



CITY OF PALM DESERT
CITY MANAGER'S OFFICE
INTEROFFICE MEMORANDUM

Date: December 11, 2025
To: Honorable Mayor and Councilmembers
From: Anthony J. Mejia, City Clerk
Subject: City Council Meeting of December 11, 2025

Below you will find questions received from the Mayor or Councilmembers and answers provided by City staff regarding tonight's City Council meeting:

STUDY SESSION

ITEM 2a: PROVIDE AN OVERVIEW OF THE RIVERSIDE COUNTY FIRE DEPARTMENT WORKSHOP

Q1: How many regional breathing support units are available in RivCo? How frequently are they used outside of wildfire or major fire events?

A1: There are currently two. They typically do not respond to wildfires. However, they are commonly used for structure fires. Both breathing supports are often used. The Breathing Support is also used to provide rehabilitation for our firefighters, which we use frequently in the city.

Q2: How much does RivCo spend on Narcan? How much more do you anticipate you will need to purchase in the years ahead?

A2: Staff will need more time to provide and gather a detailed answer. However, we use two types of NARCAN. One type is used by our Basic Life Support personnel, which is very similar to what Law Enforcement uses. Our Paramedics use the other type. Throughout the county, we use a fair amount of NARCAN. We can provide specific, detailed information, but it will take us some time to research.

Q3: How long does a fire engine last? Can they be sold to other agencies before the end of their life, or does RivCo retain the engine until it is completely worn out?

A3: Typically, we plan for fire engines to last 20 years. Many of those years are in front-line status, and the last few are in reserve status. Several factors should be considered, including mileage, repair costs, accident-related damage, and vehicle age. Usually, engines that have served for 20 years are not sold to other agencies. Our fleet management system is used to move engines around the county based on usage. Under the fire engine use agreement, the city will always have a fire engine in good working order.

Q4: Do other counties in Southern California use Nurse Navigation?

A4: The Eastern Part of San Diego County uses nurse navigation.

Q5: How has the Nurse Navigation program impacted your response times?

A5: The sample size is too small, but the data suggest a reduction in 911 responses in specific areas.

ITEM 2b: REPORT ON FISCAL RESERVES, RESERVE POLICY AND BEST PRACTICES

Fiscal Reserves

When forecasting the City's cash flow, staff is planning how much money will come in and go out over time. Because this involves taxpayer dollars, public officers must be especially careful and responsible in how estimates are made. The terms "prudent" and "conservative" are often used in cash flow analysis from this perspective. A prudent or conservative approach simply means being realistic and careful—not overly hopeful—when predicting future finances. This protects the City and the community.

In practice, this means:

- Only counting revenue that is supported by solid, verifiable information—not money that "might" come in.
- Estimating expenses based on real needs and commitments, not best-case scenarios.
- Avoiding assumptions that could create financial risk, such as expecting higher revenue than what is reasonably certain.
- Putting the community first by ensuring the City can meet its financial obligations without surprises.

Q1: Why is the liability reserve staying flat when every other category has increased? Is there a certainty that it will not increase in the future?

A1: The Reserve Policy states, "The Finance Director shall commit at least the pooled retention requirement for both Liability and Workers Compensation, which is currently \$4 million (\$2 million each)."

Q2: Why did the CIP Reserve vary drastically from millions to \$329,935 to 2028-29, 2029-30, 2034-35?

A2: The Reserve Policy states, "At the financial closing of each fiscal year, the Finance Director shall set aside twenty percent (20%) of the total Capital Improvement Program projects for the next five years". The City's current Capital Improvement Plan (CIP) is prepared in five-year increments. When the budget is developed, the projects planned for the later years are usually smaller in scale than those scheduled in the immediate three to four years. Because the 20% calculation uses a rolling five-year window, projects drop off once the cash flow forecast reaches Year 6. As a result of this study session preparation, staff has decided to prepare a Ten-Year CIP as part of the FY 2026–27 Annual Budget. This longer planning period will enhance the accuracy of identifying capital project needs, scheduling, funding expectations, and reserve planning.

Q3: Does this factor in the ongoing conversations to reduce dependence on external contractors?

