



CITY OF PALM DESERT
CITY MANAGER'S OFFICE
INTEROFFICE MEMORANDUM

Date: November 16, 2023
To: Honorable Mayor and Councilmembers
From: Anthony J. Mejia, City Clerk
Subject: City Council Meeting of November 16, 2023

Below you will find questions received from the Mayor or Councilmembers and answers provided by City staff regarding tonight's City Council meeting:

ITEM 11a: APPROVE A CONTRACT WITH THE CALIFORNIA STATE UNIVERSITY SAN BERNARDINO SCHOOL OF ENTREPRENEURSHIP FOR THE OPERATIONS OF THE PALM DESERT IHUB

Q1: The staff report notes that the City Council's original intent with the iHub was to spur technology-based businesses and promote high wage-earning jobs. In short, the overarching goal was to diversify the economy, making us less tourism dependent. Exhibit A to the proposed contract offers the opinion that there is a current limited market to serve innovation and technology-based businesses. Hence, the KPI's make no mention of that. May we revise the Key Objectives and reporting requirements to reflect the overarching goal of diversifying the economy and adding higher wage-earning jobs? May we also retain the long-range goal of adding innovation and technology-based businesses, based on the reality that the market may change, and we may play a part in changing it?

A1: Yes, the City Council may revise the Key Objectives and reporting requirements to best align with the intent of the PD iHub. This has been discussed with the potential new operator which acknowledges that, although the tech-sector is limited in the Coachella Valley, additional KPIs can be incorporated into to the contract. They did express a concern that the KPIs that will track the tech-sector will likely be unimpressive at the beginning; however, it will provide a good metric to gauge the industry over time.

ITEM 11c: APPROVE AN EXTENSION TO THE DINING DECK PROGRAM AND DIRECT STAFF TO RESEARCH A POTENTIAL FEE FOR USE OF THE RIGHT-OF-WAY

Q1: Have the restaurants that are still operating with dining decks or the El Paseo Business District given any feedback on the matter?

A1: Yes. City staff met with current dining deck restaurant operators on two separate occasions to discuss the extension and potential changes to the guidelines and a potential fee. Feedback from those operators has been incorporated into the guidelines. Additional outreach will follow if direction is given.

Q2: Are we being asked to choose between a TUP fee and a per square foot fee now (as explained on Page 807 of the packet or Page 3 of the staff report), or will analysis about those choices come back to us per Recommendation No. 4? The second would seem most appropriate, so we can see further staff input on that issue. Do we have any other TUP fees?

A2: During the pandemic, the City Council approved a TUP waiver for outdoor dining decks; the current fee is \$0. The standard minor TUP fee is \$89. City staff recommends applying the standard TUP fee for dining decks. A fee study is currently underway within the Development Services Department. That fee study will be brought back to the City Council for future consideration and will likely include a new fee for TUPs as well as other permits. City staff also recommends a new square footage fee for use of the right-of-way be applied to dining decks. If the City Council directs the establishment of a right-of-way use fee, a separate fee study will be initiated and brought back for City Council consideration in summer 2024.

ITEM 12a: PALM DESERT REDISTRICTING 2023: PUBLIC HEARING #3 REGARDING REDISTRICTING OF CITY COUNCIL BOUNDARIES

Q1: The staff report observes that District 1 is now majority/minority. Is that including all minorities? (Page 862 of the packet or Page 2 of the staff report)

A1: Looking at total population, District 1 is 55% Latino/Hispanic. Looking at citizen voting age population (which is the most important data in voting rights context), District 1 is 45% Latino/Hispanic. However, the total of all non-white aka minority groups (Latino/Hispanic, Black, and Asian-American) in District 1 reaches a 51% majority.

Q2: Is the City Council supposed to address the sequencing of elections now, or is that a consideration for a future meeting? (Page 862 of the packet or Page 2 of the staff report)

A2: The City's demographer recommends that the sequencing of elections be addressed upon selection of a final map, likely to occur at the December 14, 2023, City Council meeting. This may include re-numbering of districts to ensure that Districts 1, 2, and 3 are grouped together for the November 2024 election and Districts 4 and 5 are grouped for an election in November 2026. The final map along with any final adjustments and the sequencing of elections would then be presented to the City Council on January 11, 2024.