



## State plans to let MLB stadiums, Disneyland reopen

INSIDE, 2A

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# The Desert Sun

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### CORONAVIRUS PANDEMIC

## 5 Coachella Valley cities on vaccine priority list

State to set aside doses for nearly 30 ZIP codes in Riverside County

**Kristin Scharkey**  
Palm Springs Desert Sun  
USA TODAY NETWORK

California has changed its COVID-19 vaccine rules again, with officials saying they will now target the state's most at-risk ZIP codes for doses — including several in the Coachella Valley — in an effort to get the state's economy open more quickly.

About 40% of doses will be spread out among more than 400 ZIP codes with about 8 million people eligible for shots, said Dr. Mark Ghaly, the state's health and human services secretary.

Several of those neighborhoods are located in five Coachella Valley cities, including Cathedral City, Coachella, Desert Hot Springs, Indio and north Palm

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### VALLEY ARENA PROJECT



A rendering shows the exterior of the Coachella Valley arena proposed for the Palm Desert area. COURTESY OF POLOUS/OAK VIEW GROUP



The Indian Wells Tennis Garden sits largely vacant Thursday going into what is typically a bustling time of the year at the home of the BNP Paribas Open. JAY CALDERON/THE DESERT SUN

## Another March without the BNP Paribas Open

**Andrew L. John** Palm Springs Desert Sun | USA TODAY NETWORK

**T**ee Jones has attended the BNP Paribas Open for decades, watching the best tennis players in the world from the prime box seats her husband's family has held since the tournament moved in 1976 from Tucson, Ariz., to Mission Hills Country Club in Rancho Mirage.

The seats moved a few years later to La Quinta Resort & Club, then to the Hyatt Grand Champions Resort & Spa in 1987. The seats changed locations one final time in 2000 to what is now Stadium 1 of

the Indian Wells Tennis Garden, where they are now next to tournament owner Larry Ellison's Champions Box.

**See TENNIS, Page 6A**

## Economy could see boost from proposed arena, but how much?

**Andrew L. John**  
Palm Springs Desert Sun  
USA TODAY NETWORK

Oak View Group, the Los Angeles-based company hoping to build a \$250 million arena in the Coachella Valley with private financing, is touting an economic impact of hundreds of millions initially. But at least one local mayor is skeptical, saying sports arena projects are notorious for "over-promising" and "under-delivering."

The proposed arena that could break ground near Palm Desert this spring is expected to host as many as 180 events per year. That kind of activity has the potential for an annual attendance of more than 1 million, and some believe it could have a significant eco-

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**EDITOR'S NOTE:** The Desert Sun is partnering with Oak View Group for an informational webinar series called "Valley Arena Project." The arena series will focus on various aspects of the new sports and entertainment facility that, pending approval by Riverside County, will begin construction this spring, including design, construction and the various sports and music tenants.

Check out the third installment Monday at [desertsun.com](https://desertsun.com) with The Desert Sun's Andrew John, who interviews Dan Barrett and Josh Cohen of CAA ICON to hear what they have to say about the detailed economic impact report their company provided Oak View Group for this project.

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## Gates open for pedestrians

Starting this week, pedestrians will be able to access several residential cul-de-sacs from Chuckwalla Road in the El Mirador neighborhood in Palm Springs for the first time in over 30 years. VICKIE CONNOR/THE DESERT SUN

### USA TODAY

## Solid hiring stirs hope for economic recovery

U.S. employers added a surprisingly robust 379,000 jobs last month in a sign the economy is strengthening as virus cases drop, vaccinations ramp up, Americans spend more and states ease business restrictions. The February gain marked a sharp pick-up from the 166,000 jobs that were added in January and the loss of 306,000 in December. **9A**

## Some fans at DSUSD sports

There will be some fans — parents or guardians to be specific — who will be allowed to attend high school sporting events in the Desert Sands Unified School District, according to information released by the district Friday. **Sports, 1B**

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A rendering shows what the inside of the forthcoming Coachella Valley arena will look like during live performances. IMAGES COURTESY OF POPULOUS/OAK VIEW GROUP

# Arena

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conomic impact in the valley.

By comparison, the BNP Paribas Open set a record in 2019 with 475,372 attendees for the Coachella Valley’s two-week professional tennis tournament. A 2017 study by the Greater Palm Springs Convention and Visitors Bureau estimated that the Indian Wells tournament has a local economic impact of \$406.6 million.

