

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: February 15, 2024

PREPARED BY: Eric Ceja, Director of Economic Development

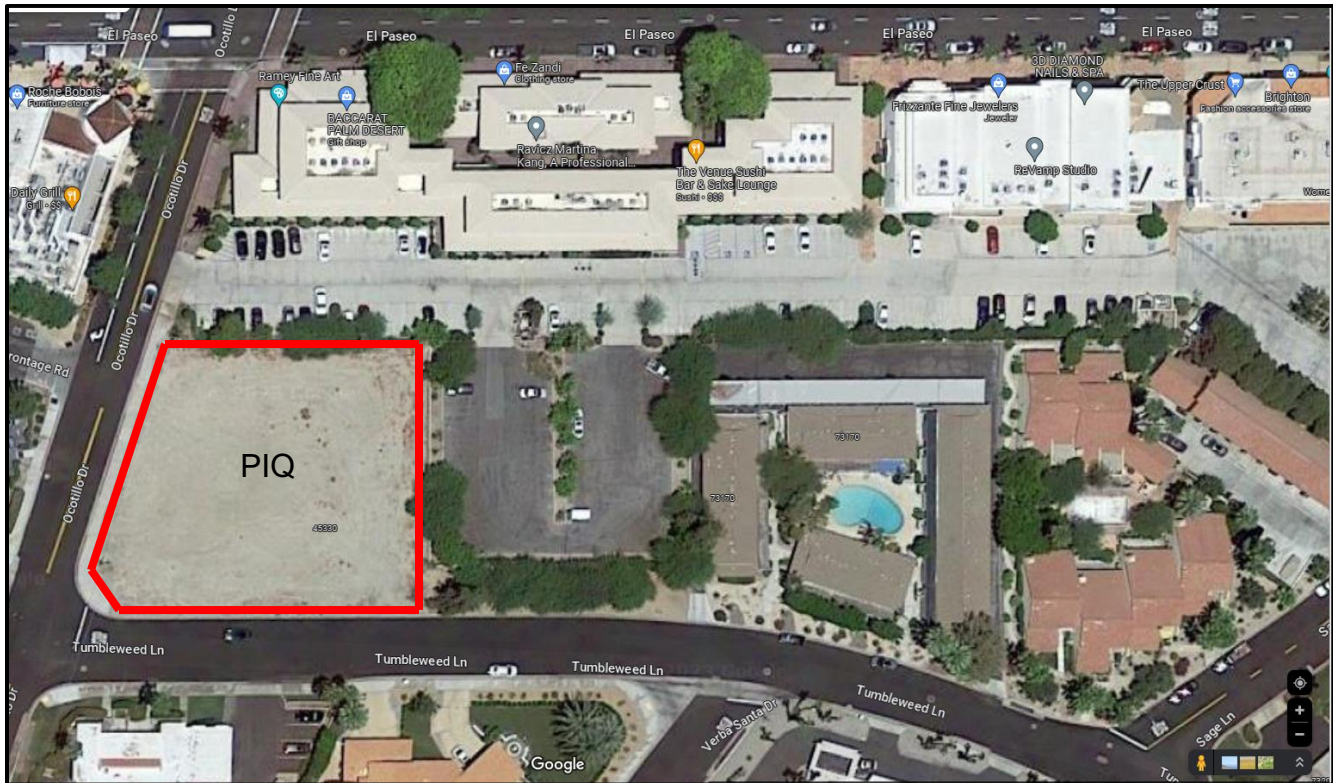
REQUEST: RECEIVE AND FILE AN INFORMATIONAL REPORT FOR THE CITY-OWNED PARCEL LOCATED AT THE NORTHEAST CORNER OF OCOTILLO DRIVE AND TUMBLEWEED LANE

RECOMMENDATION:

Receive and file an informational report for the City-owned parcel located at the northeast corner of Ocotillo Drive and Tumbleweed Lane.

BACKGROUND/ANALYSIS:

During the 2023 Council Goal Study Session the Council adopted a series of Goals and Research items for staff to complete. One of those research items was to explore options for a parking lot at the City-owned parcel at the northeast corner of Ocotillo Drive and Tumbleweed Lane (shown below).



In 2008, the City acquired the 0.53-acre site with the intent of developing a public parking lot. In 2011, the City relocated residents and demolished the 12-unit apartment complex that occupied the site. In 2014, in Closed Session, the City Council directed staff to “proceed with the necessary steps required to utilize designated Bond Proceeds for the construction of a grade-level parking facility on the property.” However, due to on-going development interest in the area, including how the City-owned parcel could contribute to development in the area, the project was put on hold. The site remains vacant with sparse native landscape.

Yield Study and Cost Estimate

The City Engineer was able to provide a rough yield study for the number of parking spaces that could be developed on this site. Approximately 37 parking stalls can be developed on the site with vehicle driveway access to both Tumbleweed Lane and Ocotillo Drive. The cost estimate associated with this lot, including engineering, construction, and contingency, is just under \$500,000.

Parking Demand and new Development

In 2016, as part of the City’s General Plan update, the City contracted with Fehrs and Peers for a parking demand study. The study analyzed parking demand and availability along El Paseo and Highway 111 between Monterey Avenue and Portola Avenue. The study concluded that there is sufficient parking overall within the Downtown boundaries and that approximately 45% of spaces are occupied at peak times. For the area around Ocotillo Drive and Tumbleweed Lane, the study showed that, at peak demand, the parking area behind the Daily Grill was 60% occupied and the parking area adjacent to the City-owned site at the Galleria was less than 20% occupied. Although the study was completed in 2016, there have been no significant building additions or square footage increases in this area that would have created additional parking demand.

Legal Review:

This report has been reviewed by the City Attorney’s office.

Strategic Plan:

Staff’s recommendation does not accomplish any of the priorities identified in the City’s Strategic Plan.

Appointed Body Recommendation:

Staff reviewed this information with the Economic Development Subcommittee (EDS) on January 9, 2024. Based on the information described above the EDS recommended not moving forward with the project until additional parking demand and parking need in the immediate area is demonstrated.

FINANCIAL IMPACT:

There is no fiscal impact associated with staff’s recommendation.

ATTACHMENTS:

1. Ocotillo & Tumbleweed Lot
2. Ocotillo & Tumbleweed Parking – Prelim Cost Estimate
3. Fehrs and Peers Downtown Parking Management Plan