A3: Indirectly. A Cash Flow Forecast shows our financial picture at one point in time. As clearer information becomes available, we will update the forecast to reflect those changes. The assumptions we use are based on past financial patterns and reliable estimates of what we anticipate will occur in the future. Including assumptions that cannot be measured at the time of the forecast would not be responsible. Still, staff continues to review expenses closely, and as actual costs change or decrease, we will revise the forecast accordingly. For this update, staff used 10- and 20-year historical data to identify a reasonable growth trend. Looking at longer periods helps balance out both good and bad economic years, resulting in projections that are more stable, flexible, and dependable.

Q4: Does this factor in the future need to hire more employees proportional to population growth?

A4: Yes, in areas related to public safety, the forecast includes points where additional staff may be needed as the community grows. For other City departments, staff used a 10-year trend to reflect the natural fluctuations in staffing over time. As the City continues to develop, our needs may change. This does not always mean adding more employees; in many cases, we may simply shift or reassign existing positions to better support the community while staying within current staffing levels.

Q5: Do these projections assume that there will be ZERO grant funding that may come in the future?

A5: The projections are required to assume no grant funding. This is part of responsible forecasting, which only includes funding that is certain and measurable. Most grants operate on a reimbursement basis, meaning the City must first use General Fund dollars to cover the costs and then request repayment later. Therefore, it would not be responsible to rely on grant funding when estimating the City's Fund Balance. Including it could give an inaccurate picture of our financial position.

Q6: What were the original expenditure plans and timelines per year for North Sphere Community and Regional Parks?

A6: The amounts provided in the forecasts are based on the amounts included in the FY 2025-26 Annual Budget and Capital Improvement Plan that will impact the General Fund. The table below consolidates what has been included in the CIP requests for each of these parks since their inclusion:

| Fiscal Year | Park | Listed on CIP | Budget Amount | Note | Budget Source |
|-------------|-----------|---------------|---------------|--------------------|-------------------------|
| 2019-20 | Community | Year 2 | \$1,000,000 | Planning Costs | Park Funds |
| 2020-21 | Community | Year 1 | \$1,000,000 | Planning Costs | Park Funds |
| 2021-22 | Community | Carryover | \$1,000,000 | Planning Costs | Park Funds |
| 2022-23 | Community | Carryover | \$1,000,000 | Planning Costs | Park Funds |
| | | Year 2 | \$15,000,000 | Construction, etc. | Unfunded |
| 2023-24 | Community | Year 1 | \$150,000 | Planning Costs | Bond |
| | | Year 2 | \$5,000,000 | Construction, etc | Proceeds |
| | | Year 3 | \$5,000,000 | Construction, etc | Unfunded |
| 2023-24 | Regional | Year 3 | \$15,000,000 | Construction, etc | Unfunded |
| | | Year 4 | \$15,000,000 | Construction, etc | Unfunded |
| 2024-25 | Community | Carryover | \$150,000 | Planning Costs | Bond |
| | | Year 1 | \$5,000,000 | Construction, etc | Proceeds |
| | | Year 2 | \$10,000,000 | Construction | Unfunded |
| 2024-25 | Regional | Year 2 | \$15,000,000 | Construction, etc | Unfunded |
| | | Year 3 | \$15,000,000 | Construction, etc | Unfunded |
| 2025-26 | Community | Carryover | \$135,124 | Planning Costs | Bond |
| | | Year 1 | \$500,000 | Planning Costs | Proceeds |
| | | Year 2 | \$15,500,000 | Construction, etc | Park Funds Measure G |
| 2025-26 | Regional | Year 2 | \$3,000,000 | Construction, etc | Measure G |
| | | Year 3 | \$27,000,000 | Construction, etc | Measure G |

ITEM 2c: PROVIDE INPUT ON PURSUING LANDSCAPE AND LIGHTING DISTRICTS ON CITYWIDE PRIVATELY MAINTAINED MEDIANS AND SELECT PARKWAYS

Q1: How many HOAs have expressed support, and how many are opposed?

