



Coachella Valley secures DVL title with win over Indio

SPORTS, 1B

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An Amazon fulfillment center is seen under construction at 35800 Date Palm Drive on Tuesday in Cathedral City. The \$40 million project occupies a former Sam's Club building that has been vacant for 16 years.

ANDY ABEYTA/THE DESERT SUN

\$40M AMAZON FACILITY NEARS COMPLETION

City, others hoping for economic boost from e-commerce titan

James B. Cutchin

Palm Springs Desert Sun
USA TODAY NETWORK

One of the world's largest companies is nearly finished with work on a roughly \$40 million investment in a long-vacant and much vandalized building in Cathedral City.

E-commerce titan Amazon has been transforming a former Sam's Club on Date Palm Drive – which has sat largely unoccupied and decaying for more than 16 years – into a last-mile delivery facility. When finished, the site will serve as a final local stopover point for products bought through Amazon, transferring seven tractor-trailer-loads of goods each day into a fleet of delivery vans bound for customers across the Coachella Valley.

The site is set to be operational sometime in early November, according to Cathedral City staff.

City officials and economic development ex-

perts say the site could help diversify the local economy, bring entry-level jobs and boost the likelihood of filling other vacant commercial buildings in the area. Studies commissioned by the project's developer suggest the noise impact on nearby residences, as well as the impact on traffic in the area, will be limited.

At least some residents and businesses agree with the city's bright outlook for the project, expressing hope that it will bring new job opportunities and more business to their community.

Fighting blight

The Amazon facility is part of a yearslong initiative led by Stone James, Cathedral City's director of economic development. James joined the city in 2017 with orders to, among other things, find ways to fill vacant commercial buildings scattered throughout the area.

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This is the former Burlington Coat Factory building on Date Palm Drive and Gerald Ford Drive on Wednesday. The site has sat empty for nearly four years after the big-box retailer left in early 2018.

JAMES B. CUTCHIN/
THE DESERT SUN

Indian Wells sees uptick in auto thefts; burglaries drop

City has some of the lowest crime rates of the Coachella Valley

Christopher Damien and Sherry Barkas

Palm Springs Desert Sun
USA TODAY NETWORK

Indian Wells continues to have some of the lowest crime rates in the Coachella Valley, even while the small city has seen upticks in some violent crimes in recent years, according to an analysis of 10 years of crime statistics.

While the city reported one of only two homicides of the past decade in 2020, Indian Wells has not seen the same historically high numbers of homicides that other Coachella Valley cities have seen in recent years. The city had no homicides from 2015 until 2020.

Aggravated assaults are on the rise in the city in recent years. Both 2019 and 2020 saw aggravated assaults totals – 10 and 11 respectively – that are more than double the decade average of four.

The city, however, has not publicly reported any aggravated assaults so far in 2021.

Indian Wells City Manager Chris Freeland said the city's residents benefit from a prevalence of gated communities and homeowners' associations with private security teams, but added residents also can increase safety by ensuring their valuables are secured.

"We really want to stress to residents, to lock your doors and windows at night or when you leave your

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Tamale fest back in Dec.

The International Tamale Festival will return to Indio during the first weekend of December after being canceled in 2020. DESERT SUN FILE PHOTO

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Biden meets with leaders over Iran nuke program

As the president works to revive the 2015 Iran nuclear deal, he meets with the leaders of three European allies in Rome to discuss a resolution in the Middle East. This comes as Iran continues to enrich uranium to near-weapons-grade levels. **19A**

Biden wants \$15B to cut wildfire risk in forests

The president released a legislative package to spend the next decade helping make forests less combustible in California and other states. Although Biden's overall spending plan is about half his original \$3.5 trillion proposal, it does appear to be a substantial increase in the federal government's commitment to the state's forests. **13A**

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Amazon

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Many of the buildings are former big-box retail stores, such as the erstwhile Burlington Coat Factory adjacent to the Amazon site and the former Ace Hardware near the intersection of Date Palm and 30th Avenue. Many locations with high concentrations of large retailers have struggled nationwide over the last decade amid growing competition from e-commerce businesses such as Amazon.

“(Big-box retail) is an outdated business model,” said James, “at least in the frequency and potentially even the size” seen in the sector in the past.

