

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: June 26, 2025

PREPARED BY: Carlos Flores, AICP, Interim Deputy Director of Development Services

SUBJECT: RECEIVE DIRECTION ON FURTHER STUDY OF THE PORTOLA AVENUE INTERCHANGE PROJECT

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## **RECOMMENDATION:**

Provide direction on including Portola Avenue/Interstate-10 Interchange Study to the General Plan Circulation Element Update for long range mobility planning

## **BACKGROUND:**

City staff is requesting City Council (Council) direction on whether to add a study of the Portola Avenue/Interstate-10 Interchange (Interchange) to the ongoing Circulation Element Update (Circulation Update) of the General Plan.

Since 2008, Council has periodically discussed construction of the Interchange project (Project), originally estimated at \$72 million. The City entered into a reimbursement agreement (C27330B) with the Coachella Valley Association of Governments (CVAG), where CVAG committed to fund 75% of the project.

- On April 21, 2021, CVAG withdrew its funding commitment.
- On January 27, 2022, Council directed City staff to:
  - Collaborate with CVAG to return the remaining bond proceeds escrowed for the Project;
  - Repurpose money set aside for the Project to other initiatives until construction funding is secured for the Project;
  - Continue pursuing external funding sources for the Project.
- On May 26, 2022, Council approved a Memorandum of Understanding (MOU) authorizing a new reimbursement agreement between the City, the County of Riverside, and CVAG (Attachment 1).

## **Current Update**

On July 11, 2024, Council approved a contract (C48060) with “Fehr & Peers” (Consultant) to complete an amendment of the Palm Desert Mobility (Circulation) Element of the General Plan.

As part of the planning process, City staff recognized that the future of the Portola/I-10 Interchange remains a significant unresolved issue with long-term transportation and development implications. The current Circulation Element does not identify the Interchange on its Circulation network. However, it was included on the Circulation Element’s Truck Route Map and traffic modeling.

City of Palm Desert  
Portola Avenue Interchange Discussion

Given the need for a current, data-informed analysis to support future funding applications and policy decisions, staff asked the Consultant to propose a scope of work to study the Interchange (Attachment 2). The proposed scope of work would include:

- Coordination with key stakeholders (City staff, CVAG, Riverside County Transportation Committee);
- Review and update of previous project documents, cost estimates, and funding opportunities; and
- Analysis of a “No Build” scenario to evaluate the transportation and land use impacts of not constructing the Interchange.

City staff is seeking Council guidance on whether to include Interchange in the Circulation Update. Incorporating the study at this stage would enable the City to:

- Reassess the viability and importance of the project within the context of current transportation priorities;
- Identify updated cost projections and potential new funding sources; and
- Better inform future Council decisions regarding the Interchange and long-range mobility planning.

**Legal Review:**

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

**FINANCIAL IMPACT:**

No additional appropriation is required at this time. The future impact potential for adding the Interchange into the existing contract (C48060) would be amended to include an additional \$20,000 for the proposed scope of work.

**ATTACHMENTS:**

1. City/CVAG Reimbursement Agreement
2. Fehr and Peers Additional Services Proposal