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Chance of settling builders' dispute spurs council

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The Desert Hot Springs City Council discussed a possible settlement to the looming Building Industry Association lawsuit against the city in a last-minute emergency closed-session item Monday.

The builders' association has until April 20 to file a complaint against Desert Hot Springs in Superior Court that would cover the agency's grievances over recently approved art in public places fees and developer impact fee hikes, Desert Chapter executive director Fred Bell said Monday.

But an "opportunity to settle" with the builders' association arose over lunch Monday between Mayor Pro Tem Karl Baker, Councilman Scott Matas and Bell, prompting the emergency closed-session item later that afternoon, City Attorney Ruben Duran said.

Room to move

"There appears to be some room for us to move," Duran said before the meeting.

The council gave Duran direction but there was no reportable action out of the closed session, he said afterwards.

"We continue to talk about ways that the city and the building industry can work to resolution of our differences over some of their legislative actions," Bell added.

Cities use developer impact fees to build streets, parks, police and fire stations, and other public facilities to help accommodate future growth.

Hikes unjustified?

The builders' association threatened to sue Desert Hot Springs after the council approved the developer impact hikes on Feb. 17 — the city's first increase to those fees in seven years. Bell said the city's reports lacked the “detailed data required by law” to justify the hikes.

The council approved an increase from about \$4,000 to \$11,085, though the city's “Development Impact Fee Calculation and Nexus Report” recommended increasing to \$15,500.

The Building Industry Association said the approved fees still lacked a sufficient traffic study. It recommended Desert Hot Springs instead adopt a nearly \$10,400 fee. “We're not horse-trading with them on dollars,” Bell said Feb. 17.

Matas met with Bell on March 13 after Supervisor Marion Ashley's office offered to mediate a meeting between the two, Matas said Monday.

“It opened the door for the attorneys to talk,” he said.

“On our own, without any official appointments, we felt (we could meet with Bell and) there could be some progress,” Baker added, moments before the closed session.

Monday's lunch was the second time Matas met with Bell to discuss the dispute, Matas said. He declined to discuss either meeting in detail, citing the potential for litigation against the city.
