

DOING BUSINESS IN PALM DESERT



PALM DESERT



www.palmdesert.gov

A large, light-colored rock monument stands prominently in the foreground, with the words "PALM DESERT" carved vertically into its face. The letters are large and blocky. In the background, other rock formations are visible, some with ancient petroglyphs, including a circular symbol on the left and a handprint on the right. The sky is a clear, pale blue.

**Are you looking to open a business
in the Coachella Valley?**

Well, the City of Palm Desert would be proud to partner with you on this venture. Called the 'heart of the valley,' Palm Desert is a fast-growing and dynamic community.

A standout reason businesses choose Palm Desert for the support and care provided by our Development Services and Economic Development teams. The City is invested in your success and has created the following guidebook to streamline the process of opening a business in our great city!

We invite you to come grow with us!

An aerial photograph of Palm Desert, California, showing a mix of commercial and residential buildings, palm trees, and parking lots. In the background, a large, rugged mountain range is visible under a clear sky. A semi-transparent blue vertical bar is overlaid on the right side of the image, containing the title and list.

New Business Roadmap

1. Starting a Business

2. Choosing to do Business in Palm Desert

3. General Business Information

4. Trash and Recycling Services

5. Economic Development Support

1. STARTING A BUSINESS

This guide is designed to help you through the various agencies and steps involved in starting your business.

Just starting a business:

When thinking about starting a business, creating a business plan is advisable.

Below are local organizations that can assist you in developing a business plan and offer advice on business structure:

<https://www.cvwbc.org/>

Coachella Valley Women's Business Center

Palm Desert Office (760) 345-9200

77806 Flora Rd. Suite A, Palm Desert, CA 92211

<https://ociesmallbusiness.org/coachella-valley/>

Small Business Development Center – Coachella Valley

Indio Office (760) 848-4096

44-199 Monroe Street, Suite B, Indio, CA 92201

Once you are ready to start your business, you must decide on a business structure. Different types of business structures include a Sole Proprietorship, a Partnership, a Limited Liability Company, a Cooperative, and a corporation. [Click here](#) for a brief overview of various business structures the State of California provides.



Now that you have established your business structure and decided on a business name, it is time to register your business to make it legal. Register with Federal, State, and County tax entities; see below.

- **Federal:**

For the purpose of tax administration, contact the Internal Revenue Service (IRS) about an Employer Identification Tax Number (EIN) and, if applicable, a Self-Employed Individuals (SE) tax.

www.irs.gov
www.irs.gov/Individuals/Self-Employed
Palm Springs Office (844) 545-5640
556 S. Paseo Dorotea, Palm Springs, CA 92264

- **State:**

For state taxes and a Sales Tax ID number, visit

www.cdtfa.ca.gov/services/permits-licenses.htm
California Department of Tax and Fee Administration
Rancho Mirage Office (760) 770-4828
35900 Bob Hope Dr. Ste 280, Rancho Mirage, CA 92270

- **County:**

Every person who conducts a business in the State under a fictitious business name, any name other than your surname, has more than one owner, or to check against infringing on another business name, you will need to file a "Fictitious Business Name" (FBN) with the County Clerk's Office.

Unlike real property, business property is reappraised annually. For assessment purposes, a business owner must file a property statement each year with the County Assessor's Office.

County of Riverside Offices
4080 Lemon St. Riverside, CA 92501
(951) 955-1000
<https://www.rivcoacr.org/>

County Assessor
38686 El Cerrito Rd, Palm Desert, CA 92211
(800) 746-1544 or (760) 863-8732

County Recorder/County Clerk
38686 El Cerrito Rd, Palm Desert, CA 92211
(800) 696-9144

Once you have completed all the above, you are now ready to register your business with the City.

2. STARTING A BUSINESS IN PALM DESERT

A warm welcome to the City of Palm Desert! We extend our heartfelt gratitude for selecting our city as the destination to launch your new business or to cater to our residents and visitors from areas beyond our city borders. The information provided below serves as a valuable resource to guide you through the upcoming phases.

Where Can I Do Business in Palm Desert? What Should I Consider When Selecting a Location? What is Required?