A1: One HOA—Corte Placitas on Hovley Lane West—previously contacted the City and expressed interest in transitioning its landscape responsibilities into an LLD. At this stage, staff is seeking City Council direction on whether to begin a more detailed evaluation, which would include gauging interest from the remaining HOAs.

Q2: If an LLD is created, will it cover the costs entirely, or will the City lose money? Are there any estimates of long-term costs?

A2: Under Proposition 218, an LLD must fully recover its costs through the approved assessments; the City would not subsidize ongoing maintenance. Long-term cost estimates (funded by the LLD) would be developed as part of a more detailed evaluation if directed by the City Council.

Q3: Will more employees be hired to keep up with the demand of the additional work, or will this be another contract to source out?

A3: No new staff are anticipated at this time. In the near term, any added maintenance would be absorbed through existing landscape contracts, with quantities adjusted as needed. Staff oversight can be managed within current workloads.

Q4: Would the workload be absorbed with tasks to come along with growth in North Palm Desert, even if it is funded by another source?

A4: Yes. The City relies on contract maintenance for landscape services; therefore, additional areas would be managed by adjusting the contract scopes.

ITEM 2d: PROVIDE AN UPDATE ON THE CITY'S MARKETING PROGRAM

Q1: What is the selection process for participants to complete Tourism Economics' prior visitor survey? How many were surveyed?

A1: A review of the Tourism Economics report shows that it does not include a visitor survey as part of this study. The methodology relies on industry datasets and economic-impact modeling, so the report does not provide information on a participant-selection process or survey sample size.

Q2: What is the total number of participants for the Palm Desert qualitative research?

A2: The qualitative research includes a total of 72 participants. Qualitative research is designed to provide directional insight rather than statistical measurement, and a sample of this size is appropriate for identifying themes, motivations, and perceptions relevant to our marketing work. Participants are screened across a range of age groups and include both past visitors to Palm Desert and individuals who have recently considered Palm Desert as a destination.

Q3: What is the conversion rate from clicks in the Pacific Northwest? SD/OC/LA? International?

A3: Digital platforms do not provide click-through conversion data by specific origin markets such as the Pacific Northwest, San Diego/Orange County/Los Angeles, or international regions. Privacy protections limit the ability to track individual users from click to visit. While this prevents us from calculating a market-specific visitation rate, we do measure overall campaign performance through metrics such as impressions, reach, engagement, and platform-level click-through rates, which consistently fall within or above industry norms. In addition, third-party data analysis provides anonymized insights into visitation patterns that help us understand broader advertising effectiveness.

Q4: What is the conversion from view to click, and how many decided to stay in Palm Desert?

A4: Privacy regulations and platform limitations prevent tracking individual users from viewing or clicking an ad to ultimately staying in Palm Desert. As a result, we cannot calculate a true view-to-click-to-visit conversion rate. We are able to track on-site conversions by geographic location, including actions like clicking the Book Now buttons on the website for lodging partners that we optimize toward, which allows us to measure higher intent behavior at the market level. We can also measure view counts, reach, engagement, and click-through rates across our campaigns, which provide a reliable picture of how our advertising is performing on each platform. For visitation insights, we rely on anonymized third-party studies such as our Adara analysis, which offers directional information on travel behavior without identifying individual users.

Q5: What is the average time spent on viewing videos posted to our social media?

A5: Across Facebook and Instagram, our videos receive an average watch time of approximately six seconds. Watch-time metrics on these platforms tend to be brief by design, and they are most useful when viewed in context with other indicators such as reach, retention, and engagement. As a standalone number, watch time provides a general sense of how long viewers typically stay with a video before scrolling.

Q6: How many people are signed up to receive the BrightSide emails? How many of the emails sent are opened?

A6: The BrightSide email list currently has 8,921 subscribers. With an average open rate of 61.4%, each edition is opened by approximately 5,475 recipients.

Q7: How much of the data was collected by the Oxford Tourism consultants and how much local data was used in building the plan?

A7: The Oxford Tourism report is a standalone analysis provided through Visit Greater Palm Springs. It was not used in the development of our media plan. Our plan is based on local performance data, platform analytics, and industry benchmarks specific to Palm Desert rather than data collected by Oxford.

