



CITY OF PALM DESERT
CITY MANAGER'S OFFICE
INTEROFFICE MEMORANDUM

Date: February 26, 2026
To: Honorable Mayor and Councilmembers
From: Anthony J. Mejia, City Clerk
Subject: City Council Meeting of February 26, 2026

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

REGULAR MEETING

ITEM 131: APPROVE A FISCAL YEAR 2025/26 EL PASEO PARKING AND BUSINESS IMPROVEMENT DISTRICT MID-YEAR BUDGET ADJUSTMENT AND AMEND THE FG CREATIVE MARKETING SERVICES CONTRACT

Q1: What's the annual amount collected by the El Paseo Bid? How much is on hand, and what can it be used for?

A1: The El Paseo Parking and Business Improvement District (EPPBID) is funded through annual business assessments levied on merchants based on gross sales. Because assessment revenues fluctuate from year to year, the Board adopts a conservative baseline budget using the average revenue from recent years along with available fund balance, while maintaining a cash reserve of approximately \$80,000 to ensure financial stability.

The average annual assessment revenue is currently about \$275,000.

The EPPBID's current cash balance is approximately \$175,000. These funds are restricted for activities that benefit the district and are available to the Board to advance its mission of promoting El Paseo as a world-class, pedestrian-friendly, upscale shopping and dining destination. In practice, this primarily includes marketing, advertising, and promotional efforts designed to attract visitors and customers to the district.