

ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

The Economic Development Element of the Coachella General Plan identifies and establishes the City's official policy relative to maintaining sustained and healthy economic growth in the City. The purpose of the Economic Development Element is to provide official City policy which:

- Assesses the current condition of the City (problems/ weaknesses and strengths/ opportunities)
- Outlines policies to promote economic activity (vehicles to implement policies and funding sources)
- Discusses Economic Planning (recommendations, proposals and strategies to use to stimulate the economy)

The Economic Development Element is a source of information and a statement of public policy to aid citizens, business and industrial firms, the Planning Commission, other agencies and the City staff in making their recommendations for economic development. Further, it provides a framework to assist the City Council in developing and adopting policies and actions affecting the City's economy.

Business and industry, the major sources of jobs, personal income, and tax revenues, perform vital roles in the health of any local economy. A successful business economy can expand to meet the growing employment needs of a region's population and, through tax contributions, enables local government to provide a wider range of public services.

City government policies can have important direct and indirect impact on business and industrial decisions and operations. Transportation facilities, land use regulations, building codes and environmental regulations are a few areas which impact the business community. Because a healthy business economy is essential to the quality of life in the City of Coachella, the General Plan seeks to establish a framework where business and industry can profitably operate and expand while minimizing any adverse effects on the community.

The Economic Development Element is specifically concerned with the creation of an overall strategy to identify development potentials that will broaden and stabilize the City's economic base.

By including an Economic Development Element in a City's General Plan, the city is in a position to regulate the type of

future development envisioned for the community. It also ensures that economic impacts are included in a city's long-range policy decisions relative to land use, public services, population and growth. Economic development plans cannot be separated from the assets and values of the community and its citizens. Healthy and quality economic development may well be the mechanism by which the community goals become reality and by which the quality of life in Coachella can be enhanced.

EXISTING SETTING

As stated in the General Plan introduction, Coachella is located at the southernmost end of the urbanized Coachella Valley and is bordered by the City of Indio to the west and portions of unincorporated Riverside County to the north, south and east. The other cities in the Coachella Valley (La Quinta, Palm Desert, Palm Springs, Cathedral City, Rancho Mirage and Indian Wells) are situated west of Indio.

Being a desert community, Coachella experiences the benefits and liabilities of the prevailing weather conditions. On the positive side, for the majority of the year, Coachella enjoys beautiful days with cool evenings and infrequent cloudy or rainy days. On the negative side, the summer months can be extremely hot and the best alternative is to remain indoors if at all possible.

Coachella has strong ties to the agricultural industry with its history being closely associated to the crops grown in the area. Indian gaming is a recent occurrence that is gaining in popularity and is beginning to show effects on the economy. The city is situated with excellent access to transportation corridors with the Interstate 10 Freeway, State Routes 86 and 111, and the Southern Pacific rail line traversing the area. Also, the Thermal Airport is within the Planning Area

boundary. The facility is a General Aviation airport which does not offer commercial service. It serves the Cities of Coachella, Indio, La Quinta, and the community of Thermal, as well as the cities further to the west.

PROBLEMS/WEAKNESSES

- Dominance of retail/business market by cities in western Coachella Valley area.
- Coachella's isolated physical location at the southeastern edge of the urbanized Coachella Valley region.
- Unbalanced labor force caused by strong ties to the agricultural industry.

STRENGTHS/OPPORTUNITIES

- Location on major transportation corridors (I-10, SR 86, SR 111, Southern Pacific rail line).
- Presence of the Thermal Airport
- Recent growth of Indian Gaming
- Strong agricultural industry
- Availability of water for drinking, irrigation, and recreation potential

SUMMARY OF KEY PLANNING ISSUES

In 1995, the Harrison Price Company was retained to prepare an economic report for the City. The completed report was entitled Presentation of Finalized Economic Goals and recommended the creation of an Entertainment District within the City of Coachella as a top economic priority. The report states that, to be successful, the city must create a favorable environment to entice private sector investment to build facilities of sufficient quality to attract local residents and tourists. The Harrison Price report also stated that a growing tourist base generated by the proposed Entertainment District and increased casino gaming, may bring opportunities to renew part of the Downtown retail area as a gathering place for residents and tourists. These and other recommendations of the Harrison-Price Study are reflected as policies in the Economic Development, Land Use and Urban Design elements.

The following key planning issues are addressed in the policies of the Economic Development Element.

- Attract the type of improvement that generates tourism (i.e. entertainment area, downtown improvements)
- Facilitate balance between residential and non-residential land uses.
- Promote a climate conducive to economic growth without sacrificing environmental standards.
- Expand and support existing agri-business

ECONOMIC DEVELOPMENT VISION STATEMENT

A Vision Statement based on the key environmental issues and desires of the citizens and elected officials of the City of Coachella is presented below. The development policies included in this Economic Development Element are designed to bring this vision to fruition.

"The City of Coachella's vision of the future for Economic Development focuses on the opportunities available due to the Indian gaming establishments, the opening of international trade via NAFTA and the agricultural history of the area. Creation of a regional/international tourism area is a prime opportunity for Coachella."

RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The Economic Development Element is one of eleven elements in the Coachella General Plan. The development policies within the Economic Development Element are closely related to the policies within the Land Use, Urban Design and Fiscal Elements. The policies in the Economic Development Element shall be consistent with all other elements of the General Plan.

OVERVIEW OF THE ECONOMIC DEVELOPMENT ANALYSIS

Many of the conclusions and goals presented in the Economic Development Element are based on analysis and recommendations made by Harrison Price of Harrison Price Company in a report entitled

"Presentation of Finalized Economic Goals" dated July 17, 1995.

ECONOMIC DEVELOPMENT ELEMENT DEVELOPMENT AND POLICIES

The City of Coachella's official development policies related to Economic Development are presented below. In the context of this General Plan, development policies include goals, objectives, policies and standards based on the definitions given in Chapter 1.

These development policies are established to ensure influence to the maximum extent feasible the existence of a vital economy into the future. Development policies by topical area are presented on the following pages.

ECONOMIC DEVELOPMENT ELEMENT DEVELOPMENT POLICIES

Policies on Economic Development deal with the needs of existing businesses, efforts to attract new employers, creation of an atmosphere conducive to attracting tourists (i.e., Entertainment District, Downtown attractions), and actions needed to create and maintain an educated and skilled labor force to meet the City's needs.

Goal

An economic climate which is supportive of existing business and which will attract new business and tourism.

Objective

The community shall strive to diversify its local business makeup to avoid dependence on one segment of the local economy to provide employment, revenues and retail outlets for the citizenry (i.e., creation of Entertainment District and Downtown attractions).

Policy

The City will work with local business groups to re-establish the Coachella Chamber of Commerce to promote Coachella businesses. The City will work with local business groups, such as the Coachella Chamber of Commerce, to promote Coachella businesses.

Policy

The City shall promote efforts to attract major commercial and office tenants to Coachella.

Policy

The City will consider incentives for new development that provides a substantial economic benefit to the community, such as retail sales taxes, transient occupancy taxes or higher-paying jobs.

Policy

The City shall coordinate with appropriate agencies and groups in furthering business opportunities for the community.

Policy

The City shall adhere to sound development standards to protect the investment of existing and future entertainment, commercial and industrial areas.

Policy

The City will support the Chamber of Commerce, retailers, tourist service businesses, artists, resort operators, and other agencies to develop an aggressive marketing strategy with implementation procedures.

Policy

The City will encourage the utilization of senior citizens and their involvement in the economy of the community by assisting in coordinating facilities and developments.

Policy

The City will develop incentives to assist developers in revitalization/rehabilitation of existing structures,

uses and properties through improvement agency programs, innovative development standards, specific plans, assessment districts and the like.

Policy

The City will utilize job training programs as available and encourage job training and job entry programs in private firms.

Policy

The City will promote and take advantage of the potential for multiple and joint use of public and private facilities for community use, tourism, conference/convention and cultural uses.

Policy

The City will utilize federal and state economic development assistance programs as appropriate and develop additional local financing programs. The City will work with the State Office of Tourism to develop the area's recognition as a major area for State recreational opportunities and cultural development.

Policy

The City will maintain/enhance the natural environment.

Policy

The City will work with the necessary agencies to develop a city-wide directional sign program that would assist visitors when traveling through the community.

Policy

The City will encourage the development of a shuttle service that enhances the community and takes advantage of future shopping, recreational and entertainment opportunities.

Policy

The City will coordinate with the public sector relative to the management of developments, areas and specific plans to provide promotion, maintenance and business development.

Policy

The City will establish an Economic Development Committee comprised of the Chamber of Commerce, City, business institutions and other area agencies to pursue and promote the economic development of the City.

Objective

An Auto Mall in the Entertainment District characterized by a modern, accessible setting.

Policy

The City, together with an appropriate, experienced private developer, will explore the feasibility of developing an Auto Mall in Coachella, focusing on the area fronting the freeway North of I-10, between the Cabazon land and the Dillon road.

Policy

The City will work with land owners in the designated Auto Mall Area, including the Cabazon Tribe on their adjacent land, and will cooperate and explore the feasibility of providing incentives in preparing a competitive alternative to the Indio/County site.

Policy

The City will further explore with the Cabazon Tribe, the creation of a Recreational Vehicles sales area on their land in conjunction with the Auto Mall and their proposed Recreational Vehicle Park.

Objective

The City shall utilize a variety of means to develop an Entertainment District as a regional and international attraction.

Policy

The City shall encourage the creation of a Development Partnership with 100% participation by

private property owners within the Entertainment District to represent the interests of all property owners throughout the planning and development process.

Policy

The City shall aggressively promote the preparation of a comprehensive Specific Plan for the Entertainment District to further refine land use and site design features.

Policy

The City shall research the possibility of establishing an assessment district or alternative funding mechanism for the physical improvements needed for the proposed Entertainment Area Specific Plan.

Policy

When applicable, the City shall use City Redevelopment Agency funds and other City-sponsored improvement programs, within fiscal limitations, to stimulate tourist and visitor commercial activity in the Entertainment District.

Policy

Public/private partnerships shall be encouraged in the development of projects within the Entertainment District.

Objective

Relocation of the Date Festival to a new, larger, more open and accessible location within the Entertainment Commercial (CE) Land Use Category.

Policy

The City will evaluate potential locations within the Entertainment Commercial area for relocating the Date Festival Fairgrounds. The evaluation shall include the Northwest quadrant of I-10 and Dillon Road which has excellent access (between two I-10 interchanges), existing date plantation(s), and existing water course for tie-in to the water theme, and proximity to existing gaming attractions.

Policy

The City will continue to work with local City, County and District officials to seek a new location and to develop new concepts for the Fair, such as locating it within an operating date plantation, including an operating packing plant and store, incorporating a year round Farmer's Market, and/or promoting a World's Fair of Agriculture at the new site.

Objective

To create a new "Mexican Village" Retail Commercial Center within the Entertainment Commercial area.

Policy

The "Mexican Village" shall be related to the water feature and oriented to the visitor.

Policy

This "Mexican theme center" shall be a major tourism attraction, drawing from the entire valley and becoming a special attraction for the Mexican tourist.

Policy

The City will work closely with property owners who have expressed an interest in such a development, and will continue to work with a large Mexican department Store chain who has indicated an interest in both the entire center and as a store-location site.

Policy

The Mexican Village shall be a tourist oriented facility which will be separate from the more resident oriented retail opportunities in the City designated as "General Commercial" and the "Plaza Major", in Coachella's historical downtown area.

Objective

To foster the development of new and numerous Destination Hotel Facilities within the Entertainment Commercial (CE) Land Use Category.

Policy

The City will define? *** (How) the conditions needed to initiate lodging developments and to initiate the overall water theme.

