

INDIAN WELLS CITY COUNCIL

May 16, 2024



To: City Council
From: City Manager Department
Prepared by: Micaela Wilkey, Senior Management Analyst
Subject: **Visit Greater Palm Springs (VGPS) Joint Powers Agreement Amendment**

RECOMMENDED ACTIONS:

Council **APPROVES** Joint Powers Agreement Amendment with Visit Greater Palm Springs to add economic development diversity recruitment, guidelines for adding new municipalities (City of Coachella), and contribution schedule for Joint Powers Authority Members.

BACKGROUND:

Visit Greater Palm Springs (VGPS) originally entered a Joint Powers Authority (JPA) with eight (8) cities, including Indian Wells. Other Cities in the JPA are Cathedral City, Desert Hot Springs, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage. The JPA was established to encourage, promote, and move items forward to enhance all aspects of hospitality, convention, and tourism industry for the Coachella Valley. The JPA assists in attracting visitors from national and international markets. VGPS helps Indian Wells by creating synergy and provides better efficiencies of marketing pieces. The JPA was amended for the first time in 1995 when Riverside County joined the JPA. Today the JPA is still the eight cities and the County of Riverside.

Visit Greater Palm Spring sent the attached staff report (**ATTACHMENT 1**), Executive Committee Resolution (**ATTACHMENT 2**), and updated JPA agreement (**ATTACHMENT 3**) to member cities for consideration. The VGPS Executive Committee is recommending approval and adoption of an amended and restated joint powers agreement. The updated agreement will add economic development diversity recruitment to attract more businesses to cities and Coachella Valley as a whole, guidelines for adding new municipalities (such as the City of Coachella) and update the contribution schedule for JPA members. The formula for the annual contribution is the greater of \$35,000 each year or the applicable contribution amounts as set for in the formula below:

- .0015 x Gross Room Rental Revenue for Lodging Establishments excluding Convention Hotels, and
- .0035 x Gross Room Rental Revenue for Convention Hotels

Indian Wells currently pays \$285,715 which is above the \$35,000 minimum and thus there is no fiscal impact to the City. Details of the changes are included in Attachment 1, and in a redline version of the changes to the agreement (**ATTACHMENT 4**).

OPTIONS:

The City Council may choose to:

1. Adopt the Amendment #2 of the Joint Powers Agreement with Visit Greater Palm Springs; or
2. Provide alternative direction.

FISCAL IMPACT:

The second amendment to the JPA raises the minimum annual contribution from JPA members to \$35,000 or the current JPA formula (whichever is greater). Indian Wells currently pays \$285,714 annually which is higher than the minimum and thus there is no fiscal impact to the City.

ATTACHMENTS:

1. VGPS Executive Committee Staff Report
2. VGPS Executive Committee Resolution
3. Proposed Amendment
4. Redline of JPA