The Coachella Valley Economic Partnership conducted a similar study a year earlier on the Coachella Valley Music and Arts Festival, which averages around 540,000 attendees for its pair of three-day weekend concerts. CVEP projected that the event brings around \$600 million to the local economy.

Oak View Group paid for a study that predicts an initial \$200 million economic impact, hundreds of new jobs and a \$32 million annual economic impact.

Construction may begin on the arena this spring on 43.35 acres of unincorporated land near Palm Desert and Thousand Palms, pending Riverside County approval. It is slated to seat 9,918 people for hockey, 10,816 for basketball and 11,679 for concerts. The project will be presented to the Riverside County Planning Commission and then the Board of Supervisors for approval. Meeting dates have not been set.

The Planning Commission will evaluate the environmental effects of the arena to ensure it meets county requirements, and to assess how the project will affect local traffic, air quality, noise and water, Riverside County Supervisor V. Manuel Perez said.

OVG has filed planning documents with Riverside County, which were first published by The Desert Sun on Feb. 15.

Charissa Leach, the assistant director of the Transportation and Land Management Agency, said that the county approval process for the arena has so far gone smoothly. She said that after an environmental analysis is completed, the project will be presented to the Thousand Palms Community Council for comment. It will then be heard at a public hearing in front of the Planning Commission, which will then decide whether to make a recommendation to the Board of Supervisors for final approval.

“It seems like they’re putting it all together,” Perez said, “and quite frankly it would be an awesome project for the valley, for the region, for the County of Riverside. My hope is that it does happen, and I’m optimistic that it will.”

Perez said that he hopes the project also will aid the Palm Desert satellite campus of Cal State San Bernardino, which is currently lobbying to become a stand-alone campus. He believes the arena could provide hundreds of part-time jobs for students and that there could be an opportunity for new housing and perhaps commercial development in the surrounding area of where the arena would be built, north of Interstate 10, next to Classic Club golf course.

Palm Desert city councilmember Gina Nestande shares that vision.

“Not only do we already have buildings built,” Nestande said of the CSU branch campus, “we’ve got the land and if we have an adjacent sports arena, I just think it helps make our case. I see a lot of benefits there.

“I see this as a win-win for the valley.”



A map shows the location of the forthcoming Coachella Valley arena in the Palm Desert area that is scheduled to be completed by the fourth quarter of 2022.

## Palm Desert mayor expresses concerns

Nestande’s colleague in Palm Desert, Mayor Kathleen Kelly, remains skeptical that the arena project will be a massive boon for the local economy. Kelly said that she’s interested in hearing more about the project before making any grandiose declarations.

She described some of the early optimism over the project as a bit “fanciful.”

“Sports arenas are pretty notorious for over-promising and under-delivering positive economic impacts for the surrounding community,” Kelly said. “So, I do have to look at the proposal with some skepticism.”

Kelly said that it is not yet clear to her how the presence of the arena would directly benefit Palm Desert or other surrounding cities. She said that she believes it could drive people away from area restaurants and to arena concessions if they’re attending a sporting event or concert. Sales tax for those meals would then go to the county, not the city.

She also wonders if the arena would limit hotel occupancy for visitors who travel to the valley for days or weeks to play golf, attend weddings or to simply escape harsh winters. Those visitors, Kelly said, usually spend money throughout the valley and not just at one place for one or two days.

“A mere fact of an event potentially drawing people to the desert isn’t always net-positive,” Kelly said. “I’m not saying I’m opposing it or against it, but I want more information.”

**The arena being privately funded makes it unique**

For years, there was a prevailing opinion that stadiums and arenas created considerable positives for local economies through job creation and increased spending through tourism over the long run.

However, several studies of local economic impact of publicly funded stadiums and arenas show that the economic boost doesn’t typically match what taxpayers put into it. In some cases, it can actually be quite expensive to a community.

Having a 100% privately funded arena is a bit different, though. Because it is rare for an arena of this size to be entirely privately funded, it is difficult to find a comparison. But experts say that it could be a benefit to the community

without a financial burden to taxpayers, as experienced in communities with publicly funded stadiums and arenas.

