



City Council Staff Report

Date: July 15, 2015 PUBLIC HEARING

Subject: APPROVAL OF THE USER FEE STUDY / COST ALLOCATION PLAN AND ASSOCIATED COMPREHENSIVE FEE SCHEDULE

From: David H. Ready, City Manager

Initiated by: Office of the City Manager

SUMMARY

At the public hearing held on June 17, 2015, the City Council considered and adopted the Fiscal Year 2015-16 Palm Springs City Budget and Allocated Positions and Compensation Plan, including the budgets for the Successor Agency to the City of Palm Springs Community Redevelopment Agency and Housing Successor Agency, and the Appropriations Limits. At that time, the City Council considered, but deferred approval of the User Fees Study / Cost Allocation Plan and associated Comprehensive Fee Schedule until July 15, 2015, to provide additional time for the Desert Valleys Builders Association (DVBA) to review those documents.

RECOMMENDATION:

1. Open the Public Hearing and accept public testimony on the Comprehensive Fee Schedule.
2. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A USER FEE STUDY AND COST ALLOCATION PLAN, MODIFYING AND APPROVING CERTAIN USER FEES AND CHARGES AND ADOPTING THE COMPREHENSIVE FEE SCHEDULE FOR FISCAL YEAR 2015-16."
3. Direct the City Manager and Director of Finance and Treasurer to incorporate the approved use fees as part of the previously adopted Fiscal Year 2015-16 Budget, and make other modifications thereto as may otherwise be necessary.

STAFF ANALYSIS:

The Fiscal Year 2015-16 Budget was approved by the City Council during a Public Hearing held on June 17, 2015, pursuant to City Charter Section 902. Considered as

part of, but not adopted with the Fiscal Year 2015-16 Budget, the User Fees Study / Cost Allocation Plan and associated Comprehensive Fee Schedule were deferred for consideration at a continued Public Hearing scheduled for July 15, 2015. The action to defer approval of the Comprehensive Fee Schedule was made in response to a request made by the DVBA during its public testimony for additional time to review the User Fee Study. A copy of the User Fees Study is included as Exhibit A to the Resolution (**Attachment 5**), and the final draft Comprehensive Fee Schedule is included as Exhibit B to the Resolution.

Approved by the City Council as part of the Fiscal Year 2015-16 operating budget was the Allocated Positions and Compensation Plan identifying an additional 16.5 full-time equivalent (FTE) positions; 11 FTE's are supported entirely by the recommended changes to the Comprehensive Fee Schedule, as shown in Table 1.

Table 1

Staffing Changes Funded by Fee Increases:

<u>Department</u>	<u>Title</u>	<u>FTE</u>	<u>Budget</u>
Planning	Planning Technician	1.0	\$84,980
Planning	Associate Planner	1.0	103,043
Pub Wks/Eng	Associate Civil Engineer	1.0	119,570
Pub Wks/Eng	Reclass Engineering Assistant I to II	0.0	6,069
Pub Wks/Eng	Permit Center Technician	1.0	84,980
Pub Wks/Eng	Reclass Counter Tech to Permit Ctr Tech	0.0	13,904
Pub Wks/Eng	Secretary (Engineering)	1.0	64,668
Pub Wks/Eng	Reclass Sn Sec to EX Admin	0.0	8,101
Building	Plans Examiner	1.0	92,619
Building	Building Inspector	1.0	88,926
Building	Secretary (Code Enforcement)	1.0	69,773
Fire	Fire Prevential Specialists	2.0	166,392
Finance	Clerical Assistant (Vacation Rentals)	1.0	57,902
Recreation	Reclass Spec Events Coord to Manager	0.0	1,913
Total General Fund Fee Based Increases		11.0	\$962,838

User Fees

Local governments are funded from a variety of sources, with the primary sources being taxes, fees, special charges, fines, and grants. Generally, tax dollars are used to provide basic services including safety, street maintenance, parks, etc. In certain areas, user fees are charged to individuals for a service that primarily benefits them, such as

building permits, etc. State law requires that fees charged by local agencies be reasonably related to the actual cost of providing the service.

As a result of the economic recession which began in 2008 and the resulting decrease in development projects processed by the Development Services Departments, coupled with the dramatic budget cuts implemented by the City Council, a number of full-time equivalent positions were eliminated from the City's allocated position plan. During that time, with reduced staffing, the City continued to provide effective service to the public while maintaining user fees at levels established at that time.

However, as the economy has improved, activity in the Development Services Departments has increased to the point that existing staffing levels are becoming insufficient to maintain our standard of customer service. Typically, the activity logged in the Department of Planning Services is a key indicator of the health of the local economy, with applications for projects first submitted to Planning Services, followed by processes in the Building & Code Enforcement and Public Works & Engineering Departments for approval of plans and issuance of permits for construction. In an effort to document the improving local economy, staff has compiled statistics of the volume of various applications submitted to the Department of Planning Services for the last five years, shown here in Table 2 on the next page.

Table 2

APPLICATION TYPE	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
AMM	26	17	15	15	21	42
CUP, PD, CZ	24	17	22	16	18	18
5.Series Add-ons	20	36	44	29	36	63
Determinations	4	1	0	2	2	1
HSPB	1	5	2	8	11	8
LUP	68	43	73	83	93	62
MAA	88	64	65	83	92	83
MAA Add-ons	249	256	267	256	217	278
Med. Cannabis	3	6	0	1	1	1
Pre-App	7	2	0	3	1	2
RV	3	6	5	3	0	7
Sign	161	125	127	118	90	119
Sign (Sign Program)	5	7	11	17	3	4
Sign (Temporary Sign)	35	13	31	17	11	1
Sign (Variances)	1	1	5	1	1	1
Special Events	2	4	4	15	6	42
Time Extensions	11	19	17	16	12	8
TTM & TPM	6	1	2	3	3	15
Variances	9	6	2	1	3	10
Yard Sale Permits	0	0	170	389	294	379
Zoning Verification	0	2	12	20	13	18
SUBTOTAL:	723	631	874	1096	928	1162
Site Inspections	N/A	7	140	103	134	63
Plan Checks	157	137	142	129	134	173
SUBTOTAL:	157	144	282	232	268	236
GRAND TOTAL:	880	775	1156	1328	1196	1398

Generally, it can be demonstrated that the City’s local economy has recovered from the economic recession, and in most cases with the volume of applications submitted to the City well above the volume prior to the recession.

However, at the same time, staffing at the City has been maintained at reduced levels. Following the example of the Department of Planning Services, with the significant increase in the volume of cases submitted with reduced staffing levels, the ability of current staff to effectively manage the workload has diminished, as evidenced by the statistics identified in the following Table 3.

Table 3

STAFFING	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
Planners	7	6	5	5	5	5
Admin	5	3	2	2	2	2
TOTAL STAFF:	12	9	7	7	7	7
CASES PER PLANNER:	126	129	231	266	239	280

The volume of activity at the Department of Planning Services has also been tracked by the number of customers visiting the Department. The Department of Planning Services has logged the number of customers requesting assistance or information, which do not always result in submittal of an application, but nonetheless require time and resources from staff. The increasing volume of customers requesting assistance at the Department of Planning Services is identified in Table 4.

Table 4

CUSTOMERS - FRONT COUNTER	FY 11-12	FY 12-13	FY 13-14
TOTAL CUSTOMERS:	4868	5187	5903

Using the statistics from the Department of Planning Services as a benchmark to the increased volume of activity throughout the Development Services Department, staff has recognized the need to address the City's ability to effectively accommodate that activity by considering adding staff to those Departments. On the basis that user fees in the Development Services Departments have remained low (see **Attachment 1** — Desert Valleys Builders Association Residential Development Fee Study, November 2014), staff recognized the need to evaluate these user fees and identify the current actual costs for service provided to customers requesting various approvals and permits.

On February 5, 2014, the City Council approved an agreement with Capital Accounting Partners, LLC, ("CAP"), to prepare a User Fee Study and an Indirect Cost Allocation Plan, (the "Fee Study"). As noted in the report to the City Council at that time, as fiscal limitations are imposed on local governments it is becoming increasingly important that the City fully recover the actual cost of certain types of services that are provided. The Fee Study provides the legal basis for distributing certain costs of operating Departments, their Divisions, programs and services on which user fees may be established. The Fee Study has been completed, and has identified that the City can recover additional costs of providing services, and recommends increasing user fees in several areas. The Fee Study has also recommended certain changes to the basis of determining some fees to ensure the cost of service is aligned with the actual service

provided (building permit fees as an example). The following changes to user fees for the various Development Services Departments are recommended, which in turn will provide for increased revenue to support additional staff to more effectively accommodate the increased activity in the respective Departments.

Building & Code Enforcement Department

The Fee Study recommends that building permit fees be based on the actual time required to coordinate and provide required inspections, on a “time-motion” cost recovery basis. This approach differs from the City’s current method for determining building permit fees which is based on the various building permit types, with fees based on an estimated cost of construction, square footage of construction, or component / fixture count. The Fee Study recommendation ensures the City’s building permit fees are more accurately representing of the full cost of providing building inspections on the basis of the estimated time each building permit inspection requires. An example of the change in recommended user fees for certain building permits is represented in Table 5 (sampling of fees only).

Table 5

Permit Type	Current Fee	New Fee	Increase
New Single Family (1,500 SF)	\$670	\$1,610	\$940
New Single Family (2,000 SF)	\$695	\$2,115	\$1,420
Commercial Interior (2,000 SF)	\$793	\$495	(\$298)
Commercial Interior (5,000 SF)	\$1,157	\$723	(\$434)
Kitchen Remodel (400 SF)	\$357	\$458	\$101
HVAC Replacement	\$38	\$78	\$40

As shown in Table 5, the Fee Study recommends that for certain building permit fees for tenant improvements (“TI’s”) for commercial interior remodeling projects, a decreased fee as the methodology for calculating the full cost of required inspections demonstrates a lower fee is required. Conversely, the Fee Study recommends that for certain building permit fees for new construction, the City is not currently recovering the full cost of required inspections. On the basis of a projected number of various building permits anticipated in the next fiscal year, the Fee Study estimates the City will collect \$1,300,000 in permit fees based on current user fees. However, on the basis of the full cost recovery basis incorporating the Indirect Cost Allocation Plan for fully burdened staffing costs, if the recommended user fees are adopted, the Fee Study estimates the City will collect \$1,634,732 in permit fees. Therefore, the Fee Study estimates an additional \$334,732 in revenue available to the City upon adoption of the new user fees.

Staff has reviewed the current Building fees charged by various Coachella Valley cities, and has reflected how the proposed Building fees (sampling of fees only) compare; as shown in Table 6, the proposed Building fees are reasonable in comparison, with some lower and others higher than the average of the cities reviewed.

Table 6

Coachella Valley Building Permit and Review Fees						
	Palm Springs	Palm Desert	Rancho Mirage	Indio	La Quinta	Average
PERMITS						
Single Family (New)						
1,200 SF	\$ 1,105.00	\$ 1,368.00	\$ 720.00	\$ 1,075.00	\$ 520.00	\$ 957.60
2,000 SF	\$ 1,913.00	\$ 2,280.00	\$ 990.00	\$ 1,300.00	\$ 582.00	\$ 1,413.00
2,500 SF	\$ 2,418.00	\$ 2,850.00	\$ 1,165.00	\$ 1,450.00	\$ 610.00	\$ 1,698.60
Single Family (Remodel)						
500 SF	\$ 546.00	\$ 430.00	\$ 415.00	\$ 660.00	\$ 460.00	\$ 502.20
1,000 sf	\$ 986.00	\$ 710.00	\$ 640.00	\$ 1,000.00	\$ 500.00	\$ 767.20
Commercial (New)						
30,000 sf	\$ 5,344.00	\$ 8,100.00	\$ 8,260.00	\$ 10,330.00	\$ 1,952.00	\$ 6,797.20
60,000 sf	\$ 9,844.00	\$ 16,200.00	\$ 14,980.00	\$ 20,410.00	\$ 3,264.00	\$ 12,939.60
Commercial (Interiors)						
2,500 SF	\$ 533.00	\$ 750.00	\$ 728.00	\$ 1,075.00	\$ 520.00	\$ 721.20
5,000 SF	\$ 723.00	\$ 1,500.00	\$ 1,165.00	\$ 1,450.00	\$ 694.00	\$ 1,106.40
10,000 SF	\$ 1,103.00	\$ 2,300.00	\$ 2,040.00	\$ 2,000.00	\$ 750.00	\$ 1,638.60
PLAN REVIEW						
Single Family (New)						
1,200 SF	\$ 900.00	\$ 924.00	\$ 469.00	\$ 1,325.00	\$ 1,030.00	\$ 929.60
2,000 SF	\$ 965.00	\$ 1,540.00	\$ 644.00	\$ 1,400.00	\$ 1,233.00	\$ 1,156.40
2,500 SF	\$ 1,029.00	\$ 1,925.00	\$ 757.00	\$ 1,450.00	\$ 1,297.00	\$ 1,291.60
Commercial (New)						
30,000 sf	\$ 3,334.00	\$ 9,600.00	\$ 5,369.00	\$ 12,740.00	\$ 3,700.00	\$ 6,948.60
60,000 sf	\$ 5,536.00	\$ 19,200.00	\$ 9,737.00	\$ 26,180.00	\$ 5,749.00	\$ 13,280.40
Note: Rancho Mirage, La Quinta and Indio use a valuation model. These amounts are estimates only.						

The increased building permit fees further allow for the City to recover the cost of new positions recommended in the Building & Code Enforcement Department to effectively manage the increasing volume of permits processed. Staff is recommending that the City Council consider adding one Plans Examiner, one Building Inspector, and one Secretary, whereby the full cost of these new positions is recovered by the new user fees, as identified in Table 7.

Table 7

Building Department Positions	Cost
Plans Examiner (G 47)	\$92,619
Building Inspector (G 45)	\$88,926
Secretary (G 33)	\$69,773
SUBTOTAL:	\$251,318
Gross Revenue Available:	\$334,732
Net Revenue Available:	\$83,414

Department of Planning Services

The Fee Study recommends that fees for various applications submitted to the Department of Planning Services be based on the actual time required to coordinate, review, and process the various application items and provide required inspections on a "time-motion" cost recovery basis. Staff reviewed the actual time required to appropriately coordinate the review and approval processes for the various planning applications, and the Fee Study has identified new user fees to ensure the City may appropriately recover the cost of the services provided. An example of the change in recommended user fees for certain planning applications is represented in Table 8 on the next page (sampling of fees only).

Table 8

Application Type	Current Fee	New Engineering Fee	New Planning Fee	Total Fee	Increase
Admin. Minor Modification	\$556	\$0	\$1,002	\$1,002	\$446
Major Architectural Approval (Commercial/Industrial/Multi)	\$4,236	\$2,576	\$5,258	\$7,834	\$3,598
Major Architectural Approval (Hillside Single Family)	\$3,217	\$2,576	\$3,072	\$5,648	\$2,431
Single Family House (Major Arterial)	\$1,759	\$828	\$1,792	\$2,620	\$861
Minor Architectural Review (Staff Approval)	\$33	\$0	\$362	\$362	\$329
Minor Architectural Review (Planning Commission)	\$580	\$0	\$1,088	\$1,088	\$508
Change of Zone	\$6,320	\$0	\$7,817	\$7,817	\$1,497
Conditional Use Permit (City Council Approval)	\$7,551	\$1,534	\$4,151	\$5,685	(\$1,866)
Conditional Use Permit (Planning Commission)	\$6,506	\$1,379	\$3,706	\$5,085	(\$1,421)
General Plan Amendment	\$6,678	\$0	\$7,952	\$7,952	\$1,274
Minor Land Use Permit	\$112	\$0	\$112	\$112	\$0
Major Land Use Permit	\$670	\$0	\$861	\$861	\$191
Preliminary Development Plan (< 5 acres)	\$4,178	\$1,655	\$4,544	\$6,199	\$2,021
Preliminary Development Plan (> 5 acres)	\$8,346	\$1,655	\$9,339	\$10,994	\$2,648
Final Development Plan (< 5 acres)	\$2,211	\$0	\$2,871	\$2,871	\$660
Final Development Plan (> 5 acres)	\$3,473	\$0	\$3,532	\$3,532	\$59
Tentative Tract Map	\$9,432	\$6,496	\$2,829	\$9,325	(\$107)
Tentative Parcel Map	\$7,374	\$5,270	\$2,363	\$7,633	\$259
Time Extensions	\$855	\$0	\$1,407	\$1,407	\$552

As shown in Table 8, the Fee Study recommends that for certain planning applications a decreased fee is required, primarily for tentative subdivision maps where the decreased fees account for a better accounting and separation of the full cost of services being provided on those applications by the Public Works & Engineering Department. Conversely, the Fee Study recommends that for most planning applications, the City is not currently recovering the full cost of required services. On the basis of a projected

number of various planning applications anticipated in the next fiscal year, the Fee Study estimates the City will collect \$767,412 in application fees based on current user fees. However, on the basis of the full cost recovery basis, incorporating the Indirect Cost Allocation Plan for fully burdened staffing costs, if the recommended user fees are adopted the Fee Study estimates the City will collect \$1,372,432 in application fees. Therefore, the Fee Study estimates an additional \$605,020 in revenue available to the City upon adoption of the new user fees.

Staff has reviewed the current Planning fees charged by various Coachella Valley cities, and has reflected how the proposed Planning fees (sampling of fees only) compare; as shown in Table 9, the proposed Planning fees are reasonable in comparison, with some lower and others higher than the average of the cities reviewed.

