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Man arrested in death of Moreno Valley teen

Norma Lopez found dead in field 15 months ago

By Kate McGinty
 The Desert Sun

MORENO VALLEY — Fifteen months and thousands of tips later, authorities announced an arrest Friday in the abduction and slaying of 17-year-old Norma Lopez.

Her July 15, 2010, disappearance on the way home from school, and

the discovery of her body in a field five days later, shook her hometown of Moreno Valley.

Hundreds searched for the missing teen, then thousands attended her funeral. The City Council approved a \$35,000 reward to find her killer. The high school gave her family her diploma, posthumously.

The case also grabbed national attention as psychics on the TV show "Missing Peace" profiled her case and popular bands like Alien Ant Farm and P.O.D. took the stage

for a September 2010 fundraising concert, kicking off a "Never Again" campaign to keep other children safe.

The first big break in the case came Thursday. Jesse Perez Torres, 35, was arrested in Long Beach, his most recent city of residence. He could face kidnapping and murder charges in Norma's death.

"We are confident we have the suspect in custody. He's not out on the streets, and the community can breathe a sigh of relief," Moreno



Valley Police Chief John Anderson said Friday.

The news shocked the Lopez family, who said they had never heard of Torres. They had expected the investigation to take years.

Torres

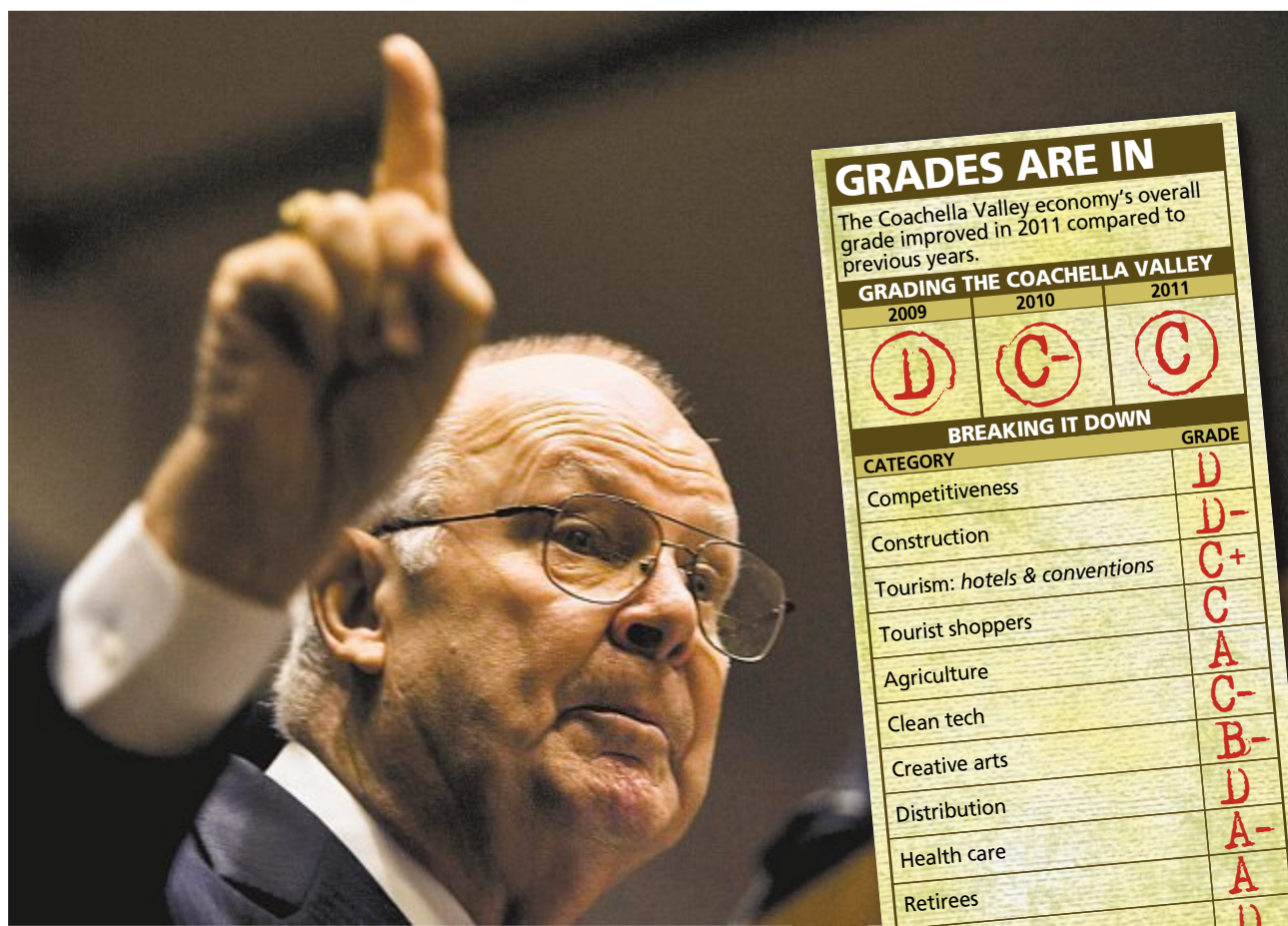
"It brought me happiness, some tears, but it's what we've been longing for," said her 19-year-old

