



City of Palm Springs

Department of Finance and Treasury

3200 E. Tahquitz Canyon Way • Palm Springs, California 92262
Tel: (760) 323-8229 • Fax: (760) 322-8320 • Web: www.palmspringsca.gov

May 11, 2023

Gretchen Gutierrez
Chief Executive Officer
Desert Valley Builders Association
34360 Gateway Drive
Palm Desert, CA 92211

Re: Response to Comments on the City of Palm Springs FY 2023-24 Comprehensive Fee Schedule Update

Dear Ms. Gutierrez:

We received your letter, dated May 3, 2023, regarding the City of Palm Springs FY 2023-24 Comprehensive Fee Schedule Update and would like to thank you for your time in reviewing and commenting on the fee schedule. Below are the City's responses to address your written concerns.

PAGE 8: STREET NUMBER CHANGE:

DVBA Comment:

- The proposed fee is \$185.51 when the math of a 6.3% increase of current fee of \$184.48 is \$196.10

City Response: Agreed. The cell did not contain the formula due to last fiscal year's update. This has since been resolved. Thanks for catching that error.

PAGE 10-16: CONTRACT PLAN REVIEW – NEW CONSTRUCTION:

DVBA Comment:

- Each item in this section has a cost (fee) for either a valuation or increase in project size.
- DVBA needs to see how there is a nexus between size of project or valuation of project to the fees charged.

City Response: The Building Department's *Contract Plan Review – New Construction* fees have remained unchanged since the FY 19/20 fee schedule update. In FY 19/20, [Resolution No. 24622](#) was adopted, approving a new user fee study and cost allocation plan and adopting the FY 19/20 fee schedule. Please refer to the fee study and cost allocation plan within [Resolution No. 24622](#).

PAGE 20: ENGINEERING CONSTRUCTION PERMITS:

DVBA Comment:

- \$50,000-\$200,000 shows new fee as \$3,329.90 when the math would be \$3,490.48
- Over \$200,000 shows new fee as \$9,779.90 when the math would be \$10,346.83

City Response: The math on the draft fee schedule you'd attached does add up correctly.

- With a CPI Increase of 6.3% to the bottom tier's base fee $5.31\% * \$48,000 = \$2,548.80 \rightarrow$ It gets added on to the new base fee of \$781.10 to create the base of the next tier $\rightarrow \$2,548.80 + \$781.10 = \$3,329.90$ (which is the correct new base fee for anything between 50k-200k)
- $4.30\% * \$150,000 = \$6,450 \rightarrow$ Atop of the base fee of \$3,329.90 to create the base for the last tier $\rightarrow \$3,329.90 + \$6,450 = \$9,779.90$ (which would be the correct base fee for the last tier along with 3.16% of anything over \$200k)
- In conclusion, what's shown in our draft fee schedule is correct, and no correction is required on page 20.

PAGE 41: CANNABIS BUSINESS AND ACTIVITY:

DVBA Comment:

- Site Inspection and Extra Services are At Cost.
- *What does this mean? What positions, and what expected time frame based of size and production?*

City Response: Site Inspections include additional inspections, conducted by the Fire Department, which may be needed for cultivation and manufacturing facilities; however, these inspections are not required of all applicants.

Additionally, extra services include fees for expedited services, odor control and land use review, that are collected by Special Program Compliance, and some of which include Building & Safety expedited service fees.

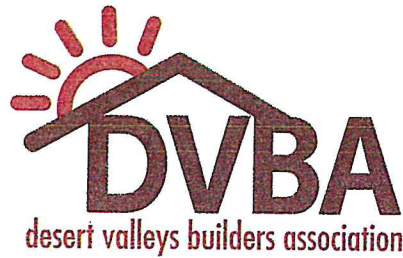
The May 25, 2023 staff report and [updated Fiscal Year 2023-24 Comprehensive Fee Schedule](#) may be found at www.palmspringsca.gov/CFS.

Sincerely,



Kristopher J Mooney, Acting Director of Finance
City of Palm Springs

Cc: Scott C. Stiles, City Manager
Office of the City Clerk



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Gretchen Gutierrez

May 3, 2023

City of Palm Springs
Scott Stiles, City Manager
c/o Evelyn Beltran, Executive Administrative Assistant
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Dear Mr. Stiles,

Thank for providing the Desert Valleys Builders Association (DVBA) the opportunity to review and comment on the *City of Palm Springs Comprehensive Fee Schedule, Fiscal Year 2023-2024*. This fee schedule shows most fees increasing by a Consumer Price Index increase of 6.3%.

Below are items that appear to be incorrect, inconsistent, or challengeable:

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Page 8: Street Number Change:

- The proposed fee is \$185.51 when the math of a 6.3% increase of current fee of \$184.48 is \$196.10

Page 10-16: Contract Plan Review – New Construction:

- Each item in this section has a cost (fee) for either a valuation or increase in project size.
 - DVBA needs to see how there is a nexus between size of project or valuation of project to the fees charged.

Page 20: Engineering Construction Permits:

- \$50,000-\$200,000 shows new fee as \$3,329.90 when the math would be \$3,490.48
- Over \$200,000 shows new fee as \$9,779.90 when the math would be \$10,346.83

Page 41: Cannabis Business and Activity:

- Site Inspection and Extra Services are **At Cost**.
 - What does this mean? What positions, and what expected time frame based of size and production?

The DVBA looks forward to receiving the City's explanations, corrections and addition information highlighted by this letter.

Sincerely,

Gretchen Gutierrez
Chief Executive Officer

34360 Gateway Drive • Palm Desert • CA 92211

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www.TheDVBA.org