

The Desert Sun

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Desert Hot Springs OKs downtown Vortex plan

DESERT HOT SPRINGS – The City Council voted unanimously Tuesday to allow certain types of businesses to locate in existing downtown buildings for the next three years.

The city approved the Vortex Specific Plan in 2010, permitting 847,300 square feet of varied business land uses, up to 504 residences and 100 hotel rooms across 151.6 acres.

Desert Hot Springs' redevelopment agency was supposed to buy and merge properties within the area for sale to developers, but the state dissolved all such organizations in 2012 — leaving the city with a plan it could not use.

"I supported the plan before, and I don't know why I wouldn't now though I don't know how we're going to get the money for it," said Councilman Scott Matas.

"Most of the land was bought with redevelopment money, and the end of redevelopment stopped all the businesses going in — we've been stuck."

On Tuesday, the council accepted the Planning Commission's recommendation to allow commercial, retail, office, restaurant, health-and-wellness resort, civic center, entertainment, residential and hotel businesses to occupy existing plan area buildings for three years.

Transit and religious uses were the only designations not permitted.

An estimate of the financial benefits of this decision was not included in the staff report, though it opens up the possibility of generating additional licensing and permitting revenues, sales tax revenues and new jobs.

"When the Vortex Plan was originally put forth, we thought development and the economy were going to be great," said Mayor Adam Sanchez. "Now it's quite evident we're going to have to make adjustments to it."

In other business, the council received a staff update on the proposed "bare-bones" budget for fiscal year 2014-15.

City Finance Director Amy Aguer's goal is to get the \$14.4 million in expenditures the city is estimated to need lower than the \$13.9 million in expected revenues — eliminating a projected \$489,189 deficit.

Should Measure F — a June 3 ballot measure that would raise the annual parcel tax on undeveloped city land from \$29.80 per acre to \$372.68 — pass, Aguer conservatively predicted revenues would jump \$2.85 million to \$16.8 million.

The council opted not to make any budget changes Tuesday — awaiting June 3 election returns. Aguer said she'd continue to refine the bare-bones budget numbers for next fiscal year until then.