Please see LOPEZ, A2



Martin Lopez and Elizabeth Lopez, the father and sister of Norma Lopez, announce at Moreno Valley City Hall the arrest of a suspect in the July 15, 2010, abduction and slaying of Norma Lopez. WADE BYARS/THE DESERT SUN

COACHELLA VALLEY ECONOMIC SUMMIT



Longtime Inland Empire economist John Husing delivers an economic report card during the Coachella Valley Economic Summit on Friday at the Renaissance Esmeralda Resort & Spa in Indian Wells. OMAR ORNELAS/THE DESERT SUN

Valley economy earns a 'C'

Economist expects full recovery in 2015, if housing crisis eases

By Debra Gruszecki
 The Desert Sun

INDIAN WELLS — The Coachella Valley economy earns a "C" from longtime Inland Empire economist John Husing,

but that doesn't mean a full recovery will happen any time soon.

It will be 2015 before the Coachella Valley economy starts to return to normal, Husing told about 750 people attending Friday's annual Coachella Valley Economic Summit at the Renaissance Esmeralda in Indian Wells.

The forecast somewhat echoed last year's prediction of a 2015 recovery, with one major caveat. Full recovery could stretch into 2016 if the housing crisis continues, as 35.5 percent of the

846,067 Inland Empire's homes are worth less than their outstanding mortgages.

Homes are more affordable than ever before, Husing said, citing an affordability rating of 64 percent for existing houses that are selling at a median as of mid-2011 of \$238,839 for existing homes and \$250,056 for new homes.

"With the move down in interest rates, home sales should be stronger, but they're not.

Please see ECONOMY, A4

Obama ends war in Iraq

After 9 years, all U.S. troops to come home by year's end

By Lesley Clark and Roy Gutman
 McClatchy Newspapers

WASHINGTON — The United States will withdraw all of its troops from Iraq by the end of this year, officially ending the long, divisive war that began in March 2003, President Barack Obama announced Friday.

"After nearly nine years, America's war in Iraq will be over," Obama said in the White House briefing room. The last U.S. soldiers will leave by Dec. 31, Obama said, "with their heads held high, proud of their success, and knowing that the American people stand united in our support for our troops. That is how America's military efforts in Iraq will end."

Obama cast the announcement as fulfillment of his 2008 campaign pledge to end the war in Iraq. It cost the lives of more than 4,400 Americans and tens of thousands of Iraqis, with more than 30,000 U.S. troops wounded. It also cost U.S. taxpayers around \$800 billion so far.

Please see IRAQ, A2



President Barack Obama declares an end to the Iraq war — one of the longest and most divisive conflicts in U.S. history — at the White House on Friday. He said all U.S. troops would be withdrawn by year's end. EVAN VUCCI/THE ASSOCIATED PRESS

Balloonists: Olive farm owners should pay legal costs

Attorney says Marrellis dragged out litigation

By Keith Matheny
 The Desert Sun

Hot air balloonists who fought an east valley olive farm's lawsuit for more than 2½ years now want to

make the farm's owners pay more than \$330,000 in attorney's fees.

Attorney Robert Gilliland Jr. of Palm Desert filed a motion Thursday in Riverside County Superior Court in Indio, seeking to force JCM Farming Inc. to pay \$337,301 in attorney fees.

Gilliland argues that the farm owners dragged out legal proceed-

ings against the balloonists to run up their legal costs and put them out of business.

He said JCM's litigation "has been a black eye to the legal system."

Gilliland filed the motion on behalf of Steve and Cynthia Wilkinson of Palm Desert and their Fantasy Balloon Flights and Shiho Seki and Dennis Barrett and their Mag-

ical Adventure Balloon Rides, a Temecula-based company that operates in the Coachella Valley.

The amount includes fees incurred by Seki and Barrett before Gilliland's entry into the case in February, and the costs of Gilliland's pro-bono representation of the balloonists since, the attorney said.

"My clients would like to see some justice here," Gilliland said.