Policy

The City will define *** (tie to standards) a design concept which will differentiate this area from others in the Coachella Valley.

Policy

The City will serve as a catalyst for development by demonstrating to property owners and potential developers the City's proactive role in achieving feasible, attractive projects in a minimal amount of time.

Objective

To create a critical mass within the Entertainment Area by assisting the Valley's Indian Tribes to construct additional casinos as a primary way to become the East Valley's "center" for entertainment.

Policy

The City will work with the Tribes who presently own land within the City's Sphere of Influence to expand their present facilities or to construct new facilities which will enhance the overall Entertainment Commercial Area.

Policy

The City will work with the Torres-Martinez Tribe to create their development in the Coachella Entertainment Commercial Area, recognizing that the Tribe at the Salton Sea may be potentially involved in a "trade" that may allow their development of a Casino in another location.

Objective

To create one or more major museums in the Entertainment Commercial area, recognizing that museums can be a primary tourist attraction as well as a means for general public education.

Policy

The City will actively explore opportunities such as a major Native American Museum through the Washington based New Museum of the American Indian and the Smithsonian.

Policy

The City will actively pursue the creation of an Agricultural Museum as part of, or separate from the exploration of moving the existing Date Festival from Indio to Coachella.

Policy

The City will explore the feasibility of an Agricultural Museum, having such things as demonstration areas of actual growing of regional crops, machinery for harvesting and/or packing.

Policy

The Museum will be further defined together with the private local, regional and national agricultural interests and their necessary funding support for its creation will be explored.

Goal

A vibrant downtown which serves as a gathering place for residents and tourists.

Objective

The City shall utilize a variety of means to revitalize the Downtown Retail Area.

Policy

Early efforts should concentrate on improvements on the two blocks of 6th Street between Grapefruit Boulevard and Orchard Avenue and the City Hall - City Park area.

Policy

The City shall encourage the creation of an association of Downtown business and property owners to represent their interests throughout the planning and development process.

Policy

The City shall research the possibility of establishing an assessment district or the other alternatives listed in the Harrison Price Company report to assist in the funding of the physical improvements that are proposed for the area.

Policy

When applicable, the City shall use City Redevelopment Agency funds and other City-sponsored improvement programs, within fiscal limitations, to stimulate tourist and visitor commercial activity in the Downtown Retail Area.

Policy

Public/private partnerships shall be encouraged in the development of projects within the Downtown Retail Area.

ECONOMIC DEVELOPMENT ELEMENT IMPLEMENTATION MEASURES

The various actions, programs and strategies the City should take to implement the goals, objectives and policies of the Economic Development Element are presented on Table _____, the City of Coachella Economic Development Element Implementation Measures.

- Implementation Measure - Includes a description of the action program and/or strategy which implements the economic development policies.
- Purpose - Identifies the intent and purpose of accomplishing the implementation measure.
- Key Participants - Identifies the appropriate public and/or private body, agencies, group, individuals or volunteers responsible to complete the implementation measure.

FIGURE

CITY OF COACHELLA ECONOMIC DEVELOPMENT ELEMENT
IMPLEMENTATION MEASURES

LIST OF FIGURES AND TABLES

Figure	Description	Page
1	Palm Springs Desert Resorts Area Map	
2	Regional Site Location	
3	Entertainment Zone	
4	Retail Sales Trends in Selected Desert Resort Cities	
Table	Description	Page
1	Temperature Norms in the Desert Resorts Area	
2	Hotel/Motel Inventory in the Desert Resort Area	
3	Retail Sales Volume in Desert Resort Cities	
4	Leisure Time Activities of Hotel/Motel Visitors Palm Springs Desert Resorts	
5	Inventory of Cultural Educational Attractions in the Desert Resort Area	
6	Population Trends in the Desert Resort Area 1970-2014	
7	Distribution of Population in the Desert Resorts Area 1970-1993	
8	Age Distribution of the Desert Resort Area Population	
9	Household Income Distribution in the Desert Resort Area	
10	Median Age and Household Income in the Desert Resort Area	
11	Estimated Tourism to the Desert Resort Area	
12	Derivation of the Desert Resort Area Tourist Market	
13	Projections of Overnight Visitors Palm Springs Desert Resorts	
14	Distribution of Desert Resorts Area Tourist Expenditures	
15	Aggregate Market Support Available to Coachella Entertainment Zone 1983-2000	
16	Origin of Visitor - Palm Springs Desert Resorts	
17	Purpose of Visits - Palm Springs Desert Resorts	

18	Cities Visited and Cities to Stay - Palm Springs Desert Resorts	
19	Expenditures - Palm Springs Desert Resorts	
20	Potential Uses in the Coachella Entertainment Zone	
21	Potential Uses in the Coachella Entertainment Zone	

July 17, 1995

PRESENTATION OF
FINALIZED ECONOMIC GOALS

Prepared by

HARRISON PRICE COMPANY

222 West 6th Street Suite 1000

San Pedro CA 90731

(310) 521-1300

(310) 521-1305 Fax

Section I

SITE AND MARKET ENVIRONMENT

Major influences on the attendance potential and use of Entertainment Zone elements are the characteristics of the locational environment and the magnitude and quality of available market support. To provide an overall context for the analysis to follow, this section of the report accordingly evaluates the proposed site from the standpoint of suitability for a major leisure time development. Subsequently examined are the size and nature of the Coachella Valley market, including the local resident population and visiting tourists.

SITE EVALUATION

Location is a fundamental and critical ingredient in the success of any leisure-oriented enterprise. Key locational attributes of the Coachella Valley region are consequently evaluated in the paragraphs to follow, including access conditions, weather, compatibility of surrounding land uses, and the existing inventory of lodging, recreation facilities and attractions.

Regional Orientation

The desert resorts area occupies the Coachella Valley of central Riverside County, stretching along a 30-mile, northwest-southeast axis from San Geronio Pass to the northern shore of the Salton Sea, as depicted in Figure 1. It is the historical domain of the Cahuilla Indians, whose "miracle healing waters" - - still flowing beneath the streets of the valley--inspired the original name of Palm Springs: Agua Caliente. What started out as a dusty stagecoach stop in the 1880s evolved into a modest spa within a few decades, attracting wealthy health-seekers to the restorative waters and benign winter climate. After World War 11, the region bloomed into one of America's foremost resort destinations. Today, it is known as the "golf capital of the world"--no less than 85 golf courses green the landscape, joined by some 10,000 swimming pools, 600 tennis courts, and scenic hiking and horseback riding trails in the surrounding desert and mountain canyons.

Principal access to the area is via the Interstate 10 freeway, which passes through the length of the Coachella Valley, and forms the northern boundary of the proposed 2,000 acre Entertainment Zone. At the San Geronio Pass, State Route 111 (Palm Canyon Drive) branches off the freeway and winds eastward through the desert resorts near the base of the Santa Rosa Mountains to Coachella, where it turns south and runs along the East side of the Salton Sea to the Mexican border. Highway 86 runs from the border to Interstate 10 in Indio (or via Dillon Road in Coachella). Highway 86/111 and the railroad line delineate the south-west boundary of the Entertainment Zone. In a regional context, the City of Coachella is the gateway to the Salton Sea and the Mexicali area of Baja California, Mexico, as shown in Figure 2.

The area is also served by AMTRAK and by the Palm Springs Regional Airport, where major airlines offer frequent direct flights to Los Angeles, Ontario, Burbank, San Diego, San Francisco, Phoenix, Las Vegas, Denver, Dallas, and Chicago. Under consideration by the Riverside County Transportation Commission is a spur route of the Metrolink railway that would speed passengers between Los Angeles and the Coachella Valley, continuing on to the Mexican border. This would provide an attractive alternative to both auto and air travel to the region.

Characteristics of the Site Vicinity

The Coachella Valley encompasses nine incorporated cities and several unincorporated communities, with the City of Coachella located at the eastern end of the valley. The site proposed for the Entertainment Zone, shown in Figure 3, has excellent freeway and highway exposure, although the railroad and the freeway itself create some limitations to direct access. However, a grade separation is planned at the railroad tracks on Avenue 50 and an interchange will be built where Avenue 50 meets Interstate 10. A large residential project is approved for a 1,600

acre site immediately east of the Entertainment Zone, which has entitlements for as many as 8,000 homes. The south boundary of the zone is Avenue 51 and 52

The property in the Entertainment Zone is mostly in agricultural use or vacant. However, there are pockets of industrial and residential use that will have to be dealt with either through voluntary relocation or through eminent domain proceedings. The land is mostly flat and has minimal vegetation. The Coachella Valley Storm Channel will act as a barrier splitting the Entertainment Zone into distinct sectors.

Weather Conditions

Weather conditions in the Coachella Valley area will affect the physical design, operating schedule, and degree of emphasis on outdoor activities in the Entertainment Zone. Weather is also important in terms of its influence on the seasonal distribution of tourist visitation to the region. In Table 1, temperature norms for the desert resorts district are indicated. Average maximum temperature ranges from a very comfortable 69 degrees in January to a sizzling 108 degrees in July; extremes of up to 125 degrees occasionally occur. Average (nighttime) minimums vary from 40 degrees in winter to the low 70s in summer. In keeping with the low-elevation desert environment, rainfall is a scant 5-plus inches per year, all of which falls on only 15 to 20 days during the autumn and winter. High winds--accompanied by blowing dust and sand--are periodically experienced.

The foregoing climate characteristics explain why the desert resort area has historically been regarded as a winter playground. Over the last 10 to 15 years, however, growth in the permanent population base and the steady creep of tourist patronage into the summer months (mainly family-oriented as younger visitor groups take advantage of reduced hotel rates during the hot-weather months) have created what is now, for practical purposes, a year-round market. While emphasis is still on the October-May period, the time has passed when the majority of hotels and other tourist-oriented businesses closed in the summer and the proverbial cannon-shot down Palm Canyon Drive in August wouldn't hit a living soul. Each entity in the Entertainment Zone will have the option of operating on a seasonal basis or remaining open year-round. However, in view of the desert's growing summer family trade and growing permanent population base, most operations are likely to adopt a full operating schedule in an effort to maximize attendance and use potential.

To ensure the comfort of visitors, exterior spaces must provide ample shade, wind barriers, and perhaps micro-misters to help cool the air on the hottest days. From October through at least mid-May, weather conditions are very amenable to outdoor activity, and this opportunity should be exploited in programming -- golf, tennis, Native American festivals, bazaars, live performances and similar events are eminently suited to open-air venues. Outdoor programs will likely be constrained during the June - September period, excepting the occasional after-sundown event. In summer, indoor oriented activities must be emphasized to encourage visitation. Facilities in the Entertainment Zone and other areas of Coachella should include a mix of facilities that provide indoor activities appealing to families.'

Hotel/Motel Inventory and Annual Room Sales Revenue

It will be seen momentarily that by virtue of sheer size, the tourist market will be pivotal in the attendance generation and use of the Entertainment Zone. The regional Hotel/Motel inventory, which provides lodging for about half of all tourists (rental units, second homes and RV parks making up the balance) is thus important to this analysis. Table 2 shows that the current regional hotel/motel inventory stands at approximately 15,500 units. About 6,850 of these units, or some 44 percent, are located in Palm Springs, the original core of the resort district. Palm Desert has a present inventory of some 1,900 units, or 12 percent of the total, followed by neighboring Indian Wells with 1,500 units (10 percent) and Rancho Mirage at 1,200 units (8 percent). The Palm Springs inventory includes several comparatively large properties of 200 units or more, but is mainly comprised of numerous small motels and inns in the range of four to 50 rooms. In contrast, the Palm Desert inventory is dominated by the Marriott Desert Springs complex, accounting for nearly half of all units in that city, with another six properties containing between 100 and 200 rooms. Virtually all properties in Indian Wells and Rancho Mirage exceed 200 rooms. This pattern of hotel room concentration reflects the evolution of the regional tourist industry--Palm Springs was first and served a relatively modest volume of travelers, whereas more recently developed adjacent communities serve a greatly

expanded market that justifies large-scale operations marketed nationally. All but a very small percentage of the room inventory is available throughout the year.