Table 9

Coachella Valley Planning Fees

	Palm Springs	Palm Desert	Rancho Mirage	Indio	La Quinta	Average
Fees Established	July 2015	June 2012	April 2007	December 2012	July 2014	
Appeals	\$ 881.00	\$ 276.00	\$ 1,583.00	\$ 1,000.00	\$ 1,595.00	\$ 1,067.00
Architectural Review (SFR)	\$ 2,620.00	\$ 226.00 +	\$1,621 - \$2,232	\$ 4,000.00	\$ 5,656.00 +	\$ 2,720.10
Change of Zone	\$ 7,931.00	\$ 2,007.00 +	\$ 3,930.00	\$ 5,000.00	\$ 6,236.00	\$ 4,998.00
Conditional Use Permit	\$ 5,685.00	\$ 2,894.00 +	\$ 5,203.00	\$ 4,500.00	\$ 4,025.00 +	\$ 4,065.60
General Plan Amendment	\$ 7,988.00	\$ 2,007.00	\$3,930 - \$4,175	\$ 7,500.00	\$ 6,236.00	\$ 5,549.50
Land Use Permit	\$ 861.00	\$ 1,500.00 +	N/A	\$ 2,500.00	\$ 1,994.00 +	\$ 1,713.75
Subdivision Maps -						
Tentative Tract Map	\$ 9,392.00	\$ 3,308.00 +	\$ 4,415 - \$9,774	\$ 8,000.00	\$ 5,656.00 +	\$ 5,377.50
Tentative Parcel Map	\$ 7,700.00	\$ 1,203.00	\$ 1,888.00	\$ 4,000.00	\$ 3,481.00 +	\$ 2,587.00
Planned Development District -						
Preliminary < 5 acres	\$ 6,199.00	N/A	\$5,201 - \$9,534	N/A	N/A	\$ 5,955.75
Final < 5 acres	\$ 3,051.00	N/A	\$ 2,178.00	N/A	\$ 5,656.00	\$ 3,628.33
Specific Plan	\$ 5,000.00	\$ 3,004.00	\$ 11,537.00	\$ 10,000.00	\$ 6,381.00	\$ 7,184.40
Street Name Change	\$ 2,555.00	N/A	\$ 801.00	N/A	\$ 1,523.00	\$ 1,626.33
Time Extensions	\$ 1,433.00	N/A	\$ 576.00	\$ 1,500.00	\$ 725.00	\$ 1,052.00
Variance	\$ 2,646.00	\$ 2,924.00 +	\$ 3,695.00	\$ 2,500-\$5,000	\$ 1,378.00 +	\$ 2,873.40
* Palm Desert and La Quinta fees are an initial deposit, actual hours are billed at full cost.						

The increased planning application fees further allow for the City to recover the cost of new positions recommended in the Department of Planning Services to effectively manage the increasing volume of applications processed. Staff is recommending that the City Council consider adding one Planning Technician and one Associate Planner whereby the full cost of these new positions is recovered by the new user fees, as identified in Table 10.

Table 10

Planning Department Positions	Cost
Planning Technician (G 33)	\$84,980
Associate Planner (PS 52)	\$103,043
SUBTOTAL:	\$188,023
Gross Revenue Available:	\$605,020
Net Revenue Available:	\$416,997

Public Works & Engineering Department

The Fee Study recommends that fees for various plan check items, permits, and applications submitted to the Public Works & Engineering Department be based on the actual time required to coordinate, review and process the various items, and provide required inspections on a "time-motion" cost recovery basis. Staff reviewed the actual time required to appropriately coordinate the review and approval processes for the various items coordinated by the Public Works & Engineering Department, and the Fee Study has identified new user fees to ensure the City may appropriately recover the full cost of the services provided. An example of the change in recommended user fees for certain items processed by the Public Works & Engineering Department is represented in Table 11 (a sampling of fees only) on the next page.

Table 11

Application Type	Current Fee	New Fee	Increase
Minor Permit	\$69	\$463	\$394
Construction Permit (\$50,000 Value)	\$1,530	\$2,313	\$783
Construction Permit (\$250,000 Value)	\$5,290	\$8,663	\$3,373
Construction Permit (\$1,000,000 Value)	\$16,540	\$27,413	\$10,873
Covenant Preparation Fee	\$150	\$681	\$531
Encroachment Agreement	\$211	\$1,222	\$1,011
Encroachment License	\$511	\$2,448	\$1,937
Grading Plan Check (5 Sheets)	\$7,445	\$7,471	\$26
Street Plan Check (5 Sheets)	\$4,456	\$4,614	\$158
Parcel Map Check (3 Sheets)	\$2,997	\$6,269	\$3,272
Final Map Check (5 Sheets)	\$6,110	\$8,551	\$2,441
Lot Line Adjustment/Parcel Merger	\$913	\$3,208	\$2,295
Major Architectural Approval (Commercial/Industrial/Multi)	\$0	\$2,576	\$2,576
Prelim. Dev. Plan (< 5 acres)	\$0	\$1,655	\$1,655
Prelim. Dev. Plan (> 5 acres)	\$0	\$1,655	\$1,655
Conditional Use Permit (City Council Approval)	\$0	\$1,534	\$1,534
Conditional Use Permit (Planning Commission)	\$0	\$1,379	\$1,379
Tentative Tract Map	\$0	\$6,496	\$6,496
Tentative Parcel Map	\$0	\$5,270	\$5,270

As shown in Table 11, the Fee Study recommends that for certain applications a restructured fee is required, primarily for various planning applications routed to the Public Works & Engineering Department for review and approval (preparation of conditions of approval), related to Major Architectural Approvals, Preliminary Development Plans, and tentative subdivision maps where the new fees account for a better accounting and separation of the full cost of services being provided on those applications by the Public Works & Engineering Department. Conversely, the similar fees charged by the Department of Planning Services have been reduced. The Fee Study confirms that for most items reviewed by the Public Works & Engineering

Department, the City is not currently recovering the full cost of required services. On the basis of a projected number of various items to be submitted to the Public Works & Engineering Department anticipated in the next fiscal year, the Fee Study estimates the City will collect \$809,153 in application, plan check, or permit fees based on current user fees. However, on the basis of the full cost recovery basis incorporating the Indirect Cost Allocation Plan for fully burdened staffing costs, if the recommended user fees are adopted, the Fee Study estimates the City will collect \$1,486,527 in application, plan check, or permit fees. Therefore, the Fee Study estimates an additional \$677,374 in revenue available to the City upon adoption of the new user fees.

Staff has reviewed the current Engineering fees charged by various Coachella Valley cities, and has reflected how the proposed Engineering fees (sampling of fees only) compare; as shown in Table 12, the proposed Engineering fees are reasonable in comparison, with some lower and others higher than the average of the cities reviewed.

Table 12

Coachella Valley Engineering Fees						
Fees Established	Palm Springs July 2015	Palm Desert June 2012	Rancho Mirage April 2007	Indio December 2012	La Quinta July 2014	Average
Improvement Plans (Plan Check)-						
Street Plan Check (2 Sheets)	\$ 1,846.00	\$ 1,550.00 +	\$ 1,700.00	\$ 3,800.00	\$ 2,357.00	\$ 2,250.60
Construction Permit (\$50,000 value)	\$ 2,313.00	\$ 3,180.00	\$ 2,000.00	\$ 3,570.00	\$ 4,641.00	\$ 3,147.40
Grading Plan Check (<4 acres, 4 sheets)	\$ 5,977.00	\$ 1,628.00 +	\$ 1,300.00	\$ 9,200.00	\$ 4,677.00	\$ 4,556.40
Subdivision Maps (Plan Check)-						
Parcel Maps (4 Sheets)	\$ 6,900.00	\$ 1,753.00	\$ 2,472.00	\$ 5,200.00	\$ 3,192.00	\$ 3,903.40
Final Maps (4 Sheets)	\$ 7,716.00	\$ 1,753.00	\$ 2,120.00	\$ 800.00	\$ 3,192.00	\$ 3,116.20
Lot Line Adjustment (4 Lots)	\$ 3,208.00	\$ 810.00	\$ 2,020.00	\$ 1,100.00	\$ 1,450.00	\$ 1,944.50
Flat Fee						
Right-of-Way						
Street & Easement Vacation	\$ 1,799.00	\$ 251.00	\$ 600.00	\$ 3,570.00	\$ 2,030.00	\$ 1,650.00
* Rancho Mirage - Billed at the hourly rate for City Attorney or City Engineer ** Includes Filing Fee						

The increased Public Works & Engineering Department fees further allow for the City to recover the cost of new positions recommended in that Department to effectively manage the increasing volume of items processed. Staff is recommending that the City Council consider adding one Secretary, reclassifying the Engineering Assistant to Engineering Assistant II, reclassifying the Engineering Secretary/Counter Technician to Permit Center Technician, adding one Permit Center Technician, and adding one Associate Civil Engineer, whereby the full cost of these reclassifications and new positions is recovered by the new user fees, as identified in Table 13.

Table 13

Engineering Department Positions	Cost
Engineering Assistant II (Reclass: PS51 to PS53 w/Cert)	\$6,130
Eng. Secretary / Counter Tech. (Reclass: Permit Center Tech)	\$13,904
Secretary (G 33)	\$69,773
Permit Center Technician (G 43)	\$84,980
Associate Civil Engineer (PS 59)	\$119,570
SUBTOTAL:	\$294,357
Gross Revenue Available:	\$677,374
Net Revenue Available:	\$383,017

Fire Department

The Fee Study has also reviewed user fees previously established for the City's Fire Prevention program. As stated in the Fee Study, fire prevention services are an important aspect of public safety as well as safety for City emergency personnel. A robust fire prevention program helps assure public safety in the obvious way of preventing a catastrophic fire. Fees for fire inspection services are currently established and required upon the issuance of any new business license; however, these inspections are performed by sworn Fire Department personnel in addition to their current duties.

California law gives discretion to the local agency to determine additional fire inspection frequencies on the following occupancy groups:

- **Group A – Assembly** (PSCC, theaters, churches, restaurants, bars, nightclubs)
 Hazard Rank: Potentially high hazard
 Recommended inspection frequency: annual
- **Group B – Business** (professional, service type services)
 Hazard Rank: Typically low-hazard
 Recommended inspection frequency: every 3 years.
- **Group F – Factories / Industrial Use**
 Hazard Rank: Potentially high hazard
 Recommended inspection frequency: every 1-2 years.
- **Group H – Hazardous** (flammable, toxic, corrosive materials on site)
 Hazard Rank: High hazard
 Recommended inspection frequency: annual
- **Group I – Institutional** (hospitals, skilled nursing, assisted living, family day care)
 Hazard Rank: Potentially high hazard – vulnerable occupants
 Recommended inspection frequency: annual

- **Group R-2.1 – Residential 24-Hour Care Facilities > 6 patients**
Hazard Rank: Potentially high hazard – vulnerable occupants
Recommended inspection frequency: annual
- **Group R-3.1 – Residential 24-Hour Care Facilities < 6 patients**
Hazard Rank: Potentially high hazard – vulnerable occupants
Recommended inspection frequency: annual
- **Group S – Storage (vehicle repair, warehouses, gas stations, garages, etc.)**
Hazard Rank: Moderate hazard
Recommended inspection frequency: every 2 years.

Although the recommended fire inspections listed in this report are not all State mandated inspections, most of the above occupancy groups represent potential areas of fire risk to life, property, environment, or combination thereof. Therefore, staff recommends that the City Council adopt a new fire prevention fee structure which ensures these additional fire inspections in the following areas:

Group A (Assembly): As a popular tourist destination, Palm Springs has a high concentration of restaurants, bars, nightclubs and special events. Due to a high occupant load, low-light conditions, crowd dynamics and the probability of impaired patrons, these occupancies also present a high hazard potential and should be inspected on an annual basis.

Group I (Institutional): Palm Springs also has numerous Residential Care Facilities for the Elderly (RCFE) which provides care for up to 6 clients on a 24-hour basis. These facilities operate out of single family dwellings throughout the City. Most clients are unable to self-evacuate and are extremely vulnerable to fire, making this occupancy a high priority for annual fire inspections. Palm Springs also has a large hospital and six skilled nursing/assisted living facilities housing hundreds of patients – most of which are non-ambulatory. This occupancy group should be inspected annually to verify code compliance and maintenance of the building's life safety components.

Group F (Factories/Industrial Use): Although not as industrialized as many cities, Palm Springs has its share of hazardous occupancies which present a hazard to both life and environment. Automotive and aircraft repair, fuel storage, pesticide companies and in particular, pool chemical retail and distribution facilities present an extremely high hazard to air and water quality in the event of fire. Annual fire inspections should be occurring at these occupancies.

No community can be free of natural or man-made disasters, however, proactive measures can be implemented to significantly reduce the potential for fire losses – which is the mission of the Fire Prevention Bureau. A properly staffed bureau allows sufficient personnel to keep up with not only new development, but existing building maintenance inspections, resulting in a safer community for residents, business owners and visitors.

The Fee Study recommends that fees for various fire inspections be based on the actual time required to the required inspections, on a "time-motion" cost recovery basis. Staff reviewed the actual time required to appropriately coordinate and administer the fire prevention program recommended by the Fire Department, and the Fee Study has identified new user fees to ensure the City may appropriately recover the cost of the services provided. An example of the change in recommended user fees for certain inspections provided by the Fire Department is represented in Table 14.

Table 14

Application Type	Current Fee	New Fee	Increase
Smoke Detector Inspection	\$51	\$106	\$55
Knox Box/Switch Inspection	\$93	\$177	\$84
Business License Inspection	\$92	\$264	\$172
Pre-Engineered Fire Suppression Systems	\$163	\$327	\$164
Air Craft Hangar (<40,000 SF)	\$142	\$327	\$185
Air Craft Hangar (>150,000 SF)	\$92	\$489	\$397
Fire Plan Review (Single Family)	\$104	\$152	\$48
Fire Plan Review (Multi-Family)	\$312	\$379	\$67
Fire Plan Review (Commercial/Ind)	\$312	\$379	\$67
Fire Alarm Systems	\$208	\$266	\$58
Fire Sprinkler System (SFR)	\$104	\$152	\$48
Fire Sprinkler System (Multi Family)	\$208	\$266	\$58
Fire Sprinkler System (Commercial)	\$312	\$379	\$67
Fire Inspection (Multi Family)	\$184	\$282	\$98
Group R Inspection (Apartments/Condo 3-10 Units)	\$12 - \$40	\$176	
Group R Inspection (Apartments/Condo 11-50 Units)	\$44 - \$200	\$217	
Group R Inspection (Apartments/Condo 51-75 Units)	\$204 - \$300	\$297	
Group R Inspection (Apartments/Condo 76-100 Units)	\$304 - \$400	\$451	
Group R Inspection (Apartments/Condo 101+ Units)	\$404 + up	\$655	

As shown in Table 14, the Fee Study recommends that for certain fire inspections (Group R), a restructured fee is required with regard to apartments and condominiums.

On the basis of a projected number of plan reviews and inspections performed by the Fire Department anticipated in the next fiscal year, the Fee Study estimates the City will collect \$253,407 in fees based on current user fees. However, on the basis of the full cost recovery basis incorporating the Indirect Cost Allocation Plan staffing costs, the Fee Study estimates the City will collect \$992,121 in fees. The increased Fire Department fees further allow for the City to recover the cost of new positions recommended to effectively manage the recommended enhanced fire prevention program. Staff is recommending that the City Council consider adding two non-sworn Fire Prevention Specialists, whereby the full cost of these new positions is recovered by the new user fees, as identified in Table 15 below. Retaining these non-sworn positions will allow the City to conduct approximately 715, State mandated "Group R" occupancy inspections (hotels, motels, apartments and condominiums) annually, as well as 240, City mandated "New Business License" inspections annually, subsequently relieving sworn fire suppression personnel from having to conduct these inspections, thereby allowing for availability for emergencies, increased training time, employee development and other duties as assigned.

Table 15

Fire Department Positions	Cost
Fire Prevention Specialist (G 42)	\$83,196
Fire Prevention Specialist (G 42)	\$83,196
SUBTOTAL:	\$166,392
Budgeted Revenue Available	\$200,000
Net Revenue Available:	\$33,608

Public Review

At the June 17, 2015, Public Hearing, representatives from the DVBA presented public testimony requesting additional time with which to review the User Fee Study and recommended Comprehensive Fee Study. Additionally, Marvin Roos, Director of Design Development with MSA Consulting, Inc., requested clarity with the development fee increases given that the Planning fees are being revised to separate out Engineering related fees. At that time, the City Council granted the CVBA's requesting and continued the Public Hearing to July 15, 2015. Staff subsequently met with representatives from the DVBA and Mr. Roos on June 30, 2015, to discuss the User Fee Study and Comprehensive Fee Schedule.

At the meeting with staff, the DVBA requested that the fee schedule be very clear for the developers on what the total fee is for planning applications. In response, staff has prepared a fee schedule for Planning Fees that is inclusive of all applicable fees (including engineering fees), such that developers are aware of the total fees being adopted; the Planning Fees hand-out is included as **Attachment 2**. Table 8 in this report has also been updated to reflect the separate engineering fees that are associated with the various planning applications, and shows the resulting total fee recommended.

The DVBA requested that the policy for reduction of fees for multiple applications be clear in the fee schedule. The City's current Fee Schedule includes Note 1 under Planning fees which reads: *Some fees may be discounted for multiple applications of similar nature (excludes maps & legislative actions)*. Staff agrees that this note should be clarified, and in response, has recommended that Note 1 read: *A Planning application that includes multiple associated applications being processed simultaneously as one project subject to the review and approval by the Planning Commission and/or City Council, are subject to a 50% fee discount on the associated applications, with the higher application fee applied at 100% and all other associated application fees applied at 50%. Projects including multiple applications requiring separate action by the Planning Commission and/or City Council are not subject to a 50% fee discount.*

Generally, the DVBA advised after reviewing the City's User Fee Study, they had determined it was well prepared, and complemented the City's consultant's work, and suggested that the costs are accurately estimated, but that the concern is how the resulting fee increases are implemented. Given the 11 years since the City's last major update to the Comprehensive Fee Schedule, the DVBA has requested that the City implement the fee increase over 18 months: 1/3 effective September 14, 2015; 1/3 effective July 1, 2016, and final implementation on January 1, 2017.

