

2017 Cathedral City Building and Cannabis Processing Fee Review Recommendations

Planning and Engineering Fees: Staff recommends that Planning, Engineering and Building fees for new Development remain unchanged.

Cathedral City's current Planning and Engineering fee structures related to new development are based on a Deposit / Performance form of expense tracking. The Applicants are required to pay a minimum deposit to initiate the application process. As the process progresses staff time is tracked, recorded and expensed accordingly. This system allows the City to recover 100% of their direct costs related to projects, while managing the associated planning costs for new development, both commercial and residential. The Desert Valley Builders Association (DVBA) 2014 Residential Development Fee study found that Cathedral City had the lowest per unit development fees in the Coachella Valley.

However, during the review staff identified several building fees that are recommended for adjustment based on staff time and related expenses involved in processing. The proposed Building fee adjustments are identified in the in the Table below.

Building Fees

PERMIT TYPE	CURRENT FEE	Fully Burdened Rate (FBR)	Proposed New Fee
Heating, Ventilation & Air Conditioning Change Out	\$44.50	2 hours of Staff time FBR = \$196.50	\$195
Main Service Panel Change Out	\$44.50	2 hours of Staff time FBR = \$196.50	\$195
Water Heater Change Out	\$33.50	1.75 hours of Staff Time FBR = \$153.75	\$150
Temporary Power Pole	\$41	1.75 hours of Staff Time FBR = \$153.75	\$150
Sewer Connection Fee	\$130	3 hours of Staff Time FBR = \$ 271	\$270

Also, during the review staff identified several Ancillary user fees that are recommended for adjustment based on staff time and related expenses involved in processing. The proposed ancillary user fee adjustments are in the Table below.

Ancillary Fees

Garage Sale Permit	\$10	1 hours of Staff Time FBR = \$80.50	\$25
Unpermitted Garage Sale	Currently no set fee	1.5 hours of Staff Time FBR = \$120.75	\$100
Pool Drainage Permit	\$2	.5 hours of Staff Time FBR = \$80.50	\$25
Unpermitted Pool Drainage	Currently no set fee	1 hour of Staff Time FBR = \$80.50	\$75

Also, during the review staff identified several Cannabis related fees that are recommended for initial adoption based on staff time and related expenses involved in processing. The proposed Cannabis related fees are described in the Table below.

Cannabis Fees

MCL Renewal	\$5000 Deposit + FBR	13 hours of Staff Time FBR = \$1,738 Annual audit = \$2,500 Live Scan = \$300	\$4,500
MCL Amendment During Renewal (in addition to renewal fee)	Currently no set fee	3 hours of Staff Time FBR	\$500
MCL Adding a License During Renewal	Currently no set fee	3 hours of Staff Time No additional BG	\$500

MCL Transfer	Currently no set fee	8 hours of Staff Time FBR = \$1,263 Back Ground Check = \$3,500 per owner	\$4,500 Deposit plus FBR and Expenses
MCL Amendment (Simple no BG)	Currently no set fee	3 hours of Staff Time FBR = \$517	\$500
MCL Amendment (requiring BG)	Currently no set fee	6 Hours of Staff Time FBR = \$1,018 Back Ground Check = \$3,500 per owner	\$1,000 + \$3,500 per BG