Joe Wallace, the chief executive officer of Coachella Valley Economic Partnership, recalls how disastrous the 10,000-seat Ford Center has been in his hometown of Evansville, Ind. Taxpayers will pay for the arena until 2039, and for years it operated at a loss, according to a 2017 story by the Evansville Courier & Press.

Wallace doesn’t have those same concerns with this Coachella Valley arena project.

“These guys want to do it with their own money,” Wallace said. “They’ve got the land, they’ve got the money — it’s their money at risk, not taxpayer dollars. So, let’s get on with it and see what happens.”

Wallace added, “If they put their money, and their investors’ money, into it and make a success of it, more power to them. We need more profitable companies out here.”

The arena is expected to generate \$60.5 million in direct tax impacts for the county over the next 50 years, according to OVG, which does not include indirect and induced spending or the property tax that will be allocated to Palm Springs Unified School District, College of the Desert and Coachella Valley Water District.

The operation of the arena also will generate transient occupancy and sales tax revenue for the surrounding Coachella Valley cities, Perez said. It is unclear how much tax revenue the arena would generate for the county.

**Project moved to mid-valley after tribe withdrew**

The arena was originally planned for downtown Palm Springs, with OVG partnering with the Agua Caliente Band of Cahuilla Indians to use tribal land for the site. The project was expected to be an economic boost for tourism in the city, with restaurants, hotels, casinos and a convention center already nestled in the downtown area.

But a myriad of community concerns including but not limited to traffic, parking and arena aesthetics persisted. The tribe backed out of the project last year, after more than a year of working with OVG.

Agua Caliente Chairman Jeff Grubbe said in a news release last September that the tribe “re-evaluated its economic development priorities” during the

ongoing pandemic and opted to instead focus on its new casino in Cathedral City and cultural center in downtown Palm Springs.

Tim Leiweke, OVG’s chief executive offer, didn’t want the project to die, and a new arena location was found in the mid-valley. The arena will be built on land that is being leased from the H.N. & Frances C. Berger Foundation, a local nonprofit. Live Nation Entertainment, a leading global event producer, remains a partner on the project.

If all goes as planned, it will be more than three years from the initial announcement of the arena to its completion in the fall of 2022.

“We’ve been very focused on making sure we do this right,” Leiweke said.

Leiweke said that there’s a part of his heart that is still broken that OVG and the tribe were unable to complete the arena in downtown Palm Springs but added that being in the mid-valley provides benefits that he had not previously explored.

“Can we take the tennis tournament and maybe add to the two weeks of the tennis tournament, with some musical activity?” Leiweke said. “We take the golf, with American Express, and maybe open the event with some music at the arena? Can we take the down nights of Coachella or Stagecoach and add to the amount of people coming to the Coachella Valley?”

Perez, the county supervisor, is among those who believe all of that is possible. He said that funding is often the biggest stumbling block to these projects materializing, and believes that is a non-issue with OVG, which was founded in 2015 by Leiweke and music mogul Irving Azoff.

The company has completed several arena projects around the country, including the rebuild of Key Arena in Seattle to what is now called Climate Pledge Arena. The venue will open in June, following a \$930 million rebuild, and will be home to the Seattle Kraken of the NHL.

The Kraken’s American Hockey League affiliate will be located in the Coachella Valley and will begin play in October 2022, provided an arena is completed by the start of the season. The team would play 38 home games annually at the venue.

**Tourism and jobs**

Scott White, the chief executive officer of the Greater Palm Springs Convention and Visitors Bureau, said that his office already does a significant amount of marketing in the Pacific Northwest, the Midwest and Canada. This arena would assist in that promotional effort.

“These regions love hockey and the arena will give us another visitor experience to promote,” White said. “Also, the live music options in this perfect size venue will draw people to the area and positively impact our hotel occupancy.”

In terms of tourism, White added, “the arena is a critical component of our future success.”

The arena is being promoted as a way to bring year-round entertainment dollars to the valley, as opposed to events that bring revenue for a few days or weekends a year, such as the BNP Paribas Open, the American Express and ANA Inspiration golf tournaments, Palm Springs International Film Festival and Coachella and Stagecoach music festivals.