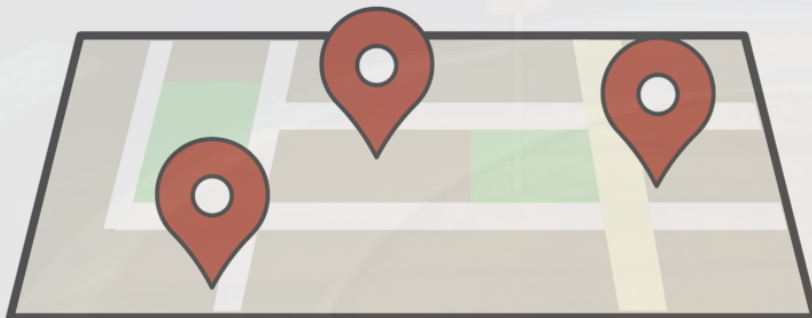
If you plan to conduct business from a commercial, industrial, or home location, contact the Planning division to verify that your business is allowed by the Zoning Ordinance and obtain Planning approval to receive a Palm Desert Business License.

A City Planner can answer any questions related to zoning restrictions on specific properties or regions of the City. Once you have confirmed your business meets zoning requirements, you can apply for a Business License and/or a Home Occupation Permit.

Visit the City of Palm Desert Planning web page for more information about the zoning process, or contact the Planning Division by email at planning@palmdesert.gov or by calling 760-776-6483.

When Selecting a Location

- Considerations may include building use, occupancy, parking, utilities, and building alterations.
- Certain locations may need interior or exterior improvements, which may require additional permits. After meeting with the Planning Division, we encourage you to meet with our Building and Safety Division, who can clarify permit needs and their associated costs.



Requirements - Licenses & Permits:

Business License:

All businesses operating within the city limits of Palm Desert (including home-based businesses) are required to have a Business License per the City of Palm Desert Municipal Code Section 5.04.030. [Click here](#) for the Business License Fee Schedule.

Exempt Activities:

Some businesses are exempt from paying a business tax but must still apply for a business tax certificate.

See the following Palm Desert Municipal Codes:

5.04.070 Exemption for charitable and nonprofit organizations.

5.04.080 Exemption for disabled veterans.

5.04.090 Exemption for minors.

5.04.100 Exemption for artists and art exhibits and those individuals on retirement pension.

- The process of obtaining a business license can be found at <https://palmdesert.hdlgov.com/>
- Home-based businesses can apply at <https://palmdesert.hdlgov.com/Home/Home/BusinessLicense>

Permits are required for various types of work or installations, so please contact the Permit Center at 760-776-6435 to find out about regulations governing any of the following: Sign installation, new walls or ceilings to be constructed, new plumbing or electrical work, ADA and so forth.

Items that frequently need City permits include:

- **SIGNS:**

A separate sign permit is required if your business will install, modify, or replace a sign. This includes temporary signage and banners. The City must approve the sign application before the sign is manufactured and installed. Contact the Planning Division for more information.

- **Home-Based Business - Home Occupation Permit:**

If your business will operate out of your home, such as a home office, it will require a Home Occupation Permit in addition to a Business License. Please contact the Planning Division to discuss the type of business you intend to operate and disclose any limitations or restrictions. Generally, the intention of a home office is that your business operates from a residential address without modifying the existing residential use of the property. See Palm Desert Municipal Code 25.34.020 for information.

- **Grand Openings - Temporary Use Permits (TUP):**

To help advertise, most commercial businesses may choose to have a grand opening. A Temporary Use Permit allows you to advertise a grand opening for 30 days. Inquire with a planner regarding a grand opening event.

- **Additional Permits:**

Some businesses require additional permits if offering certain types of services. These include but are not limited to dancing, entertainment, cannabis regulatory permits, tobacco sales, massage, mobile vendors, taxicab companies, and taxicab drivers. Contact License Services for additional information: <https://palmdesert.hdlgov.com/>.

How to Apply for Permits

- Planning and Building Permit applications: <https://www.palmdesert.gov/our-city/departments/planning/permit-types>
- Fire Permit: <https://www.rvcfire.org/our-departments/fire-marshal#construction>

Additional licenses or permits from other agencies may be needed depending on your type of business. For example, if you are opening a restaurant, you need to obtain a Health Permit from the Riverside County Health Department.

Additional Licenses and Permits

- **Alcoholic Beverage License:**

If your business is considering selling or serving alcoholic beverages, you will need to contact Alcohol Beverage Control (ABC) for additional information.

www.abc.ca.gov

Alcohol Beverage Control

(760) 324-2027

34-160 Gateway Dr. Suite 120, Palm Desert, CA 92211

- **Riverside County Health Department:**

If your business is food sales, public pools/spas, tattooing, body piercing, permanent cosmetics, cosmetology, or is a business that may require a health permit.

www.rivcoeh.org

Riverside County Environmental Health

(760) 863-8287

47-950 Arabia St, Suite A, Indio, CA 92201

If your business is a home-based kitchen, you must also have a health permit.