In reviewing the DVBA's request, staff advised the DVBA that implementing a tiered approach to the Building fees is an administrative burden, given that the methodology for calculating building fees is changing from a valuation approach to a fixed fee. Staff also advised that many Building fees are being reduced, and implementing a tiered fee increase would further impact the City's continued subsidy to full-cost recovery of services provided to the development community. In response to the meeting with the DVBA, staff provided the DVBA with an analysis of all Engineering and Planning Fees identifying those with significant increases (+100% increase, and new fee items being proposed); the analysis is included as **Attachment 3**. A copy of the DVBA letter requesting a phased implementation of increased fees is included as **Attachment 4**.

As a result of the DVBA's review, certain minor adjustments were made to the proposed Comprehensive Fee Schedule, to clarify certain fees and the basis of its application. A copy of the final draft Comprehensive Fee Schedule

ENVIRONMENTAL IMPACT:

The requested City Council action is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

FISCAL IMPACT:

The User Fee Study has identified certain services provided by the City to the development community where the total cost for service is subsidized by the General Fund under the currently adopted Comprehensive Fee Schedule. In completing the User Fee Study, appropriate analysis has identified the full-cost recovery of performing individual services for various activities in the Building, Engineering, Fire, and Planning Departments, where over \$1.8 Million may be recovered if the User Fee Study is approved and the associated Comprehensive Fee Schedule adopted. Approval of the Comprehensive Fee Schedule will provide the estimated revenue to offset the additional expenditure associated with the additional 11 FTE's to be hired in the Building, Engineering, Fire, and Planning Departments to accommodate the increased work load and development activity that is already occurring.

In reviewing the request by the DVBA for a phased implementation of increased fees, staff has completed an analysis of the resulting reduction in estimated revenues in the Fiscal Year 2015-16 Budget. On the basis of the DVBA's initial request to implement the fee increase over 18 months following the City Council's adoption of the Comprehensive Fee Schedule (effective on September 14, 2015), and excluding deferral of fee increases in the Building Department, the net decrease is the deferral of 2/3 of the full fee increase through Fiscal Year 2015-16, as shown in the following Table 16.

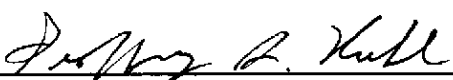
Table 16

Function	Loss in 2015-2016 from Old Fees Going Down Under New Fees Study	Loss in 2015-2016 if Only 33% of Permitted Increase Adopted by City Council	Total Loss in 2015-2016 of Cost Recovery If Implemented
Engineering	(\$8,788)	(\$527,005)	(\$535,793)
Planning	(\$118,470)	(\$484,738)	(\$603,208)
Fire Prevention	(\$549,663)	\$0	(\$549,663)
Totals	(\$676,920)	(\$1,011,744)	(\$1,688,664)

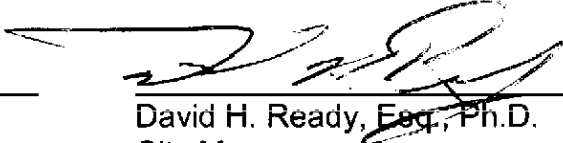
As shown in Table 16, approval of the DVBA's initial request would result in a decrease of \$1.7 Million in estimated revenue for Fiscal Year 2015-16 Budget. Approval of this fee deferral would require consideration by the City Council of an amendment to the adopted Fiscal Year 2015-16 Budget to transfer General Fund reserves to cover the loss of revenue; or, consideration by the City Council to delay the hiring of the 11 additional FTE's recommended and justified by the User Fee Study.

The proposed Resolution approving the User Fee Study and adopting the Comprehensive Fee Schedule does not implement phasing of proposed fee increases as suggested by DVBA; however, to the extent the City Council prefers a phased implementation, staff is prepared to modify the Resolution to include a Section that facilitates the phased implementation allowing for the City Council's approval of the User Fee Study and adoption of the Comprehensive Fee Schedule.

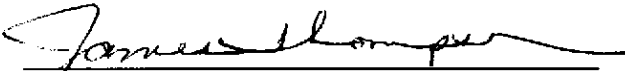
SUBMITTED



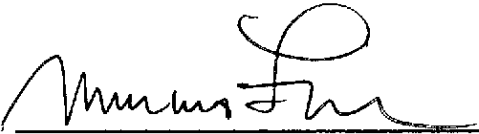
Geoffrey S. Kiehl
Director of Finance and Treasurer



David H. Ready, Esq., Ph.D.
City Manager



James Thompson
Chief of Staff / City Clerk



Marcus L. Fuller, MPA, PE, PLS
Assistant City Manager/City Engineer

ATTACHMENTS:

1. Desert Valleys Builders Association Residential Development Fee Study, Nov. 2014
2. Planning Fees hand-out
3. Engineering and Planning Fee Increase Analysis for DVBA
4. DVBA Letter
5. Resolution

ATTACHMENT 1

Cathedral City

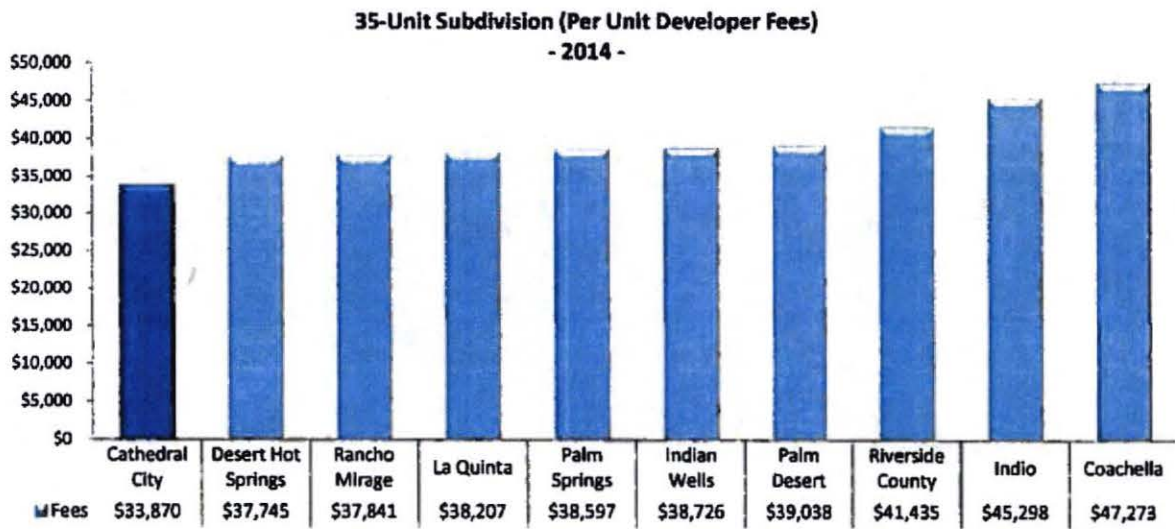
Summary Data Tables and Charts

Fee Totals	2014 Fees				2007 Fees			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$2,443	\$146,573	\$2,443	\$85,501	\$2,303	\$138,194	\$2,303	\$80,613
Impact Fees	\$27,828	\$1,669,666	\$29,282	\$1,024,880	\$23,125	\$1,387,486	\$24,259	\$849,075
Planning Fees	\$363	\$21,775	\$609	\$21,300	\$343	\$20,594	\$575	\$20,119
Engineering Fees	\$905	\$54,293	\$1,536	\$53,768	\$691	\$41,481	\$1,136	\$39,746
Total	\$31,538	\$1,892,307	\$33,870	\$1,185,449	\$26,463	\$1,587,756	\$28,273	\$989,554

20% Fee Increase
\$6,000 per unit

Fee Share	2014 Fees				2007 Fees			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	8%	8%	7%	7%	9%	9%	8%	8%
Impact Fees	88%	88%	86%	86%	87%	87%	86%	86%
Planning Fees	1%	1%	2%	2%	1%	1%	2%	2%
Engineering Fees	3%	3%	5%	5%	3%	3%	4%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 90% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.



Coachella

Summary Data Tables and Charts

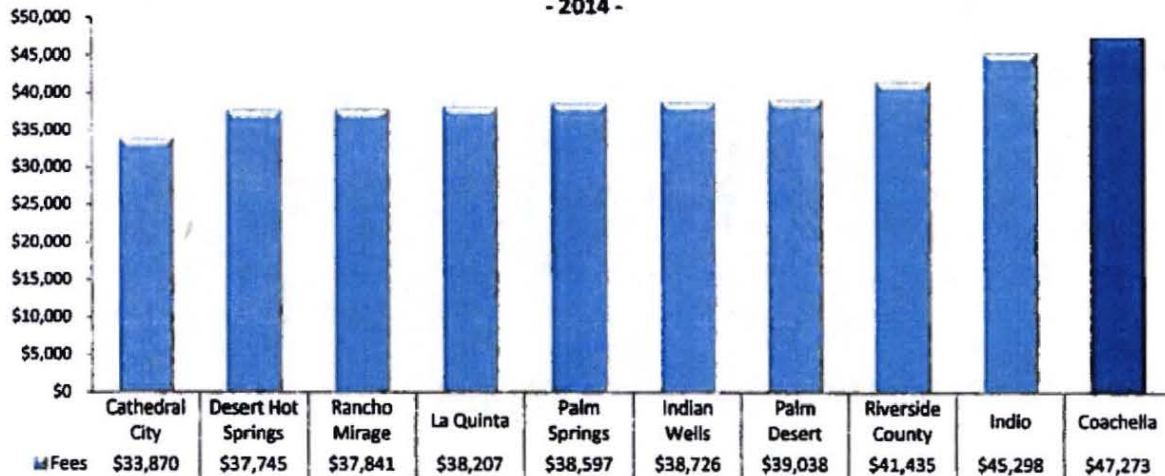
Fee Totals	2014 Fees				2007 Fees			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
Fee Description	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$5,984	\$359,019	\$6,056	\$211,974	\$5,109	\$306,524	\$5,109	\$178,806
Impact Fees	\$37,236	\$2,234,151	\$38,690	\$1,354,163	\$27,988	\$1,679,282	\$28,271	\$989,470
Planning Fees	\$552	\$33,100	\$935	\$32,725	\$568	\$34,064	\$920	\$32,189
Engineering Fees	\$932	\$55,942	\$1,591	\$55,692	\$788	\$47,281	\$1,337	\$46,781
Total	\$44,704	\$2,682,213	\$47,273	\$1,654,555	\$34,453	\$2,067,151	\$35,636	\$1,247,246

33% Fee Increase
\$12,000 per unit

Fee Share	60-unit Subdivision				35-unit Subdivision			
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	13%	13%	13%	13%	15%	15%	14%	14%
Impact Fees	83%	83%	82%	82%	81%	81%	79%	79%
Planning Fees	1%	1%	2%	2%	2%	2%	3%	3%
Engineering Fees	2%	2%	3%	3%	2%	2%	4%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 80% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)
- 2014 -



Desert Hot Springs

Summary Data Tables and Charts

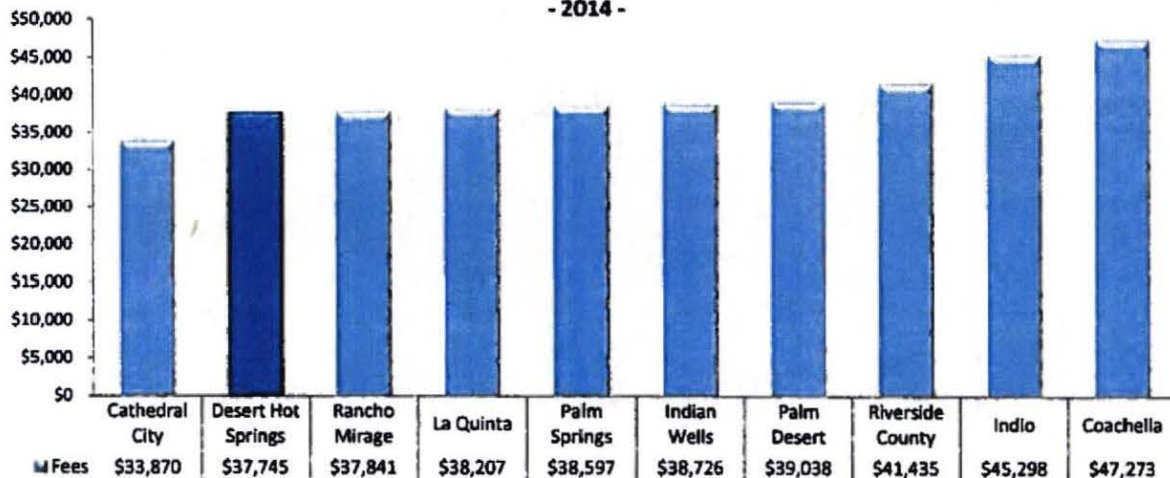
Fee Totals	2014 Fees				2007 Fees			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$2,140	\$128,375	\$2,147	\$75,131	\$3,201	\$192,084	\$3,201	\$112,049
Impact Fees	\$32,366	\$1,941,967	\$32,366	\$1,132,814	\$29,268	\$1,756,094	\$29,654	\$1,037,894
Planning Fees	\$824	\$49,430	\$1,412	\$49,430	\$998	\$59,896	\$1,711	\$59,896
Engineering Fees	\$1,093	\$65,558	\$1,820	\$63,683	\$356	\$21,367	\$610	\$21,367
Total	\$36,422	\$2,185,330	\$37,745	\$1,321,058	\$33,824	\$2,029,441	\$35,177	\$1,231,206

7% Fee Increase
\$3,000 per unit

Fee Share	60-unit Subdivision				35-unit Subdivision			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	6%	6%	6%	6%	9%	9%	9%	9%
Impact Fees	89%	89%	86%	86%	87%	87%	84%	84%
Planning Fees	2%	2%	4%	4%	3%	3%	5%	5%
Engineering Fees	3%	3%	5%	5%	1%	1%	2%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 90% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)
- 2014 -



Indian Wells

Summary Data Tables and Charts

2014 Fees

2007 Fees

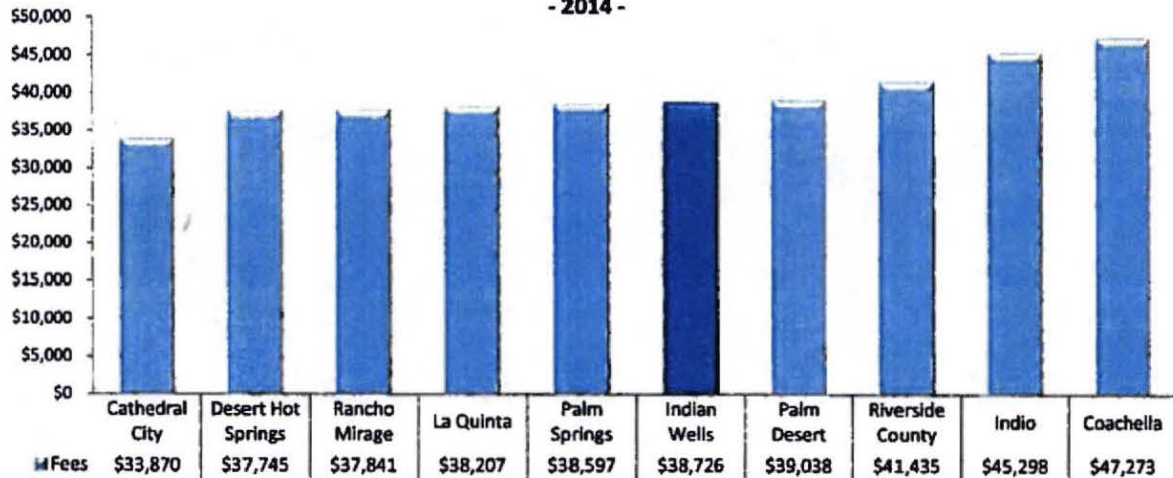
Fee Description	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$5,105	\$306,300	\$5,105	\$178,675	\$4,901	\$294,085	\$4,901	\$171,550
Impact Fees	\$29,918	\$1,795,066	\$31,372	\$1,098,030	\$23,248	\$1,394,891	\$24,665	\$863,274
Planning Fees	\$525	\$31,480	\$892	\$31,230	\$566	\$33,933	\$982	\$34,383
Engineering Fees	\$791	\$47,482	\$1,357	\$47,482	\$723	\$43,390	\$1,240	\$43,390
Total	\$36,339	\$2,180,329	\$38,726	\$1,355,418	\$29,439	\$1,766,300	\$31,788	\$1,112,597

22% Fee Increase
\$7,000 per unit

Fee Description	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	14%	14%	13%	13%	17%	17%	15%	15%
Impact Fees	82%	82%	81%	81%	79%	79%	78%	78%
Planning Fees	1%	1%	2%	2%	2%	2%	3%	3%
Engineering Fees	2%	2%	4%	4%	2%	2%	4%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 80% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)
- 2014 -



Indio

Summary Data Tables and Charts

2014 Fees

2007 Fees

Fee Totals	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$2,276	\$136,541	\$2,276	\$79,649	\$2,871	\$172,274	\$2,871	\$100,493
Impact Fees	\$35,690	\$2,141,398	\$37,313	\$1,305,963	\$30,706	\$1,842,352	\$32,055	\$1,121,922
Planning Fees	\$1,181	\$70,845	\$1,810	\$63,345	\$390	\$23,428	\$669	\$23,428
Engineering Fees	\$2,665	\$159,882	\$3,899	\$136,482	\$113	\$6,750	\$193	\$6,750
Total	\$41,811	\$2,508,666	\$45,298	\$1,585,439	\$34,080	\$2,044,803	\$35,788	\$1,252,593

