

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: December 11, 2025

PREPARED BY: Chris Gerry, Senior Project Manager

SUBJECT: STUDY SESSION: PROVIDE INPUT ON PURSUING LANDSCAPE AND LIGHTING DISTRICTS ON CITYWIDE PRIVATELY MAINTAINED MEDIANS AND SELECT PARKWAYS.

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## **RECOMMENDATION:**

Provide input on pursuing landscape and lighting districts on citywide privately maintained medians and select parkways.

## **BACKGROUND/ANALYSIS:**

### **Overview:**

The City of Palm Desert (City) maintains a majority of landscaped medians citywide. However, nine segments of the City's medians remain subject to legacy developer-executed landscape maintenance agreements or similar instruments that assign ongoing maintenance obligations to private entities. These maintenance obligations create a fragmented system resulting in inconsistent service levels, uneven reinvestment, and varying maintenance standards along the same corridors. Staff is seeking direction on whether to pursue converting these privately maintained medians into City-administered Lighting and Landscape District (LLD) zones.

The City also has 10 homeowner's associations (HOAs) along two streets that provide limited landscape maintenance. These HOAs are responsible for maintaining right-of-way areas that sit directly beside segments already maintained through City LLDs, resulting in a checkerboard pattern of responsibility along the same corridors. This patchwork creates inconsistent service levels and places ongoing obligations on a small number of HOAs that neighboring communities are not required to assume. Therefore, staff is requesting input on whether the City should examine the viability of terminating these HOA landscape maintenance responsibilities and transitioning those areas into LLD zones to align with adjacent segments on the same street.

### **Lighting and Landscape Districts (LLDs):**

LLDs are assessment districts established under the Landscape and Lighting Act of 1972 to fund the installation, operation, and maintenance of public landscaping, lighting, and related improvements. This framework provides a standardized method for administering services within public rights-of-way and differs from areas privately maintained under separate development conditions. The City utilizes LLDs as a mechanism for maintaining landscaped medians, parkways, and other streetscape features within defined geographic areas.

Formation of a new LLD must comply with Proposition 218, which involves the following steps:

- **Identify Improvements and District Boundary:** Define the public improvements to be funded and the parcels that will receive special benefit.

- **Engineer's Report:** A licensed engineer prepares a report describing the improvements, identifying special benefits, and calculating proportional assessments.
- **Resolution of Intention:** The City Council adopts a resolution initiating formation and setting a public hearing.
- **Property Owner Notification:** All affected property owners receive a Proposition 218 notice and assessment ballot.
- **Public Hearing and Ballot Tabulation:** The City receives public comments and tabulates all returned ballots.
- **Majority Protest Test:** If weighted ballots submitted in opposition exceed those in support (a majority protest), the district cannot be formed.
- **District Formation:** The City Council adopts a Resolution Confirming the Assessment, and the assessments are placed on the property tax roll.
- **Annual Levy:** Assessments may be levied annually provided they do not exceed previously approved maximum rates.

Each LLD includes a set of parcels that receive a proportional benefit from the maintained improvements. Annual assessments are levied on those parcels based on the cost of providing the required maintenance, with all calculations and apportionment methodologies documented in the Engineer's Report presented to City Council each fiscal year.

**Existing Conditions:**

Privately Maintained Medians (Developers):

As mentioned, several segments of landscaped medians throughout Palm Desert are currently maintained by private entities under recorded maintenance agreements or conditions of approval associated with past development projects. These agreements assign responsibility for long-term maintenance to the developer or a successor property owner, rather than incorporating the areas into a City-administered LLD. As a result, these segments are maintained independently of the City's system, creating varying service levels, uneven reinvestment, and a fragmented set of maintenance responsibilities.

The City has identified multiple privately maintained medians throughout Palm Desert, as outlined in Attachment 1. The characteristics of these privately maintained areas differ across locations. Improvements range from standard landscaped treatments to medians that include upgraded plant materials or decorative hardscape.

Maintenance responsibilities for these areas are held by nine private entities and cover approximately 256,600 square feet of landscaped improvements. The table below provides a breakdown of the street name, segment limits, and square footage of landscaped areas.

City of Palm Desert  
Privately Maintained Medians and Select Parkways

Privately Maintained Medians (Developers)		
Street	Segment Limits	Square Feet
Silver Spur Trail	Portola Avenue to Mesa View Drive	66,400
Country Club Drive & Portola	East of Country Club Drive, South of Portola	34,800
Portola & Ironwood	Iron Tree Drive to Buckboard Trail	34,600
Mesa View Drive	Highway 74 to Prairie Drive	32,900
Dinah Shore Drive	Monterey Avenue to Portola Road	32,600
Highway 74	Shadow Mountain Drive to Thrush Drive	22,100
Dinah Shore Drive	Portola Road to Gerald Ford Drive	16,700
Julie Lane	East of Portola Road to Roundabout	8,500
Hovley Lane East	Beacon Hill to Water Way	8,000
<b>Total:</b>		<b>256,600</b>

Privately Maintained Parkways (HOAs):

Several residential tracts in Palm Desert – most notably the small, ungated HOAs along Hovley Lane West and Shepherd Lane – include parkway areas that are privately maintained pursuant to landscape maintenance agreements established during the original development. These HOAs, generally consisting of fewer than 20 households, were assigned responsibility for maintaining frontage landscaping, irrigation infrastructure, and limited lighting within the public right-of-way in lieu of being incorporated into a City-administered LLD.