The former Sam’s Club building at the corner of Date Palm and Converse Road has been a particularly prominent local example of this phenomenon. According to the city, the property went through hundreds of failed attempts at finding a tenant or buyer after the Sam’s Club closed in 2006. The site became a magnet for criminal activity over the time it was vacant, drawing more than 800 police calls – which cost taxpayers nearly \$58,000 – according to the city.

“Anything of value had been pulled out of the building” by thieves, James said.

He recounted the story of one individual who broke into the building through the roof and was unable to find a way out. By pure coincidence, James said, a code enforcement officer who happened to be in the area heard the intruder calling for help.

“Who knows what would have happened – it certainly would not have been a good outcome – if they had not heard him,” James added.

These issues created an economic “blight” on the area, according to a city presentation on the Amazon project, dragging on property values and business revenues.

“There’s a lot of little places (along Date Palm Drive) that have had businesses in them before that they (don’t now),” said Joe Wallace, CEO of the Coachella Valley Economic Partnership, a group that promotes economic development and diversification.

The former Burlington Coat Factory building immediately to the south of the Amazon site has sat empty since that business closed its doors in early 2018. Wallace and James expressed hope that having a tenant like Amazon next door would help get that building and others in the area filled.

“When blight starts, blight is contagious,” said Wallace. “But fixing things up is also contagious.”

“I’ve seen this happen here; I’ve seen it happen other places,” Wallace added. “You get some big place in there that has a lot of activity ... you never know, that whole street might start to clean up.”

James noted that the city has already had some success filling other former big-box stores in the area, such as the former Ace Hardware further north on Date Palm. That store was replaced by a Grocery Outlet in June, creating what James described as a “big win” for that area and the “food desert that exists on the northeast side of town.”

Jobs, noise and traffic impacts

Discussions for the Amazon project began in early 2020, according to James, arising out of conversations with commercial real estate brokers around potential uses for the site.

These eventually culminated in a detailed plan for the project, which was presented during a Feb. 3 hearing of the Cathedral City Planning Commission. The more than 400-page document discussed publicly prior to the project’s approval does not mention Amazon’s name.

Amazon did not respond to multiple requests for comment, but James said that not disclosing a company’s name prior to city approval was not uncommon in projects involving very large businesses. He said the anonymous process was done primarily to prevent real estate price gouging and to shield a company from individuals who may protest a project for reasons unrelated to its objective merits.

James said some parties who realize that a buyer with very “deep pockets” is interested in purchasing their property may raise the price on that basis alone. He said that people who have objections to a particular brand may try and block the project without any thought for the actual impact on the community, using the example of Lowe’s home improvement stores as a stand-in for Amazon.

“It could be a great project; it could be totally fitting for the area,” James said. “But because someone had a bad experience at Lowe’s now they’re going to stand up and object to the use. I think Lowe’s may say, ‘Why would we subject ourselves to that risk?’”

“They’ll fully disclose all of the details, so they’re not trying to fool anyone,” James said. “It’s just, I think in their mind, a private matter.”

According to the planning documents, the developer is investing approximately \$25 million to renovate the facility – a number James said could range as high as \$30 million. This in-



Construction crews work outside of the Amazon fulfillment center project at 35800 Date Palm Drive on Tuesday in Cathedral City. The \$40 million project occupies a former Sam’s Club building that has been vacant for 16 years.

ANDY ABEYTA/THE DESERT SUN



The manager for the Casa Blanca Restaurant on Date Palm Drive says it has already seen a boost in business from the Amazon workers’ presence. JAMES B. CUTCHIN/THE DESERT SUN



This is the Terracina Apartments on Converse Road in Cathedral City on Wednesday. The new Amazon delivery facility, visible to the right of the housing, has some residents hopeful about the prospect of new jobs.

JAMES B. CUTCHIN/THE DESERT SUN

cludes demolition of portions of the main building and a detached building on the property, demolition and reconstruction of the parking lot and refurbishment of the buildings after years of vandalism and disuse. The purchase price of the facility was not disclosed, but property records show that a company registered to the founder of the project’s developer, Wilbur H. Smith III of Greenlaw Partners, bought it for \$13.75 million in March.

