

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: May 9, 2024

PREPARED BY: Neal Ennis, Project Manager

REQUEST: REQUEST FOR DIRECTION REGARDING LUPINE PLAZA PROJECT
CST00015

RECOMMENDATION:

Provide staff direction on the Lupine Plaza Project CST00015.

BACKGROUND/ANALYSIS:

In September 2020, as a response to the State of California's COVID-19 restrictions on business operations, the City of Palm Desert installed a temporary plaza and closed traffic for a section of Lupine North of El Paseo. The plaza provided an outdoor rest and eating area for visitors to El Paseo and a space for local restaurants to serve food. The temporary plaza was removed in December of 2021.

In April 2022, the City Council authorized staff to work with M.I.G. Consultants to explore various options to reinstate the elements of the temporary Lupine Plaza. Attached to this report is the consultant's study, which includes two options for various degrees of improvements to the corridor:

- Option 1: "Slow Street" – vehicle lanes remain open, pedestrian enhancements.
- Option 2: "Permanent One-Way Street and plaza – one-way northbound, pedestrian amenities."
- Option 3: "Full Permanent Plaza" – close the street to vehicle traffic and add pedestrian amenities.

On June 23, 2022, the City Council directed city staff to proceed with Option 3 ("Full Permanent Plaza") of the conceptual design package, and appropriated \$4,000,000 to fund the project.

On September 29, 2022, the City Council approved a contract with Interwest to prepare the necessary documents to move forward with Option 3.

After the City Council's decision to proceed with Option 3, property and business owners, in proximity to Lupine, expressed concern with the full street closure and requested a reduction to the project scope to keep the street open for vehicular traffic. Staff continued to engage these owners to provide project updates. General feedback from this group confirmed that the reduced project scope included in Option 1 ("Slow Street") would be better supported.

In June 2023, staff returned to City Council with the property and business owner feedback and revisited the three design options. The City Council approved staff to decrease the scope of the project and proceed with Option 1.

Staff and Interwest held a Lupine Lane Community Meeting in February 2024 with respective stakeholders and participants to discuss and identify project design preferences, as it related to the narrowing of the street or single-side sidewalk expansion. A preferred design selection was unable to be obtained from the group, as the discussion was primarily centered around the participants not wanting either version of the project. The overall feedback was that the project was not an efficient improvement to the adjacent business corridor and would potentially cause unwanted impacts, such as commerce disruption, vagrancy, and loss of parking.

Staff presented the project to the El Paseo Parking and Business Improvement District (EPPBID) Board Members in February 2024, which also yielded criticism and concerns similar to the Lupine Lane Community Meeting. The EPPBID recommended staff to focus their efforts on other areas of El Paseo, specifically El Paseo from Portola to Hwy 111.

Given the feedback received from the recent public engagement meetings, staff requests City Council’s direction on the following two (2) choices regarding the Lupine Plaza Project:

1. Proceed with the design and construction of Option 1 (“Slow Street”) project.
- OR -**
2. Discontinue the current project.

Strategic Plan:

- Land Use, Housing & Open Space – Priority 1: “Enhance Palm Desert as a first-class destination for premier shopping and national retail businesses.”
- Land Use, Housing & Open Space – Priority 5: “Utilize progressive land-use policies and standards to support ongoing future needs.”
- Tourism and Marketing – Priority 1: “Improve access to Palm Desert and its attractions to enhance the ease of lifestyle.”
- Transportation – Priority 1: “Create walkable neighborhoods and areas within Palm Desert that would include residential, retail, services and employment centers, and parks, recreations, and open space to reduce the use of low occupancy vehicles.”

FINANCIAL IMPACT:

Budget in the amount of \$4,000,000 was approved for this project. To date, \$562,135 has been encumbered with Interwest Consulting Group Inc for design. The table below provides the financial impacts of the two options as presented.

Lupine Plaza Project	Option 1 Slow Street	Option 2 Discontinue
Original Capital Budget	4,000,000	4,000,000
Less: Design Contract/Costs to Date	(562,135)	(170,832)
Less: Est. Construction Costs	(1,356,892)	-
Est. Funds Available for Reallocation	2,080,973	3,829,168

ATTACHMENTS:

1. M.I.G. Conceptual Design Alternatives
2. Interwest Presentation Boards
3. Interwest Lupine Lane 30% Furnishing Package
4. Interwest Lupine Plaza 30% Design
5. Lupine Power Point