Coachella presently has no hotel/motel rooms.

Wheeler's Desert Letter reports that there were roughly 10,000 rooms in the Coachella Valley in 1982. The number grew to about 12,000 in 1986, and reached about 15,000 in 1992, representing a 50 percent increase in a decade. With the national recession of the early 90s, and even more severe losses in Southern California, only 850 hotel rooms have been added in the valley thus far in the 1990s. Nonetheless, there are several new facilities in various stages of planning, all with one or more golf courses and residential components. Total new rooms could exceed 2,600, and one project includes 500 timeshare units as well.

Between 1980 and 1990, hotel room sales revenue rose from \$75 million to \$220 million, an increase of 190 percent, much of it due to the larger, more expensive facilities developed in that time, but some attributable to inflation. Revenues have been flat in the 1990s.

Retail Sales Activity

A key measure of the economic health of any area is the volume of retail trade recorded. It is therefore pertinent to examine the retail performance of the City of Coachella as compared to other communities in the desert resort region. In Table 3, it can be seen that incorporated cities within the Coachella Valley currently generate a combined retail volume of more than \$2.1 billion annually, with volume doubling over the past 10 years. Especially noteworthy is the ascendancy of Palm Desert as the valley's retail leader, graphically illustrated in Figure 4. From a comparatively modest base of \$145 million in taxable sales in 1983 (less than half the volume in Palm Springs), the Palm Desert retail sector mushroomed to \$600 million in 1993 with development of the El Paseo shopping district (the Rodeo Drive of the desert), the Palm Desert Town Center Mall and other smaller centers. Palm Desert reached parity with the historical retail core in Palm Springs in 1989 and has since outdistanced this rival. In contrast, Coachella had a nominal sales volume of only \$81 million in 1993. The Palm Desert achievement in its 22 years of existence proves that a proactive city government and business community can cause tremendous growth in a relatively short period of time. It also illustrates the easterly flow of development and urbanization in Coachella Valley.

Regional Attractions Inventory

There is no doubt that mild winter temperatures, golf and other outdoor activities are the driving forces of tourism to the Coachella Valley. The Palm Springs Desert Resorts Convention and Visitors Bureau recently published the results of a survey of hotel/motel visitors to Palm Springs in 1995, which included a question on participation in recreation activities. The responses are shown in Table 4 (other data are presented later in this section), and could be labeled "leisure time activities" rather than "recreation". Shopping was the leader at 67 percent followed by sun and swimming (57%), golf (40%) and sightseeing (37%). The highest ranked "attraction" is the Palm Springs Aerial Tramway at almost 21 percent. Over 19 percent enjoyed nightclubs, 16 percent liked therapeutic facilities and 15 percent participated in tennis. The Living Desert was visited by 14 percent and Street Fairs drew almost 14 percent, followed by the Desert Museum 13 percent and the Indian Canyons at over 10 percent. Twelve other activities and attractions were also specifically identified by less than 10 percent of the respondents. Indian gaming, which had been represented by only the Fantasy Springs Casino in Indio (and Casino Morongo in Banning Pass) until recently was used by only 2.7 percent of the 1995 respondents. However, opening of the casino at the Spa Hotel and Mineral Springs by the Agua Caliente Band of Cahuilla Indians in April 1995 and the Spotlight 29 Casino by the Twenty-nine Palms Band of Mission Indians in January 1995, along with a major expansion of the Fantasy Springs facilities should cause a significant increase in patronage of Indian Gaming operations in the future. The Spa Casino in downtown Palm Springs is at the nucleus of Hotel/Motel rooms in that city. Fantasy Springs in Indio and Spotlight 29 in Coachella are in close proximity to each other but some distance from most of the accommodations and second homes in the valley. The Torres Martinez Band is planning to build a casino in Coachella near the other two, depending on a land swap involving their lands under the Salton Sea.

The concentration of casinos in the Indio/Coachella area could be a powerful incentive for development of accommodations, second homes and other tourism infrastructure in the vicinity. This would be especially true if the California Indian tribes are successful in their ongoing attempt to obtain authorization of Class III Las Vegas-style gaming on their lands.

The Cabazon Band of Mission Indians has big plans for the Fantasy Springs Casino area. The present facility will be expanded by 40,000 square feet to 120,000 square feet. A hotel with over 900 rooms is planned, along with a 60 acre RV park and an 80 acre theme park. These plans indicate that tribal leaders anticipate that negotiations with the state will result in approval of Class III gaming in the not too distant future.

The top four activities on the list represent the driving force behind tourism in the Coachella Valley. Clearly those facilities now exist in abundance and the need for expansion to serve a growing tourist volume is evident. The City of Coachella is positioning itself to provide a portion of the expanded tourism infrastructure. To be successful, a variety of facilities must be available to provide the critical mass needed to attract a portion of the tourism flow to the Coachella Valley. Is shopping the reward an avid male golfer gives his wife to justify his addiction to the game (or, sometimes the reverse)? If so, it would stand to reason that planning a resort with one activity but without the other would be foolhardy. In fact, shopping is the leading leisure time activity in most full-service destinations, including those that have little golf. It is one of the reasons that the Coachella Valley has become one of the 10 most important destination resorts in the world. Coachella must create an environment in which it can begin to participate in the growth of tourism in the area.

Identifying the underlying engines that drive tourism in the Coachella Valley is valuable, but it is also valuable to review the other infrastructure items that contribute to the whole resort region. A look at the attractions inventory is appropriate as outlined in the following paragraphs.

The existing inventory of attractions in the desert resort region is highlighted in Table 5. Chief among these are the Palm Springs Aerial Tramway drawing about 400,000 annually, The Living Desert, with a current annual attendance volume of 190,000 visitors, and the Palm Springs Desert Museum, reporting 136,000 annual attendees (the latter two presently operate on a seasonal basis roughly from September through June). The Palm Springs Tramway has operated as a major visitor attraction in the valley since the 1960's. It runs about a mile from the edge of the valley floor to the top of Mount San Jacinto and reaches an elevation of 8,516 feet. The sharp contrast between the desert environment on the valley floor and the wooded mountain top is extreme. In winter, the comfortable daytime temperatures of the valley are the opposite of freezing temperatures and snow at the top of the mountains. Conversely, the top of the mountain provides a welcome respite from the heat of the valley floor in the summer. The tram draws an annual attendance of about 375,000 to 400,000, with most visiting in the October to May winter season. Ridership is almost all tourists. The mountain station includes a restaurant, gift shop, theater and picnic area. Mount San Jacinto State Park and Wilderness at the top of the mountain has 54 miles of hiking trails, and offers cross country skiing and overnight camping.

As mentioned previously, The Living Desert is a major natural history and wildlife park (in effect, the resort area's zoo), which includes a participatory nature center, walk through aviary, various animal compounds (coyote grotto, nocturnal animal building, raptor aviary, and zebra, Arabian oryx, and bighorn sheep enclosures), and a visitor center with interpretive exhibits and a 300-seat auditorium. Recently opened is the Eagle Canyon section displaying mountain lions, bobcats, Mexican wolves, foxes, javelina, and golden eagles in authentically landscaped settings.

The Palm Springs Desert Museum is a combination art and natural science museum and the resort area's principal venue for traveling art shows. Its permanent art exhibits emphasize contemporary and classic American western works, Native--American paintings and hand-crafts, an extensive display of miniatures depicting historical scenes, and contemporary American and European sculpture. Permanent natural history exhibits focus on the plant and animal life of the Palm Springs environs, the Cahuilla Indian culture, and a live-animal display area featuring the smaller creatures that inhabit the desert. The museum's 450-seat performing arts theater is the scene of music, dance, and dramatic performances as well as films, lectures, and educational programs.

The Aqua Caliente Band of Cahuilla Indians operates a nature trail in Palm Canyon and two other canyons. The trails parallel streams that run year-round. Vegetation is lush and rock formations are often dramatic. The Indian

Canyons, with streams and dense foliage, offer a cool oasis environment during hot summer days through July 4 and will be open year round this year for the first time

The Oasis Water Park opened in 1990 adjacent to the Oasis Hotel on Gene Autry Drive in Palm Springs. It operates daily from Mid-March to Labor Day and weekends only through October. Water parks are an increasingly popular means of beating the heat of summer across the nation. The Oasis Park is large, offering 13 slides, a 25,000+ square foot wave pool, and a lazy river. Wave pools appeal to all but the youngest visitors. Various slides are used mostly by patrons aged 10 to 35. The lazy river attracts all ages, and there is a separate wading pool for younger children.

Camelot Park in Rancho Mirage features go-carts, 54 holes of miniature golf, a large arcade, bumper boats and batting cages. The park is maintained in excellent condition. Festival Entertainment Centers generally attract the family market of local residents within a 10-mile radius. However, in resort areas, they appeal to visiting families. Summer heat in the Coachella Valley limits outdoor use in daylight hours, but the evenings are conducive to use when some cooling occurs.

Rounding out the local inventory of attractions are the Heartland Museum of the Heart in Rancho Mirage (90,000 annual attendance), featuring interactive health education exhibits; Cabot's Old Indian Pueblo in Desert Hot Springs (30,000 annual attendance), devoted to Indian and Eskimo art and artifacts; and several minor attractions of historical or science orientation (less than 20,000 annual attendance). Most of these smaller facilities operate all year.

Outdoor activities such as hiking, horseback riding, bird watching, ballooning, cycling, etc., are available in numerous locations throughout the Coachella Valley or nearby in the region.

Riverside County Fair and National Date Festival

The Riverside County Fair and Date Festival is the signature event held annually on the 120 acre Riverside County Fairgrounds and ExpoCenter in Indio. The first Date Festival was in 1921 and it was sponsored by the Indio Civic Club until 1947, when it became a County function. The Date Festival and Fair had paid attendance of 162,489 in 1995 in a ten day run. This number is up from the prior two years, but down from the 1990 to 1992 period. As much as 40 percent are tourist, some coming from across the nation. Many of the 60 percent that are local residents visit the fair and festival more than once during its run. Until 1995 both paid attendance and revenues had been declining over the past five years as indicated below:

<i>Fiscal Year</i>	<i>Fair & Date Festival Paid Attendance</i>	<i>Total Revenues</i>
1989-90	165,592	\$2,897,000
1990-91	165,028	\$2,770,000
1991-92	166,718	\$2,640,000
1992-93	153,522	\$2,241,000
1993-94	153,727	\$2,164,000
1994-95	162,489	\$2,265,000

The primary reasons for the decline in attendance and revenues are a deteriorating residential environment and a growing fear of outbreaks of violence at any large public gathering these days.

In addition to the fair/festival period, the fairgrounds facilities are rented to others for trade shows, special events, conferences and celebrations. However, the marketing program is weak, which results in utilization of less than 40 percent the rest of the year. A Satellite Wagering operation is run in the ExpoCenter. The interim uses and off-track wagering serve the local market primarily, with over 80 percent local use.

The Fair and Date Festival generate about 54 percent of annual revenues, 18 percent comes from off-track wagering and 28 percent is derived from interim uses.