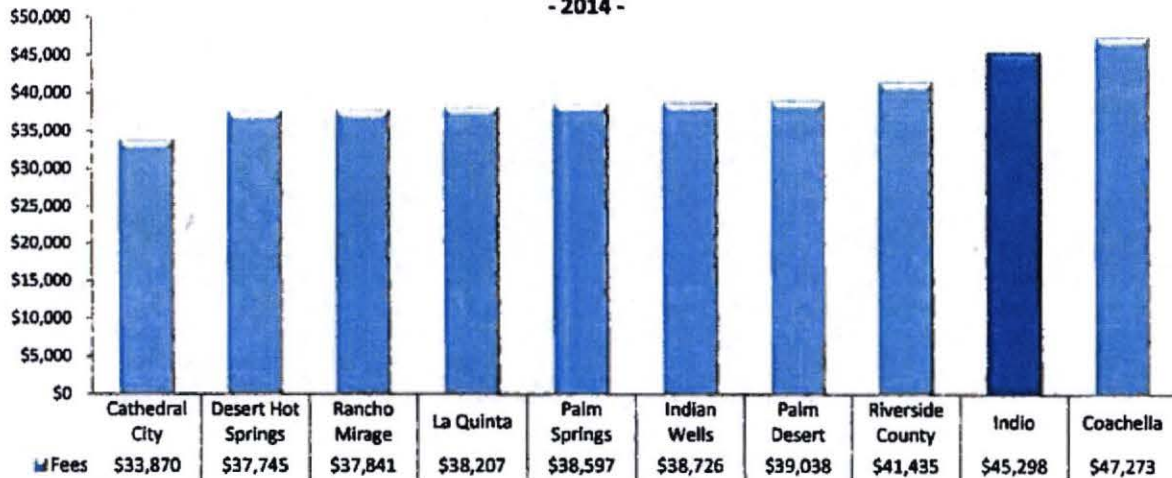
27% fee increase
\$10,000 per unit

Fee Share

Fee Description	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	5%	5%	5%	5%	8%	8%	8%	8%
Impact Fees	85%	85%	82%	82%	90%	90%	90%	90%
Planning Fees	3%	3%	4%	4%	1%	1%	2%	2%
Engineering Fees	6%	6%	9%	9%	0%	0%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 85% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)
- 2014 -



La Quinta

Summary Data Tables and Charts

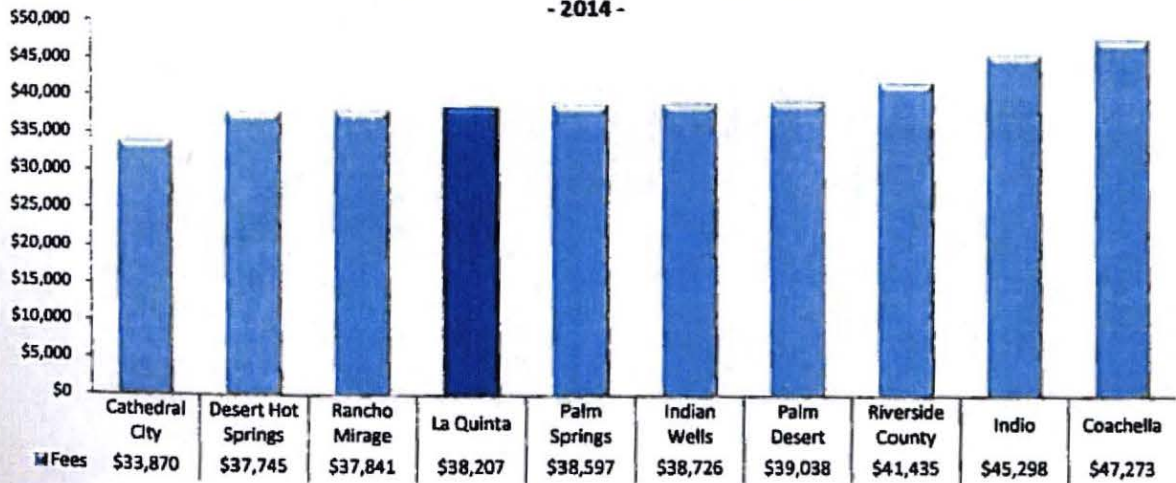
Fee Totals	2014 Fees				2007 Fees			
	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$1,929	\$115,752	\$1,979	\$69,279	\$1,857	\$104,677	\$1,756	\$60,360
Impact Fees	\$32,079	\$1,924,717	\$33,533	\$1,173,660	\$24,036	\$1,442,130	\$25,452	\$890,830
Planning Fees	\$641	\$38,446	\$1,098	\$38,446	\$280	\$16,824	\$481	\$16,824
Engineering Fees	\$931	\$55,867	\$1,596	\$55,867	\$652	\$39,091	\$1,117	\$39,091
Total	\$35,580	\$2,134,781	\$38,207	\$1,337,251	\$26,824	\$1,602,722	\$28,806	\$1,007,106

33% Fee Increase
\$9,000 per unit

Fee Share	60-unit Subdivision				35-unit Subdivision			
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
	Building Permit Fees	5%	5%	5%	5%	7%	7%	6%
Impact Fees	90%	90%	88%	88%	90%	90%	88%	88%
Planning Fees	2%	2%	3%	3%	1%	1%	2%	2%
Engineering Fees	3%	3%	4%	4%	2%	2%	4%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 90% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees) - 2014 -



Palm Desert

Summary Data Tables and Charts

2014 Fees

2007 Fees

Fee Description	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$4,327	\$259,599	\$4,392	\$153,707	\$5,166	\$309,975	\$5,166	\$180,819
Impact Fees	\$30,615	\$1,836,906	\$32,189	\$1,126,604	\$19,227	\$1,153,597	\$19,361	\$677,649
Planning Fees	\$509	\$30,521	\$872	\$30,521	\$43	\$2,562	\$73	\$2,562
Engineering Fees	\$1,235	\$74,116	\$1,586	\$55,516	\$457	\$27,429	\$482	\$16,854
Total	\$36,686	\$2,201,142	\$39,038	\$1,366,347	\$24,893	\$1,493,563	\$25,082	\$877,884

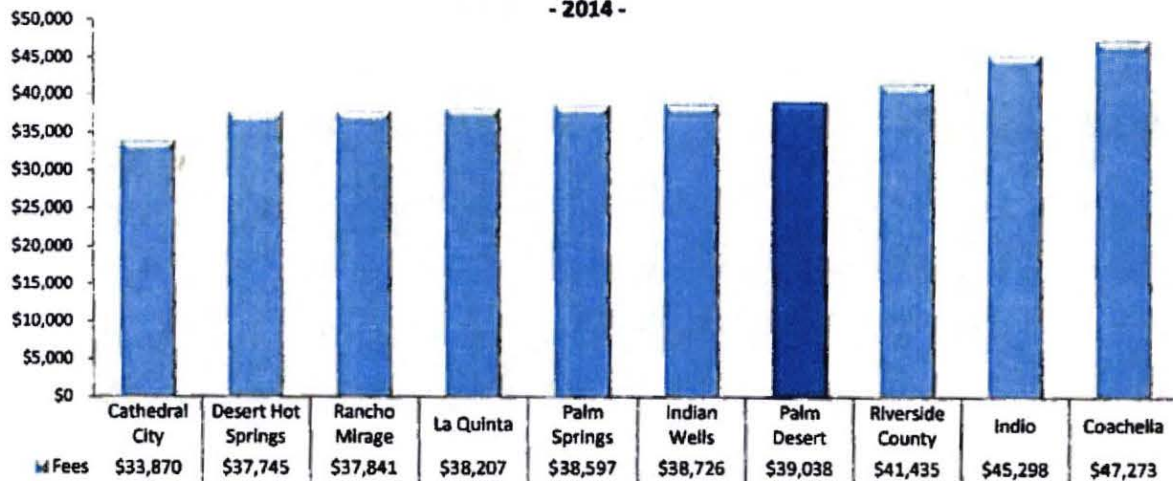
56% Fee Increase
\$14,000 per unit

Fee Share

Fee Description	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	12%	12%	11%	11%	21%	21%	21%	21%
Impact Fees	83%	83%	82%	82%	77%	77%	77%	77%
Planning Fees	1%	1%	2%	2%	0%	0%	0%	0%
Engineering Fees	3%	3%	4%	4%	2%	2%	2%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 80% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees) - 2014 -



Palm Springs

Summary Data Tables and Charts

2014 Fees

2007 Fees

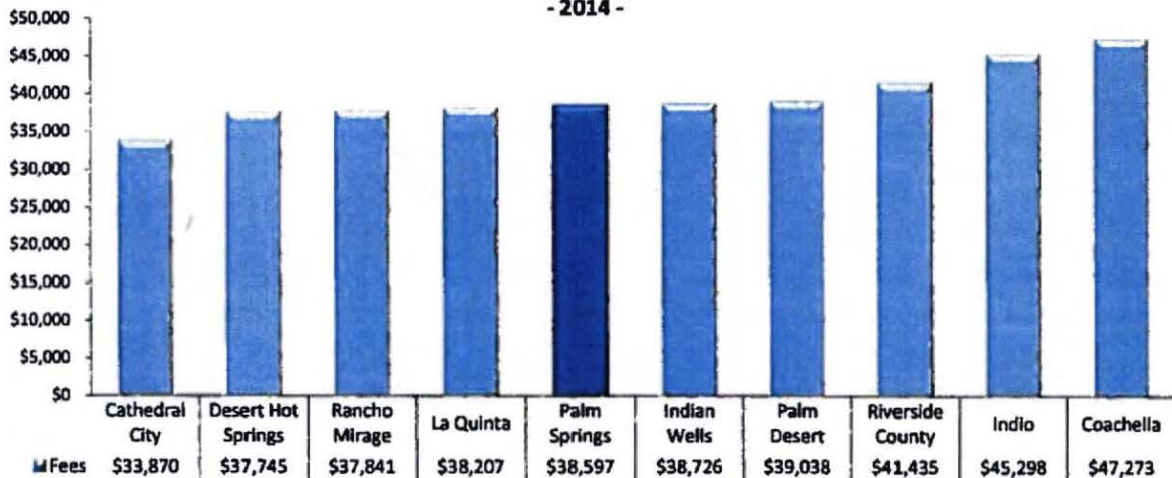
Fee Totals	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$1,789	\$107,337	\$1,844	\$64,546	\$2,314	\$138,830	\$2,314	\$80,984
Impact Fees	\$33,322	\$1,999,325	\$33,322	\$1,166,273	\$31,483	\$1,889,000	\$32,862	\$1,150,179
Planning Fees	\$848	\$50,886	\$1,454	\$50,886	\$589	\$35,353	\$1,010	\$35,353
Engineering Fees	\$1,153	\$69,187	\$1,977	\$69,187	\$709	\$42,539	\$1,215	\$42,539
Total	\$37,112	\$2,226,734	\$38,597	\$1,350,892	\$35,095	\$2,105,722	\$37,402	\$1,309,055

3% Fee Increase
\$1,000 per unit

Fee Share	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	5%	5%	5%	5%	7%	7%	6%	6%
Impact Fees	90%	90%	86%	86%	90%	90%	88%	88%
Planning Fees	2%	2%	4%	4%	2%	2%	3%	3%
Engineering Fees	3%	3%	5%	5%	2%	2%	3%	3%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 90% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)
- 2014 -



Rancho Mirage

Summary Data Tables and Charts

2014 Fees

2007 Fees

Fee Totals	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	\$2,429	\$145,762	\$2,429	\$85,028	\$1,759	\$105,536	\$1,759	\$61,563
Impact Fees	\$31,226	\$1,873,573	\$33,398	\$1,168,921	\$25,676	\$1,540,583	\$27,093	\$948,261
Planning Fees	\$396	\$23,753	\$679	\$23,753	\$416	\$24,923	\$712	\$24,923
Engineering Fees	\$791	\$47,480	\$1,335	\$46,730	\$732	\$43,901	\$1,233	\$43,151
Total	\$34,843	\$2,090,569	\$37,841	\$1,324,432	\$28,583	\$1,714,943	\$30,797	\$1,077,897

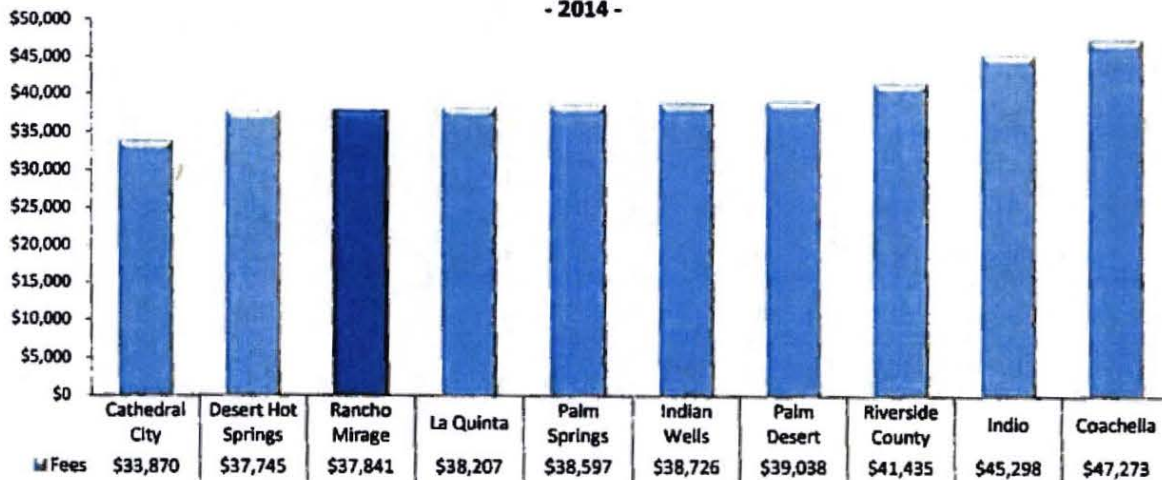
23% Fee Increase
\$7,000 per unit

Fee Share	60-unit Subdivision		35-unit Subdivision		60-unit Subdivision		35-unit Subdivision	
	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total
Building Permit Fees	7%	7%	6%	6%	6%	6%	6%	6%
Impact Fees	90%	90%	88%	88%	90%	90%	88%	88%
Planning Fees	1%	1%	2%	2%	1%	1%	2%	2%
Engineering Fees	2%	2%	4%	4%	3%	3%	4%	4%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Development impact fees represent roughly 90% of the developer fees examined in this study. These include school developer fees, water and wastewater capacity fees, TUMF, multi-species habitat conservation, and other fees intended to offset the impact of development on certain capital facilities.

35-Unit Subdivision (Per Unit Developer Fees)

- 2014 -



ATTACHMENT 2



PLANNING FEES

Application Type	Fees
Administrative Minor Modification	\$1,012
Adult Oriented Business Permits	\$2,136
Annexation to Palm Springs	\$5,000*
Antenna Permits (Homeowner)	\$79
Antenna Permits (Commercial)	\$427
Appeals (Planning Commission to City Council)	\$881 + notification
Appeals (Planning Director to Planning Commission)	\$426 + notification
Major Architectural Approval (Commercial/Industrial/Multiple SF/MF)	\$7,834
Major Architectural Approval (Hillside Single Family)	\$5,648
Single Family House (Major Thoroughfare)	\$2,620
Minor Architectural Review (Staff Approval)	\$362
Minor Architectural Review (Planning Commission Approval)	\$1,008
Minor Architectural Review (Incidental Permits)	\$50
Certification of Resolutions (Planning Commission or HSPB)	\$46
Change of Zone	\$7,931 + notification
City Attorney Review of Development Projects	\$3,500*
Codes, Covenants & Restrictions	\$1,165 + \$3,500 deposit (Legal Review)
Conditional Use Permit (Planning Commission & City Council)	\$5,685 + notification
Conditional Use Permit (Planning Commission)	\$5,085 + notification
Demolitions, Modifications, Improvements, Etc. (Hillside, Architectural Review Areas)	\$38
Determinations by Planning Commissions	\$1,203
Development Agreements	\$4,777 + \$3,500 deposit (Legal Review)
Environmental Documents - Initial Study/Minor Projects (Staff Prepared)	\$3,946 + \$2,500 deposit (Eng. Review)
Environmental Documents - Initial Study/Major Projects (Staff Prepared)	\$6,787 + \$2,500 deposit (Eng. Review)



PLANNING FEES

Environmental Documents - MND/EIR (City Consultant Prepared)	Consultant Fee + 12.5%
Environmental Documents - MND/EIR (Developer Consultant Prepared)	\$5,000 deposit (Peer Review)
Environmental Documents (Mitigation Monitoring)	Deposit
Environmental Documents (Fish & Game Code Fees)	Fees per County/State
Event House Fee	\$350
Event House Appeal	\$130
Files Retrieved from Storage (Public Records Act)	\$0
Files Retrieved from Storage (Public Records Act) - Expedited	Actual Cost
Final Planning Inspection (Minor Architectural)	\$186
Final Planning Inspection (Major Architectural)	\$450
Final Planning Inspection (Subdivision, First SFR)	\$216
Final Planning Inspection (Subdivision, Each Additional SFR)	\$39
Final Planning Inspection - Non Responsive	\$186
Focused Entitlement & Planning Services	Consultant Fee + 12.5%
Garage Sale Permit (Single)	\$19
Garage Sale Permit (Multiple)	\$39
General Plan Amendment	\$7,988 + notification
General Plan & Zoning Letter (Verification of Zoning)	\$224
General Plan & Zoning Letter (Zoning Conformance)	\$712
General Plan Maintenance Surcharge	\$0.67 / \$1,000 New Const
Historic Site Preservation - Mills Act - Class 1	\$1,305
HSPB - Application for Certificate of Approval (Exterior Mod.)	\$302
HSPB - Demolitions of Class 3 Sites	\$558
HSPB - Survey	\$31
House Moving Application	\$603
In-Lieu Parking Fees	See Applicable Ordinance and Resolutions
Land Use Permit (Minor)	\$122
Land Use Permit (Major)	\$861
Lot Tie Agreement	\$585



