

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: July 10, 2025

PREPARED BY: Vanessa Mager, Management Analyst

SUBJECT: AWARD A TWO-YEAR SERVICE AGREEMENT TO FG CREATIVE FOR MERCHANT RELATION SERVICES RELATED TO EL PASEO, IN AN AMOUNT NOT TO EXCEED \$40,000.

RECOMMENDATION:

1. Approve a Service Agreement with FG Creative, Inc., for El Paseo merchant relation services in an amount not to exceed \$40,000 for a two-year term, through Fiscal Year 2026/27.
2. Authorize the City Attorney to make non-substantive changes and the City Manager to execute all necessary documents.

BACKGROUND/ANALYSIS:

FG Creative has previously provided merchant relations services for El Paseo merchants under Agreement No. A43310, which is now expired with no remaining extension options. City staff finds continued service essential to ensure consistent outreach and promotional activities for merchants, particularly as street improvements and construction activity continue to impact the area.

FG Creative also holds a separate agreement with the El Paseo Parking and Business Improvement District (EPPBID) through Fiscal Year 2026/27 to provide marketing services supporting broader marketing initiatives such as media placements, brand development for the street, and strategies aimed at increasing visitor traffic and retail sales. In contrast, the agreement with the City's Economic Development Department focuses on consistent and direct outreach to El Paseo merchants to ensure timely communication of City initiatives, programs, and capital improvement projects. Aligning both agreements through the same fiscal period promotes continuity, enhances coordination, and ensures a consistent message across all El Paseo communications.

Services under this new agreement will complement ongoing district-wide campaigns and provide targeted support to merchants during and after the construction phase.

FINANCIAL IMPACT:

The total contract amount of \$40,000 will be funded over Fiscal Years 2025/26 and 2026/27 from the Economic Development budget. No additional appropriation is required.

ATTACHMENTS:

1. Proposed Service Agreement with FG Creative