

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: August 22, 2024

PREPARED BY: Thomas Soule, Public Affairs Manager

SUBJECT: PROPOSAL FOR A FARMERS' MARKET ON EL PASEO

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## **RECOMMENDATION:**

Reject the proposal to hold a Farmers' Market on El Paseo every Saturday from 8 a.m. to 1 p.m. from October through May.

## **BACKGROUND/ANALYSIS:**

In May 2024, the City received a request from the Palm Desert Certified Farmers' Market (Applicant) to establish a Farmers' Market (Market) on El Paseo beginning in October 2024. The proposal is attached to this staff report. The Applicant currently operates the Market on Wednesday mornings in the parking lot at Entrada del Paseo. For the upcoming Fiscal Year 2024-25, the applicant proposes to relocate the Market to the block on El Paseo between Sage Lane and Lupine Lane on Saturday mornings from October through May from 8 a.m. to 1 p.m.

Holding the Market on El Paseo will require closing the street to through traffic from 6 a.m. to approximately 2 p.m. for up to 35 Saturdays during the high season. In addition, as with other street closures, parked vehicles along the street would also need to be removed. Recognizing the potential impacts of this request on El Paseo businesses, staff requested that the Applicant present this proposal to the El Paseo Parking and Business Improvement District (EPPBID) Board of Directors for feedback.

## **EPPBID Feedback**

The applicant made an initial presentation to the Board during public comment at its meeting on May 14, 2024. The proposal was added to the agenda for the following meeting on June 19, 2024, giving the Board the opportunity to hear directly from the Applicant, ask questions, and deliberate on a recommendation to the City Council.

The Board spent 30 minutes discussing the potential of having a Farmers' Market on El Paseo. The Board raised concerns about the proposed location, logistics, market wares, duration, and day of the proposed event. The Board pointed out that Saturday mornings are peak shopping hours during the high season, and foot traffic is at its heaviest, leading to potential parking congestion and business disruption. When asked about the possibility of moving the Market to an alternative day, such as Sunday or Wednesday, the Applicant indicated the only other available day would be Wednesday, which they indicated wouldn't attract enough foot traffic for the Applicant to achieve the results they desired. In the end, the Board expressed support for the concept of an El Paseo Farmers' Market but unanimously opposed closing the street on Saturdays, agreeing that if having it on Saturday is non-negotiable, the key would be to hold the Market adjacent to the street rather than on it.

Similarly, staff and the Board have presented alternative locations to the Applicant, such as other nearby streets, Lupine Lane, the parking lot behind the Melissa Morgan Sculpture Garden, the parking structure at The Gardens on El Paseo, and Ocotillo Drive; however, the Applicant is not favorable to any alternative location.

### **Outreach**

In response to the Board's request, the City also conducted a survey of EPPBID member businesses to ascertain their support for this proposal. The survey requested input on having an El Paseo Farmers' Market in general and about closing the street to through traffic on Saturday mornings from October through May.

A link to this survey was included in the merchant newsletter and posted on the EPPBID private Facebook page. In addition, City staff went door to door in the district to personally invite merchants to take the survey. The survey was designed to ensure a representative sample of the member businesses, and efforts were made to reach out to businesses throughout the district.

With 146 surveys completed, the overall reactions echoed the thoughts of the Board:

- There is general support for the idea of a market in the area.
- Merchants also expressed significant opposition to closing the street on Saturday mornings.

### **Summary of Survey Results**

The complete results of the survey may be read in the attachment. Here are some key findings:

1. The majority of respondents are in favor of having a weekly Farmers Market on El Paseo. Out of 146 respondents to this question:
  - 82 (56%) said Yes.
  - 64 (44%) said No.
2. Based on their comments, those who answered "yes" to this question coupled their enthusiasm for the concept with caution about its execution, location, and impact on existing businesses. Supporters are keen on finding solutions that would integrate the Market into the community without disrupting the existing business landscape.
  - **Traffic and Business Impact:** Many supporters are optimistic about the potential benefits of the Market, believing it would increase foot traffic and potentially boost business for the entire district. Suggestions include adjusting Market hours or days to minimize disruption, such as operating early in the morning or on Sundays when fewer businesses are open.
  - **Location Considerations:** Some suggest relocating the Market to areas with fewer high-end boutiques to avoid clashing with the clientele of those stores. Alternatives such as parking lots, other streets, or less congested parts of El Paseo were proposed to accommodate the Market without significant disruption.