Taken together, this suggests that Amazon spent roughly between \$40 million and \$45 million on the basic facilities for the delivery center alone.

The site was originally slated to open in October, but that target has since been pushed back to early November amid water connection issues with the Coachella Valley Water District, according to Cathedral City staff.

According to the project plans, the site will employ 152 employees in a 24/7 operation. Seven tractor-trailers will arrive at various times between 10 p.m. and 8 a.m., carrying Amazon packages that will then be sorted and loaded into a fleet of “up to” 60 delivery vans. These will then carry the Amazon packages to their final destinations at addresses across the Coachella Valley.

Cathedral City is hoping that many of these 152 jobs will go to residents of the area surrounding the Amazon facility. More than a quarter of residents in the project’s census tract live below the federal poverty line, according to census data. A low-income housing development, the Terracina Apartments, sits on the eastern border of the site.

“Those are jobs that are going to vary in income levels,” James said. “Certainly you know that some of the income levels are on the lower end of the spectrum.”

“But what I think is meaningful about that is that those jobs are going to come with medical benefits, they’re going to come with 401(k),” James said, adding that the workers would be eligible for Amazon’s “Career Choice” program. That program, which covers 100% of tuition for diplomas and certificates in certain fields of study, is part of Amazon’s bid to lure in workers amid an ongoing tight labor market nationwide. Walmart and Target rolled out similar tuition-coverage programs earlier this year.

“Educating our workforce is so critically important within our city – really within any city – because the more educated workforce that we have collectively in the valley, the more companies we’re going to be able to attract on a regional basis,” James said.

The possible trade-offs for the jobs, including noise and traffic impacts from the facility, should be limited, according to James and studies commissioned by the project’s developer.

A sound study commissioned by the developer found that most noise impacts on the area would not be significant. One exception was the noise impact on the residential community to the southeast of the facility created by tractor-trailers entering and leaving at night. The study found that the increases to existing noise levels in the area – known as ambient sound – would, in this instance, be considered “significant” by city standards.

The study reasoned, however, that since these ambient sound measurements had been taken during the COVID-19 pandemic, actual ambient sound would be higher during normal years, nudging the noise impact out of the city’s defined “significant” range in that instance.

A traffic study commissioned by the project’s developer estimated that the site will generate about 250 total vehicle trips in and out of the facility per day. It estimated that most of these would come on Date Palm Drive, with 42% of drivers accessing Date Palm via I-10, 41% via East Palm Canyon Drive with the remaining trips split between East Ramon Road (8%), Dina Shore Drive (6%) and Gerald Ford Drive (3%).

The study determined the conditions created by the COVID-19 pandemic made it impossible to get an accurate baseline of existing traffic in the area during the study and so used a theoretical model of traffic in the area as a baseline. It concluded that the existing transportation infrastructure in the area could “adequately accommodate site traffic.”

James said the traffic impact from the Amazon facility would also be far less than traffic generated by the building’s prior use as a Sam’s Club. He noted that, in alignment with the public project plans, traffic to and from the facility would be concentrated outside of peak morning and evening hours. He also said that drivers from the facility would be instructed to use larger thoroughfares such as Date Palm Drive and East Palm Canyon Drive as much as possible, even if it meant longer travel times.

Area residents and businesses optimistic

At least some residents and businesses shared James’ optimism for the project.

Beatriz Meza, a resident of the Terracina Apartments, said she was generally happy about the new Amazon facility across from her home. Meza said she was unconcerned about noise from the site and, although she had some concerns about possible impacts to traffic, she indicated that the prospect of the new jobs outweighed those worries. She said she was considering seeking employment at the Amazon facility herself in the near future.

Maria Carias, manager of the Casa Blanca restaurant – which sits immediately adjacent to the Amazon site – said she had already seen a boost in business in recent months from the construction workers building the facility.

She also said it was good to have the neighboring building filled after “lonely” years situated between the decaying former Sam’s Club and the still-vacant ex-Burlington Coat Factory building. The restaurant manager said she was expecting to see a sustained boost in business from workers at the new Amazon facility.

“We’re so excited for it,” she said.

James B. Cutchin covers business in the Coachella Valley. Reach him at james.cutchin@desertsun.com.