

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: April 24, 2025

PREPARED BY: Vanessa Mager, Management Analyst

SUBJECT: El Paseo Courtesy Cart Program

RECOMMENDATION:

Provide feedback on future operations of the El Paseo Courtesy Cart program.

BACKGROUND/ANALYSIS:

The El Paseo Courtesy Cart Program offers transportation to visitors free of charge, on El Paseo. The program began operation in September 2004 with one (1) cart, operating five (5) days per week. Over the years, the program expanded to include two (2) standard carts and one (1) ADA-accessible cart, with service extended to seven (7) days per week, 11:00 a.m. – 6:00 p.m. The carts generally operate from October to May, covering the corridor between Portola Avenue and Highway 74.

The current contract for the El Paseo Courtesy Cart Program is set to expire on May 26, 2025 with the current vendor Circuit Transit, Inc. To ensure continued service, staff intends to seek bids for a new contractor to operate the Courtesy Carts from October 2025 to May 2026, with an option to extend the agreement for up to two additional years. At this time, staff is seeking guidance from the City Council on expectations for the program moving forward.

The table below provides the ridership data and cost analysis for the last several years.

Annual Ridership

<i>Month</i>	FY 2022-23	FY 2023-24	FY 2024-25
<i>October</i>	467	672	577
<i>November</i>	563	967	1,088
<i>December</i>	583	1,256	1,205
<i>January</i>	627	1,050	968
<i>February</i>	1,210	1,497	1,431
<i>March</i>	2,100	2,075	2,698
<i>April</i>	1,073	1,264	-
<i>May</i>	949	1,079	-
<i>Total</i>	7,572	9,860	7,967

Annual Budget:

	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Contract Total	\$204,100	\$219,241	\$223,966	\$224,720

Appointed Body Recommendation:

At its February 20, 2025, meeting, the El Paseo Parking and Business Improvement District (EPPBID) board expressed interest in extending operating hours, particularly on weekends, to better accommodate evening diners and shoppers.

In response to previous City Council discussions on the topic, staff asked the EPPBID if they would support the potential expansion of service beyond the district. While they did express support, it was contingent upon additional carts being added to the fleet.

Expansion of Service

Previously, the City Council explored the possibility of expanding Courtesy Cart service to areas beyond El Paseo, such as The Living Desert. Staff is revisiting this proposal in light of the upcoming contract renewal. If the City Council approves expanded service, staff recommends establishing a dedicated route with scheduled departures from a designated location, ensuring service extends late enough to accommodate return trips. This expanded service could be included as an option in the new Courtesy Cart operator agreement, contingent on vehicle availability and the selected operator. The cost of implementing an additional route would depend on operational hours and whether new vehicles would need to be acquired.

If existing carts were used for trips beyond El Paseo, staff estimates that each trip would take a minimum of 20 minutes, reducing service within the corridor to only two (2) carts, one of which would be the ADA-accessible cart, for extended periods.

Considerations

1. **Maintain the Current Program:** Three (3) carts—two (2) standard and one (1) ADA-accessible—operating seven (7) days a week from 11:00 a.m. to 6:00 p.m. along El Paseo between Portola Avenue and Highway 74.
2. **Extend Operating Hours on Weekends:** At its February 20th meeting, the El Paseo Parking and Business Improvement District (EPBID) board expressed interest in expanding weekend hours to better serve evening diners and shoppers.
3. **Expand Route and Fleet:** If the City Council wishes to explore this, staff recommends adding additional carts to minimize turnaround time and service disruptions.
4. **Expand Service Off El Paseo:** If carts were to service locations beyond El Paseo, existing carts would be unavailable for a minimum of 20 minutes per trip. Staff recommends a separate designated route with regular departures, rather than using existing carts for this purpose.

Legal Review:

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

FINANCIAL IMPACT:

The FY 2025-26 Annual Budget includes a request for \$275,000 for the Courtesy Cart program at its current service level. Any changes to the service could impact the cost and would require additional funding from the General Fund.

ATTACHMENTS:

1. Circuit Transit Original Contract C43540
2. Circuit Transit Amendment No. 1
3. Circuit Transit Amendment No. 2
4. PowerPoint Presentation