- **Operational Concerns:** Many respondents are concerned about logistical issues such as parking and traffic flow. Some propose using parking lots to ease these concerns. The aesthetic and practical setup of the Market is also essential to many, with calls for maintaining El Paseo's upscale look and managing waste and layout effectively.
  - **Community and Social Media Engagement:** Enthusiasts for the idea are willing to promote the Market through social media and believe it could foster a greater sense of community.
  - **Regulations and Vendor Considerations:** Concerns were raised about not allowing food trucks or certain types of vendors that could directly compete with existing businesses. The need for amenities like public restrooms was highlighted to accommodate increased visitors.
  - **Economic and Strategic Benefits:** Some see the Market as a strategic move to differentiate El Paseo and draw in different demographics, potentially during off-peak hours, to spread the benefits throughout the week.
3. Those who answered "no" to this question cite significant operational, economic, and demographic reasons, suggesting that alternative locations or times could better serve the needs of all parties involved.
- **Demographics:** Opponents argue that the typical farmers' Market shopper does not align with El Paseo's clientele. They suggest relocating the Market to areas that cater more to its demographic or to less central locations on El Paseo.
  - **Impact on Traffic and Accessibility:** Concerns about traffic disruptions and accessibility issues are prevalent. Opponents highlight that the closure of El Paseo, especially on Saturdays, would severely impact businesses that rely on vehicular access and parking for their customers.
  - **Business Disruption:** Many fear that the Market would detract from regular business, arguing that events such as farmers' markets are better suited for locations that need increased foot traffic rather than bustling commercial areas.
  - **Economic Concerns:** There is significant worry about the financial implications of reducing access to high-rent retail spaces. Business owners mention the potential for decreased sales and adverse effects on their profitability, especially during their peak business months.
  - **Legal and Operational Concerns:** Some respondents express concerns about potential legal actions due to the loss of business and accessibility. They also mention the physical inconveniences that could arise from Market setups, such as litter and disruption from food trucks.
  - **Suggested Alternatives** include hosting the Market on less busy days, like Sundays, or in designated parking lots to minimize disruption. There is also a call for hosting the Market in different locations that could benefit from additional traffic without disrupting the main shopping areas.

- **Community and Aesthetic Concerns:** The aesthetic of El Paseo is cited as a reason against having a farmers' market that could alter the area's visual and experiential quality. Additionally, the impact on community dynamics, with potential conflicts between different business types, is a concern.
4. When asked whether they were in favor of closing El Paseo between Lupine Lane and Sage Lane every Saturday from 6 a.m. to 2 p.m., most respondents answered "no." Out of 144 respondents:
- 83 (57%) said No
  - 63 (43%) said Yes

### **Exploration of Alternatives**

The City Manager, staff members, and the Mayor, Pro Tem, met with the applicant on June 17, 2024, to explore potential changes to the Market. The meeting was an opportunity to discuss moving the Market to another day or location, with potential locations including San Pablo Avenue, Civic Center Park, the parking lot at the Shops at Palm Desert (formerly Westfield Mall), and various locations adjacent to El Paseo. Nonetheless, the applicant remains committed to the vision of a thriving Market occupying a block of El Paseo on Saturday morning. Unfortunately, no suitable compromise was reached regarding the day or location of the proposed Market.

### **Financial Request**

Another element of the proposal for the City Council to consider is the applicant's verbal request that the City assume financial responsibility for closing the street each Saturday. A formal sponsorship request has not been submitted. Because the Market is a for-profit entity, staff requested that the applicant work with Tops N Barricades to prepare a traffic control plan for consideration. The City is committed to ensuring the safety and smooth operation of the Market, and this closure would require a detailed Traffic Control plan showing limits of street closures, on-street parking restrictions on the days of the event, and detour/alternative routes for all types of road users, including pedestrians and bicyclists. The City has not yet received this traffic control plan, but the applicant did include a general estimate of the cost from Tops N Barricades of \$1,843.90 per event. Based on the proposed schedule of 34 market days, the total cost for closing the streets would be \$62,693 for the entire season. Although there are 35 Saturdays from October 6, 2024, through May 31, 2025, the Market would go dark on October 19, because of the previously scheduled Paint El Paseo Pink event.

The applicant has suggested that the City could use its in-house resources to execute the road closures as an in-kind donation in lieu of paying Top N Barricades. Without a detailed traffic control plan, it's difficult to assess the actual cost to the City this option would entail. Because the proposed Market is on a weekend, it would require overtime staff hours, so the cost would likely exceed that of using Tops N Barricades.

### **Legal Review:**

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

**Recommendation:**

Based on the concerns raised by the EPPBID Board and a significant number of EPPBID member businesses, staff recommends rejecting the proposal as presented for this specific location and day.

**FINANCIAL IMPACT:**

Depending on the action taken by the City Council, approving the proposed Farmers' Market on El Paseo would require an appropriation of at least \$62,693. More information from the applicant is required to provide a more accurate assessment of the financial impact.

**ATTACHMENTS:**

1. Farmers' Market Proposal
2. Farmers' Market Survey Results
3. Farmers' Market - Tops N Barricades Estimate