

Palmwood Lawsuit Goes To Trial

By Jackie Devereaux 08.MAY.08

INDIO, CA - A lawsuit launched by environmentalists over the planned Palmwood Golf Course development is heading to court here this week. The suit challenges the city of Desert Hot Springs' rushed environmental review process. Palmwood is located northwest of the Mission Lakes Golf Course in Riverside county land protected by state environmental habitat safeguards. The Center for Biological Diversity joined the Sierra Club in this lawsuit, which is scheduled for trial on Friday in an Indio courtroom.

Palmwood developers had promised to build two 18-hole, world class golf courses, a hotel, an outlet mall and residential homes backed by Pro Golfer Phil Mikelson. Many northwest DHS residents bought homes because of the promise of nearby shopping, but the Palmwood development never got off the ground due to numerous bureaucratic inconsistencies, and now a lawsuit snares DHS in a legal mess with growing lawyer's fees.

The city's position contends that the environmental review process was conducted properly and in accordance with the law even if it was rushed. On Friday an Indio judge will decide. Meanwhile, legal fees grow with concerns over whether Palmwood developers will repay the city for its legal fees over this mess.

If the city prevails, it may all be a moot point. Annexation of the project into DHS city limits was rejected by the Local Area Formation Commission, and the partnership is now embroiled in a court fight with its managing director and investors.

If the environmental groups prevail, the city will be liable for attorney fees and court costs and it will be back to the EIR drawing board for the Palmwood project.

An Indio judge will hear comments on the rushed process that usually takes months instead of days. Former Mayor Pro Tem Mary Stephens said during a Dec. 22, 2006 hearing, "We should have taken more time, but we don't have time. This land may be taken by the Multi-Species Habitat Conservation Plan (MSHCP)." Stephens is quoted in the environmental group's court filings.

Mayor Alex Bias stating that he voted against the approval – the lone no vote - because he was concerned about the City's haste in approving the project.

- Desert Local News