Some discussions have occurred about the possibility of relocating the Fair and Date Festival to a site in the Entertainment Zone in Coachella. However, management estimates that the cost of new facilities would be many times the value of the present site and buildings. With tight budgets at all levels of government, it is difficult to visualize where the money would come from. Fairs throughout California are having difficulty maintaining attendance levels of the past and the off-site wagering operation will be increasingly challenged by the spread of Indian gaming. Thus, revenue bonds are not a viable option to bridge the gap between current property values and the cost of new facilities

The Salton Sea

The Salton Sea is a major recreation resource, the north shore of which is within 20 miles of the City of Coachella. The Sea drains 8,000 square miles of Riverside, Imperial and San Diego Counties and part of Northern Baja, Mexico. It is 34 miles long, up to 14 miles wide and covers 366,000 surface acres. Its surface elevation is more than 200 feet below the Pacific Ocean. Surrounded by mountains created over eons of geologic time, the basin does not drain to the Pacific Ocean and has attained a salinity greater than the Pacific. Scientists believe that the Salton Sea has been created and then dried up several times as the Colorado River changed course through the work of nature and man. In addition to its importance for recreation and wildlife habitat, it has become an important depository for agricultural drainage, and stormwater and wastewater runoff.

The governments affected by the level and water quality of the Salton Sea, including Mexico, have agreed to jointly act to attempt to control those elements.

The Salton Sea is reputed to be one of the best fishing spots in the nation, and boating and water sports opportunities are abundant. Proximity to the Sea could be an important benefit to private developers in the Coachella Entertainment Zone, possibly warranting development of a marina with rental boats and tour boats for use by overnight visitors to the Zone when the Sea is stabilized.

AVAILABLE MARKET SUPPORT

The components of the market available to the Entertainment Zone enterprises in Coachella Valley are the regional resident population, second homeowners and extended-stay visitor (Snowbirds) and overnight tourists, the size and characteristics of which are subsequently described.

Resident Market

Ringed by mountains on three sides and the Salton Sea on the remaining side, the Coachella Valley is effectively isolated from the surrounding area and largely self-contained. In consideration of this geography, HPC has accordingly defined the resident market for Entertainment Zone uses as the nine incorporated cities and various unincorporated sections of the Coachella Valley, plus immediately contiguous communities on the fringe of the resort core, including Cabazon, Morongo Valley, Whitewater, Yucca Valley, Joshua Tree, and Twenty-nine Palms. The area as defined embraces a radius of approximately 30 miles. Visitors originating from beyond this radius are classed as tourists, most of whom remain overnight in the desert region.

Population Trends. Riverside County as a whole is the fastest-growing urbanized county in the state and one of the fastest-growing in the nation. Among the county's several statistical jurisdictions, the desert resort region has emerged as a significant population concentration during the past 15 years, as indicated by the data in Table 6. From a 1980 total of 167,000 people, the permanent population base of this area nearly doubled to some 347,000 currently. While the rate of expansion is expected to slow somewhat in the future, the average annual rate of gain will still outpace most of the rest of the state. Projections call for a total permanent population of 421,000 by the end of the century, representing a 3.2 percent average growth rate. Continuing a 3.2 percent growth rate, the population is projected to reach 577,000 by 2010 and 655,000 by 2014. Coachella Valley planning officials anticipate build out of the area in about the year 2030, at which time the regional base will approximate 800,000 inhabitants.

Changes in the distribution of the permanent resident population by postal zone are highlighted in Table 7. As shown, the area's two largest resident concentrations in Palm Springs and Indio have declined in relative proportion since 1970, with shares decreasing from 20 percent each to a current 14 percent and 17 percent, respectively. Conversely, substantial proportional gains have occurred in Cathedral City, which doubled its share from 6 percent to 12 percent over the period, and Palm Desert, which expanded its share from 8 percent to 12 percent. Population growth has and will be in an easterly direction, where land is available. A high rate of increase has also been characteristic of La Quinta, but on a comparatively small absolute base. All other sections of the resort area have remained essentially static in share. In absolute terms, Palm Desert added 28,000 new residents between 1970 and 1993, for a current total of some 37,000 people. Over the same period, Indio added 32,000 persons (for a current total of 53,000), while Cathedral City added 29,000 (for a current total of 36,000) and Palm Springs added 22,000 residents (for a current total of 44,000).

Added to this permanent base are a sizable number of seasonal residents--people who live in the area for a period of three to six months. While this segment of the market is difficult to quantify, planning authorities estimate the current total at around 128,000 people, equivalent to 37 percent of the permanent base. Assuming a future growth rate roughly comparable to that of the permanent population, seasonal residents should number about 156,000 by 2000 and 242,000 by 2014.

Age and Income Characteristics. Age characteristics of the desert resort region are set forth in Table 8. Roughly one-fourth of the total population is composed of children under 17 years of age, and about 27 percent is represented by persons over 55 years. These data refer to permanent residents; the age profile of the seasonal population is likely somewhat older as many of these people are retirees and other empty-nesters. A current income profile for permanent households is presented in Table 9 and indicates that 28 percent of all households report incomes in excess of \$50,000 per year, while 30 percent report less than \$20,000 per year. It should be noted that the true discretionary purchasing power of resort area residents is not fully reflected in income data--the many retirees in the area may have only nominal income, but nevertheless possess substantial financial assets as would be consistent with the region's generally high cost of housing.

Table 10 contains a summary of age and income medians for the various communities in the subject region. An overall median age of about 33 years is calculated, with considerably higher medians associated with Desert Hot Springs (64 years), Rancho Mirage (58 years), and Indian Wells (56 years). At the other end of the scale, Twenty-nine Palms has one of the youngest populations at a median of 26 years, reflecting the presence of a Marine base in this city. The southern reaches of the Coachella Valley also have a comparatively young population, with the City of Coachella reporting a median of 25 years and the Thermal/Mecca and Indio areas reporting a median of 29 years. Underlying these profiles are lower housing costs in the east valley, which is home to many young families. Median age in Palm Desert is about in the middle of the range for the region as a whole at around 46 years.

The range for area household income extends from a median of some \$21,500 per year in Desert Hot Springs (which is heavily retirement-oriented) to some \$70,800 in Indian Wells (traditionally the valley's wealthiest enclave). Palm Desert's median of roughly \$40,000 annually is again a mid-range value and well above the overall regional median of \$32,300 per year. The overall resident market may thus be broadly described as

mature and affluent, suggesting a responsive audience for a major recreation concentration appealing to people throughout the Coachella Valley.

Tourist Market

Endowed with a balmy winter climate, superb desert scenery, some of the nation's finest golf courses, and an impressive array of outstanding resort hotels, the Coachella Valley is one of California's prime tourist destinations. Data available from official sources as to the magnitude of the visitor industry for the period 1991 to 1993 are presented in Table 11. As of 1993, total tourist volume is estimated at almost 1.7 million visitors in commercial lodging establishments and another 1.9 million in other accommodations (primarily rental condominiums and homes), for an aggregate of 3.6 million overnight visitors. These estimates are based on hotel room capacity developed by the Palm Springs Desert Resorts Convention and Visitors Bureau extrapolated to visitation as shown in Table 12, which incorporates a 57 percent average annual hotel/motel occupancy rate, an average party size of 2.0 persons per room, and an average length of stay of three nights. It is further estimated that 56 percent of all tourists use commercial lodging.

An extended historical series is not available; however, data on hotel room sales suggest that the average growth rate since the mid-1980s has been on the order of 7 or 8 percent per year. Very rapid expansion occurred through 1990, with the industry experiencing fall-off in the early 1990s due to the economic recession. For the first quarter of 1995, room sales tax are up 5.1 percent from a year ago, which is consistent with the return of healthy tourism growth throughout Southern California. Through the remainder of the decade, a reasonable expectation of growth in Coachella Valley tourism might be 5 to 6 percent annually allowing for continually improving performance during summer months. The percentage is expected to fall over time as the base grows, but the absolute increment is projected to continue to increase annually. Increases of this description would yield a total tourist market of 4.9 million by 2000 and 8.9 million by the year 2014 as shown in Table 13.

It is possible that growth could exceed these forecasts with the advent of expanded Indian gaming in the region. Pending the outcome of legal issues now in the courts, Class III Las Vegas-style gambling may be legalized in the area and the desert resorts region could emerge with the highest concentration of casinos in the state, with obvious implications for the tourist industry. Until the legal issues are resolved, it must suffice to say that the desert visitor industry has excellent growth prospects that could be even more robust with expanded casino activity.

Table 11, presented previously, indicates that tourist expenditures in the Coachella Valley were \$998 million in 1991 and have increased to a \$1.4 billion annual rate in 1995. A distribution of this spending during 1995 by type of purchase is presented in Table 14. Food and beverages account for the largest share of the visitor dollar, at 33 percent of total spending, followed by lodging at 27 percent and shopping at 19 percent. The average outlay over the course of a stay in the region amounts to roughly \$368 per person, or around \$123 daily per visitor on the basis of the estimated three-day average stay time. These are substantial levels of expenditure that signal a generally high discretionary income profile for the tourist market.

Aggregate Market Support

A summary of aggregate resident and tourist market support available to Entertainment Zone facilities of the future is contained in Table 15. Overall market size, as shown, will approximate 5.5 million persons by 2000, about 1.7 million more than at present, with longer-term forecasts calling for nearly 10 million 20 years out (2014). Tourists will comprise some 90 percent of the available market and can be expected to contribute heavily to the enterprises located in the Entertainment Zone.

Characteristics of the Palm Springs Desert Resorts Tourist - 1995

As stated previously, the Palm Springs Desert Resorts Convention and Visitors Bureau sent questionnaires to visitors early this year to determine their origin, activities, and demographics. Some of the findings of the survey are shown in detail in Tables 16 through 19. Highlights of the survey include:

- Half of overnight visitors are from Southern California and another 12 percent are from the northern part of the state. The Midwest is the leading out-of-state contributor at 7 percent.
- Most visits are for pleasure or vacation - 59.4 percent - but conventions and combined business/vacation trips are important at 16.4 and 10.9 percent, respectively.
- Reflecting existing hotel accommodations, Palm Springs was the location of stay for 32.3 percent of visitors, followed by Palm Desert at 24.5 percent.
- Per capita spending was \$158 per day, which extrapolates to \$474 during a three-day stay. This is higher than the average for all visitors because many not staying in hotels are housed by friends or relatives or at less expensive facilities.
- 80 percent are repeat visitors and they have visited the area an average of three times in the prior year.
- Party size is 2.0 persons.
- Average age is 42 years.
- 80.5 percent arrived by car.
- They stayed three nights.
- More than half stayed in a hotel of 150 rooms or more.
- Upwards of 70 percent will stay in a hotel on their next step, and more than half would choose a large full-service resort.
- 74 percent are college graduates and more than 90 percent have some college.
- 76 percent are married.
- It is an affluent crowd, with 85 percent having incomes in excess of \$50,000 annually.
- Employment of males is mostly professional or managerial (57 percent) and 11 percent are retired. This is also true of females.

This is a very favorable demographic structure for the development programs contemplated in the Entertainment Zone. It should be noted, however, that overnight visitors from Mexico did not appear in the statistics. This represents a bias in the survey which focused on west valley hotel guests and the high-income east valley communities of Indian Wells and La Quinta. Indio visitors represented only two percent of the sample mailout. Much of the Hispanic population in the Coachella Valley is concentrated in the east valley, and there is clearly significant visitation from Mexico to be with friends and relatives in the area. However,

there is no way to quantify this element of the market. In 1994, 7.9 million people crossed the border from Mexicali to the United States in 2.9 million vehicles. This is up 48 percent from 5.3 million people in 1.9 million vehicles a decade earlier. What portion are returning Americans is unknown as is the length of stay and purpose of visit of those who are truly incoming tourists.

Mexicali represents a potential market for tourism developments in Coachella in that it contains an estimated 1 million residents about 100 miles away. Over time it may be possible to find a product that will attract some of those residents, but landowners near a new border crossing point are known to be planning to serve the market directly. San Diego was receiving significant retail, restaurant and nightclub support from residents of the Tijuana area prior to the devaluation of the peso. Gaslamp District restauranteurs indicate that about one-third of their off-season customers are from across the border. But the distance from the border to downtown San Diego is short.

