



**Your on the
Street Reporter**



Uyless Black

**America's Cities
Post-Pandemic Palm Springs**

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Hello from Your on the Street Reporter. Previously, I sent you an article about Palm Springs, California. I also sent you articles on the nearby Palms Springs Air Museum and the Parker Hotel. This report is a brief update on those writings.

As with other parts of America, the pandemic did serious damage to Palm Springs' economy. In March, Holly and I took our first trip since COVID and its relatives came along. We spent a few days in Palm Springs.

The city has begun to recover. Many restaurants and hotels have been open for a few months. But several are not open and will remain closed. I talked with one of the local downtown restaurateurs. She conveyed to me that the pandemic had forced these places to declare bankruptcy.

Happily for this reporter, my favorite restaurants were back in business. "Back" in this sense: I learned their owners, recognizing the oncoming onslaught that COVID would have on tourist trade, closed up. They sent their help looking for help elsewhere, preserved their capital, and rebounded to once again be turning a profit. Those places that tried to stick it out did not make it through the lengthy pandemic.

I was in Palm Springs three years ago, before the pandemic struck. I had not been there for a while and one change surprised me. The local magazines were stuffed with advertisements for cannabis. In November 2016, California voters legalized the recreational use of cannabis with Proposition 64: The Adult Use of Marijuana Act.

California is not alone. Over 20 states now permit the sale of cannabis for medical and recreational use.

It took a while for cannabis stores to open, but then they did, they attracted a considerable number of customers. Looking over the Palm Springs cityscape and local journals, it appeared the legal marijuana industry was doing well.

I revisited a shopping mall that I first encountered when doing research on the 2008 financial meltdown. Figure 1 shows three photos I took during that time: Vacant stores and vacant parking spaces. They reflected the damage incurred from this recession. Well over 50 percent of the stores had gone under.



Figure 1. The financial crisis took its toll.

Figure 2 shows photos of the same shopping mall. Most of the same vacant stores' windows are covered with colorful images of trees and shrubbery. They appeared to be some form of palm tree. I paid a call on one of the few open stores and spoke with a store clerk:



Figure 2. Store Fronts.

- I showed the man my National Press Club card, “I’m doing some research on the effect the pandemic has had on Palm Springs. I’ve turned on my recorder and would like to ask you some questions about the subject? I’ll turn it off, if you wish.”
- Clerk, “No, it’s okay, long as you don’t use my name.”
- “I won’t. ...I was here a few years ago. The mall looks pretty much the same as it did then. Mostly vacant stores and empty parking lots.”
- “Yeah. Most businesses that did reopen moved to Cathedral City or Rancho Mirage. More customers with money there. Most of the empty stores don’t have customers, but they do have merchandise.”
- “Merchandise?”
- “See the window coverings on all those stores?”
- “I was just about to ask you about them.”
- “As best we can figure-out, the stores are rented by companies that deal in pot. We think the stores have a bunch of pot inventory in them. Just guessing. Never see anyone coming or going.”
- “Have you asked the mall management about it?”
- “Naw, I care less. I’m just a part time employee here.”
- “Okay, but couldn’t mall management have put that paper on the windows to make the mall more attractive?”
- “Beats me, but those trees on the paper look like marijuana trees to me.”

- “Marijuana trees?”
- “Yep.”

I don’t do cannabis, but I left the interview skeptical of the clerk’s opinion about the goings-on in 20 stores. Plus, the idea of cannabis trees being plastered on the window coverings didn’t make sense. Why would pot dealers advertise where they kept such a valuable cache? The product is subject to being burglarized, especially by pot heads. Later, I entered “cannabis” in my browser search window. One image I retrieved is shown in Figure 3.



Figure 3. A cannabis tree.

I admit the images on the stores’ window coverings do resemble the image shown in this figure. Still, it is difficult to imagine that 20 of the stores in the shopping mall were used to store what would be tons of the dope.

Who knows? During this visit to the city, I came under the impression that the commercial cannabis industry in California has not lived up to the expectations of the vendors and the lawmakers, who expected windfalls.

The complaints from the store owners and other sellers of cannabis are twofold: governmental bureaucratic overhead of doing business and taxes. According to this (Bing.com) search, “In some cases, the high cost associated with legal cannabis has discouraged many buyers and so they resort to the black market.”

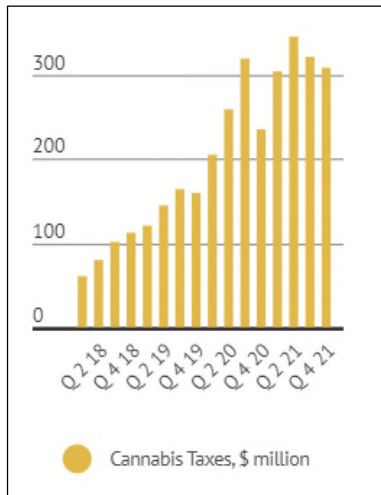


Figure 4. The reason dope is legal.

Nonetheless, the legalization of cannabis in California and other states has brought millions of dollars in income and has dampened some previously illegal growing of the stuff. Figure 4 shows the tax money raised in California since 2018.

According to the University of California Agricultural Center, “Since the beginning of 2018, revenue has been \$3.44 billion, including \$1.74 billion in cannabis excise tax, \$431.82 million in cultivation tax, and \$1.27 billion in sales tax. ...It is expected that legal recreational use will make up 61.5% of the overall market, illegally purchased cannabis will make up about 29.5% of the market and legal medical cannabis use will be about 9% of the overall market.”

The legal distribution and selling of the drug still raises the wrath and rebuke from many citizens, including some living in liberal Palm Springs. They consider imbibing in liquor or marijuana to be a sin. But the statistics cited above suppress any possible backlash, at least for now.

And for now, whimsical Palm Springs seems to be springing back to life, in spite of businesses migrating to the sterile cities of Cathedral City, Coachella, and Rancho Mirage.

As I have written in these reports, the Palm Springs downtown and much of the adjacent residential areas are reminiscent of 1940's and 50's America. I think many of us enjoy reminiscing to satisfy a natural human sentiment: recalling pleasant times of the past.

That's it for now, with more later from Your on the Street Reporter.