Q8: What is the cost per influencer visit? How are they selected? What is the typical experience they are required to promote? Who pays for their visit and activities?

A8: Our PR program typically hosts journalists who also maintain influencer platforms. They are selected based on the publications they write for and their alignment with our marketing goals and target audiences. Each itinerary is tailored to the outlet they represent and the subject areas in which they have demonstrated expertise.

The cost of a hosted visit varies based on factors such as length of stay, season, and the type of coverage being developed, so there is no single standard cost. All hosting expenses are paid out of the PR budget to ensure that local businesses are not asked to provide complimentary services. The typical experience we curate highlights accommodations, dining, attractions, and activities relevant to the story angle the journalist is pursuing.

Q9: Is the posting model for Instagram stories consistent with what other IdeaPeddler clients expect or receive?

A9: While we do not have visibility into the specific posting models used for Idea Peddler's other clients, our approach is consistent with standard practices in destination marketing. Idea Peddler provides high-quality service across its portfolio, and our posting model is regularly refined based on platform best practices, algorithm changes, and audience engagement data.

REGULAR MEETING

ITEM 13g: RESOLUTION ADOPTING THE GRANT POLICY AND PROCEDURES MANUAL AND ESTABLISHING A CITYWIDE FRAMEWORK FOR GRANT IDENTIFICATION, APPLICATION, ADMINISTRATION, REPORTING, AND COMPLIANCE

Q1: Will the new process also track reasons for being denied if a similar grant, or a second round of applications, is available?

A1: Yes. When a grant is denied, staff will request the denial rationale from the Grant Administrator and document any feedback received in the grant file. Staff will also record internal observations, including missing documents, timing issues, or narrative gaps. This information will be incorporated into the next application cycle. Additionally, staff will meet to discuss areas for improvement and prepare a brief memo summarizing the denial reason, staff observations, and recommended changes. This memo will be added to the grant record to inform future applications.

ITEM 13k: APPROVE THE HOMELESSNESS TASK FORCE 2026 ANNUAL WORK PLAN

Q1: Why was the number of beds reduced? Is it a financial reason, or due to the success rate?

A1: The reduction was driven by underutilization. Over the fiscal year, CVRM data showed Palm Desert averaging one bed per month while contracting for five. Adjusting the allocation to three beds in the upcoming fiscal year strikes a reasonable middle ground. The adjustment helps manage overall PLHA obligations, but underutilization drove the decision.

ITEM 13p: RESOLUTION UPDATING POLICY NO. FIN-013 TRAVEL EXPENSE AND REIMBURSEMENT POLICY

Q1: Why is reimbursement taxable income according to Section VI.G.4?

Reimbursement for meals incurred during same-day travel (no overnight stay) to seminars or meetings located more than 50 miles away is governed by the City's Local Meetings Policy. Such reimbursements are treated as taxable income to the recipient and are subject to applicable employment tax withholding.

A1: This requirement is based on IRS regulations. According to the IRS primer for Tax-Exempt and Government Entities, meal reimbursements are only tax-free when an employee is traveling far enough from their normal work location that an overnight stay or substantial rest is required. The travel must be for official business, and the employee must provide the necessary documentation. If an employee does not stay overnight, even when traveling a significant distance during the day, the IRS does not consider the employee to be "traveling away from home." As a result, same-day meal reimbursements are treated as taxable income.

ITEM 13q: RESOLUTION ADOPTING UPDATES TO THE LIBRARY SERVICES' POLICIES TO REPLACE AND SUPERCEDE RESOLUTION NO. 2024-039

Q1: Why is there a limit of 3 interlibrary loans? Has this policy been abused? Could this be offset by an increased fee or a deposit? Can an exception be made for students who rely on the service if their school's library is unable to secure the loan?

A1: The limit of three Interlibrary Loans is due cost of acquiring items from other systems, typically \$20-\$50 per item plus shipping. There have been a few patrons who have made multiple requests a month. The fees could be charged to patrons, but this may limit the service's accessibility. Exceptions can be made for students, but so far, it is not students who are using the service. Link+ is typically able to support student requests.