Section 2

THEORETICAL USE CONCEPT FOR THE COACHELLA ENTERTAINMENT ZONE

Creating an entertainment zone of the magnitude (2,000 acres) contemplated by the City of Coachella is a major undertaking that will require creativity in concept, design, and implementation. To be successful, the City must create a favorable environment to entice the private sector to build facilities that can attract end users--the local resident and tourists. The prior section of this report have defined the available markets and the tourism infrastructure of the area. This section attempts to visualize a series of steps the City should consider to seed the project, and the types of facilities that would be appropriate.

PUBLIC FACILITIES BENEFITING THE PROJECT

Entertainment zones and assessment districts are increasingly created to provide attractive and safe environments for recreation and entertainment based projects. In some cases, such as in Anaheim and Buena Park, it is simply a specific zoning code imposed in an area around an existing attraction to discourage incompatible uses and encourage synergistic development. In other cases, such as Santa Monica's Third Street Promenade and Baltimore's Center City Inner Harbor, an assessment district is set up to fund physical improvements designed to attract private sector development. The latter model is most appropriate for the Coachella entertainment zone.

The City could pursue any number of alternatives to implement the project, including becoming the developer/lessor as Los Angeles County did with Marina Del Rey and San Diego accomplished with Mission Bay. Another approach would be to seed the entertainment zones with one or more major features that could become the focal point of the project, and have the adjacent private lands master planned for specific types of development by the private sector. The following list indicates some of the facilities that could be built by the City:

Lakes - The older hotels and motels in the Coachella Valley are mostly devoid of water features, but many newer and larger hotel and second home projects include extensive waterscapes that have proven very appealing to the market. Given the hot and dry climate of the valley, water is a precious amenity. A series of lakes should be the signature elements of the entertainment zone concept. They should be large enough to be a significant visual amenity and provide a variety of recreational uses. Harrison Price Company understands that the City has the right to store 3,300 acre feet of water. Artificial lakes require a depth of 8 to 10 feet to avoid excessive aquatic plant growth. Therefore, a lake of 350 surface acres or more could be created as the water feature for the entertainment zone. However, it is unlikely that more than 100 to 150 surface acres could be effectively used for that purpose.

Town Square - The project should also be seeded with a town square to provide a gathering place and to stage festivals and other public events. This is typical of Mexican villages. It should be located on a lakefront parcel.

Public Parks - These should be designed to accommodate the needs of families staying at lower priced hotels and motels in the entertainment zone as well as the local population.

Cultural Facilities - In the long run, provisions should be made for facilities such as museums, modest performing arts venues, etc.. A cultural center featuring Native American and Hispanic history and traditions is a natural for the area.

Infrastructure - In addition to the basic utilities and primary road infrastructure, paths for walking, jogging, and cycling, etc., must be provided.

PRIVATE SECTOR FACILITIES APPROPRIATE TO THE PROJECT

A wide variety of private facilities could be included in the Entertainment Zone. From the standpoint of economic potential, the Zone should include compatible uses primarily serving the visitor industry. Incompatible uses, including permanent resident housing, manufacturing, warehouses, office space and other non-visitor service uses should be excluded.

Coachella should devote most of its efforts to attracting the type of improvement that generates tourism. A pristine beach, a snow packed mountain, a unique geologic feature, an overwhelming historical setting, a major recreation lake, favorable climate, or scenic beauty can be the driving force in drawing tourism to an area. Man-made facilities can also be the focus of a tourist center if they are located in an existing tourist flow and have the critical mass to become a destination. Anaheim, CA and Orlando, FL were merely stopping points on the way to nearby beach resorts until the Disney developments transformed them into centers of tourism. Winter climate and the unique scenery of the desert and surrounding mountains are the historic origins of tourism in Palm Springs and the Coachella Valley. However, the east valley cities of Indio and Coachella have not participated significantly in the growth of tourism that has made the Coachella Valley one of the world's premiere destinations. In the context of the Coachella Valley and the City of Coachella, prime generators of tourism would include such facilities as:

- Resort and Conference Hotels -- Offering extensive recreation facilities including golf, tennis, and an array of minor recreation activities for all age groups. Conference facilities should be state of the art and large and varied enough to attract off-season occupancy commensurate with the number of rooms.
- Family oriented hotels and motels - Lower density facilities with few on-site amenities clustered around parks featuring extensive indoor and outdoor recreation facilities and providing educational activities and excursions.
- Arts and Entertainment Concentrations - As Las Vegas is to gaming; Branson and Nashville are to country music shows; Santa Fe is to western art and sculpture; and New Orleans is to Dixieland Jazz; Coachella must strive to become known as the center of an art/entertainment form that will set it apart. The rich Indian and Hispanic heritage of the east valley provides more than adequate resources for theming the development in the entertainment zone.
- Themed Recreation Attractions - Disney megaparks aside, most theme parks are a superficial wrapping of rides of various thrill levels designed to entertain the visitor at a very visceral level. Most appeal to a younger crowd and have nominal educational value. A few notable exceptions place and emphasis on crafts, musical performances, and the life style of a region. Water parks, marine shows, and interactive animal parks fit this category as well, but with differing appeals. These types of facilities are represented in the area to varying degrees. Whatever new concept or composite of existing concepts may be proposed, it should broaden, not duplicate, existing attractions in the area.
- Gaming - Class III gaming, as provided in Las Vegas and Atlantic City, is spreading around the country on Indian reservations, riverboats, and land based casinos. If the Coachella Valley tribes are successful in their present battle to gain approval of Class III gaming, a major impetus to destination tourism in the area would be provided.

A list of potential uses to be considered for the Entertainment Zone is contained in Table 20. There are undoubtedly numerous other potential leisure time and visitor service uses that could be added to the list, and their absence does not imply exclusion. In reality, the City of Coachella will create the framework within which private enterprise will develop the various components of the Entertainment Zone. To achieve desired results,

the City should maintain control of the type and quality of development through a special district managed by pro-active staff directed by a group of regional private and public interests.

In Table 21, a theoretical development program for the Entertainment Zone is presented. Highlights are:

- 35 percent of the property is assumed to be devoted to public facilities and infrastructure.
- 150 acres are allocated to lakes, fountains and other water features as elements of the project that will set it apart from most other Coachella Valley developments.
- 600 acres are allocated to four 18-hole golf courses, which will be integrated with major hotels as prime visitor generators.

The above uses consume roughly 1,450 acres of the 2,000 acres in the Entertainment Zone and represent the core facilities of the project. Remaining land uses require relatively small acreages in comparison with core uses, but they are the most intensive uses in terms of visitor activity.

- In the next 20 years, annual tourism in the Valley is expected to more than double to 8.9 million, and hotel/motel rooms will double to 32,000. The estimate of 2,400 hotel rooms in the Entertainment Zone is about 15 percent of the increase in the Coachella Valley, a rational goal. (See Appendix A)
- Condominium hotels and timeshares are estimated to provide the equivalent of about 1,000 hotel rooms for overnight visitors.
- Projected visitor expenditures will develop support for an estimated 475,000 square feet of retail and restaurant space in the next 20 years, again at a 15 percent share of the incremental market, but after a 25 percent reduction for food and beverages purchased at markets and consumed in visitor accommodations. This will require an estimated 47 acres.
- Outdoor and indoor recreation and entertainment are allocated a total of 252 acres for a variety of uses.
- Ten acres have been allocated for an agribusiness visitor center featuring permanent exhibits of date, citrus and other agricultural industries. More than 100 acres would be needed if the Date Festival is ultimately moved to the Entertainment Zone, but many financing hurdles would have to be overcome for that to happen.
- 63 acres are left unallocated.

This is a theoretical vision of the end result of focused development of the Entertainment Zone over a 20 year period. HPC believes that the master plan team and the City should set a framework for this development that is sufficiently flexible to accommodate changes over time, but is carefully directed toward the ultimate goal of providing a successful and widely known destination resort.

Section 3

DOWNTOWN RETAIL AREA

The Downtown Retail Area of the City of Coachella, like that of many older American cities, has not been able to compete with modern shopping centers developed along major arteries in the community. The result is a lack of vitality and a slow-paced ambiance. It will take time and considerable investment to breathe life back in to the downtown area. Nonetheless, with a growing tourist base generated by the Entertainment Zone and increased casino gaming, it may be possible to renew part of the Downtown Retail Area as a gathering place for residents and tourists alike. HPC does not believe that a typical retail market demand analysis is appropriate for the downtown area because its rejuvenation will be accomplished by capturing new markets rather than recapturing old ones.

The critical issue is the creation of an appealing and safe environment to attract visits from all market segments. The following are HPC's suggestions:

- Concentrate early efforts and improvements on the two blocks of 6th Street between Grapefruit Boulevard and Orchard Avenue, and the City Hall-City Park area.
- The theme should be Mexican.
- Some unifying streetscape consistent with the Mexican theme is essential to identify the area, as was done at Santa Monica's Third Street Promenade.
- Sixth Street should be closed to automobile traffic in those two blocks to create a landscaped pedestrian mall.
- A search should be undertaken to find a Spanish language movie theater operator to build at least one facility there.
- Stages should be provided for musical performances and street dances, etc.
- An emphasis should be placed on food and beverage service initially, with outdoor seating encouraged.
- Retail shops offering specialty and craft merchandise, and booths or carts with souvenirs or novelty items, like Olvera Street in Los Angeles and El Mercado in San Antonio, Texas, should be encouraged.
- A weekly "Farmers Market" would be appropriate.
- As many celebrations and festivals as possible should be staged there, as San Antonio does with its downtown attractions.
- Some form of canopy or shade structure over the block between Grapefruit Boulevard and Vine Street, possibly supplemented by misting devices to reduce summer temperatures, may be worthy of consideration.

The examples of this type of development cited above are briefly described as follows:

Third Street Promenade, Santa Monica, CA

This project generated by the City is now highly successful after a checkered history. The City created a pedestrian mall and a parking district with six structures in the 1960s in an attempt to revitalize the downtown retail core. It failed to bring shoppers back downtown. Subsequently, The Mall of Santa Monica, a regional shopping center built by The Rouse Company, was developed immediately south of the pedestrian mall, and had the effect of attracting some of the better shops from Third Street and leaving it with mostly discount stores of poor quality. The assessment district and special taxes imposed on downtown properties to support the bonds and parking structures discouraged office tenants from locating there. Then, in the mid-1980s a plan was devised to breath life into the area by developing a streetscape that encouraged outdoor dining and pedestrian flows. More importantly, however, the City encouraged movie theater exhibitors to locate on Third Street, and there are now more than 20 screens in multiplex operations. The theatergoers represented an attractive market for potential restaurant operators, and within 3 years of completing the streetscape, the Third street Promenade had been transformed into one of the most active gathering places west of downtown Los Angeles. This latest evolution of the pedestrian mall was directed by a public/private partnership created by the City, and includes business and social leaders of the community. A full-time staff runs the project, does promotions and plans special events. At its peak, the budget for the operation exceeded \$500,000, but it is substantially smaller now. Management has now turned its focus to improving the retail element of the district.

Olvera Street, Los Angeles

Olvera Street in downtown Los Angeles is one of the oldest streets in the City. This Mexican-style marketplace provides a glimpse of Los Angeles in its very early development. Restaurants, shops, kiosks and carts provide a variety of merchandise, food and beverage service and souvenirs, all with a decidedly Mexican flavor. It draws heavily from the Mexican population nearby, but is also popular with tourists to the area, both Mexican nationals and others. Across the street is a park with a gazebo that is used for special events and celebrations.