PLANNING FEES

Local Development Mitigation Fee (CVMSHCP)	See Applicable CVAG Fees
Medical Cannabis Cooperative or Collectives (Application)	\$7,500*
Medical Cannabis Cooperative or Collectives (Appeal)	\$750*
Mural Permit	\$1,872
Park Fees In-Lieu of Dedication	See Applicable Ordinance and Resolutions
Plan Checking Fees (Single Family Residential)	\$176
Plan Checking Fees (Commercial/MF Residential < 1 Acre)	\$225
Plan Checking Fees (Commercial / PDs 1-5 Acres)	\$536
Plan Checking Fees (Commercial / PDs > 5 Acres)	\$1,314
Plan Checking Fees (Commercial Tenant Improvement)	\$800
Plan Checking Fees (MF Residential 1-5 Acres)	\$489
Plan Checking Fees (MF Residential > 5 Acres)	\$1,126
Plan Checking Fees (Final Landscape/Exterior Lighting)	\$567
Plan Checking Fees (Landscape/Irrigation - Single Family Residence)	\$371
Plan Checking Fees (Landscape/Irrigation - Multi-Family/Subdivision)	\$1,616
Plan Checking Fees (Landscape/Irrigation - Commercial/Industrial <5 Acres)	\$838
Plan Checking Fees (Landscape/Irrigation - Commercial/Industrial >5 Acres)	\$1,305
Preliminary Development Plan (< 5 acres)	\$6,199 + notification
Preliminary Development Plan (> 5 acres)	\$10,994 + notification
PD - Final Development Plan (< 5 acres)	\$3,051
PD - Final Development Plan (> 5 acres)	\$3,712
Preliminary Development Plan - Minor Amendment	\$1,633
Preliminary Development Plan - Major Amendment	\$5,365
Final Development Plan - Minor Amendment	\$576
Planned Development District - Incidental Change	\$381
Planning Commission - Agenda Only (Yearly)	\$61
Planning Commission - Agenda & Minutes (Yearly)	\$133
Pre-Application	\$915
Recreational Vehicle Parking Permit	\$623
Refunds (Net of Estimated Staff Time Expended)	\$156
Resolution Certification	\$92



PLANNING FEES

Resolution of Convenience & Necessity	\$877
Searchlight Permits	\$400
Sign Permits (Review/Approval by Planning Commission)	\$1,538
Sign Permits (Review/Approval by City Council)	\$1,564
Sign Permits (Review/Approval by Staff)	\$127
Sign Permits (Temporary Signs - Each)	\$34
Sign Permits (Temporary Construction Fence Graphics)	\$244
Sign Permits (Sign Variance)	\$1,733
Sign Permits (Sign Program - Multi-Tenant/Amendment)	\$1,733
Sign Permits (Sign Districts by City Council)	\$3,608 + notification
Specific Plan	\$5,000* + notification
Specific Plan - Amendment	\$2,500* + notification
Street Name Change	\$2,555 + cost of street signs
Subdivision Maps (Reversion to Acreage)	\$3,039
Subdivision Maps (Minor Revision)	\$953 + notification
Subdivision Maps (Major Revision)	\$1,428 + notification
Subdivision Maps (Tentative Tract Map)	\$9,392 + notification
Subdivision Maps (Tentative Parcel Map)	\$7,700 + notification
Subdivision Maps (Vesting Maps)	\$13,363 + notification
Subdivision Maps (Parcel Map Waiver)	\$4,610
Technology Surcharge	\$0.84 / \$1,000 Const. Value
Time Extensions	\$1,433
Variance	\$2,646 + notification

*Fees are deposit based; actual fee will reflect full reimbursement of City costs incurred.

ATTACHMENT 3



ENGINEERING FEES

Application Type	New Fees	Current Fees	Change	% Increase
Construction Permits (Administration Permit)	\$32	\$23	\$9	39%
Construction Permits (Minor - Driveway, Dumpster, Etc.)	\$463	\$69	\$394	571%
Construction Permits (Public/Private Improvements)	Varies \$297 to \$7,446+	Varies \$330 to \$4,540+	\$0	0%
Construction Permits (Street Improvement/Utility Undergrounding Covenant)	\$681	\$0	New	New
Encroachment Agreement	\$1,222	\$211	\$1,011	479%
Encroachment License	\$2,448	\$511	\$1,937	379%
Engineering Special Purpose Fees (Inspections)	\$141 / Hour	\$91 / Hour	\$50 / Hour	55%
Engineering Special Purpose Fees (Inspections and Staff Time)	\$212 / Hour	\$135 / Hour	\$77 / Hour	57%
Engineering Special Purpose Fees (Re-Inspection Calls)	\$141 / Hour	\$91 / Hour	\$50 / Hour	55%
Grading Plan Check (Parcel < 15,000 SF)	\$535 / Sheet*	\$889 / Sheet*	-\$354 / Sheet	-40%
Grading Plan Check (Parcel 15,000 SF - 4 Acres)	\$821 / Sheet*	\$1,489 / Sheet*	-\$668 / Sheet	-45%
Grading Plan Check (Parcel > 4 Acres)	\$1,445 / Sheet*	\$2,732 / Sheet*	-\$668 / Sheet	-47%
Grading Plan Check Admin. Coordination	82% of Consultant Fee	\$0	New	New
Grading Plan Check (per Sheet charge on 4th Check)	50%	50%	\$0	0%
Grading Plan Check (Fast Track Performance)	150%	150%	\$0	0%
Grading Permit Fees	Varies	Varies	\$0	0%
Improvement Plan Check Fee (Traffic Signal)	\$535 / Sheet*	\$891 / Sheet*	-\$357 / Sheet	-40%
Improvement Plan Check Fee (Street Plans)	\$535 / Sheet*	\$891 / Sheet*	-\$357 / Sheet	-40%
Improvement Plan Check Fee (Sewer Plans)	\$438 / Sheet*	\$776 / Sheet*	-\$338 / Sheet	-44%
Improvement Plan Check Fee (Storm Drain Plans)	\$535 / Sheet*	\$891 / Sheet*	-\$357 / Sheet	-40%
Improvement Plan Check Fee (Signing/Striping Plans)	\$438 / Sheet*	\$799 / Sheet*	-\$361 / Sheet	-45%
Improvement Plan Check Admin. Coordination	72.5% of Consultant Fee	\$0	New	New
Improvement Plan Check Fee (per Sheet charge on 4th Check)	50%	50%	\$0	0%
Improvement Plan Check Fee (Fast Track Performance)	150%	150%	\$0	0%
Subdivision Maps Plan Check Fee (Parcel Maps)	\$631 / Sheet*	\$999 / Sheet*	-\$368 / Sheet	-37%
Subdivision Maps Plan Check Fee (Tract Maps)	\$835 / Sheet*	\$1,222 / Sheet*	-\$387 / Sheet	-32%
Subdivision Maps Plan Check Fee (Revision of Final and Parcel Maps)	50% of original fee	50% of original fee	\$0	0%
Subdivision Maps Plan Check Fee (per Sheet charge on 4th Check)	50%	50%	\$0	0%
Subdivision Maps Plan Check Fee (Fast Track Performance)	150%	150%	\$0	0%
Subdivision Maps Plan Check Admin. Coordination	\$4,376 Flat	\$0	New	New
Traffic Survey Fee	\$341	\$81	\$260	321%
Lot Line Adjustment, Parcel Merger, Certificate of Compliance	\$3,208	\$913	\$2,295	251%
Engineering Fees for Planning Items (Major Architectural: Comm/Ind./MF)	\$2,576	\$0	New	New
Engineering Fees for Planning Items (Major Architectural: Hillside Single Family)	\$2,576	\$0	New	New
Engineering Fees for Planning Items (Major Architectural: SFR Major Thoroughfare)	\$828	\$0	New	New
Engineering Fees for Planning Items (CC&Rs)	\$490	\$0	New	New
Engineering Fees for Planning Items (Conditional Use Permit: City Council)	\$1,534	\$0	New	New
Engineering Fees for Planning Items (Conditional Use Permit: Planning Commission)	\$1,379	\$0	New	New
Engineering Fees for Planning Items (EIR or Mitigated Negative Declaration)	\$5,523	\$0	New	New
Engineering Fees for Planning Items (Initial Study)	\$1,534	\$0	New	New
Engineering Fees for Planning Items (Prelim. Dev. Plan < 5 Acres)	\$1,655	\$0	New	New
Engineering Fees for Planning Items (Prelim. Dev. Plan > 5 Acres)	\$1,655	\$0	New	New
Engineering Fees for Planning Items (Prelim. Dev. Plan: Major Amendment)	\$1,288	\$0	New	New
Engineering Fees for Planning Items (Reversion to Acreage)	\$676	\$0	New	New
Engineering Fees for Planning Items (Tentative Tract Map)	\$6,496	\$0	New	New
Engineering Fees for Planning Items (Tentative Parcel Map)	\$5,270	\$0	New	New
Engineering Fees for Planning Items (Vesting Map)	\$9,130	\$0	New	New
Engineering Fees for Planning Items (Parcel Map Waiver)	\$2,635	\$0	New	New



PLANNING FEES

Application Type	New Fees	Current Fees	Change	% Increase
Administrative Minor Modification	\$1,012	\$566	\$446	79%
Adult Oriented Business Permits	\$2,136	\$2,136	\$0	0%
Annexation to Palm Springs	\$5,000*	\$5,000*	\$0	0%
Antenna Permits (Homeowner)	\$79	\$79	\$0	0%
Antenna Permits (Commercial)	\$427	\$427	\$0	0%
Private Use Antenna Permit	\$303	\$0	New	New
Appeals (Planning Commission to City Council)	\$881	\$546	\$335	61%
Appeals (Planning Director to Planning Commission)	\$426	\$305	\$121	40%
Major Architectural Approval (Commercial/Industrial/Multiple SF/MF)	\$7,834	\$4,324	\$3,510	81%
Major Architectural Approval (Hillside Single Family)	\$5,648	\$3,269	\$2,379	73%
Single Family House (Major Thoroughfare)	\$2,620	\$1,811	\$809	45%
Minor Architectural Review (Staff Approval)	\$362	\$254	\$108	43%
Minor Architectural Review (Planning Commission Approval)	\$1,008	\$606	\$402	66%
Certification of Resolutions (Planning Commission or HSPB)	\$46	\$46	\$0	0%
Change of Zone	\$7,931	\$6,434	\$1,497	23%
City Attorney Review of Development Projects	\$3,500*	\$3,500*	\$0	0%
Codes, Covenants & Restrictions	\$1,165 + \$3,500 deposit	\$675 + \$3,500 deposit	\$490	73%
Conditional Use Permit (Planning Commission & City Council)	\$5,685	\$7,665	(\$1,980)	-26%
Conditional Use Permit (Planning Commission)	\$5,085	\$6,620	(\$1,535)	-23%
Demolitions, Modifications, Improvements, Etc. (Hillside, Architectural Review Areas)	\$38	\$38	\$0	0%
Determinations by Planning Commissions	\$1,203	\$635	\$568	89%
Development Agreements	\$4,777 + \$3,500 deposit	\$6,000 + \$3,500 deposit	(\$1,223)	-20%
Environmental Documents (Initial Study)	\$8,243	Varies up to \$6,409	Varies	Varies
Environmental Documents (EIR or Mitigated Negative Declaration)	112.5% of Consultant Fee	112.5% of Consultant Fee	\$0	0%
Environmental Documents (Mitigation Monitoring)	Deposit	Deposit	\$0	0%
Environmental Documents (Fish & Game Code Fees)	Fees per County/State	Fees per County/State	\$0	0%
Event House Fee	\$350	Varies up to \$350	Varies	Varies
Event House Appeal	\$130	\$130	\$0	0%
Files Retrieved from Storage (Public Records Act)	\$0	\$0	\$0	0%
Files Retrieved from Storage (Public Records Act) - Expedited	Actual Cost	Actual Cost	\$0	0%
Final Planning Inspection (Minor Architectural)	\$186	\$0	New	New
Final Planning Inspection (Major Architectural)	\$450	\$0	New	New
Final Planning Inspection (Subdivision, First SFR)	\$216	\$0	New	New
Final Planning Inspection (Subdivision, Each Additional SFR)	\$39	\$0	New	New
Final Planning Inspection - Non Responsive	\$186	\$0	New	New
Focused Entitlement & Planning Services	112.5% of Consultant Fee	112.5% of Consultant Fee	\$0	0%
Garage Sale Permit (Single)	\$19	\$19	\$0	0%
Garage Sale Permit (Multiple)	\$39	\$39	\$0	0%
General Plan Amendment	\$7,988	\$6,714	\$1,274	19%
General Plan & Zoning Letter (Verification of Zoning)	\$224	\$89	\$135	152%
General Plan & Zoning Letter (Zoning Conformance)	\$712	\$417	\$295	71%
General Plan Maintenance Surcharge	\$0.67 / \$1,000 New Const	\$0.67 / \$1,000 New Const	\$0	0%
Historic Site Preservation - Mills Act - Class 1	\$1,305	\$824	\$481	58%
HSPB - Application for Certificate of Approval (Exterior Mod.)	\$302	\$302	\$0	0%
HSPB - Demolitions of Class 3 Sites	\$558	\$558	\$0	0%
HSPB - Survey	\$31	\$31	\$0	0%
House Moving Application	\$603	\$603	\$0	0%



PLANNING FEES

In-Lieu Parking Fees	See Applicable Ordinance and Resolutions	See Applicable Ordinance and Resolutions	\$0	0%
Land Use Permit (Minor)	\$122	\$122	\$0	0%
Land Use Permit (Major)	\$861	\$696	\$165	24%
Land Use Permit (Lot Tie Agreement)	\$585	\$0	New	New
Local Development Mitigation Fee (CVMSHCP)	See Applicable CVAG Fees	See Applicable CVAG Fees	\$0	0%
Medical Cannabis Cooperative or Collectives (Application)	\$7,500*	\$7,500*	\$0	0%
Medical Cannabis Cooperative or Collectives (Appeal)	\$750*	\$750*	\$0	0%
Mural Permit	\$1,872	\$1,872	\$0	0%
Park Fees In-Lieu of Dedication	See Applicable Ordinance and Resolutions	See Applicable Ordinance and Resolutions	\$0	0%
Plan Checking Fees (Single Family Residential)	\$176	Varies up to \$741	Varies up to (\$565)	Varies
Plan Checking Fees (Commercial/MF Residential < 1 Acre)	\$225	\$857	(\$632)	-74%
Plan Checking Fees (Commercial / PDs 1-5 Acres)	\$536	\$1,240	(\$704)	-57%
Plan Checking Fees (Commercial / PDs > 5 Acres)	\$1,314	\$1,653	(\$339)	-21%
Plan Checking Fees (Commercial Tenant Improvement)	\$800	\$0	New	New
Plan Checking Fees (MF Residential 1-5 Acres)	\$489	\$1,240	(\$751)	-61%
Plan Checking Fees (MF Residential > 5 Acres)	\$1,126	\$1,653	(\$527)	-32%
Plan Checking Fees (Final Landscape/Exterior Lighting)	\$567	\$556	\$11	2%
Plan Checking Fees (Landscape/Irrigation - Single Family Residence)	\$371	\$0	New	New
Plan Checking Fees (Landscape/Irrigation - Multi-Family/Subdivision)	\$1,616	\$0	New	New
Plan Checking Fees (Landscape/Irrigation - Commercial/Industrial <5 Acres)	\$838	\$0	New	New
Plan Checking Fees (Landscape/Irrigation - Commercial/Industrial >5 Acres)	\$1,305	\$0	New	New
Preliminary Development Plan (< 5 acres)	\$6,199	\$4,358	\$1,841	42%
Preliminary Development Plan (> 5 acres)	\$10,994	\$8,526	\$2,468	29%
PD - Final Development Plan (< 5 acres)	\$3,051	\$2,391	\$660	28%
PD - Final Development Plan (> 5 acres)	\$3,712	\$3,653	\$59	2%
Preliminary Development Plan - Minor Amendment	\$1,633	\$0	New	New
Preliminary Development Plan - Major Amendment	\$5,365	\$0	New	New
Final Development Plan - Minor Amendment	\$576	\$576	\$0	0%
Planned Development District - Incidental Change	\$381	\$136	\$245	180%
Planning Commission - Agenda Only (Yearly)	\$61	\$61	\$0	0%
Planning Commission - Agenda & Minutes (Yearly)	\$133	\$133	\$0	0%
Pre-Application	\$915	\$915	\$0	0%
Recreational Vehicle Parking Permit	\$623	\$532	\$91	17%
Refunds (Net of Estimated Staff Time Expended)	\$156	\$0	New	New
Re-Inspections for Final Approval (Minor Architectural)	\$129	\$129	\$0	0%
Resolution Certification	\$92	\$92	\$0	0%
Resolution of Convenience & Necessity	\$877	\$877	\$0	0%
Searchlight Permits	\$400	\$172	\$228	133%
Sign Permits (Review/Approval by Planning Commission)	\$1,538	\$315	\$1,223	388%
Sign Permits (Review/Approval by City Council)	\$1,564	\$632	\$932	147%
Sign Permits (Review/Approval by Staff)	\$127	\$127	\$0	0%
Sign Permits (Temporary Signs - Each)	\$34	\$34	\$0	0%
Sign Permits (Temporary Construction Fence Graphics)	\$244	\$244	\$0	0%
Sign Permits (Sign Variance)	\$1,733	\$958	\$775	81%
Sign Permits (Sign Program - Multi-Tenant/Amendment)	\$1,733	\$958	\$775	81%
Sign Permits (Sign Districts by City Council)	\$3,608	\$2,013	\$1,595	79%
Specific Plan	\$5,000*	\$5,000*	\$0	0%
Specific Plan - Amendment	\$2,500*	\$2,500*	\$0	0%



PLANNING FEES

Street Name Change	\$2,555 + cost of street signs	\$1,647 + cost of street signs	\$908	0%
Subdivision Maps (Reversion to Acreage)	\$3,039	\$937	\$2,102	224%
Subdivision Maps (Minor Revision)	\$953	\$953	\$0	0%
Subdivision Maps (Major Revision)	\$1,428	\$1,428	\$0	0%
Subdivision Maps (Tentative Tract Map)	\$9,392	\$9,499	(\$107)	-1%
Subdivision Maps (Tentative Parcel Map)	\$7,700	\$7,441	\$259	3%
Subdivision Maps (Vesting Maps)	\$13,363	\$10,441	\$2,922	28%
Subdivision Maps (Parcel Map Waiver)	\$4,610	\$625	\$3,985	638%
Technology Surcharge	\$0.84 / \$1,000 Const. Value	\$0.84 / \$1,000 Const. Value	\$0	0%
Time Extensions	\$1,433	\$881	\$552	63%
Variance	\$2,646	\$2,646	\$0	0%

*Fees are deposit based; actual fee will reflect full reimbursement of City costs incurred.