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# Vaccine

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Springs. Unincorporated communities in and around the desert, such as Mecca and Thousand Palms, are also included. The areas are considered most vulnerable based on metrics such as household income, education level, housing status and access to transportation. Once 2 million vaccine doses are given out in those neighborhoods, the state will make it easier for counties to move through the tiers that dictate business reopenings. About 1.8 million vaccine doses already have been given to people in those ZIP codes, according to the state’s vaccine dashboard. The state likely will hit the 2 million mark in the next week or

two, officials said. Residents in these neighborhoods can book vaccine appointments at clinics run by Riverside County or through community providers. Additionally, there is a vaccination site run by the California company Curative at the Palm Springs Convention Center as well as a site run by OptumServe in Desert Hot Springs. Eligible residents include health care workers, seniors over the age of 65, and essential workers in education, food and agriculture, and emergency services. A list of appointments at county-run clinics, as well as a list of community providers, is available at [rivcoph.org/COVID-19-Vaccine](http://rivcoph.org/COVID-19-Vaccine). Seniors are encouraged to call 2-1-1 if they need assistance, or (951) 329-4703. *Associated Press contributed to this report.*

## Zip codes

Here are the communities where vaccines will be prioritized in Riverside County, according to a list provided to The Desert Sun by Darrel Ng, senior communications advisor for California’s COVID-19 Vaccine Task Force.

<b>Anza:</b> 92539	<b>Mecca:</b> 92254
<b>Banning:</b> 92220	<b>Moreno Valley:</b> 92551; 92553
<b>Blythe:</b> 92225	<b>Nuevo:</b> 92567
<b>Cabazon:</b> 92230	<b>Palm Springs:</b> 92258
<b>Cathedral City:</b> 92234	<b>Perris:</b> 92570; 92571
<b>Coachella:</b> 92236	<b>Riverside:</b> 92501; 92507
<b>Desert Hot Springs:</b> 92240; 92241	<b>Rubidoux:</b> 92509
<b>Green Acres:</b> 92545	<b>San Jacinto:</b> 92583
<b>Hemet:</b> 92543; 92544	<b>Thermal:</b> 92274
<b>Homeland:</b> 92548	<b>Thousand Palms:</b> 92276
<b>Indio:</b> 92201	<b>Whitewater:</b> 92282
<b>Lake Elsinore:</b> 92530	



A rendering shows the exterior of the forthcoming Coachella Valley arena. RENDERINGS COURTESY OF POPULOUS/OAK VIEW GROUP

# Arena

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“Well, if they’re anywhere close to their estimates — 100 events; 10,000 people,” said Tom Chang, an associate professor of finance and business economics at USC. “That’s a million people visiting a year. That’s more than BNP.” Though no independent studies of the economic impact of the project have been done, OVG has paid for one to be completed. That study was completed by CAA ICON, an advisory firm that provides consulting for sports and entertainment venues. CAA ICON’s report estimates that \$200 million coming into the valley during construction, with \$80 million in labor income and \$120 for construction materials in the county. The build also will provide temporary employment for approximately 1,400. It is estimated that 420 more part- and full-time jobs — for ushers, ticket sales, concession workers and security — will materialize once the build is complete. It is unclear exactly how many jobs are created as a result of the professional sports tournaments in Indian Wells, La Quinta and Rancho Mirage and music festivals in Indio. Of course, not all of the revenue the arena will generate will come from visitors from outside the Coachella Valley. Josh Cohen, a CAA ICON vice president, estimates at least \$21 million in annual new spending will enter the valley from visitors who come solely to the arena. That does not include ticket revenue. They’ll come, Cohen said, and likely book a hotel, eat at a restaurant and visit bars and retail establishments. “There’s plenty of reason to come to the Coachella Valley,” Cohen said, “but they may come specifically for a concert or for a



A rendering shows the exterior. It is estimated that 420 more part- and full-time jobs — for ushers, ticket sales, concession workers and security — will materialize once the build is complete..

trading event or tournament. They’re going to come to the market and spend money.” Dan Barrett, another CAA ICON vice president, added that the facility offers an improved quality of life in the community, and events that the valley does not currently have year-round. “Residents can rest assured that this is a pretty good deal from their perspective,” Barrett said. Chang, the USC professor, believes that that may be true. “Someone coming into an area and spending \$250 million is almost assuredly good for the local economy, even if they were just paying people to dig

holes in the ground and then fill them back up again,” Chang said. “The fact that the area will continue to bring in revenue after completion is even better. “If this is indeed all private money with no tax incentives, etc., then really the only downside is if it crowds out something better.”