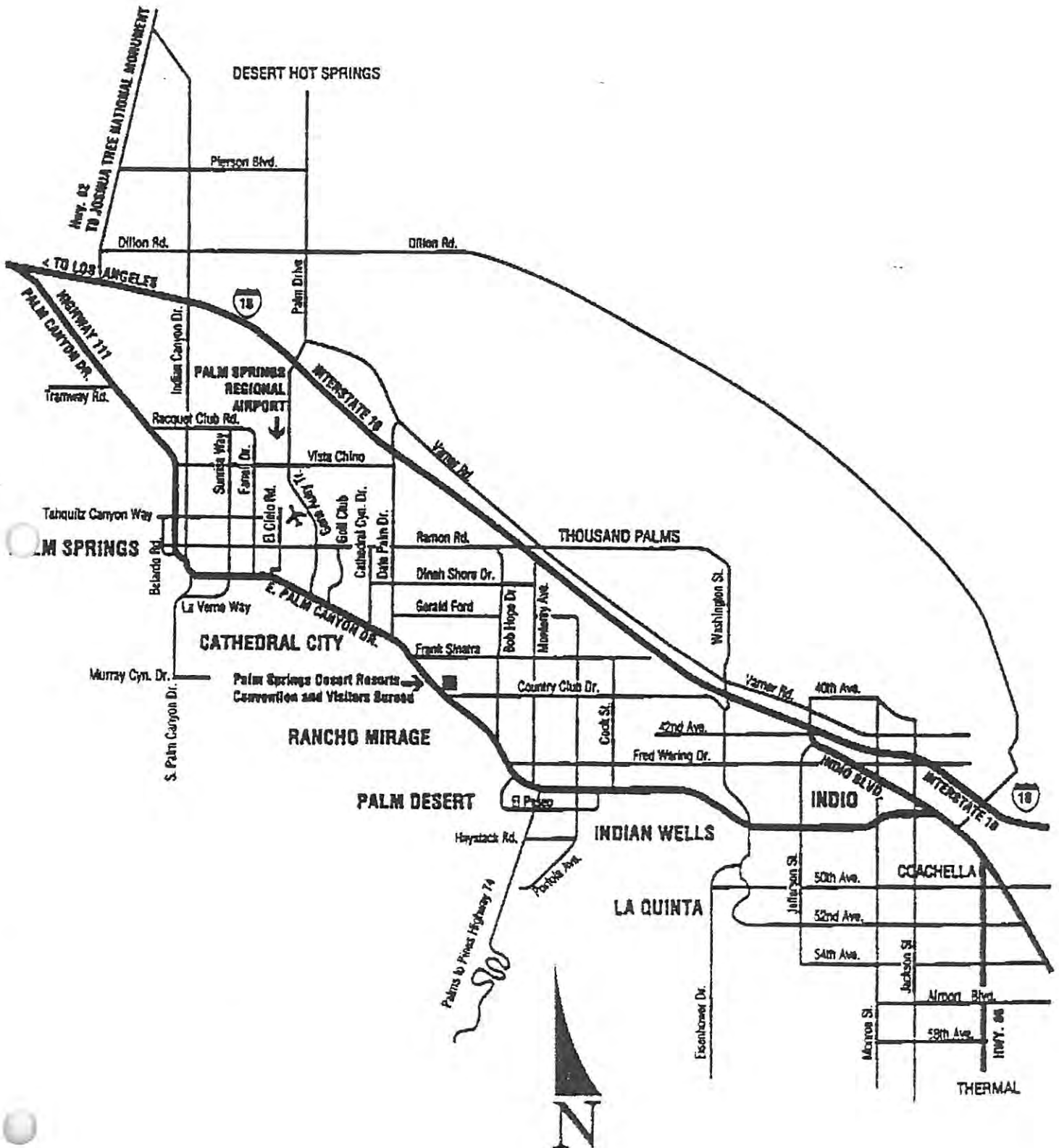
El Mercado, Market Square, San Antonio, Texas

El Mercado is an indoor version of Olvera Street, with vendors selling their wares from individual stalls in the building. For shoppers it recreates the bustling marketplaces found in Mexico and has been a downtown tourist attraction for many years. Market Square contains several popular restaurants, one including a bakery, and hosts nineteen festivals (fiestas) scheduled throughout the year. The entire complex is estimated by management to attract five million visitors per year, of which 80 percent are tourists. Most tourists visit in the daytime or to eat at the restaurants in the evening. Locals visit mostly during the fiestas or on evenings when musical performances are scheduled. The Mexican theme of El Mercado and Market Square is in sharp contrast to the more diverse offerings along the River Walk.

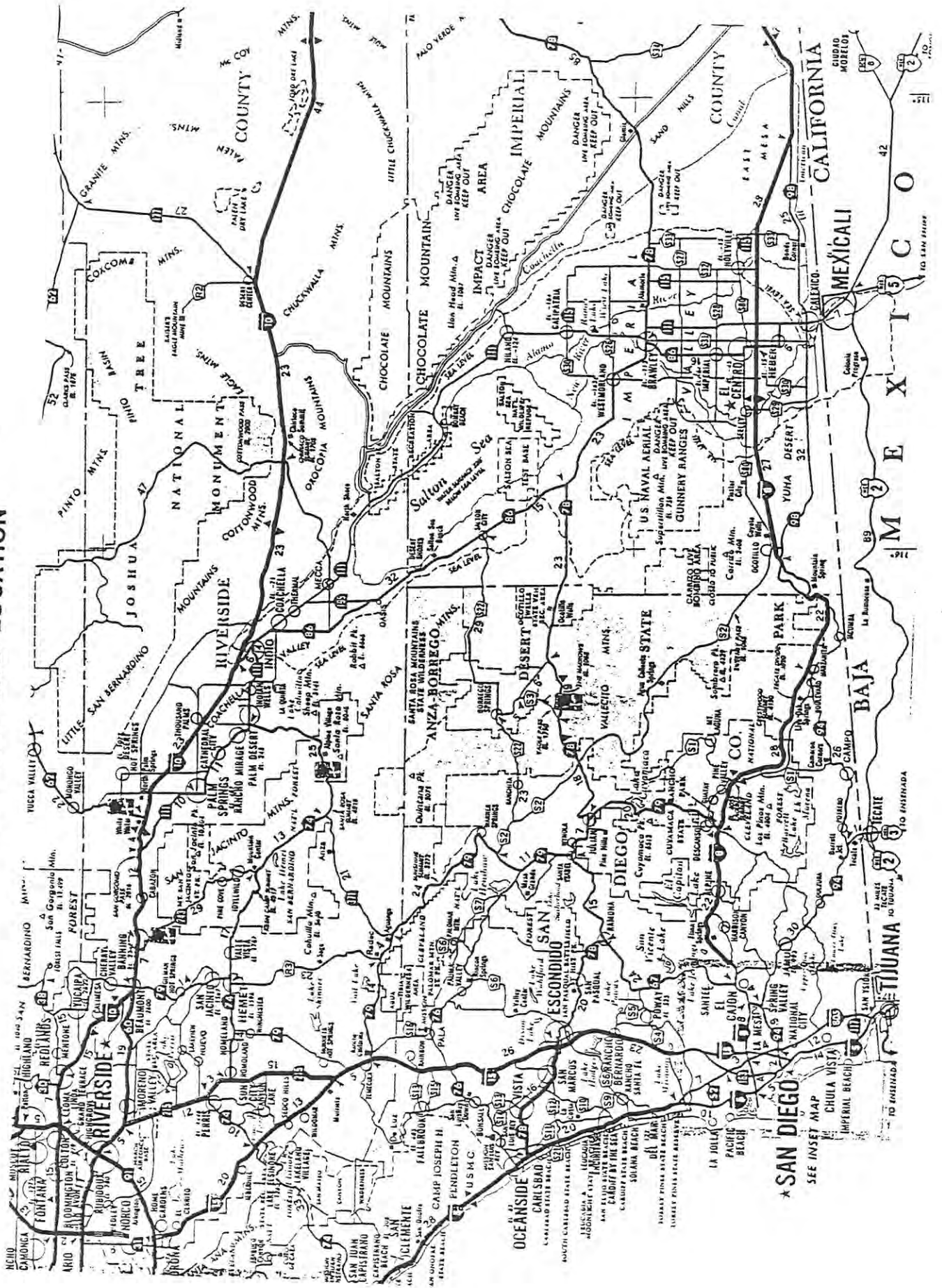
Conclusion

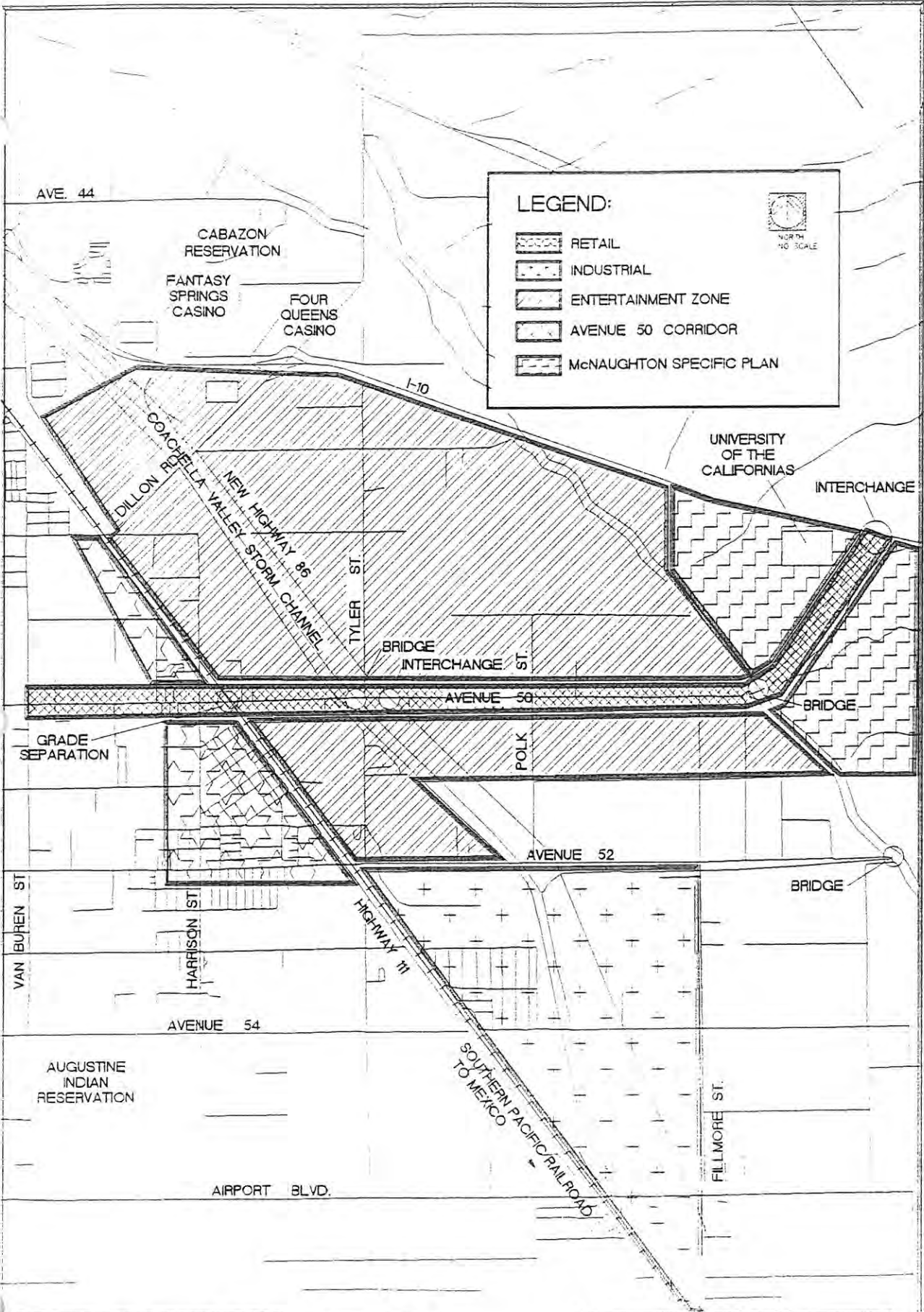
HPC concludes that development of the downtown area should be patterned after Olvera Street and the El Mercado/Market Square models of distinct Mexican themeing. The Santa Monica model is important in that it illustrates that simply closing a street to vehicular traffic and doing some landscaping may not produce results. A pro-active approach must be taken to shape the investment by private enterprise to achieve a desired end result. Moreover, HPC believes that redevelopment of the downtown area should not be undertaken until a tourist flow to the City of Coachella is established.