Notification charges are in addition to any fees identified.

ATTACHMENT 4



2015 BOARD OF DIRECTORS

PRESIDENT

Joseph Hayes
First Bank

1ST VICE PRESIDENT

Bruce Maize
Fidelity Title

2ND VICE PRESIDENT

Fred Bell
Nobell Energy Solutions

SECRETARY/TREASURER

Eileen Edds
Pacific Premier Bank

VICE PRESIDENT
OF ASSOCIATES

Allan Levin
Allan Levin & Associates

PAST PRESIDENT

Mark Benedetti
BMC Select Build

CHIEF EXECUTIVE OFFICER

Gratchen Gutierrez

DIRECTORS

Brian Benedetti
Brian Benedetti Construction

Andy Brakobill
Paul Associates Printing

Tom DuBose
Development, Design & Engineering

Margaret Drury
Margaret Drury Construction

Mark Gonzales
CHA Companies

Mark Gran
Strictly Business Consulting

Todd Hooks
Agua Caliente Band of Cahuilla Indians

Pete Lippert
Lippert Construction, Inc

Heather Loutsenbizer
Pema Building Group

Paul Mahoney
PMA Advertising

Deborah McGarrey
The Gas Company

Dan Olivier
Netherly Mueller Olivier

Alan Pace
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John Powell, Jr.
Coachella Valley Water District

Marvin Roos
MSA Consulting Inc

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Sunrise Company

Ryan Smith
Stea Homes

Patrick Swarthout
Imperial Irrigation District

Jeff Wattenbarger
Wattenbarger Construction

July 9, 2015

City of Palm Springs
Marcus Fuller, Asst. City Manager
320 East Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Mr. Fuller,

Thank you for coordinating last week's meeting between Palm Springs Department Heads and the Desert Valleys Builders Association representatives. As we mentioned, we are very much appreciative of the time extension provided at the direction of the City Council. This additional time allowed DVBA staff the opportunity to review the nexus documents. These documents possess a great amount of detail in "time and motion" and "indirect" costs associated with providing public services. To better understand the study, DVBA staff has twice taken the opportunity to connect with consultant Daniel Edds, Capital Accounting Partners, LLC, via the phone and screen sharing. At the end of the day, the DVBA confirms that the user fee schedule and study meets the requirements established by the Mitigation Fee Act and that the proposed fees are reasonably justifiable.

Now that we have gotten past the legal issues, we and our members do have concerns related to the proposed implementation of the fees:

- The increase is significant enough to impact current, on-going projects, as well as, future application for development.
 - This significant increase comes from the fact that the costs/fees have not stepped up in 11 years.
 - The reason for that delay is understandable: DVBA asked that local agencies consider the economic environment before commissioning any procedure to increase construction costs; secondly, the agencies, including the City of Palm Springs recognized the fragility of the construction industry and deferred the implementation of any increases.
- Points Discussed with city staff included, with recommendations:
 - Efficiencies of Service
 - One point of contact
 - Ownership of care (customer, shared commitment to project)
 - Decisive commitment to quality service

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o **Multiple task discounts**

- We discussed this issue at length in the meeting
- When a builder/developer processes applications, plans and permits all at the same time; where individually they each follow a similar process; As a set, they should only need to be seen once, thus savings should be passed on to the permittee/builder/developer
 - This past practice seems to have faded through the years, as those with the institutional memory have since moved on.

• **Complete process pricing for easy understanding**

- o Flow chart/check list including identified process/services costs
- o Posting on the City Website by Department
- o Posting at the respective counters

• **Detailed invoicing**

- o The invoice should represent the actual time and motion (including indirect costs) for the service provided to applicant

To implement the proposed fee increases we suggest, where feasible, a 3-step process over an 18 month period. One-third of the increase commencing 60 days after adoption (beginning Sept. 2015), the second step would be June or July 2016, and the final increase January 1, 2017.

As we experienced in our review, when an applicant does due diligence in preparing a financial plan prior to land purchase and/or prior to development, it would be beneficial to have an established process published/posted identifying (using the same titles as the fee schedule) each step and the associated expected charges.

In reviewing the fee study and attempting to coordinate that with the schedules this process was difficult at times due to language changes and that the process is currently in flux. Additionally, we have found no "time and motion" support for any fees based on a percentage of out-sourced billing. Please correct this to the appropriate "fully-loaded" hourly rates as established by the *User/Services Study*.



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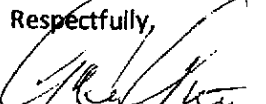
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We understand there is some concern within the Building Department as to how they might implement a multi-stage increase considering the restructured schedule. However, we would accept the step-ups on the larger more tangible fee listings as suggested by staff during last week's meeting. Annual increases based on CPI or ENR's CCI may be adopted by the council, with proper noticing, for the couple of years between nexus' studies, which we recommend completion every 24-48 months.

Finally, we would like to see the **multiple task discount** reinstated. As explained above, this is a fair practice when submitting complete packets. Further remaining comments would be customer service related.. We are reminded that this is a service industry, and we need to periodically assess our effectiveness and the efficiencies of the process.

The Desert Valleys Builders Association wishes to thank you, the City Department supervisors, and the Mayor and City Council for providing us the opportunity to review supporting documentation, and discuss the interests of the building and construction community.

Respectfully,


Gretchen Gutierrez
Chief Executive Officer

Cc: City Manager David Ready
Mayor Steve Pougnet
Mayor Pro Tem Paul Lewin
Councilmember Rick Hutcheson
Councilmember Chris Mills
Councilmember Ginny Foat

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ATTACHMENT 5

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A USER FEE STUDY AND COST ALLOCATION PLAN, MODIFYING AND APPROVING CERTAIN USER FEES AND CHARGES AND ADOPTING THE COMPREHENSIVE FEE SCHEDULE FOR FISCAL YEAR 2015-16.

WHEREAS, the City, under various statutory provisions under California Government Code, may set and collect fees for the costs of providing various public services to the community; and

WHEREAS, from time to time, the City Manager has recommended and the City Council desires to approve certain amendments to said user fees; and

WHEREAS, the City retained a qualified consultant to prepare a User Fee Study and Cost Allocation Plan, to compare direct and indirect administrative costs in providing various public services to the community, a true and correct copy of which is attached hereto as **Exhibit A**, and incorporated herein by reference, and

WHEREAS, a duly-noticed public hearing was held on June 17, 2015, and July 15, 2015, in accordance with the provisions of the California Government Code; and

WHEREAS, the City Council has considered any verbal and/or written testimony, and has reviewed and considered the information in the study and supporting data, and information provided at the public hearing by staff and the public.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, HEREBY RESOLVES, DETERMINES AND APPROVES AS FOLLOWS:

Section 1. Findings.

A. The City has completed an analysis of certain City fees and charges and desires to amend the fees and charges.

B. The current user fees are insufficient to cover all the City's costs and expenses associated with providing the various public services.

C. The cost of such services should be borne by those who are the special beneficiaries rather than the citizenry at large.

D. There is a reasonable relationship between the amount of the fee and the estimated reasonable cost of providing the type of services for which the fee is imposed.

E. The amount of services provided does not exceed what is reasonably necessary in order to process the requested service.

F. The cost estimates set forth in the Study are reasonable and best approximate the direct and indirect (overhead) costs of City staff and consultants for providing the necessary service to respond to public requests.

G. The method of allocating the City's administrative costs of processing service bears a fair and reasonable relationship to the public burden on, and benefit from, the services requested by the public.

H. The fees do not exceed the estimated reasonable cost of providing the service for which the fee is charged.

Section 2. Fees Imposed.

A. The City Council modifies and approves the user fees and charges as set forth in **Exhibit B** attached to this Resolution.

B. The City Council adopts the Comprehensive Fee schedule as set forth in Exhibit A attached to this Resolution.

C. Each person requesting a service in the City of Palm Springs for which a user fee or charge is imposed shall pay the new fees as set forth in the City's Comprehensive Fee Schedule.

D. On July 1st of each year, all service fees and charges shall be automatically adjusted by an amount equal to the percentage of increase or decrease in total employee compensation for the current fiscal year's adopted budget versus the new fiscal year's budget as last computed before the public hearing.

E. The user fees and charges may also be adjusted if the City conducts a public hearing, when required, to implement a new or revised fee or fees based upon a new study or analysis.

F. The adoption of this Resolution does not affect the ability of the City to request an agreement between an applicant and the City to pay extraordinary processing costs and to establish deposit accounts.

Section 3. False Alarm Penalties Under the Master Bail Schedule.

The civil penalties for false alarms for permitted and non-permitted alarm systems are amended as follows: 1st Alarm in a 365 day period is no charge, 2nd Alarm in a 365 day period is \$150, 3rd Alarm in a 365 day period is \$200, and the 4th or more Alarm in a 365 day period is \$250. The City Clerk is directed and authorized to amend the civil penalties identified in this Section to the Master Bail Schedule.

Section 4. Film and Location Permit Fees.

The suspension of Film and Location Permit Fees, provided for in Resolution No. 23088, is hereby extended to June 30, 2016.

Section 5. Waiver of Rent Penalties.

The City manager is authorized to waive any "hold over" increases for any City lease agreement, upon a determination of good cause, for a period of less than one year.

Section 6. Severability.

Each component of the fees and all portions of this Resolution are severable. Should any individual component of the fee or other provision of this Resolution be adjudicated to be invalid and unenforceable, the remaining provisions shall be and continue to be fully effective, and the fee shall be fully effective except as to that portion that has been judged to be invalid.

Section 7. Effective Date.

A. All new fees and charges subject and pursuant to California Government Code Section 66000 *et seq.* shall be effective sixty (60) days after the adoption of this resolution.

B. All new fees and charges other than those identified in Subsection A of Section 4 above shall be effective August 3, 2015.

Section 6. Comprehensive Fee Schedule.

The Director of Finance is hereby authorized and directed to incorporate said fees, charges and modifications into the Comprehensive Fee Schedule.

PASSED, APPROVED, AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL THIS 15TH DAY OF JULY, 2015.

DAVID H. READY, CITY MANAGER

ATTEST:

JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy as was duly adopted at a regular meeting of the City Council of the City of Palm Springs on July 15, 2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMES THOMPSON, CITY CLERK
City of Palm Springs, California

EXHIBIT A

The City of Palm Springs: User Fee Study Report



Capital Accounting Partners, LLC
June 2015

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INTRODUCTION AND SCOPE

As part of its effort to manage its financial resources wisely, the City of Palm Springs engaged Capital Accounting Partners to prepare a detailed cost analysis of its productive hourly rates and user fees. The City's objectives for the study were to ensure that the City is fully accounting for all of its costs and recovering adequate revenues to reimburse the City for its expenses.

The scope of this study included the following:

- Reviewing the City's current fee schedules;
- Interviewing key City staff from indirect and direct service departments;
- Calculating the total cost of fee generating services;
- Analyzing cost recovery levels for fee generating services;
- Developing costing models that reflect the most update organizational structure;
- Reviewing the results with staff;
- Surveying other cities;
- Developing a fee schedule that fully accounts for the range of services that the City provides; and
- Providing recommendations or methodologies on how to adjust fees annually.

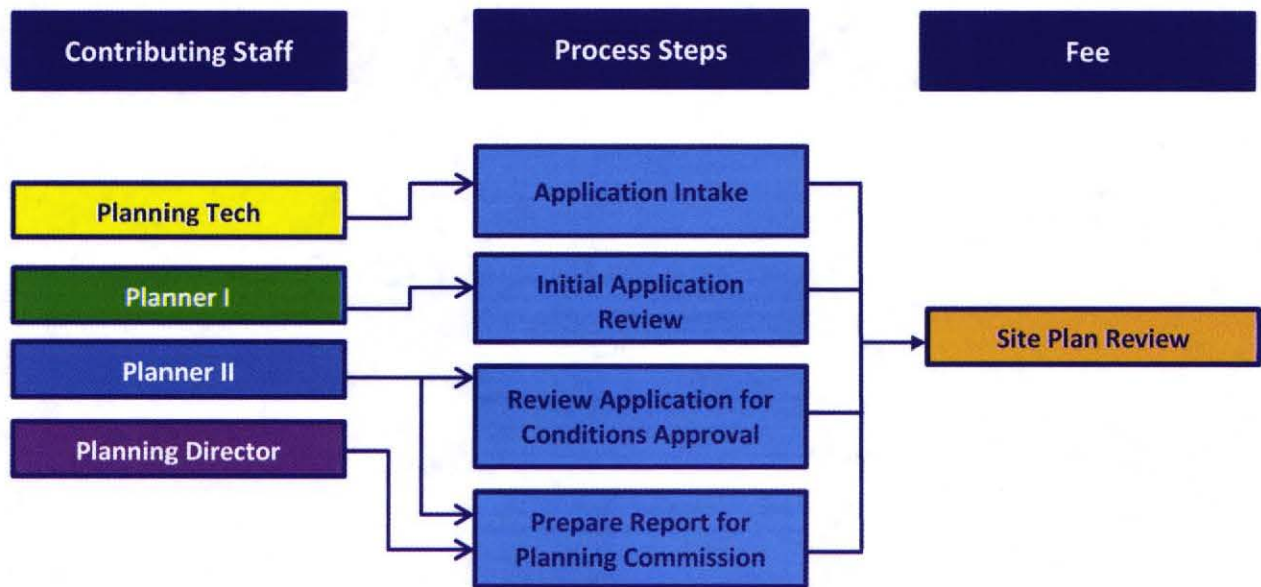
The process used for collecting and analyzing the data required active participation by the City's management and staff. We want to take this opportunity to recognize their participation, time, and effort to collect the data and discuss the analysis, results, and recommendations.

SUMMARY OF COSTING METHODOLOGIES

DRIVER BASED COSTING MODELS

Developing driver based costing models is a detailed and robust method of calculating the cost of a specific service. It is based on the principles of activity based costing so it seeks to understand cost at an operational level. This means it relies on understanding the time staff invests in core business processes to provide fee and non-fee services. This provides the ability to understand staff time and cost as each staff position participates in providing fee services. Graphically, the following figure illustrates this methodology.

Hypothetical Illustration of a Drive Based Costing Model



Step 1: Collect Data – This first step involves discussions with staff to identify those positions within each department that provide and support direct services. It also involves collecting departmental budget and expenditure data, identifying the salary and benefits for each position, and identifying non-personnel expenditures, as well as any departmental and City wide overhead. Specifically, the steps involve the following:

- **Identifying staff positions** – This includes identifying both position titles and names.
- **Calculating the number of productive hours** – For each position, vacation time, sick leave, paid holidays, professional development (training), routine staff meetings, and daily work breaks are deducted from the standard 2,080 annual hours. The result is a range of hours available for each position on an annual basis. This range is typically 1,250 to 1,600 hours. Factors that influence this range are length of service with the jurisdiction and local policies for holiday and personal leave time.
- **Identifying and allocating non-personnel costs** – Costs for materials and supplies are allocated to the salary and benefits for each position.
- **Assigning any other expenses that are budgeted in other areas** – There are often expenses that should be included with the total cost of services. Examples of such costs might include amortized capital expenses for vehicles and technology.
- **Identifying core business processes or activities** – This step also involves discussions with staff to understand, at an operational level, the work of the operating unit. Core business processes used to provide services are identified and then defined by the tasks that are involved. Processes are also organized by direct and indirect categories:

- **Direct processes and activities** – Those processes that directly contribute to the processing of an application or permit are first identified. Examples of a direct activity are electrical building inspection, application intake, and pre-application review.
- **Indirect processes and activities** – Those processes that support, but do not directly apply to the processing of a specific application or permit. An example of an indirect activity is customer service or staff training to maintain certifications. Most jurisdictions highly value customer service, but it is difficult to assign a specific cost or unit of time to an individual service.

Step 2: Building cost structures – This second step involves significant interaction with staff and the development of time estimates for both direct and indirect processes in each department. Specifically, this step is at the core of the analysis. There are three processes that comprise this step:

- **Gathering time estimates for direct processes** – By interviewing staff in individual and group meetings, an estimate of time was assigned to each service by the process that is indicated. For example, in processing planning fees the following specific steps are involved in the processing of these fees:
 - Application intake;
 - Application completion review; and
 - Setting conditions of approval.

