

**RESOLUTION NO. 2022-82**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, SETTING CITY WIDE PENALTY AND PENALTY INTEREST RATES**

**WHEREAS**, the City requires numerous payments and reporting through various ordinances, resolutions, agreements and programs.

**WHEREAS**, the City has a need to ensure timely payments. The ability to charge a penalty and penalty interest is an effective mechanism to enforce required payment and reporting requirements.

**WHEREAS**, numerous sections of the City’s municipal code require a separate penalty and/or penalty interest rate be set by Council through separate resolution.

**WHEREAS**, numerous municipal code sections, separate agreements and programs do specify a penalty and/or penalty interest rate. This resolution is strictly limited to situations where there is no penalty and/or penalty interest rate otherwise set in any form.

**WHEREAS**, this resolution is not intended to establish or implement a penalty and/or penalty interest but rather to establish a rate. Approved rates will be applied to situations where penalty and/or penalty interest charges are separately approved by ordinances, resolutions, agreements and programs.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the City Council of the City of Coachella, as follows:

**Section 1.** The City Council hereby finds and determines that the foregoing Recitals of this Resolution are true and correct and hereby incorporated into this Resolution as though fully set forth herein.

**Section 2.** The City penalty rate is set at 10% upon delinquency and an additional 5% when the delinquency exceeds thirty-one days beyond the due date.

**Section 3.** The City penalty interest rate is set at 0.75% per month (9% annualized) to be applied by the most expedient method as administratively determined with a maximum cumulative amount of 36%.

**Section 4.** When the penalty and penalty interest rates are determined to apply, the City Manager or designee or other City staff charged by Council to administer the item causing the penalty to apply, is authorized to reduce or waive the penalty or penalty interest charged. The reduction or waiver are permissible provided there are exigent circumstances and waiving the penalty and/or penalty interest is demonstrated and documented to be in the best interest of the City. If the ordinance, resolution, agreement or program to which this resolution is being applied requires a penalty or penalty interest and does not allow for a waiver, this section does not apply.

**PASSED, APPROVED and ADOPTED** this 14<sup>th</sup> day of September 2022.

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Steven A. Hernandez  
Mayor

**ATTEST:**

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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**

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Carlos Campos  
City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF RIVERSIDE        ) ss.  
CITY OF COACHELLA            )

**I HEREBY CERTIFY** that the foregoing Resolution No. 2022-82 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 14<sup>th</sup> day of September 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Andrea J. Carranza, MMC  
Deputy City Clerk