Palm Springs Desert Resorts



REGIONAL SITE LOCATION





LEGEND:

- RETAIL
- INDUSTRIAL
- ENTERTAINMENT ZONE
- AVENUE 50 CORRIDOR
- McNAUGHTON SPECIFIC PLAN

NORTH
 NO SCALE

CITY OF COACHELLA
 1515 SIXTH STREET COACHELLA 92236
 (619) 398-3102 9/94

Thermal
 AIRPORT

GENERAL PLAN UPDATE

TABLE 1
TEMPERATURE NORMS IN THE
DESERT RESORTS AREA

	Average Temperature (°F)	
	Maximum	Minimum
January	69	40
February	72	43
March	79	46
April	87	52
May	94	57
June	102	64
July	108	73
August	106	71
September	102	66
October	91	57
November	78	46
December	70	41

Source: Desert Publications, Inc., "Official Palm Springs Visitors Guide"
Fall/Winter 1993/1994

TABLE 2

HOTEL/MOTEL INVENTORY IN THE
DESERT RESORT AREA
1993

City	Number of Rooms	Percent of Total
Palm Springs	6,850	44
Palm Desert	1,900	12
Indian Wells	1,500	10
Rancho Mirage	1,200	8
Indio/Bermuda Dunes	800	5
La Quinta	650	4
Cathedral City	600	4
Desert Hot Springs	200	1
Other Locations (1)	1,800	11
TOTAL	15,500	100

(1) Includes unincorporated areas and outlying communities

Source: Palm Springs Desert Resorts Convention and Visitors
Bureau and Harrison Price Company

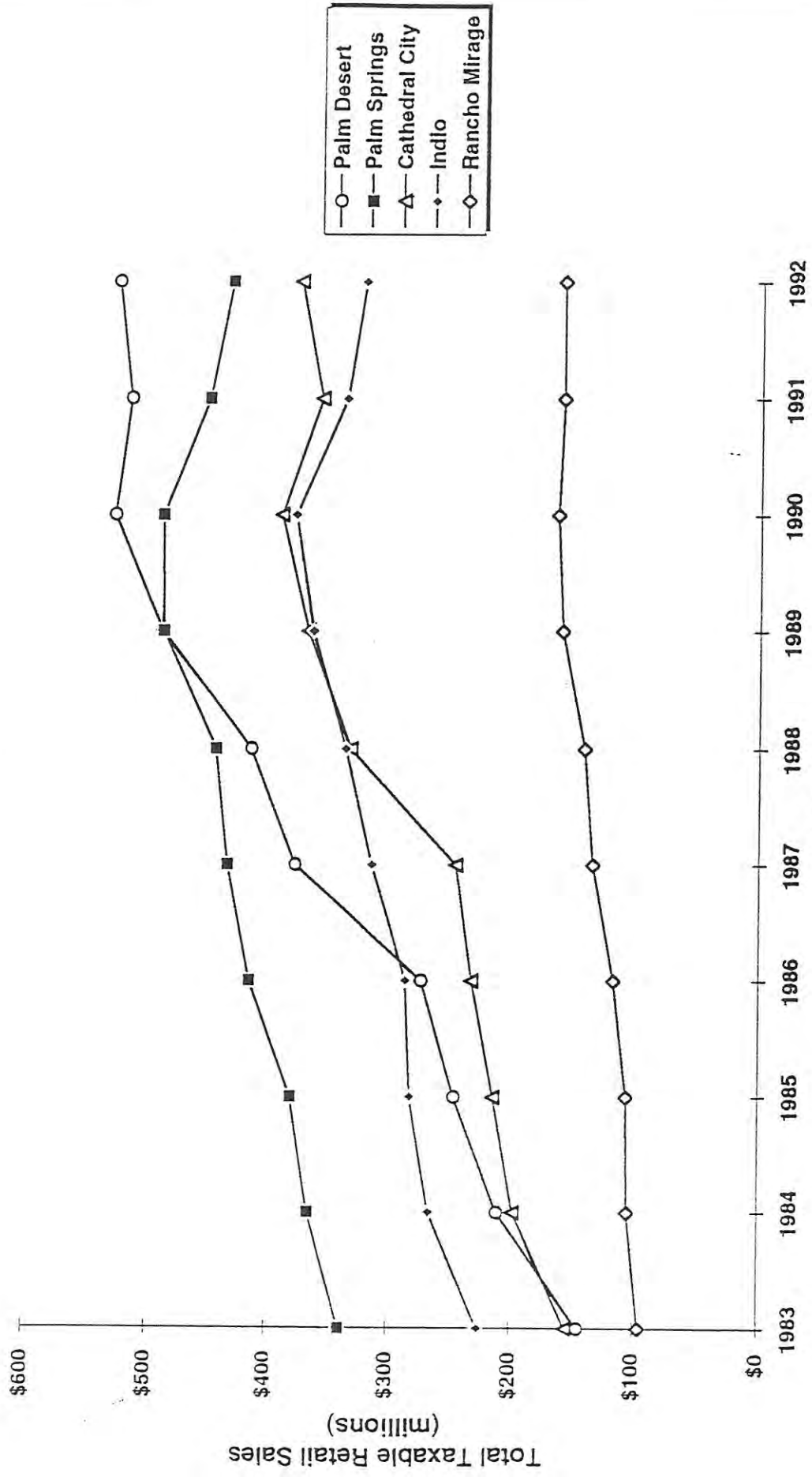
TABLE 3

RETAIL SALES VOLUME IN
DESERT RESORT CITIES
1983 - 1992

City	Total Taxable Retail Sales					
	1983		1993		% of Increase From 1983-1993	
	Dollars (Millions)	Percent	Dollars (Millions)	Percent		
<i>Eastern Area</i>						
Indio	\$ 226	21.3	\$ 299	14.0	32.3	
Coachella	\$ 44	4.1	\$ 81	3.8	84.1	
La Quinta	\$ 23	2.2	\$ 103	4.8	347.8	
Indian Wells	\$ 14	1.3	\$ 51	2.4	264.3	
Subtotal	\$ 307	28.9	\$ 534	25.0	73.9	
<i>Western Area</i>						
Palm Desert	\$ 145	13.6	\$ 600	28.1	313.8	
Palm Springs	\$ 339	31.9	\$ 395	18.5	16.5	
Cathedral City	\$ 155	14.6	\$ 385	18.0	148.4	
Rancho Mirage	\$ 95	8.9	\$ 172	8.1	81.1	
Desert Hot Springs	\$ 22	2.1	\$ 50	2.3	127.3	
Subtotal	\$ 756	71.1	\$ 1,602	75.0	111.9	
TOTAL	\$ 1,063	100.0	\$ 2,136	100.0	100.9	

Source: Employment Development Department
and Harrison Price

Figure 4
RETAIL SALES TRENDS IN SELECTED DESERT RESORT CITIES
1983-1992



Source: California State Board of Equalization and Harrison Price Company.

TABLE 4

**LEISURE TIME ACTIVITIES OF HOTEL/MOTEL VISITORS
PALM SPRINGS DESERT RESORTS 1995**

Leisure Time Activities	Percent
Shopping	67.1
Sun and Swimming	56.2
Golf	39.8
Sightseeing	37.2
Palm Springs Aerial Tramway	20.6
Night Clubs	19.3
Therapeutic Facilities	15.9
Tennis	15.0
Living Desert	14.3
Street Fairs	13.6
Desert Museum	12.8
Indian Canyons	10.4
Hiking	9.7
Sports Tournament Spectator	7.5
Bicycling	5.9
Live Theater	4.8
Oasis Water Park	4.5
Celebrity Tours	3.2
Indian Gaming	2.7
Horseback Riding	2.6
Camelot Family Fun	2.2
Jeep Tours	1.9
Moorten's Garden	1.6
Ballooning	1.5

Leisure Time Activities

Percent

Local Special Events

.0

Other

12.4

Source: The Palm Springs Desert Resorts Convention and Visitor Bureau

TABLE 5

INVENTORY OF CULTURAL/EDUCATIONAL ATTRACTIONS
IN THE DESERT RESORT AREA
1993

Attraction	Operating Schedule	Adult Admission Price	1992 Attendance (thousands)	Description
Palm Springs Aerial Tramway Palm Springs	All year	\$15.95	376	Tram to top of Mt. San Jacinto Restaurant and hiking trails
The Living Desert Palm Desert	September to mid-June	\$7.00	190	Nature center, walk-through aviary, zoological exhibits, visitor center
Camelot Park Cathedral City	All Year	Pay per use	n/a	Large family entertainment center
Palm Springs Desert Museum Palm Springs	Mid-September to June	\$5.00	136	Art and natural history museum Performing Arts theater
Indian Canyons Palm Springs	All Year (Prev. closed Jul-Aug)	\$5.00	80	Palm, Andreas and Murray Canyons Oasis along mountain streams
McCallum Theater Palm Desert	September to July	varies	90	Performing Arts theater (1,125 seats)
Oasis Water Park Palm Springs	Mid-March to October	\$16.95	n/a	Large water park
Heartland Museum of the Heart Rancho Mirage	All year	\$2.50	90	Interactive heart health education exhibits, theater
Cabot's Old Indian Pueblo Desert Hot Springs	All year	\$2.50	30	Indian and Eskimo art and artifacts, history exhibits

Attraction	Operating Schedule	Adult Admission Price	1992 Attendance (thousands)	Description
Hi-Desert Nature Museum Yucca Valley	All year	free	19	Nature trails, fluorescent mineral exhibit, audio-visual show
Moorfen's Botanical Garden Palm Springs	All year	\$2.00	n/a	Interpretive botanical exhibits, wedding garden
Coachella Valley Museum Indio	September to June	\$1.00	n/a	History exhibits, local artists gallery
Village Green Heritage Center Palm Springs	Mid-October to May	50¢ each building	n/a	Four historic buildings containing local history exhibits
Children's Museum of the Desert - Rancho Mirage	All year	\$2.00	7	Interactive art, science, and humanities exhibits for children

n/a means not available

Source: Harrison Price Company

TABLE 6

POPULATION TRENDS IN THE
DESERT RESORT AREA
1970-2014

Year	Permanent Resident Population (thousands)
1970 Census	108
1980 Census	167
1990 Census	274
1995 Estimated	347
2000 Projected	421
2005 Projected	800
2010 Projected	577
2014 Projected	655
Average Annual Rate of Increase	Percent
1980 - 1980	4.5
1990-1990	3.2
2000-2010	3.2
2010-2014	3.22

Source: Urban Decision Systems, Inc., Coachella Valley Association of Governments
and Harrison Price Company

