



**STAFF REPORT**  
**8/25/2021**

**TO:** Honorable Mayor and City Council Members

**FROM:** Nathan Statham, Finance Director

**SUBJECT:** Reimbursement Agreement between City of Coachella and Paul Pavao for procurement of city consultants for the proposed annexation and development of 38.68 acres (APN 603-090-008).

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council authorize the City Manager to execute the attached Reimbursement Agreement with Paul Pavao subject to final minor modifications by the City Attorney.

**BACKGROUND:**

The applicant proposes an owner-initiated annexation of 38.68 acres of vacant land currently in the City of Indio to the City of Coachella. The project includes the subdivision of 38.68 acres of vacant land into 25 industrial lots ranging in size from .077 acres to 4.60 acres with all the off-site improvements.

**DISCUSSION/ANALYSIS:**

Attached to this staff report is a Reimbursement Agreement that would allow the City to begin procuring consultants to assist with annexation and development of the 38.68 acre property currently in the City of Indio to the City of Coachella. This will be the beginning of land use entitlement process that will include, but not be limited to:

- General Plan Amendment
- Pre-Annexation Zone Change
- Development Agreement
- Conditional Use Permits
- Tentative Subdivisions

The Draft Reimbursement Agreement is an “at-cost” reimbursement and is an estimate of probable consultant costs. The agreement may be amended to include additional services through mutual written consent of the parties. The City and Applicant will work together to finalize cost recovery items from the beginning stages until project completion.

**FISCAL IMPACT:**

The use of a reimbursement agreement for the proposed project is intended to capture cost recovery for use of city consultants. The City will not incur any unreimbursed costs as a result of this agreement. As a result of this action Council appropriates expenditures as outlined under the term of the agreement and corresponding revenues in the City 's General Fund. This agreement is subject to an initial \$22,000 deposit to be replenished at the request of the City to reasonably maintain minimal liability balances for the City.

Attachments: Draft Reimbursement Agreement with Paul Pavao