In this analysis, staff time is estimated and assigned to each step. The sum of all the process steps is the total time that is required to provide that specific service.

- **Assigning indirect and annual process time** – An annual time estimate is gathered from staff for those indirect or support processes in which they are involved. Some of these costs are assigned to the direct cost of a service on an allocated basis. Some might not be assigned at all. For example, in the case of planning fees, the costs associated with advanced planning have been identified but not allocated to the fees. Advanced planning has its own fee category, consistent with the current fee structure.
- **Calculating fully loaded hourly rates and the cost of service** – Once the total time for each direct and indirect service is estimated, the cost of service is calculated by using the fully loaded hourly rates for each staff member or position that is involved with the service. The fully loaded hourly rate for each employee is based on the employee's salary and benefit costs plus a share of non-personnel and City overhead costs divided by the employee's available work hours (i.e. 2,080 hours minus all leave hours). Thus, the direct and indirect cost by activity also includes departmental and citywide overhead as well as non-labor costs. For this study, fiscal 2012-2013 budget expenses were used in all of the calculations.
- **Gathering activity or volume data** – A critical element in the analysis is the number of times a given service is provided on an annual basis. This is critical data for three reasons:
 - It allows a calculated projection of current revenue based on current prices. This is compared with actual revenue to see if there is a close match as the data should match.
 - It allows for a calculated projection of revenue at full cost. This is compared to actual expenditures to see if there is a close match as the data should match.
 - It allows for a calculation of total hours consumed. Hours consumed must closely match actual hours available.

If any of the three calculations do not approximate actual numbers, then time estimates and/or volume data need to be re-evaluated. These are critical quality checks for costing accuracy.

Step 3: Calculating the full cost of services – This third step calculates the full cost of service for each direct service in a department. In the previous step, the cost of service was calculated for each direct and indirect service. In this step, the cost layers are brought together to establish the full cost of service for a specific direct service, program, or activity. As previously mentioned the cost of each direct service is calculated. To determine the full cost of service, the cost of indirect services is allocated to each direct service. The indirect services costs are allocated to each direct service based on each direct services proportion of labor spent processing each permit and application. By summing the direct and allocated indirect costs and multiplying that by the activity data, a total cost of service is calculated for both an individual service and the operating unit as a whole.

The following figure illustrates an example of these calculations. This same process was used for planning fees, land development/environmental fees, building fees, and police fees.

Hypothetical Illustration of Calculating the Cost of a Single Fee (service)

Application or Fee Title	Assigning Staff Cost and Time				Totals
	Community Development Director	Planning Manager	Associate Planner	Executive Assistant	
<i>Signing Programs (Five or More Signs)</i>					
Pre-submittal meeting		0.5	0.5		1
Land Use Application Intake		0.25	0.25	0.25	0.75
Application Review		1	6.5		7.5
Development Review Committee (DRC)		0.5	2		2.5
Prepare for decision	0.5	1.25	5	1	7.75
Public hearing	0.33	0.33	2	0.33	2.99
Plan Check of accepted plans – post entitlement			1.25	0.5	1.75
Total Time by Position	0.83	3.83	17.50	2.08	24.24
Calculated Full Loaded Hourly Rate	203.67	183.96	152.38	128.66	
Total Direct Cost by Position	169	705	2,667	268	3,808
Total support or indirect costs assigned					\$ 574
Total Cost Assigned					\$ 4,382

Step 4: Set cost recovery policy – Once the full cost of service is calculated for each direct service in a department, the cost of service for that direct service is then compared to the revenue generated by the fee charged for the service. This cost recovery analysis identifies the cost recovery level for that direct service. Depending on City policies and other considerations, the level of cost recovery is a decision that should be made for each type or group of direct services. For example, the City might want to recover the full cost for building related permits, but might only want to recover 80% for planning permits.

Step 5: Set fees

Based on any new, existing, or revised cost recovery policies, the recommended fees can be established. The recommended fees will be established based on City staff recommendations and Council discussion in the future. The fee analyses in this report are based on full cost recovery.

SUMMARY OF RESULTS

SUMMARY OF RESULTS

In general, our results show significant opportunity for additional cost recovery. Given that this is the first formal review of fees in many years, we would expect this. Our general recommendation is that user fees be updated annually but then a robust review be completed every 3-5 years. We find that changes in regulations, operating procedures and staffing can change significantly during this time frame. The previous fee study was completed in 2004 (10 years) so we would expect to see significant changes in cost structures.

CALCULATING PRODUCTIVE HOURLY RATES

The calculation of productive hourly rates is central to our methodology. Costs incorporated in these rates include:

1. All salary costs;
2. All benefits costs;
3. Prorated non personnel costs such as services and supplies;
4. Department administration and support activities such as customer service; and
5. City overhead costs.

The calculation of productive hours includes reduction in annual hours for:

6. Personnel leave;
7. Sick leave;
8. Paid Holidays; and
9. Training and routine staff meetings.

When productive hours are calculated in this way, we typically see 1400 – 1600 productive hours on an annual basis. For this project, we found that the City of Palm Springs is consistently in the middle of this range.

RESULTS FOR PLANNING, BUILDING, AND ENGINEERING

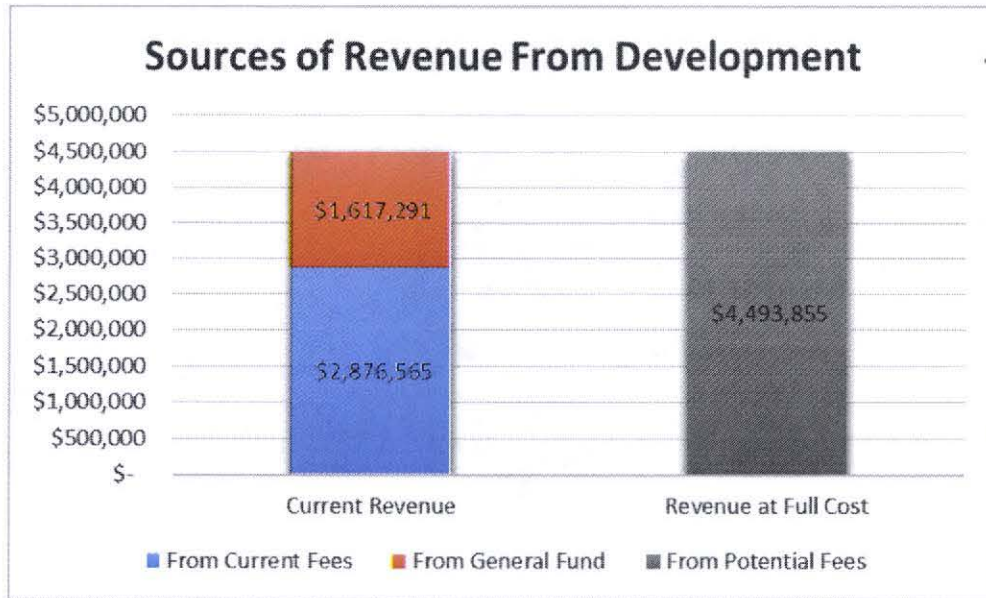
Even though these three operating units are organizationally separate, the three are so linked with regard to their services to the development community that we placed their reporting into this single section.

As part of our analysis, the Planning fee as well as the Building fee schedule were largely rebuilt to reflect current practices and procedures. The result should be simpler fee schedules that are easier to administer and for the public to understand.

Based on our analysis, when these three work units are combined, there is a total of \$1.6 million dollars of cost that is not being recovered through user fees.

Dept/Division	Projection of Revenue at Full cost	Projection of Current Revenue	Projection of Surcharge or (Subsidy)
Building	\$ 1,634,732	\$ 1,300,000	(334,732)
Engineering	\$ 1,486,692	\$ 809,153	(677,539)
Planning	\$ 1,372,432	\$ 767,412	(605,020)
Totals	\$ 4,493,855	\$ 2,876,565	(\$1,617,291)

Graphically, this same data can be displayed in the following manner:



During our analysis we discovered that the cost of Engineering review of Planning applications had been built into the Planning fees. This is based on a previous study that was done in 2004. However, the revenue for the Engineering review has been recognized in the Planning Department rather than the Engineering Department. The result of this is that current Planning revenue has been overstated while Engineering revenue has been understated. To correct this, we identified those Planning fees that are routinely reviewed by Engineering. We then built these fees into the Engineering fee schedule so that they can be separated.

Detailed results of Planning, Building, and Engineering fees can be found in the appendix.

RESULTS FOR POLICE FEES

The City of Palm Springs Police Department processes a set of usual fees and services. In this analysis we updated the productive hourly rates that form the basis for each fee. We then updated the time estimates for each fee so that the City can charge full cost.

The one major addition that was added was a series of fees for officers responding to false alarms. As alarm systems become more affordable more and more businesses and home owners are installing them. These systems come in a wide range of quality and technical sophistication. In addition, these systems are frequently not inspected and maintained. Therefore, responses by local law enforcement to false alarms are rising dramatically. The consequence of excessive responses to false alarms is that law enforcement officers are not available to respond to real emergencies.

Our approach to developing false alarm response fees is to design a series of fees that maintain the integrity of California code which mandates that a fee be in proportion to the cost of the service. To accomplish this, we assume that the first false alarm is free but then successive responses recover the cost of that first alarm. In this way, we create a financial incentive to repair, inspect, and maintain local alarm systems.

The following graphic outlines the revenue impact of bringing all fees up to full cost. It shows that charging the full cost for these services will generate an additional \$16,234.62.

Annual Revenue at Full Cost	Current Annual Cost Recovery	Difference at Full Cost Recovery
\$ 80,592	\$ 64,357.00	(\$16,234.62)

The detailed results of Police Fees can be found in the appendix.

RESULTS FOR FIRE PREVENTION FEES

Fire prevention services are an important aspect of public safety as well as safety for City emergency personnel. Therefore, as part of our analysis we developed costs based on two fee schedules:

1. The current fee schedule (with modifications); and
2. A potential fee schedule with a broader set of fees.

The following chart summarizes the annual revenue impact based on the current fee model and structure. In addition it calculates the revenue if the City were to determine that all of the inspection fees we identified were in its best interest. In summary, it shows that current revenue from fire prevention fees are just about matching expenses. However, if the City were to charge for all of the inspections we identified the City should expect additional revenues approximating \$992,121. This of course assumes the staff to make the inspections.

Projected Revenue at Full Cost and Current Fee Level/Structure	Annual Revenue at Current Fee Level/Structure	Annual Surplus or Deficit	Potential Revenue If Structure is Adopted
\$ 253,407	\$ 235,965	\$ (17,442)	\$ 992,121

Detailed results to the Fire Prevention fees can be found in the appendix.

OBSERVATIONS AND RECOMMENDATIONS

GENERAL OBSERVATIONS

We note that the current fee levels are based upon a ten year old study. Even though regular updates to the fee schedules have occurred, the regulatory climate has changed dramatically. Thus many fees will show a fairly dramatic change. In addition, the previous fee study calculated hourly rates based on an assumption of 1800 productive hours. This number is high and fails to capture all of the time associated with personnel leave and paid vacation hours to say nothing of routine training and staff meetings. For time based fees we either calculated the correct number of productive hours or we assumed 1650 productive hours annually. In addition, it is not clear to us that the previous study balanced available time vs time actually consumed in the fee study. For example, if a department has 10,000 hours of total productive time available our practice is to account for exactly 10,000 hours. It is unclear if the previous study took this extra quality check. Because of these factors we would expect to see some fees vary significantly over the previous study.

RECOMMENDATIONS – POLICY DEVELOPMENT

The scope of this project included recommending strategies to maintain and update fee schedules.

Our first recommendation is to establish policies governing the recovery of cost from fees. These policies should include:

- What costs should be recovered. These costs can include:
 - Direct costs;
 - Indirect activity costs such as customer service at the public counter;
 - Department overhead costs; and
 - City-wide indirect costs.
- We recommend that municipal councils set cost recovery targets for those departments and divisions that generate substantial revenues from fees. For example, many cities set a goal that development “should pay for its self”. However, this does not have enough specificity to be of any real value. For example, new technologies and code requirements for “green” building are often intentionally subsidized as a way of encouraging sustainable building. There are other services where compliance is more critical than revenue. Inspecting a replacement hot water heater is the classic example. Therefore, we recommend the Council clearly define what costs should be recovered for each work unit.

Once the cost recovery levels are established, the City has a number of different options for designing fees that will meet cost recovery objectives. Some of these options are:

1. The City might simply increase existing fees so that in total, all fees will recover the targeted amount.

2. The City might also review each service and bring some to full cost, and others to something less than full cost so that in total, they generate the targeted cost recovery rate.

Our recommendation is that each service be brought to full cost unless there is a compelling reason not to do so, (such as compliance). We find that those agencies that seek to recover full cost also have the highest levels of customer service. The reason for this is that the cities simply have the resources to provide a greater level of service.

Other considerations in fee-setting beside the analytical cost recovery objectives include key questions such as:

- Is it feasible to set fees to the full cost recovery level?
- Will increasing fees result in compliance or public safety problems?
- Do adjustments in fees adversely affect other City goals?
- Are there other opportunities or changes that might bring costs into better balance with revenues?

ADJUSTING THE FEE SCHEDULE

GENERAL RECOMMENDATION ON ADJUSTING FEE SCHEDULES

We recommend annual adjustments to fees wherever possible. We also recommend a complete review of costs for fee services every three to five years. With the annual update of fees we recommend using a simple CPI type increase that is attached to the City's labor cost. For example, if the labor cost for the City goes up by 2% then adjust each fee by 2%. This is the simplest and most common method of adjusting fees annually. It is our observation that the regulatory requirements change enough within a three to five year time frame that a comprehensive review of costs is then warranted.

SECTION V: APPENDICES

A. PLANNING

B. BUILDING

C. ENGINEERING

D. POLICE

E. FIRE PREVENTION

PLANNING FEES

City of Palm Springs

Planning Fees



Fee Name	Unit / Notes	Actual Work Volume	Unit Cost Summary					Annual Cost Calculations		
			Direct Unit Cost	Indirect Unit Allocated Costs	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
Administrative Minor Modifications		28	\$ 570	\$432	\$1,002	\$ 556	(\$446)	\$27,652.63	\$ 15,345.6	(\$12,307.03)
Adult Oriented Business Permits Processing and Issuing			\$ 812	\$615	\$1,427	\$ 2,136	\$709	\$0.00	\$ -	\$0.00
Annexation to Palm Springs: Actual consultant/attorney/staff costs plus % for project mgt and admin	Deposit		\$ -	\$0	\$0	\$ 5,001	\$5,001	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Appeals			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
To the Planning Commission	plus notification	2	\$ 449	\$340	\$788	\$ 520	(\$268)	\$1,576.40	\$ 1,040.0	(\$536.40)
To the City Council	plus notification	2	\$ 487	\$368	\$855	\$ 279	(\$576)	\$1,710.84	\$ 558.0	(\$1,152.84)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Antenna Permits			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Private use antenna permit			\$ 172	\$130	\$303	\$ 69	(\$234)	\$0.00	\$ -	\$0.00
Planning directors to administrative appeals board			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Architectural Review			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Major Architectural Approval			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Commercial / Industrial / Multiple SF / MF		17	\$ 2,993	\$2,265	\$5,258	\$ 4,236	(\$1,022)	\$88,338.89	\$ 71,164.8	(\$17,174.09)
Hillside SF		11	\$ 1,749	\$1,323	\$3,072	\$ 3,217	\$145	\$33,182.95	\$ 34,743.6	\$1,560.65
Single-Family House – major thoroughfare		6	\$ 1,020	\$772	\$1,792	\$ 1,759	(\$33)	\$10,753.71	\$ 10,554.0	(\$199.71)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Minor Architectural Review			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Minor architectural review- staff approval		196	\$ 206	\$156	\$362	\$ 33	(\$329)	\$70,768.41	\$ 6,454.8	(\$64,313.61)
Minor architectural review - Planning Commission approval		30	\$ 619	\$468	\$1,088	\$ 580	(\$508)	\$32,625.37	\$ 17,400.0	(\$15,225.37)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
CEQA – (see Environmental Document section)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Certification of Resolutions (P. C. or HSPB)	Per each		\$ -	\$0	\$0	\$ 46	\$46	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Change of Zone (COZ) (P. C. & C. C.)	plus notification	2	\$ 4,450	\$3,367	\$7,817	\$ 6,320	(\$1,497)	\$15,634.01	\$ 12,640.0	(\$2,994.01)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
City Attorney Review of Development Projects, Actual cost at current hourly rate – deposit required (subject to change)	deposit		\$ -	\$0	\$0	\$ 3,500	\$3,500	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Codes, Covenants & Restrictions (CC&Rs) – Planning,	plus City Atty. Cost		\$ -	\$0	\$0	\$ 659	\$659	\$0.00	\$ -	\$0.00
Will be billed on actual cost – deposit required	deposit		\$ -	\$0	\$0	\$ 3,500	\$3,500	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Conditional Use Permit			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
CUP (P. C. & C. C.)	plus notification	32	\$ 2,363	\$1,788	\$4,151	\$ 2,525	(\$1,626)	\$132,843.57	\$ 80,800.0	(\$52,043.57)
CUP (P. C. only)	plus notification	22	\$ 2,110	\$1,596	\$3,706	\$ 1,736	(\$1,970)	\$80,044.09	\$ 37,497.6	(\$42,546.49)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Demolitions, Modifications, Improvements, etc.	Delete		\$ -	\$0	\$0	\$ 33	\$33	\$0.00	\$ -	\$0.00
Hillside, Architectural Review Areas	Delete		\$ -	\$0	\$0	\$ 33	\$33	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Determinations by Planning Commission		2	\$ 679	\$514	\$1,193	\$ 625	(\$568)	\$2,386.45	\$ 1,250.0	(\$1,136.45)
Development Agreements (DA) – Planning (See note re: discounted fees)			\$ 2,617	\$1,980	\$4,597	\$ 5,820	\$1,223	\$0.00	\$ -	\$0.00
Plus City Attorney deposit required, will be billed on actual	deposit		\$ -	\$0	\$0	\$ 3,500	\$3,500	\$0.00	\$ -	\$0.00

