

## Indio Redevelopment Agency to add to its holdings

### Some residents question use of funds in downturn

Xochitl Peña • The Desert Sun • May 17, 2010

The Indio Redevelopment Agency owns more than 40 percent of the properties in the downtown area and has plans to further increase its holdings.

The City Council recently approved purchasing a 7,225-square-foot building near the corner of Miles Avenue and Smurr Street for \$350,000 and is in the process of appraising the Indio Senior Center for purchase as well.

"We are land-banking the properties to use as a future resource for development that will create jobs, increase investment in the city and help stimulate economic recovery," said Chris Escobedo, senior management analyst with the city.

Still, some residents are skeptical of the planned purchases at a time when the city is looking at ways to cut costs to deal with a general fund budget deficit.

"I think these things should be very closely considered. We know the income has all gone down, and expenditures must shrink," resident John Bingham said.

Mariano Aguirre, development manager with the city, said the Redevelopment Agency got a "good deal" on the purchase price. The original appraisal came in at \$800,000, he said.

The property will be paid for out of the Redevelopment Agency's Fund B account, which has a balance of \$5.6 million. It won't affect the city's general fund budget, which faces a \$5.4 million deficit.

"We have a lot of ideas on how to subdivide this property," Aguirre said. "We think in the long run it will pay dividends."

The building to be purchased is owned by Bill and Carolyn Tanghe, owners of several businesses in

downtown, including The Design Collection & Upholstery Outlet and Johnson Old Town Photo. It is adjacent to a park lending itself to unique uses, Escobedo said.

"As the economy improves and we are able to find restaurant uses and specialty retailers, we plan to cut openings in the building on the park side and have indoor/outdoor patio areas open up onto the park," he said.

The city is landlord to many buildings downtown, including a café, performance theater, museum, soon-to-be art gallery and Greyhound Bus station.

Beautification efforts in the downtown area that include new streets and landscaping have spruced up the look.

But longtime resident Al Meza said he has yet to see something tangible come from the city-owned properties and hopes he doesn't see a repeat of what happened behind the city mall.

Through eminent domain in the late 1980s, the city spent about \$8 million to purchase the homes and buildings of almost an entire neighborhood behind the mall, including Meza's business.

About 11 properties that weren't purchased back then were finally purchased a few years back for a total of \$14.5 million.

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"It's 20 years later, and (that property) is still there," Meza said.

The city, however, does have an action plan for some of its downtown parcels.

College of the Desert plans to build a four-story building on a 2.5-acre site on Oasis Street owned by the city's Redevelopment Agency that now houses the Greyhound bus station.

"That is an example of how it works when we assemble the land and cause new activity to come," Mayor pro tem Ben Godfrey said. "So now Indio will become a college town."

Other downtown projects in the works include the creation of a law school and social security office. Details were not available on those projects.

Land assemblage places the city in a prime position when the economy turns around, Godfrey said.

"When the banks start lending and developers start doing their job again, Indio will be ready with land to deal with," he said.

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The Indio Redevelopment Agency plans to purchase this 7,225 square-foot building owned by Bill and Carolyn Tanghe for \$350,000 plus escrow and closing costs. The building is at 82-871 Miles Ave. (Xochitl Peña The Desert Sun)

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