JCM Farming is owned by John C. and Carol Marrelli and their daughter, Marilena Marrelli, all of Solana Beach. JCM claimed in its lawsuit, which was filed in March 2009, that 14 balloonists or

Please see SUIT, A4

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INSIDE TODAY'S PAPER

JOBLESS RATES FALL
 Unemployment rates are down in California, Riverside County and the Coachella Valley. **E1**

GADHAFI'S DEATH
 Moammar Gadhafi's body was on display in a freezer as questions persist about how he died. **A3**

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ECONOMY

Continued from A1

“Why not?” he said rhetorically. “It’s fear.”

National politics — and the budget fight in Congress — rattled the confidence of Wall Street investors and consumers, he said.

Husing predicted a period of uncertainty through the upcoming presidential election year.

While the nation has added back 23 percent of the 8.3 million jobs it lost in the recession, the Coachella Valley has not yet begun to recover the 14,121 jobs it has lost since 2007. “We’re having a fairly rough time,” he said.

Even with the uncertainty, and the anemic job recovery, Husing painted a picture of progress.

The Coachella Valley’s “C” grade represents progress. It scored a “D” two years ago.

Were it not for the drag the state of California has had on business competitiveness, the grade might have been even stronger, Husing said. He gave the state an “F-minus” on competitiveness.

Stacked against nine Western markets outside of California, the Inland Empire is at a disadvantage because of state regulation and high taxes, he said.

“Take those two elements out of the mix, and the Coachella Valley would compete rather well,” he said.

What’s working

At work to improve the valley economy, whose slow recovery resembles a checkmark:

- Positive signs on the tourism front, given recent double-digit increases in hotel occupancy and a 5.4 percent gain in rates.

- Airport traffic, which rose 2 percent to 1.4 million passengers in 2010. It’s softened a tad so far this year. But car rentals are up, as are hospitality-related jobs — up 6.3 percent as of July.

- Fewer upside-down homes than in 2009, when mortgages in distress stood at 54 percent.

- Stronger retail sales. Cash register totals rose 10 percent for the first half of the year compared to 2010.

- Record crop production for the agricultural industry. In 2010, the sector sold a record \$533.8 million of crops, up 9.2 percent from 2009.

- Advances to land clean-tech companies and establish strong relationships in the creative arts.

- Health care continues breaking records in terms of employment, Husing said.

- The film and commercial industry is doing well. The valley accounted for nearly 67 percent of film activity in Riverside County last year.

Baby boomer effect

One cannot ignore the importance that retirees — especially the baby boomers — will have on the economy going forward, Husing said.

CVEP’s cohesiveness also has helped keep the valley pressing on in a period of sluggish growth, he said.

Don Perry, chairman of the CVEP board, said “This is an exciting time — when many are diving into the trenches to ride out the storm,” the agency and CEO Tom Flavin are driving sustainable growth.

“There’s an old saying, ‘If you don’t know where you are going, any road will take you there,’” Perry said, noting that’s not the case with the Coachella Valley. Where other regions have chosen to head into a ditch to ride the storm out, he said the valley is doing anything but.

“We do have a plan.”

Flavin said he believes the valley’s strongest asset is its sense of community and common purpose.

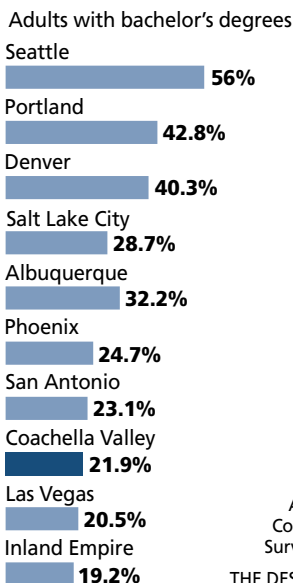
“We have the ability to get important things done,” he said. “If we are fully mobilized, the Coachella Valley can become the business portal for California and the Pacific Rim. ‘Compete and Prosper’ will be more than a conference theme. It will be an economic reality.”

Business leaders said the pre-



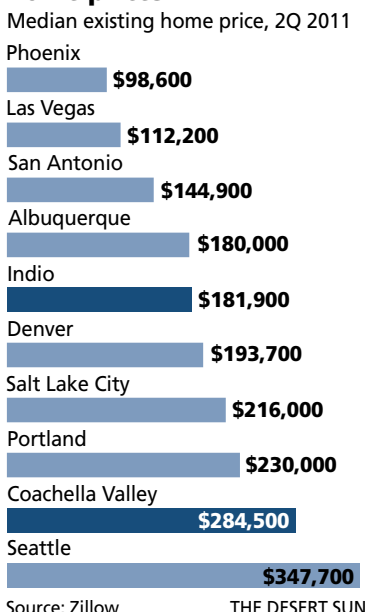
Attendees of the Coachella Valley Economic Summit on Friday wait in the lobby of the Renaissance Esmeralda Resort & Spa in Indian Wells. Inland Empire economist John Husing gave the valley a “C” grade, but warned that doesn’t mean a full recovery will happen any time soon. OMAR ORNELAS/THE DESERT SUN