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City of Palm Springs
Planning Fees



Fee Name	Unit / Notes	Actual Work Volume	Unit Cost Summary				Annual Cost Calculations			
			Direct Unit Cost	Indirect Unit Allocated Costs	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Environmental Documents			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
EIR or Mitigated Negative Declaration	12.5% of consultant	12	\$ 10,174	\$7,698	\$17,872		(\$17,872)	\$214,468.66	\$ -	(\$214,468.66)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Categorical Exemption		60	\$ 190	\$144	\$333	\$ 196	(\$137)	\$20,008.92	\$ 11,760.0	(\$8,248.92)
Negative Declaration/Minor Project		10	\$ 2,217	\$1,677	\$3,894	\$ 1,736	(\$2,158)	\$37,386.88	\$ 16,665.6	(\$20,721.28)
Negative Declaration/IS – to 5 acres		4	\$ 3,508	\$2,654	\$6,162	\$ 4,572	(\$1,590)	\$22,184.67	\$ 16,459.2	(\$5,725.47)
Negative Declaration/IS – over 5 acres			\$ 4,085	\$3,091	\$7,175	\$ 6,331	(\$844)	\$0.00	\$ -	\$0.00
Mitigation Monitoring – Field Review (per site visit)	Deposit	1	\$ 445	\$336	\$781		(\$781)	\$781.21	\$ -	(\$781.21)
Mitigation Monitoring – Submitted Review (per site visit)			\$ 111	\$84	\$195	\$ 2,449	\$2,254	\$0.00	\$ -	\$0.00
Initial Study		10	\$ 3,819	\$2,890	\$6,709		(\$6,709)	\$64,402.59	\$ -	(\$64,402.59)
Environmental Documents - Dept. Fish & Game (SB1535:adjusted annually by			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Certified Regulatory Program (F&G) (determined by state)			\$ -	\$0	\$0	\$ 1,030	\$1,030	\$0.00	\$ -	\$0.00
Environmental Impact Report (F&G) (determined by state)			\$ -	\$0	\$0	\$ 3,030	\$3,030	\$0.00	\$ -	\$0.00
Mitigated Negative Declaration (F&G) (determined by state)			\$ -	\$0	\$0	\$ 2,181	\$2,181	\$0.00	\$ -	\$0.00
Negative Declaration (F&G) (determined by state)			\$ -	\$0	\$0	\$ 2,181	\$2,181	\$0.00	\$ -	\$0.00
Riverside County Filing Fee (R22239) (determined by state)			\$ -	\$0	\$0	\$ 64	\$64	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Event House Registration (R22418)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Event house fee		50	\$ 199	\$151	\$350	\$ 145	(\$205)	\$17,654.55	\$ 7,308.0	(\$10,346.55)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Outside Agency Entitlement & Planning Services (in house)	Consulting actual cost plus 15% admin		\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Outside Agency Entitlement & Planning Services (consultant)	Consulting actual cost plus 15% admin		\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Garage Sale Permits		374	\$ 17	\$13	\$30	\$ 19	(\$11)	\$11,282.24	\$ 7,113.6	(\$4,168.64)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
General Plan Amendment (GPA) (P. C. & C. C.)	plus notification	3	\$ 4,527	\$3,425	\$7,952	\$ 6,678	(\$1,274)	\$23,856.20	\$ 20,034.0	(\$3,822.20)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
General Plan & Zoning Letter			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Verification of Zoning		16	\$ 128	\$97	\$224	\$ 89	(\$135)	\$3,499.61	\$ 1,388.4	(\$2,111.21)
Investigation of Zoning Conformance			\$ 406	\$307	\$712	\$ 417	(\$295)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
General Plan Maintenance Surcharge	/1,000.00 new const.		\$ -	\$0	\$0	\$ 1	\$1	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
General Plan & General Plan Map (see City Clerk)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Historic Site Preservation – Mills Act – Class I		1	\$ 743	\$562	\$1,305	\$ 824	(\$481)	\$1,304.95	\$ 824.0	(\$480.95)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
HSPB – Application for Certificate of Approval		13	\$ 572	\$433	\$1,005	\$ 286	(\$719)	\$13,265.86	\$ 3,775.2	(\$9,490.66)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
HSPB – Demolitions of Class 3 Sites			\$ 864	\$654	\$1,518	\$ 558	(\$960)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
HSPB – PS Brief History/Arch. Guide & Other (cost + tax)			\$ -	\$0	\$0	\$ 1	\$1	\$0.00	\$ -	\$0.00

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City of Palm Springs

Planning Fees



Fee Name	Unit / Notes	Actual Work Volume	Unit Cost Summary				Annual Cost Calculations			
			Direct Unit Cost	Indirect Unit Allocated Costs	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
HSPB – Survey (cost + tax)			\$ -	\$0	\$0	\$ 31	\$31	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ 167	\$127	\$294	\$ 583	\$289	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Land Use Permits (L.U.P.)			\$ 460	\$348	\$808	\$ 670	(\$138)	\$0.00	\$ -	\$0.00
Minor Land Use Permits (postcard racks, ownership transfers etc.)		26	\$ 245	\$186	\$431	\$ 112	(\$319)	\$11,372.02	\$ 2,956.8	(\$8,415.22)
Land Use Permits (major)		46	\$ 490	\$371	\$861	\$ 670	(\$191)	\$39,249.64	\$ 30,552.0	(\$8,697.64)
Lot Tie Agreement			\$ 333	\$252	\$585		(\$585)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Certificates of Compliance (commission level)		2	\$ 1,029	\$779	\$1,808	\$ 913	(\$895)	\$3,616.36	\$ 1,826.0	(\$1,790.36)
City Council Approval	Delete		\$ -	\$0	\$0	\$ 1,158	\$1,158	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Medical Cannabis Cooperatives or Collectives (R22458)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Application Fee (full reimbursement of costs to administer)	Change to flat fee and assing upfront investment cost here.		\$ -	\$0	\$0	\$ 7,500		\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$7,500	\$0.00	\$ -	\$0.00
Appeal Fee (full reimbursement of costs to administer)	T&M		\$ -	\$0	\$0	\$ 750	\$750	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Notification Charges			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Planning Commission Only	Plus direct cost of mailing and advertising	38	\$ 562	\$425	\$988	\$ 436	(\$552)	\$37,929.91	\$ 16,749.3	(\$21,180.60)
Planning Commission and City Council	Plus direct cost of mailing and advertising	23	\$ 781	\$591	\$1,372	\$ 872	(\$499)	\$31,271.18	\$ 19,889.8	(\$11,381.37)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Plan Checking Fees – Planning (see Plan Check Fees – Planning for additional ch			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Single-family residential (total building area:)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Any size			\$ 100	\$76	\$176	\$ 347	\$171	\$0.00	\$ -	\$0.00
2,001 – 4,000 sq. ft.	Delete		\$ -	\$0	\$0	\$ 417	\$417	\$0.00	\$ -	\$0.00
4,001 – 6,000 sq. ft.	Delete		\$ -	\$0	\$0	\$ 508	\$508	\$0.00	\$ -	\$0.00
Over 6,000 sq. ft.	Delete		\$ -	\$0	\$0	\$ 741	\$741	\$0.00	\$ -	\$0.00
Commercial/Multi-R Family – less than 1 acre			\$ 128	\$97	\$225	\$ 857	\$632	\$0.00	\$ -	\$0.00
Commercial/Planned Developments, etc. – 1 to 5 acres			\$ 305	\$231	\$536	\$ 857	\$321	\$0.00	\$ -	\$0.00
Commercial/Planned Developments, etc. – over 5 acres		6	\$ 748	\$566	\$1,314	\$ 1,240	(\$74)	\$7,885.34	\$ 7,440.0	(\$445.34)
Commercial Tenant Improvement	New	94	\$ 455	\$344	\$800	\$ 1,653	\$853	\$75,180.26	\$ 155,382.0	\$80,201.74
Multi-Family Residents – up to 5 acres			\$ 278	\$210	\$489	\$ 1,240	\$751	\$0.00	\$ -	\$0.00
Multi-Family Residents – over 5 acres			\$ 641	\$485	\$1,126	\$ 1,653	\$527	\$0.00	\$ -	\$0.00
Final Landscape/Ext. Lighting (New)			\$ 323	\$244	\$567	\$ 556	(\$11)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Planned Development District ³(P. C. & C. C.)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Application Fee – under 5 acres	Delete		\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Application Fee – over 5 acres	Delete		\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Planned Development District ³(P. C. & C. C.)			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Preliminary Development Plan – under 5 acres	plus notification	1	\$ 2,587	\$1,957	\$4,544	\$ 4,178	(\$366)	\$4,543.75	\$ 4,178.0	(\$365.75)

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City of Palm Springs
Planning Fees



Fee Name	Unit / Notes	Actual Work Volume	Unit Cost Summary					Annual Cost Calculations		
			Direct Unit Cost	Indirect Unit Allocated Costs	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
Preliminary Development Plan – over 5 acres	plus notification	3	\$ 5,316	\$4,022	\$9,339	\$ 8,346	(\$993)	\$28,016.30	\$ 25,038.0	(\$2,978.30)
Final Development Plan - under 5 acres	plus notification	10	\$ 1,634	\$1,236	\$2,871	\$ 2,211	(\$660)	\$27,558.00	\$ 21,225.6	(\$6,332.40)
Final Development Plan - over 5 acres	plus notification		\$ 2,011	\$1,521	\$3,532	\$ 3,473	(\$59)	\$0.00	\$ -	\$0.00
Preliminary Development Plan - Minor Amendment	plus notification	1	\$ 929	\$703	\$1,633	\$ 521	(\$1,112)	\$1,632.73	\$ 521.0	(\$1,111.73)
Preliminary Development Plan - Major Amendment	plus notification	14	\$ 2,321	\$1,756	\$4,077		(\$4,077)	\$58,708.53	\$ -	(\$58,708.53)
Incidental change to approved PD (Staff)			\$ 206	\$156	\$362	\$ 117	(\$245)	\$0.00	\$ -	\$0.00
Planning Commission Items			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Agenda only – yearly	Not a planning fee		\$ 443	\$335	\$778	\$ 61	(\$717)	\$0.00	\$ -	\$0.00
Agenda & Minutes – yearly			\$ 443	\$335	\$778	\$ 133	(\$645)	\$0.00	\$ -	\$0.00
			\$ 266	\$201	\$467		(\$467)	\$0.00	\$ -	\$0.00
Pre-Application Review Meeting	Optional take off discount	2	\$ -	\$0	\$0	\$ 837	\$837	\$0.00	\$ 1,674.0	\$1,674.00
			\$ 177	\$134	\$311		(\$311)	\$0.00	\$ -	\$0.00
Recreational Vehicle Parking Permit		5	\$ 355	\$268	\$623	\$ 532	(\$91)	\$3,115.22	\$ 2,660.0	(\$455.22)
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Refunds Net of estimated staff time expended			\$ 89	\$67	\$156		(\$156)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Final planning inspections - minor architectural			\$ 106	\$80	\$186		(\$186)	\$0.00	\$ -	\$0.00
Final planning inspections - major architectural			\$ 256	\$194	\$450		(\$450)	\$0.00	\$ -	\$0.00
Subdivision - Final planning inspection - first SFR			\$ 123	\$93	\$216	\$ 62	(\$154)	\$0.00	\$ -	\$0.00
Subdivision - Final planning inspection - Each additional SFR			\$ 22	\$17	\$39	\$ 92	\$53	\$0.00	\$ -	\$0.00
Non-responsive			\$ 106	\$80	\$186		(\$186)	\$0.00	\$ -	\$0.00
Resolution Certification (same as Certification)			\$ -	\$0	\$0	\$ 856	\$856	\$0.00	\$ -	\$0.00
Resolution of Convenience & Necessity			\$ 89	\$67	\$156		(\$156)	\$0.00	\$ -	\$0.00
Searchlight Permits			\$ 222	\$168	\$390	\$ 162	(\$228)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Sign Permits -Review and Approval			\$ 861	\$651	\$1,512	\$ 289	(\$1,223)	\$0.00	\$ -	\$0.00
By Planning Commission			\$ -	\$0	\$0	\$ 580	\$580	\$0.00	\$ -	\$0.00
By City Council (x2)	Delete		\$ 148	\$112	\$259	\$ 117	(\$142)	\$0.00	\$ -	\$0.00
By Staff			\$ 118	\$89	\$208	\$ 29	(\$179)	\$16,438.63	\$ 2,296.8	(\$14,141.83)
Temporary Signs	Per sign	79	\$ -	\$0	\$0	\$ 234	\$234	\$0.00	\$ -	\$0.00
Temporary Construction Fence Graphics	Delete		\$ 969	\$733	\$1,702	\$ 927	(\$775)	\$5,105.28	\$ 2,781.0	(\$2,324.28)
Sign Variance		3	\$ 1,623	\$1,228	\$2,851	\$ 927	(\$1,924)	\$5,701.90	\$ 1,854.0	(\$3,847.90)
Sign Program		2	\$ 2,054	\$1,554	\$3,608	\$ 2,013	(\$1,595)	\$34,634.37	\$ 19,322.9	(\$15,311.49)
Sign Program – Amendment		10	\$ 957	\$724	\$1,681		(\$1,681)	\$0.00	\$ -	\$0.00
Sign Districts			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Specific Plan	Deposit, plus notification		\$ 12,076	\$9,137	\$21,212	\$ 5,000	(\$16,212)	\$0.00	\$ -	\$0.00
Specific Plan – Text Amendment	Deposit, plus notification		\$ 4,203	\$3,180	\$7,383	\$ 2,500	(\$4,883)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Street Name Change (plus cost of changing street signs)			\$ 1,440	\$1,089	\$2,529	\$ 1,621	(\$908)	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Subdivision Maps			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Petition for reversion to Acreage			\$ 1,345	\$1,018	\$2,363	\$ 937	(\$1,426)	\$0.00	\$ -	\$0.00

City of Palm Springs

Planning Fees



Fee Name	Unit / Notes	Actual Work Volume	Unit Cost Summary					Annual Cost Calculations		
			Direct Unit Cost	Indirect Unit Allocated Costs	Total Cost Assigned	Current Fee / Revenue	Unit Surcharge or (Subsidy)	Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
Tentative Tract Maps (P. C. & C. C.)	plus notification	3	\$ 1,611	\$1,219	\$2,829	\$ 9,432	\$6,603	\$8,488.45	\$ 28,296.0	\$19,807.55
Tentative Parcel Maps (P. C. & C. C.)	plus notification	3	\$ 1,345	\$1,018	\$2,363	\$ 7,374	\$5,011	\$7,088.14	\$ 22,122.0	\$15,033.86
Vesting Maps	plus notification		\$ 2,372	\$1,795	\$4,166	\$ 1,412	(\$2,754)	\$0.00	\$ -	\$0.00
Parcel Map Waiver	plus notification		\$ 1,124	\$850	\$1,975	\$ 9,432	\$7,457	\$0.00	\$ -	\$0.00
Fees not listed in this fee schedule will be at the applicable PHR	Hourly		\$ -	\$0	\$0	\$ 7,374	\$7,374	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0	\$ 10,374	\$10,374	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0	\$ 625	\$625	\$0.00	\$ -	\$0.00
			\$ -	\$0	\$0		\$0	\$0.00	\$ -	\$0.00
Technology Surcharge	.84 of 1,000.00 new construction value		\$ -	\$0	\$0	\$ 1	\$1	\$0.00	\$ -	\$0.00
Time Extensions	plus notification	18	\$ 801	\$606	\$1,407	\$ 855	(\$552)	\$25,317.89	\$ 15,390.0	(\$9,927.89)
Variance	plus notification	4	\$ 1,464	\$1,108	\$2,572	\$ 2,620	\$48	\$10,287.97	\$ 10,480.0	\$192.03
			\$0	\$0	\$0		0%	\$0.00	\$ -	\$0.00
Landscape and irrigation plan: Single Family Residence			\$ 211	\$160	\$371		(\$371)	\$0.00	\$ -	\$0.00
Landscape and irrigation plan: Multi Family/SF Subdivision			\$ 920	\$696	\$1,616		(\$1,616)	\$0.00	\$ -	\$0.00
Landscape and irrigation plan: Commercial/Industrial <5 acres		2	\$ 477	\$361	\$838		(\$838)	\$1,676.45	\$ -	(\$1,676.45)
Landscape and irrigation plan: Commercial/Industrial >5 acres			\$ 743	\$562	\$1,305		(\$1,305)	\$154	\$ -	
			\$ -	\$0	\$0		\$0	\$ -	\$ -	
Productive Hourly Rates by Category										
Director of Planning			\$ 153	\$116	\$269		(\$269)	\$269	\$ -	
Principal Planner			\$ 134	\$101	\$235		(\$235)	\$235	\$ -	
Associate/Assistant Planner			\$ 89	\$67	\$156		(\$156)	\$156	\$ -	
Planning Admin Coordinator			\$ 77	\$58	\$136		(\$136)	\$136	\$ -	
Clerical (Sr. Secretary)			\$ 70	\$53	\$122		(\$122)	\$122	\$ -	
Planning Tech			\$ 69	\$52	\$121		(\$121)	\$121	\$ -	

Annual Revenue at Full Cost	Annual Revenue at Current Fee Level	Annual Surcharge or (Subsidy)
\$1,372,432	\$767,412	(\$605,020)

BUILDING FEES