TABLE 7

DISTRIBUTION OF POPULATION IN THE
DESERT RESORTS AREA
1970-1993

Percent of Permanent Resident Population

Postal Zip Code (1)	1970	1980	1990	1993
<i>Eastern Area</i>				
Indio/Bermuda Dunes	20.0	17.0	17.0	17.0
Thermal/Mecca	8.0	7.0	7.0	7.0
Coachella	8.0	6.0	6.0	6.0
La Quinta	.5	2.0	3.0	4.0
Indian Wells	.5	.5	.5	.5
Subtotal	37.0	32.5	33.5	34.5
<i>Western Area</i>				
Palm Springs	20.0	21.0	15.0	14.0
Palm Desert	8.0	10.0	12.0	12.0
Cathedral City	6.0	6.0	11.0	12.0
Rancho Mirage	3.0	4.0	4.0	3.0
Thousand Palms	.5	2.0	2.0	2.0
Desert Hot Springs	.5	.5	.5	.5
Subtotal	38.0	44.0	45.0	44.0
<i>Adjacent Areas (2)</i>	25.0	24.0	22.0	22.0
TOTAL	100.0	100.0	100.0	100.0

(1) Postal zones do not necessarily conform to city limits

(2) Includes Cabazon, Joshua Tree, Morongo Valley, Twenty-Nine Palms, Whitewater and Yucca Valley postal zones

Source: Urban Decision Systems, Inc. And Harrison Price Company

TABLE 8

AGE DISTRIBUTION OF THE
DESERT RESORT AREA POPULATION
1993

Age Group	Permanent Resident Population (thousands)	Percent of Total
Less than 5 years	28	9.3
5 - 17 years	52	16.8
18 - 24 years	30	9.7
25 - 34 years	48	15.6
35 - 55 years	39	12.6
45 - 54 years	28	9.1
55 - 64 years	27	8.9
65 years or more	55	18.0
TOTAL	307	100.0

Source: Urban Decision Systems, Inc. and Harrison Price Company

TABLE 9

HOUSEHOLD INCOME DISTRIBUTION IN THE
DESERT RESORT AREA
1993

Income Group	Permanent Resident Households (thousands)	Percent of Total
Less than \$10,000	14	12.6
\$10,000 - \$20,000	20	17.6
\$20,000 - \$35,000	27	24.0
\$35,000 - \$50,000	20	18.0
\$50,000 - \$75,000	17	15.6
\$75,000 - \$100,000	6	5.7
More than \$100,000	7	6.5
TOTAL	111	100.0

Source: Urban Decision Systems, Inc. and
Harrison Price Company

TABLE 10

MEDIAN AGE AND HOUSEHOLD INCOME
IN THE DESERT RESORT AREA
1993

Postal Zone (1)	Permanent Resident Population	
	Median Age (years)	Median Household Income
<i>Eastern Area</i>		
Indian Wells	55.8	70,765
La Quinta	30.4	41,098
Indio/Bermuda Dunes	29.3	32,936
Coachella	24.9	28,416
Thermal/Mecca	29.3	24,875
<i>Western Area</i>		
Rancho Mirage	57.7	48,467
Palm Desert	46.5	39,816
Cathedral City	31.6	34,896
Palm Springs	42.0	31,091
Thousand Palms	46.7	30,442
Desert Hot Springs	64.0	21,471
<i>Adjacent Areas</i>		
Whitewater	28.4	35,543
Morongo Valley	37.7	32,609
Twenty-nine Palms	25.6	26,798
Yucca Valley	42.3	26,437
Joshua Tree	39.2	24,070
Cabazon	35.3	18,558
TOTAL	33.2	32,291

(1) Postal zones do not necessarily conform to city limits

Source: Urban Decision Systems, Inc. and
Harrison Price Company

TABLE 11

ESTIMATED TOURISM TO THE
DESERT RESORT AREA
1991 through 1993

	Year		
	1991	1992	1993
Estimated Tourist Volume (thousands)			
Hotel/Motel Visitors	1,506	1,612	1,686
Non-Hotel Visitors	1,768	1,892	1,948
TOTAL	3,274	3,504	3,634
Estimated Tourist Expenditures (thousands)			
Hotel/Motel Visitors	\$605,144	\$648,158	\$678,000
Non-Hotel Visitors	\$392,496	\$420,024	\$431,000
TOTAL	\$997,640	\$1,068,182	\$1,109,000

Source: Palms Springs Desert Resorts Convention & Visitors Bureau

TABLE 12

DERIVATION OF THE
DESERT RESORT AREA TOURIST MARKET
1995

	Amount or Factor
Number of Hotel/Motel Rooms	15,500
Average Annual Occupancy Rate	57%
Number of Occupied Rooms - Daily Average	8,835
Annual Occupied Room-Nights (at 365 days)	3,224,775
Average Number of Persons per Room	2.0
Total Hotel/Motel Visitor-Nights	6,449,550
Average Length of Hotel/Motel Stay (nights)	3.0
Total Visitors in Hotels/Motels	2,149,850
Hotel/Motel Visitors as Percent of Total	56%
Total Visitors	3,839,018
Rounded to	3,800,000

Source: Palm Springs Desert Resorts Convention and
Visitors Bureau and Harrison Price Company

TABLE 13

PROJECTIONS OF OVERNIGHT VISITORS
PALM SPRINGS DESERT RESORTS

Year	Percent Increase	Overnight Visitors (000)
1995	5.6	3,800
1996	5.5	4,009
1997	5.4	4,225
1998	5.3	4,449
1999	5.2	4,681
2000	5.1	4,920
2001	5.0	5,166
2002	4.9	5,419
2003	4.8	5,679
2004	4.7	5,946
2005	4.6	6,219
2006	4.5	6,499
2007	4.4	6,785
2008	4.3	7,077
2009	4.2	7,374
2010	4.1	7,676
2011	4.0	7,983
2012	3.9	8,295
2013	3.8	8,610
2014	3.7	8,928
INCREASE		5,128

Source: Harrison Price Company

TABLE 14

DISTRIBUTION OF DESERT RESORTS AREA
TOURIST EXPENDITURES
1995

Type of Expenditure	Total Expenditures (thousands)	Average Expenditure Per Visitor (1)	Percent of Total
Lodging	\$ 377,000	\$ 99.21	27%
Food and Beverages	\$ 461,000	\$ 121.32	33%
Local Transportation	\$ 98,000	\$ 25.79	7%
Shopping	\$ 266,000	\$ 70.00	19%
Entertainment/Recreation	\$ 126,000	\$ 33.16	9%
Personal	\$ 28,000	\$ 7.37	2%
Miscellaneous	\$ 42,000	\$ 11.05	3%
SUBTOTAL	\$ 1,398,000	\$ 367.89	100%

(1) Based on the estimated 1995 visitor volume of 3.8 million

Source: Palm Springs Desert Resorts Convention & Visitors Bureau and Harrison Price Company

TABLE 15

AGGREGATE MARKET SUPPORT AVAILABLE TO
COACHELLA ENTERTAINMENT ZONE
1993-2000

Market Segment	Market Size (thousands)				
	1995	2000	2005	2010	2114
<i>Resident</i>					
Permanent	347	421	500	577	655
Seasonal	128	156	185	213	242
Subtotal	475	577	685	790	897
<i>Tourist</i>					
Total	4,275	5,477	6,904	8,466	9,825

Source: Harrison Price Company

TABLE 16

ORIGIN OF VISITOR
PALM SPRINGS DESERT RESORTS
1995

State or Region	Palm Springs Desert Resorts
California (net)	62.6
<i>Southern California</i>	
Los Angeles County	26.4
Orange County	10.9
San Diego County	9.6
Other Counties	4.1
SUBTOTAL	50.8
<i>Northern California</i>	
San Francisco County	6.9
Other Counties	5.1
SUBTOTAL	11.8
<i>All Other</i>	
Midwest	7.0
Southwest	6.4
Southeast	5.4
Pacific Northwest	4.5
Plains	3.4
South	3.2
South Atlantic	2.9
New England	2.4
Mountain	2.2
SUBTOTAL	37.4

Source: The Palm Springs Desert Resorts Convention and Visitor Bureau

TABLE 17

PURPOSE OF VISITS
 PALM SPRINGS DESERT RESORTS
 1995

Purpose of Visit	Percent
Pleasure or Vacation	59.4
Convention	16.4
Vacation and Business	10.9
Business	5.1
Visiting Relatives	2.3
Group Incentive	1.2
Passing Through	.7
Other	4.0
TOTAL	100.0

Source: The Palm Springs Desert Resorts Convention and Visitor Bureau

TABLE 18

CITIES VISITED
AND CITIES TO STAY
PALM SPRINGS DESERT RESORTS
1995

Cities	Visited (Percent)	Future Stay
Palm Springs	32.3	22.5
Palm Desert	24.5	19.3
Rancho Mirage	13.4	9.5
Indian Wells	9.8	5.8
La Quinta	7.2	4.4
Cathedral City	2.8	1.5
Indio	1.2	.7
Desert Hot Springs	1.0	1.3
Other	8.5	35.0
TOTAL	100.0	100.0

Source: The Palm Springs Desert Resorts Convention and Visitor Bureau

TABLE 19
 EXPENDITURES
 PALM SPRINGS DESERT RESORTS
 1995

Item	Daily Per Capita Expenditures	Percent
Hotel Room	\$ 69.20	43.8
Restaurants	\$ 44.08	25.9
Retail Purchases	\$ 18.96	12
Entertainment/Recreation	\$ 16.27	10.3
Local Transportation/Auto Rental	\$ 7.11	4.5
Personal Services	\$ 3.00	1.9
Other	\$ 2.54	1.6
TOTAL	\$ 158.00	100

Source: The Palm Springs Desert Resorts Convention and Visitor Bureau

TABLE 20

POTENTIAL USES IN THE
COACHELLA ENTERTAINMENT ZONE

Accommodations

- Full service resort hotels
- Limited service hotels and motels
- Recreation vehicle parks
- Condominium hotels
- Timeshare hotels/condos

Retail and Restaurant

- Mexican Village festival center
- Specialty shop and restaurant clusters
- Outlet mall
- Arts and crafts pavilion
- Restaurant row
- Farmer's market

Outdoor Recreation/Entertainment

- Golf courses and driving ranges
- Water park
- Family entertainment center
- Tennis camp
- Multi-sport complex
- Amphitheater
- Equestrian center
- Swimming

Indoor Recreation/Entertainment

- Movie theaters (including Spanish language)
- Casinos
- Dinner theater
- Music theaters (Hispanic performers)
- Nightclubs/dance halls

Other

- Agribusiness visitor centers (citrus-dates)

Source: Harrison Price Company

TABLE 21
POTENTIAL USES IN THE COACHELLA ENTERTAINMENT ZONE

	Units	Acres
Total Acreage		2,000
Roads, Parks, Paths, ROW, etc.	35%	700
Lakes, Fountains, Water Features	allocated	150
Golf Courses	54 holes	600
Full Service Resort Hotels	1,600 rooms	64
Limited Service Hotels and Motels	800 rooms	32
Condominium Hotels and/or Timeshares	1,000 room equiv.	40
Recreation Vehicle Parks	750 spaces	50
Retail		
Specialty Shops	100,000 sq. ft.	10
Outlet Mall	125,000 sq. ft.	12
Restaurants	250,000 sq. ft.	25
Outdoor Recreation/Entertainment		147
Attractions	allocated	25
Participant Sports	allocated	50
Equestrian Center	allocated	20
Amphitheater	8,000 capacity	30
Other	allocated	22
Indoor Recreation/Entertainment		105
Casinos	2	50
Movie Theaters	1,200 seats	6
Dinner/Music Theaters	6,000 seats	24
Nightclubs/Dance Halls, etc.	allocated	15
Other	allocated	10
Agribusiness Visitor Centers		10
All other - unallocated		55

Source: Harrison Price Company