ITEM 13w: AWARD A CONTRACT TO QUINN COMPANY FOR PREVENTATIVE MAINTENANCE OF THE CITY'S EMERGENCY GENERATORS (PROJECT NO. MEQ00005)

Q1: What is the projected lifespan of the current generators?

Q2: Approximately how many are still under warranty?

Q3: What is the age of each of the City's emergency generators listed in the staff report?

A1-3:

| Facility | Make | Model No. | Year/Date in Service | Longevity/Lifespan Year |
|------------------|---------------------|----------------|---------------------------------------|---|
| Corporation Yard | Katolite/John Deere | 6125HF070L | 2006 | 25 years - 2031 |
| Corporation Yard | Caterpillar | 3406 | 1994 | 25 years – 2019, Purchased a new portable generator that arrived last month. Once the contract is executed, we will commission and switch out |
| Corporation Yard | CAT | D125GC | 2024 (under warranty through 2028) | 25 years - 2049 |
| City Hall | Caterpillar | 3412 | 2010 | 25 years - 2035 |
| Joslyn Center | John Deere/KOHLER | 180REOZJG | 2017 | 25 years - 2042 |
| Fire Station 33 | CAT | D100 - 8 | 2024 (under warranty through 2028) | 25 years - 2049 |
| Fire Station 67 | Cummings | DGCA - 5753579 | 2006 | 25 years - 2031 |
| Fire Station 71 | Taylor | GR71036 | 2024 (under warranty through 2026) | 25 years - 2049 |

ITEM 15c: INTRODUCE AN ORDINANCE TO AMEND TITLE 25 OF THE PALM DESERT MUNICIPAL CODE PERTAINING TO TWO-UNIT PROJECTS AND TITLE 26 PERTAINING TO URBAN LOT SPLITS AND FINDING THE PROJECT IS EXEMPT FROM FURTHER ENVIRONMENTAL REVIEW (CASE NO. ZOA25-0002)

Q1: How many ADUs have been requested/approved since SB 9 passed? How many lot splits?

A1: Since SB 9 took effect in January 2022, the City has received zero SB 9-related applications. ADUs are governed by a different set of state laws, primarily Government Code § 65852.2, and are processed separately from SB 9 two-unit projects. However, State law does allow an applicant to combine an SB 9 two-unit project with ADUs on the same lot if they meet all applicable standards. In other words, an SB 9 project may include ADUs, but an ADU by itself is not an SB 9 project.

During the same period, since January 2022, the City has received approximately 99 ADU applications under the State's ADU law, with 75 approvals. These ADU applications occurred outside SB 9 and do not count as SB 9 two-unit projects.

Q2: What are the differences cited between statutory requirements for two-unit projects and the state-mandated criteria for split lots?

A2: Both have to meet the same basic eligibility screens: they must be in a single-family residential zone, they can't be in certain sensitive environmental areas, and they can't demolish or displace rent-controlled, deed-restricted affordable, or recently tenant-occupied housing. Both are ministerial approvals with no public hearing and are limited to objective standards.

The key differences are:

- A two-unit project stays on a single parcel and allows up to two primary units on that lot.
- An urban lot split creates two parcels and has to meet additional criteria:
 - No more than two lots may result from the split.
 - The new lots must be roughly equal in size (no more than 60/40 split), and each must be at least 1,200 square feet.
 - The parcel can't have been previously split under SB 9, and the same owner can't use SB 9 to split adjacent parcels.
 - An owner-occupancy affidavit is required for one of the lots for at least three years.

Q3: Are two-unit projects permitted to build structures of equal size, 50-50, on the lot? Does it apply to JADU?

A3: Yes, it is permissible for a two-unit SB 9 project to build two similarly sized homes, or essentially a 50/50 split of the building area on the lot.

Although ADUs and JADUs are governed by separate state laws, the two sets of laws work together. SB 9 doesn't create a new right to JADUs by itself, but JADUs can be part of the unit mix, subject to those state-mandated caps and our implementing ordinance. On a lot that has been split under SB 9, state law caps each new lot at no more than two units total, and that cap includes any combination of primary units, ADUs, or JADUs.