

The Desert Sun

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11:28 p.m. PDT June 4, 2014

Coachella Valley tax votes shape city paths

DESERT HOT SPRINGS – In a tale of two cities, Desert Hot Springs failed to pass a \$342 parcel tax hike, while neighboring Cathedral City successfully renewed its 1 percent sales tax, according to unofficial results released Wednesday.

On the surface, the two taxes couldn't be more different.

Desert Hot Springs' Measure F would have increased the tax on vacant land from \$30 to \$372 per acre, but as of 5:10 p.m., with all seven precincts reporting, the referendum received only 62.9 percent "yes" votes — well below the 67 percent needed.

California's Proposition 13 from 1978 requires a two-thirds majority when local governments seek to increase taxes via ballot measure.

Meanwhile, Cathedral City's Measure B passed, meaning the renewal of the city's expiring 1 percent sales tax increase. Only another referendum can undo the assessment, which received 66.8 percent in "yes" votes, with all 15 precincts reporting.

Each city needed its measure to pass in order to overcome existing budget deficits and generate revenue to help pay for local public safety services such as police, fire and code enforcement.

"I don't understand the city's finances in detail but I know that this situation is very critical, and opportunities that will help it avoid bankruptcy should be very seriously considered," said Ginger Ridgway, director of Cabot's Pueblo Museum in Desert Hot Springs.

"The city as a whole should be the criteria for casting your vote, not your personal position."

The museum's \$109,750 worth of management and operation costs remains unfunded in the city's fiscal year 2014-15 "bare bones" budget — comprised solely of essential programs and projects.

If Measure F had passed, City Hall conservatively estimated revenues of \$2.85 million that would've gone toward covering a \$125,416 budget deficit, maintaining \$1.5 million in cash-on-hand for end-of-year payroll and bill expenses, funding additional programs and projects like the museum, and establishing reserves.

Instead, additional cuts will now need to be made.

"I wish Measure F went through because I think it's ridiculously unfair the owners of empty lots pay \$30 to keep them in hand and don't let the town grow," said voter Arpad Ecsedy, 79.

"Maybe people are a little bit different in Cathedral City than over here, and maybe the sun is hotter here — burning everybody's brain."

The failure of Measure F may have sealed the fate of the Desert Hot Springs Police Department, which can be replaced by the Riverside County Sheriff's Department for a savings of \$900,000-\$1.3 million annually, while putting seven more deputies on the streets, according to Mayor Pro Tem Russell Betts.

Desert Hot Springs police officers will find employment with the sheriff's department and still wear city uniforms while driving city squad cars, he said.

"I don't think, after the results on Measure F, that we have any other choice," Betts said. "I realize local control of the police department offers a sense of pride."

At Tuesday's City Council meeting, the Regional Access Project Foundation, Desert Health Care District and Borrego Community Foundation committed to footing the approximately \$250,000 operational cost of the Desert Hot Springs Health and Wellness Center.

That's a huge load off the city's back — potentially through 2020, Betts said.

"The next hurdle is to make it to January, when we start having sales and property tax receipts coming in," he said. "Thanks to Measure F failing, already bad budget numbers are now worse."

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