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Army Corps revokes Shadowrock permit

Developers say they will still build Shadowrock, but foes hope it's dead

By Stefanie Frith
The Desert Sun

Opponents might call it the end of Shadowrock, but the folks behind the luxury hotel project in the Chino Canyon say a recent withdrawal of permits doesn't affect them one bit.

This week, the city of Palm Springs received a letter from the U.S. Army Corps of Engineers stating the permits it suspended last year for the controversial hillside project were revoked. However, the developer said Thursday the project is still on track.

Last year, citizens overturned the city's approval of a 10-year development agreement with Shadowrock in a referendum called Measure C. Shadowrock would be a hotel and golf course development with luxury homes under the Palm Springs Aerial Tramway.

"We hope the revocation of the Army Corps authorization will be the final nail in the coffin of this ill-conceived project," said Ileene Anderson, staff biologist with the Center for Biological Diversity.

Concerned about Peninsular bighorn sheep that they say use the Chino

Canyon, the center filed a lawsuit last year after the Army Corps issued a permit allowing grading to begin. Afterward, the Army Corps suspended its permit.

In a letter dated March 25 to the city and former Shadowrock developer Mark Bragg, the Army Corps states the permit is now revoked.

"They just cleaned up their record," Palm Springs City Attorney Doug Holland said Thursday.

The Army Corps' decision doesn't affect the project as it stands now, developer Stan Castleton said Thursday.

The area where the permit is needed would no longer be developed upon, Castleton said. "(The project) is very different."

Castleton said his team is redesigning Shadowrock. It will be several months before anything is submitted to the city. He wasn't sure when it would be.

In the Army Corps' letter, regulatory division chief David Castanon said he couldn't reissue the permit because several groups, including the city, the applicant and the U.S. Fish and Wildlife Service still

don't have a "legally enforceable agreement."

Castanon also wrote he is still concerned about the small amount of fountaingrass Shadowrock proposed to remove. He said he couldn't agree with Shadowrock's claims that this would make more water available for the other species it planned to plant.

Castleton said the landscaping plans are being redesigned and less water would be used in the new project.

Other issues remain

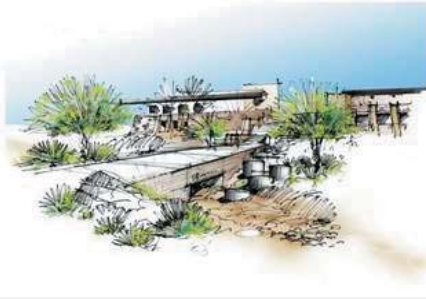
While the new developers are not concerned about the Army Corps' revocation permits, there is still another issue with which to contend.

A lawsuit filed by the Sierra Club and the Center for Biological Diversity says the city and Shadowrock did not properly invoke force majeure - a clause that excuses parties from being responsible for the terms in their contract because of things like war and disaster. A trial to look at how that clause was applied could start this year.

Meanwhile, Castleton and his award-winning design teams

can continue crafting a new development agreement and project that works within the city's stricter Chino Canyon guidelines that were approved two years ago, Holland said.

"In this economic climate, we may not be seeing something in the near future," Holland said.



Courtesy of Allen + Philp Archit

A 2007 conceptual idea of a bridge through the Shadowrock hotel and residential project in the Chino Canyon.

Palm Hills project

The Palm Springs City Council voted unanimously Wednesday to set aside its approval of the 906-acre Palm Hills project above East Palm Canyon Drive. The project was the subject of a referendum in 2005 and the city's approval was overturned by citizens.

Developers have decided to abandon the hillside project and are expected to pursue a new proposal, a city staff report showed.

"The right thing to do was rescind (the agreements and) clean up the record," City Attorney Doug Holland said.

Palm Hills LLC has paid all of the city's attorneys' fees and costs in connection to a 2004 lawsuit filed by the Sierra Club and the Center for Biological Diversity.

Agreeing to terminate all entitlements and agreements with the developers was the most cost-effective way to dismiss the related lawsuits, the report showed.

"We wanted to make sure the developer was paying our cost," Holland said. The Palm Springs City Council made several decision at their Thursday evening meeting. B3