

# CITY OF PALM DESERT STAFF REPORT

MEETING DATE: May 22, 2025

PREPARED BY: Thomas Soule, Public Affairs Manager

SUBJECT: AUTHORIZE AN AMENDMENT TO INCREASE THE CITY'S CONTRACT WITH FG CREATIVE FOR EL PASEO PARKING & BUSINESS IMPROVEMENT DISTRICT (EPPBID) MARKETING SERVICES BY \$50,000, FOR A TOTAL OF \$325,000 FOR FISCAL YEAR 2024-25.

## **RECOMMENDATION:**

1. Authorize Amendment No. 5 to El Paseo Parking and Business Improvement District (EPPBID) Contract No. C43370 with FG Creative to increase compensation by \$50,000, for a total contract amount not to exceed \$325,000 for Fiscal Year 2024-25.
2. Authorize the City Manager to execute the Amendment.

## **BACKGROUND/ANALYSIS:**

FG Creative was retained through a competitive process to provide marketing services for the EPPBID under a three-year contract that began July 1, 2022 with two one-year options to extend.

Each year, the contract amount is amended to reflect updated budget authorizations. The original Fiscal Year (FY) 2024-25 contract total of \$275,000 was approved by the City Council on June 27, 2024. On January 16, 2025, the EPPBID Board approved a mid-year budget increase of \$50,000 based on actual revenues that surpassed budget assumptions. This adjustment was subsequently adopted by the City Council as part of the FY 2024-25 Mid-Year Budget Review.

This amendment will increase the total contract amount to \$325,000 for the current fiscal year. The table below lists each amendment for this contract:

<b>Original Contract C43370</b>	Original RFP for Marketing Services FY 2022-23	\$250,000
<b>Amendment No. 1</b>	Mid-year Budget Adjustment FY 2022-23 (+\$40,000)	\$290,000
<b>Amendment No. 2</b>	Reset base compensation for FY 2023-24	\$250,000
<b>Amendment No. 3</b>	Mid-year Budget Adjustment FY 2023-24 (+\$15,000)	\$265,000
<b>Amendment No. 4</b>	Reset base compensation for FY 2024-25	\$275,000
<b>Amendment No. 5</b>	<b>Mid-year Budget Adjustment FY 2024-25 (+\$50,000)</b>	<b>\$325,000</b>

**Legal Review:**

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

**Appointed Body Recommendation:**

The EPPBID Board of Directors approved the mid-year budget increase at its meeting on January 16, 2025.

**FINANCIAL IMPACT:**

Funds are available in the EPPBID Fiscal Year 2024-25 budget. The EPPBID funds are generated by fees the members, held by the City and used for the EPPBID. This action has no financial impact on the General Fund, as it is fully funded by assessments paid directly by businesses within the EPPBID.

**ATTACHMENTS:**

1. Contract No. C43370
2. Amendment No. 1 to Contract No. C43370
3. Amendment No. 2 to Contract No. C43370
4. Amendment No. 3 to Contract No. C43370
5. Amendment No. 4 to Contract No. C43370
6. Draft Amendment No. 5 to Contract No. C43370