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Desert resort's growth called gateway to glitz

TWO BUNCH PALMS: The resort expansion is part of a plan to utilize the city's natural springs.

By **JULIA GLICK**
The Press-Enterprise

DESERT HOT SPRINGS - A developer has secured approvals to grow one of the city's most exclusive spa resorts into a massive refuge for health-conscious retirees and tourists, complete with hundreds of upscale homes, fountains, bungalows, an IMAX theater and a health-oriented retail complex. City Council members say their approval last week of a massive expansion of Two Bunch Palms Resort and Spa marks a turning point for Desert Hot Springs, which is working to parlay its natural mineral springs into more tax revenue and a splashier image for the city.

"It is just the first step to realizing our vision of having Desert Hot Springs as a premier health and wellness destination," said Councilwoman Yvonne Parks.

The completed project would include as many as 738 single-family homes clustered around mineral soaking pools, 315 time-share units and up to 285 additional hotel units, including villas and retreat facilities, said David Watson, director of planning

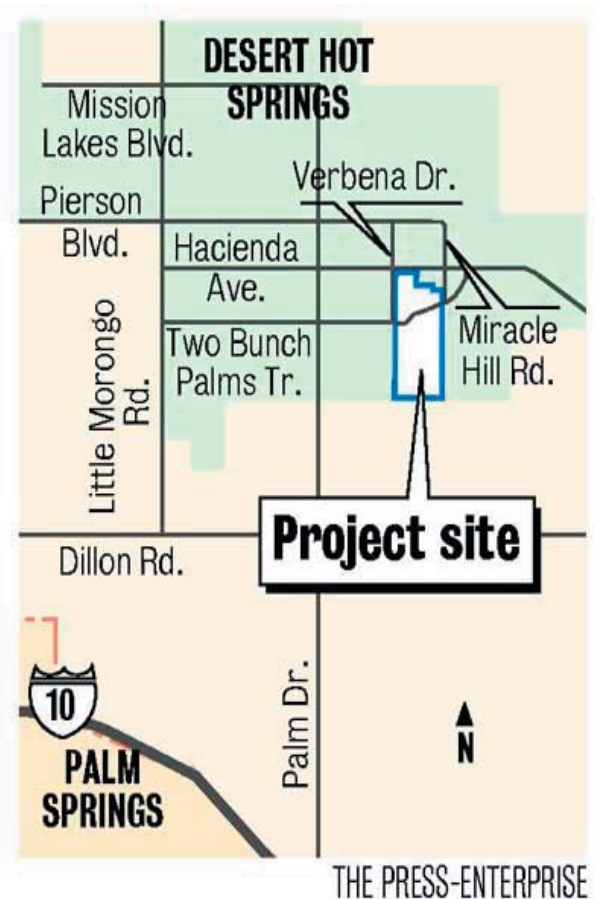
and project development for King Ventures.

A roughly 121,500-square-foot retail complex would house health and wellness businesses such as a fitness center, medical offices, alternative medicine specialists, and a day spa, as well as restaurants and an IMAX movie theater, he said.

The project would encompass a roughly 290-acre swath north and south of Two Bunch Palms Trail and bounded by Verbena Drive on the west and Miracle Hill Road to the east, according to city planning documents.

King Ventures, based in San Luis Obispo, specializes in resort developments. A few years ago, it purchased the exclusive 55-room spa hotel that was a getaway for stars such as Mel Gibson, Goldie Hawn and Rene Russo and was rumored to be the one-time hideout of gangster Al Capone.

The company hopes to break ground later this year for the project's first



phase, which would include an estimated 60,000 square feet of retail, 150 homes and 100 hotel units, Watson said. King Ventures aims to complete the first phase by the end of 2008, he added.

"It's the beginning, I think, of a significant revitalization," Watson said of the project's potential impact on the city, adding: "It's a lot of work,



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The city of Desert Hot Springs is hoping an expansion of Two Bunch Palms Resort and Spa will draw more tourist dollars. As many as 738 single-family homes would be clustered around mineral pools.

a lot of risk, but we think it's well worth it."

While city officials have approved the project's specific plan and conceptual designs, the Planning Commission must give design-review approval to each aspect of the final project, according to planning documents.

The city and developer reportedly have been consulting with Indian tribes about archaeological remains found on the site, according to planning documents, and some environmental groups have raised concerns about potential ecological damage.

"There is explosive growth out there, and our concerns are we feel the city is continuing to race forward in development," said staff attorney Jonathan Evans, with the Center for Biological Diversity. He added, "We are really concerned about the overall cumulative impact of all the development in Desert Hot Springs."

Evans said the site is home to sensitive habitat and species such as the ground squirrel, the burrowing owl and the milk vetch.

But Councilman Hank Hohenstein said the people of Desert Hot Springs could see a real benefit from the project.

"Every new subdivision we get helps change the face of the city," he said. "We'll get additional restaurants and additional food stores. All of that will begin to make a difference, and people will have more amenities closer to home."

Reach Julia Glick at 760-837-4418 or jglick@PE.com