (1) One half of one percent for new commercial or industrial construction; (2) One half of one percent for remodel or reconstruction of existing commercial or industrial property; (3) One quarter of one percent for new residential subdivisions of two or more units; (4) One quarter of one percent for new individual single family units constructed in an existing subdivision with a building permit over \$100,000, for that portion of the valuation in excess of \$100,000.

Description — To provide continued access to public art in the community as the community grows.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		66,930	
Investment earnings		19,528	
Total Sources		\$ 86,458	
Expenditures & Other Uses			
Mural — Ciudades Hermanas		-	
Art works — Repairs & Maintenance		-	
Total Uses		\$ -	
Total Available	\$ 359,528	\$ 86,458	\$ 445,986

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% Funded with fee
Mural — Dolores Huerta	17,070	100%	-	0%
Mural — Vietnam War	23,315	100%	-	0%
Mural — Empowerment of Women	4,875	100%	-	0%
Mural — Swan	5,875	100%	-	0%
Misc — Other Art	12,753	100%	-	0%
Mural — Love Letters	16,000	100%	16,000	100%
Mural — Ciudades Hermanas	25,000	100%	25,000	100%
Total	\$ 79,888		\$ 41,000	

Water Connection Fee (Fund 177)

Description — provide adequate water facilities to meet the demands of a growing residential and business population.

Fee — The Water System Backup Facilities Charges (Connection Fee) is \$3,948.17 per equivalent dwelling unit (EDU). The determination of EDUs is based on the number and size of water connections required.

Beginning / Ending Fund Balance

Account Description	Beginning Capital Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer Fees		329,320	
Investment Earnings (Loss)		1,218,973	
Total Sources		\$ 1,548,293	
Expenditures & Other Uses			
Total Uses		\$ -	
Total Available	\$ 10,801,767	\$ 1,548,293	\$ 12,350,060

Current Year Expenditures

Project	Cost FY 2024-2025	DIF Funded	% DIF Funded
Total	\$ -	\$ -	

Total Anticipated Future Projects

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
Total	\$ -		\$ -	

Identified Capital Improvement Needs

Note: This section has been added to respond to DVBA's comment that no capital improvement needs were identified for this fund. The City's Water Authority rate model (2025 update) documents an identified capital improvement plan funded in part by Connection Fee (Fund 177) cash, totaling approximately \$11.8 million in growth-related projects through 2035, including the following:

Project	Total Est. Cost	Fund 177 Share
Whitewater Wash Bridge Pipeline @ Ave 50 (W-39)	\$700,000	\$700,000
Well 20 Design & Construction (W-46)	\$4,300,600	\$4,300,600
Well 20 Phase 2 — Pumping Plant	\$1,000,000	\$1,000,000
Valve Replacement (W-41)	\$500,000	\$260,000
Various pipeline extensions (W-49, W-50, W-51, W-52)	\$401,113	\$401,113
Hexavalent Chromium Treatment	\$950,000	\$450,000
2.5MG Storage — Capacity Deficit + Expanded Capacity (CIP No. 23)	\$4,690,000	\$4,690,000

Sanitary District Connection Fee (Fund 360)

Description — to provide adequate sanitation facilities to meet the demands of a growing residential and business population.

Fees — Equivalent Dwelling Units (EDU) are used to provide a common evaluation factor for all development types. One EDU is equal to one single family residential unit. The Water System Backup Facilities Charges (Connection Fee) for residential units is \$4,141.56 per EDU.

Beginning / Ending Fund Balance

Account Description	Beginning Balance	FY 2024-2025	Ending Balance
Revenues & Other Sources			
Developer fees		594,591	
Investment earnings		56,926	
Total Sources		\$ 651,518	
Expenditures & Other Uses			
Debt service ¹		1,505,256	
Transfers out — Water		-	
Total Uses		\$ 1,505,256	
Total Available	\$ 1,020,108	\$ (853,738)	\$ 166,370

¹ On September 26, 2005 the Sanitary District entered into a loan agreement with the State of California Water Resources Control Board ("SWRCB") for \$23,658,615, at 2.3% interest. The outstanding balance for the SWRCB loan at June 30, 2025 was \$2,909,745.

Current Year Expenditures

Item	Cost FY 2024-2025	DIF Funded	% DIF Funded
Debt Service — SWRCB Loan	1,505,256	1,505,256	100%
Total	\$ 1,505,256	\$ 1,505,256	

Note: This table has been revised to show the fund's FY 2024-25 SWRCB debt service (also disclosed in the Expenditures & Other Uses section above) as a Current Year Expenditure, consistent with DVBA's request.

Total Facility Expenditures

Project	Est. Facility Cost	% Complete	DIF Funded	% DIF Funded
S-19 Capacity Improv. — Ave 50 Coronado to Harrison	331,000	2%	779	0.24%
S-24 48th & Harrison Sewer Improvements	2,287,165	93%	2,117,836	92.60%
Total	\$ 2,618,165		\$ 2,118,615	

Note: CIP documentation for S-19 (total estimated cost \$514,500, funded through this fund with \$500,000 budgeted for FY 2026-27) is available in the City's 5-year CIP budget workbook.

Note: S-24 (48th & Harrison sewer improvements) was completed in Fiscal Year 2025-26. A Notice of Completion for S-24 was recorded on February 8, 2023.