These HOA-maintained segments create a patchwork of responsibilities along the same streets, where some frontage areas are maintained by individual HOAs while adjacent segments are maintained through City LLDs. This fragmented structure leads to inconsistent maintenance standards, uneven reinvestment, and recurring obligations placed on small HOAs that neighboring communities do not assume.

The City has identified multiple HOA-maintained parkway segments within these neighborhoods, as outlined in Attachment 2. Maintenance responsibilities are held by 10 HOAs and cover an estimated 68,900 square feet of right-of-way improvements. The table below summarizes the years constructed, tract (HOA), locations, number of homes, and square footage of associated landscaped areas.

Privately Maintained Parkways (HOAs)				
Constructed	Tract (HOA)	Location	Homes	Square Feet
2001	Daisey Lane	Shepherd Lane & Daisey Lane	15	16,800
2003	Olive Grove	Shepherd Lane & Jeri Lane	16	2,800
2005	Corte Placitas	Hovley Lane West	20	3,000
2006	Pele Place	Shepherd Lane & Pele Place	14	13,700
2006	Portola Pointe	Shepherd Lane & Portola Pointe Lane	16	3,000
2006	Terracina	Shepherd Lane & Kokopelli Circle East	16	4,600
2010 – 2014	Kingston Court	Shepherd Lane, Kingston Court E/W & Imperial Court E/W	64	11,600
2013	University Pointe	Shepherd Lane & University Pointe	16	3,800
2014	The Encore	Shepherd Lane, Anastacia Lane & Encore Lane	32	5,800
2014	Signature Series	Shepherd Lane & Cosmopolitan Lane	16	3,800
<b>Total:</b>			<b>225</b>	<b>68,900</b>

One small HOA has previously approached the City to request relief from its existing landscape maintenance agreement, noting that managing right-of-way landscaping has become difficult for a small board with many part-time residents. Although the HOA will continue to retain a property manager for other association functions, transitioning right-of-way landscape responsibilities to an LLD would remove a recurring obligation that board members must currently oversee. The HOA indicated that an LLD may provide a more consistent and sustainable approach.

**Council Considerations:**

Establishing new LLDs to assume responsibility for privately maintained medians and HOA-maintained parkways involves several considerations.

Legal Framework and Authority:

While Proposition 218 outlines the procedural steps for forming or modifying an LLD, transitioning areas currently governed by private maintenance agreements adds additional legal layers. These include evaluating whether existing agreements can be amended or terminated, determining the City's authority to assume maintenance of improvements located within the public right-of-way, and confirming whether any recorded conditions of approval must be modified. Staff would need to coordinate with the City Attorney's Office to review these documents and identify any procedural obligations.

Fiscal Impacts and Cost Allocation:

Transitioning these areas into City-administered LLDs would require determining all eligible maintenance costs, establishing assessment methodologies, and confirming that assessments fully recover the cost of services to avoid General Fund exposure. For HOAs, this may also involve analyzing potential impacts on existing HOA assessments and understanding how costs shift between the HOA and the proposed LLD.

Operational Capacity and Service Level Consistency:

Bringing these areas under City management would create more uniform maintenance standards, inspection routines, and reinvestment practices. However, it may also expand the City's operational responsibilities, requiring review of contractor capacity, staff oversight needs, and long-term resource planning.

Conditions of Existing Infrastructure:

Privately maintained areas often include older landscaping, irrigation systems, and lighting infrastructure. Before assuming responsibility, the City would need to assess the condition of these assets to determine whether initial repairs or capital rehabilitation are required, and how any such costs would be allocated under Proposition 218.

Community Engagement and Property-Owner Support:

Any transition would require early engagement with affected property owners to ensure they understand the implications of forming or joining an LLD. Participation in an LLD results in a new or modified annual assessment that must receive majority approval under Proposition 218.

Potential Opt-In Program for Interested Neighborhoods:

Because interest levels among HOAs and other private maintenance entities may vary, Council may wish to consider whether the City should establish a structured “opt-in” evaluation process. Such a program would allow eligible neighborhoods to formally express interest, after which staff could conduct preliminary screening for legal feasibility, infrastructure condition, and potential assessment impacts. This approach would provide a transparent and consistent pathway for neighborhoods seeking relief from private maintenance obligations, while ensuring that the City evaluates requests on a standardized basis.

**Broader Policy Implications:**

Transitioning individual neighborhoods into LLDs may increase consistency across similar residential areas but could also set a precedent for other privately maintained communities to request inclusion. Council may wish to consider the long-term implications of expanding City-maintained rights-of-way on an incremental or case-by-case basis.

**Conclusion:**

Staff is seeking Council input on whether to further evaluate transitioning select privately maintained medians and HOA-maintained parkways into City-administered LLD Zones. This next phase would include: (1) confirming legal mechanisms for modifying or terminating existing maintenance agreements and conditions of approval; (2) identifying rehabilitation and ongoing maintenance costs; (3) assessing City operational capacity; and (4) evaluating through outreach the likelihood of Proposition 218 support from affected property owners. Council direction will determine whether staff proceeds with this detailed analysis.

**Legal Review:**

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

**FINANCIAL IMPACT:**

There is no immediate fiscal impact associated with receiving Council input. Should Council direct staff to pursue further evaluation of transitioning privately maintained medians or HOA-maintained parkways into new or expanded LLDs, additional analysis will be required to identify maintenance costs, assessment methodologies, and potential capital needs and resources.

**ATTACHMENTS:**

1. Median Map and Photos (Developers)
2. Parkway Map and Photos (HOAs)
3. PowerPoint Presentation