

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: December 14, 2023

PREPARED BY: Deborah Glickman, Management Analyst

REQUEST: APPROVE A ONE (1) YEAR LEASE AGREEMENT WITH ONE (1) EXTENSION OF ONE (1) YEAR WITH ADAM DRAKE FOR THE OPERATION OF A REMOTE CONTROLLED RACETRACK ON VACANT CITY-OWNED PARCEL WITH ASSESSOR'S PARCEL NO. 640-091-010

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## **RECOMMENDATION:**

1. Approve a one (1) year lease agreement with one (1) extension of one (1) year with Adam Drake for the operation of a remote controlled racetrack (RC) on vacant City-owned parcel with Assessor's Parcel No. (APN) 640-091-010.
2. Authorize the City Attorney to make any necessary, non-monetary changes.
3. Authorize the City Manager to execute the lease and any and all related documents.

## **BACKGROUND/ANALYSIS:**

The Raceway is established on a vacant City lot located on Painters Path behind Desert Crossing Shopping Center (APN# 640-091-010, see attached vicinity map). Since 2013, the Palm Desert City Council has authorized lease agreements with the owners of the Palm Desert RC Raceway at an annual lease rate of one dollar (\$1) per year. The operators have continued to successfully operate the raceway providing a location for RC enthusiasts to enjoy their hobby in a location that does not present a public nuisance for commercial or residential property owners. On January 5, 2023, Mr. Adam Drake, the current tenant, took over the lease from the previous lease holder in order to continue the traditional community RC racing events that are not only recreational in nature, but educational.

The lease for the raceway has expired and staff is requesting a new lease with Mr. Drake for one (1) year with one (1) extension of one (1) year for one dollar (\$1) per year.

The lease holder is responsible for the upkeep and maintenance of the racetrack, all required insurances, being open a minimum of fifteen (15) hours per month and producing a minimum of one (1) signature event per year.

In 2024, the City will install a restroom to service the Bump and Grind Trail and RC Raceway. Once the restroom is installed, the City will be responsible for providing and paying for the water utility, which is estimated at three hundred dollars (\$300) annually.



**Legal Review:**

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

**FINANCIAL IMPACT:**

The lease agreement calls for the payment of one dollar (\$1) to the City annually.

Once the restroom is installed, the City will be responsible for the water utility, estimated at three hundred (\$300) dollars annually. Additionally, there will be minimal costs associated with staff time to facilitate the agreement and observe the operation of the facility. Funds for the water are available in the Public Works Landscape budget. There are no additional costs to the General Fund.

**ATTACHMENTS:**

1. Lease Agreement