

Development and Regulatory Services Fee Update

PALM DESERT CITY COUNCIL

AUGUST 28, 2025



Background

Development Services Department – Strategic Revamp (2023–2025)

Goal: Building Capacity, Streamlining Processes, and Responding to the Development Community

Historically, the City's development review process was hampered by:

- Siloed departmental operations
- Manual workflows and inefficient processes
- Software limitations that forced steps outside official systems
- Complex permit fee model – difficult to determine fees and explain to the public
- Unclear or unenforceable guidelines for submittals and engineering review
- Inconsistent application review paths and incomplete documentation requirements for permitting
- Staffing instability, resistance to change, and frequent turnover

These gaps led to inconsistent service delivery, internal confusion, and frustration from the development community feedback the City acknowledges as valid and well-founded.

Key Strategic Actions Taken

Initiatives & Milestones:

1. Leadership-Driven Improvements

- Initiation of internal process improvements focused on delays- No longer accepting “this is how we’ve always done this”
- Strategic internal staffing changes to better align resources

2. Enhanced Cross-Department Collaboration

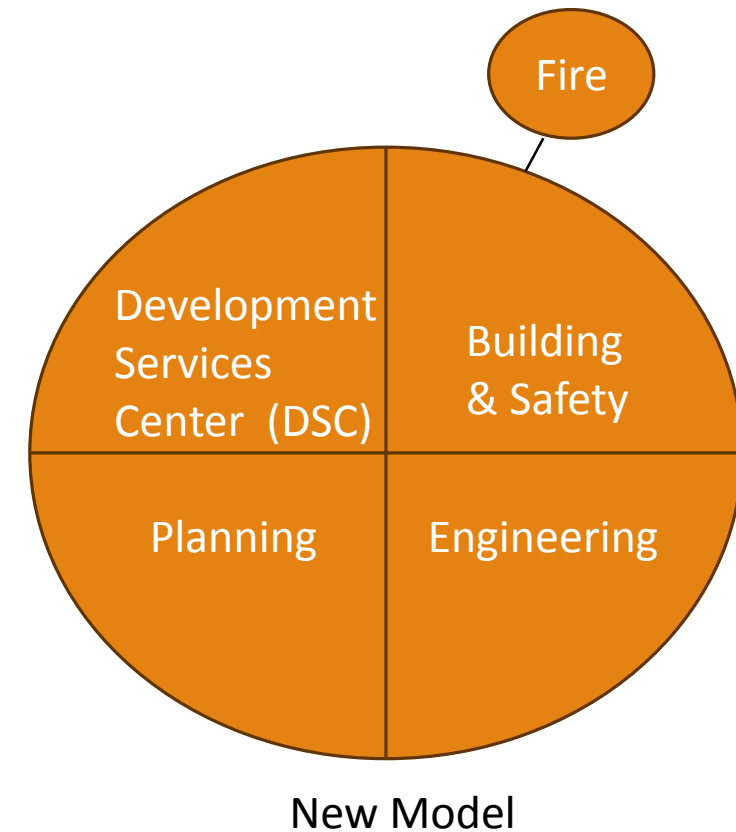
- Active coordination between departments to streamline service delivery
- Launch of division-wide discussions on process improvements
- Contracted Holistic System Integration Solutions to lead process improvement initiative

3. Integration of Engineering

- Transition of Engineering Division into the Development Services Department
- Continued integration efforts to support unified service delivery

4. Process Optimization

- Identification and analysis of departmental bottlenecks
- Review of each permit process to examine intake, review and approval procedures
- Cross-functional strategies to improve workflow and efficiency



Outcomes (2025)

1. Revamped applications, resource guides, and online websites (February 2025)
2. Integrated Quality Control measures for Engineering without increasing timeframes (January 2025, Current software)
3. Adopted new Guidelines for Engineering and Landscape (March 2025)
4. **Recommending approval to change the methodology to calculate permits from complex formulas to valuation based (Fee Study Update, August 28, 2025)**
5. **Recommending approval for the Development Services Fee Study Update – 3 year phased approach (August 28, 2025)**
6. Launching new land management software – will solidify new processes and workflows (Clariti, October 2025)
 - Launching Camino Guide – step by step guide for permitting processes (Clariti, October 2025)
7. Inhouse Fire Services – plan reviews and inspections – key to closing delay gaps (January 2026)
8. Staff to provide updates to City Council on progress of these implementations per Quarter to provide progress updates and key metrics (2026)

Fee Schedule update

Two Key components to approving the resolution:

1. Update to the methodology for calculating building fees to a best-practice approach that is based on valuation which is consistent with how building permit fees are assessed across the Coachella Valley and California.
2. 3-Year phased in approach implementing cost recovery for the fees schedule update
 - Year 1 - effective 60 days from August 28, 2026
 - Year 2 - effective July 1, 2026
 - Year 3 - effective July 1, 2027

Public Notice & Notification

1. Notice of Public Hearing Publication

- August 15, 2025, Desert Sun Newspaper
- August 21, 2025, Desert Sun Newspaper

2. Written Notices to Interested Parties (registered with City Clerk's Office) - Discussions from May through August 2025 - in person/teleconference meetings, final notification (email/mail) on August 14, 2025

- Desert Builder's Association – Letter of support
- Building Industry Association – No response
- Southern California Gas Company - Letter of support

3. Courtesy Emails to 2,138 emails to active contractors, developers, and engineers

- 3 Letters of opposition – (2) engineers and (1) architect