- **California Seller's Permit:**

If you sell or lease merchandise, vehicles, or other tangible personal property in California, you are required to obtain a California Seller's permit.

www.cdtfa.ca.gov/services/permits-licenses.htm

California Department of Tax and Fee Administration

(760) 770-4828

35900 Bob Hope Dr. Ste 280, Rancho Mirage, CA 92270

- **Child Care Licenses:**

The regulating authority for home daycare facilities is the State of California's Health and Human Services Agency. The Department of Social Services has a division for Community Care Licensing, which issues Child Care licenses. The Child Care Licensing Program distinguishes licenses for both Child Care Centers (CCCs) and Family Child Care Homes (FCCHs) in California.

- **Short-Term Rentals (STR):**

For guidelines on running a short-term rental in the City of Palm Desert, please visit the [Short-Term Rentals](#) page on the City's website.

- **Drone, Film & Video Permit:**

Film permits are required for all entities, groups, and individuals who intend to film within the boundaries of the City of Palm Desert. Requirements and an application can be found on the [Permit Center web page](#) or by [clicking here](#).

**Submit a
Permit Application**

3. GENERAL BUSINESS INFORMATION

- **Basics:**

Business Licenses are issued on an annual basis. The business license must be renewed every year before the first day of the anniversary month. The City will send a renewal notice.

However, penalties are assessed for delinquent accounts, regardless of whether you receive a renewal notice or not. At any time, if there are changes to the business license location and ownership, you must notify HDL.

- **Business License & Certificate of Use:**

Once you have determined a business plan, have all the necessary Federal, State, and County requirements, and have an approved location identified for your business, you will be ready to apply for a Palm Desert Business License. A business license is required before conducting any business, trade, profession, enterprise, establishment, or occupation within the City of Palm Desert. Each location of your business will require a business license, per Palm Desert Municipal Code 5.04.030. Even if your business physical address is outside city limits but you are conducting business in the city, you will require a business license.

- **Certificate of Use:**

This application is connected with a business license. This will allow your business to operate at a commercial or industrial location. This application clears your business to operate within a specific zone. Zone designations will also reveal if your proposed business location will require building improvements, parking requirements, or building occupancy requirements.

Additionally, Certificates of Occupancy may need to be reviewed if certain businesses change.

- **Costs & Fees:**

The cost of a business license varies based on the type of business. Generally, a business tax is calculated either on a flat rate or gross receipt. If the business tax is calculated on gross receipts, you will be required to provide a 12-month estimate of gross receipts. Each year after that, you will be required to remit proof of gross receipts to renew.

4. TRASH AND RECYCLING SERVICES

The City of Palm Desert contracts with Burrtec Waste Industries, Inc. to provide waste and recycling services as the only franchised waste hauler within city limits. Please contact Burrtec at 760-340-2113 or via email at customerservice@burrtecdesert.com to establish service.

Businesses are automatically enrolled into the City's three container waste and recycling system. If you do not generate organic waste, please get in touch with Burrtec for a free assessment.

Learn more: <https://www.palmdesert.gov/our-city/departments/public-works/waste-management-and-recycling-services>

Burrtec Waste Industries, Inc. 760-340-2113

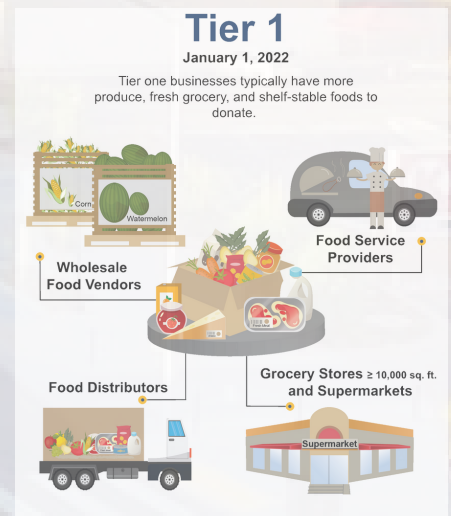
City of Palm Desert 760-776-6342

Edible Food Recovery:

Some Edible Food Generators are mandated by Senate Bill (SB) 1383 to recover and donate excess food that would otherwise go to landfills. Generators are divided into two categories:

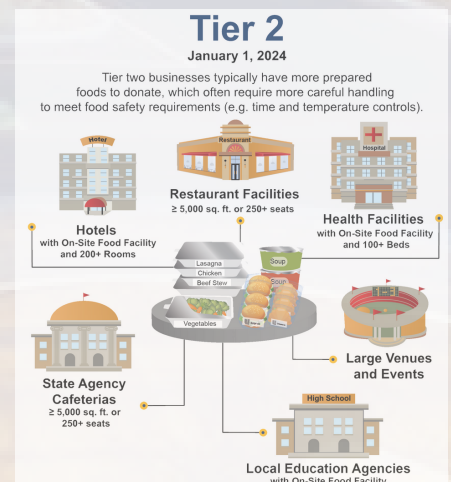
Tier 1 Edible Food Generators (Effective January 1, 2022)

- Wholesale Food Vendors
- Food Distributors
- Food Service Providers
- Supermarkets
- Grocery Stores



Tier 2 Edible Food Generators (Effective January 1, 2024)

- Hotels (with on-site food facilities and 200+ rooms)
- Restaurants (over 5,000 sq. ft. or 250+ seats)
- Health Facilities (with onsite food facilities and 100+ beds)
- State Agency Cafeterias
- Large Venues and Events
- Local Education Agencies



If your business falls under either of the categories above, please connect with a food recovery organization, such as FIND Food Bank, at (760) 775-3663.

5. ECONOMIC DEVELOPMENT SUPPORT

The City of Palm Desert is proud of our diverse and dynamic business sector. To best support merchants in our community, the City created a position dedicated to assisting all existing and new businesses. The Business Support position focuses on building and fostering relationships with our business community and can assist new business owners through the processes outlined in this resource guide.

To schedule a meeting with Palm Desert Economic Development staff member, please contact:

Vanessa Mager
Business Support & Outreach
760-776-6425
vmager@palmdesert.gov.

APPENDIX

Frequent Business Terms and Definitions:

Articles of Incorporation: Official documentation submitted to governmental authorities to establish a corporation's legal existence.

Balance Sheet: A financial report displaying a business's assets and liabilities.

Business License: Legal authorization permitting a business to operate within a specific jurisdiction.

Business Plan: A comprehensive written document outlining a business's objectives, strategies, resources, financial projections, and organizational structure.

Capital: Funds utilized for operating and managing a business.

Cash Flow: The movement of funds into and out of a business, which can either be positive (income exceeds expenses) or negative (expenses surpass income).

Certificate of Insurance: Document confirming a business's insurance coverage.

Compounding: The process of reinvesting profits to generate capital growth.

Demographic: A defined group sharing common characteristics, such as age, income, gender, or location, often targeted by businesses for marketing purposes.

Depreciation: The reduction in value of an asset over time.

EIN: Employer Identification Number, serving as a unique identifier for a business entity, akin to a Social Security number for individuals.

Equity: The total worth of a business if it were to be sold currently.

FICO: Company specializing in calculating credit scores for individuals and businesses.

HR: Human Resources department responsible for employment-related tasks within a company.

Income Statement: Financial document summarizing a business's revenue and expenses over a specific period.

Independent Contractor: A person providing services to a business without being employed by it.

APPENDIX

Liability Insurance: Coverage protecting a business from claims resulting from injuries or damages to people or property.

Limited Liability Company (LLC): Business structure offering separation of owners' finances and business liabilities.

Liquidity: The ease with which assets can be converted into cash.

Outsourcing: Procuring goods or services externally rather than producing them in-house.

Profit Center: A division or segment of a business responsible for generating revenue and incurring expenses.

Registered Agent: Individual designated to receive legal documents on behalf of a business entity.

Retained Earnings: Profits retained by a business after covering expenses.

S-Corporation: A corporation whose profits and losses are passed through to shareholders for tax purposes.

SBA: Federal agency providing support and resources to small businesses.

Secured Loan: Loan backed by collateral that the lender can claim if the loan is not repaid.

Shrinkage: Loss of inventory due to theft, fraud, or administrative errors.

Sole Proprietorship: Business owned and operated by a single individual without separate legal status.

Unsecured Loan: Loan not requiring collateral.

Venture Capitalist: Investor providing funding to promising businesses in exchange for ownership stakes.

Virtual Office: Business address utilized for correspondence purposes without physical presence.