Labor force quality: Education



SOURCE: American Community Survey, 2009
THE DESERT SUN

Home prices



Source: Zillow THE DESERT SUN

WORST REGIONS FOR UNEMPLOYMENT

- No. 1: Las Vegas, 14.2%
- No. 2: Inland Empire, 14.1%
- No. 3: Detroit, Mich., 12.9%
- No. 4: Los Angeles, 12.7%
- No. 5: Sacramento, 11.9%
- No. 6: Miami, Fla., 11.2%
- No. 7: Charlotte, N.C., 11.1%
- No. 8: Tampa, Fla., 11%
- No. 9: Atlanta, Ga, Providence, R.I., Jacksonville, Fla., all 10.4%
- No. 10: Memphis, Tenn., and Orlando, Fla., both 10.3%

SOURCE: U.S. Bureau of Labor Statistics, August 2011

FORECLOSURES LOSING STEAM

There are 1,086,305 homes in the Inland Empire. Here’s the share over the past two years that were underwater, or not worth as much as their mortgages.

- 4Q 2009: 54.9%
- 1Q 2010: 53.5%
- 2Q 2010: 51.3%
- 3Q 2010: 48.8%
- 4Q 2010: 48.9%
- 1Q 2011: 47%
- 2Q 2011: 45.5%

SOURCE: CoreLogic

COMPETITIVE HOUSING PRICES

Existing home prices in the Coachella Valley & Southern California counties as of the second quarter of 2011.

- Indian Wells: \$645,000
- Rancho Mirage: \$520,000
- Orange County: \$500,000
- San Diego County: \$362,500
- Los Angeles County: \$330,000
- Palm Springs: \$308,423
- La Quinta: \$302,250
- Palm Desert: \$286,754
- Riverside County: \$190,000
- Indio: \$161,226
- Cathedral City: \$153,750
- San Bernardino County: \$146,000
- Coachella: \$120,250
- Desert Hot Springs: \$93,446
- Yucca Valley: \$81,000

SOURCE: DataQuick



Keynote speaker John Steele Gordon, a New York-based author, offered the audience at the Coachella Valley Economic Summit a historic perspective on competition, saying the state is known for its rich natural resources and great university systems. OMAR ORNELAS/THE DESERT SUN

dicted 2015 recovery did not surprise them, nor did the report card.

“The grades weren’t all good, but the Coachella Valley is doing better than other regions,” La Quinta Councilwoman Linda Evans said. “It would be an anomaly if we were well ahead, while the state was falling apart.”

Jeff Van Hoy, an executive with JFK Memorial Hospital in Indio, said he thinks significant progress was made this year, citing CVEP’s Rabobank Regional Business Center and Innovation Hub in Palm Springs as a key accomplishment.

Todd Hooks, economic develop-

ment director with the Agua Caliente Band of Cahuilla Indians, was taken by the buzz of activity before the morning summit began.

“This is not artificial,” he added. “It’s real people, real business organization trying to take the next step in a difficult economy.”

Debra Gruszecki covers tourism and Indian gaming for The Desert Sun. She can be reached at Debra.Gruszecki@thedesertsun.com, (760) 778-4643 or Twitter @DebinPalmSprngs.

Expert: State failing to remain competitive

By Debra Gruszecki

The Desert Sun

INDIAN WELLS — When it comes to competitiveness, California gets an “F-minus.”

That’s the view of longtime Inland Empire economist John Husing as he sorted through the variables that get businesses to settle in or leave the state.

As part of his annual review for the Coachella Valley Economic Partnership on Friday, Husing compared the state and valley to their competitive counterparts in Seattle, Denver, Portland, Las Vegas, Phoenix, Salt Lake City, Albuquerque and San Antonio.

The Coachella Valley earned a “C.” Husing said it would perform better if not for the decisions by the state’s Legislature and regulatory agencies.

The valley, however, offers cost advantages when it comes to the price of water, natural gas and leasing rates, he said.

The valley ranks in the middle on average labor costs, office leasing and housing.

Yet its education level suffers and businesses say they’re burdened by California’s regulatory hurdles, tax rates and the cost of electricity.

John Steele Gordon, a New York-based author who offered Friday’s audience a historic perspective on competition, said the state is known for its rich natural resources and great university systems.

Yet recent polls show the state ranks near last in terms of business migration here, he said.

Though headquartered in San Jose, eBay is building in Austin, Texas.

“If California is to regain its status as the Golden State, reform must be done,” Gordon said. “It will be done because of what I call Herb Stein’s Law: ‘If something can’t continue, it won’t.’”

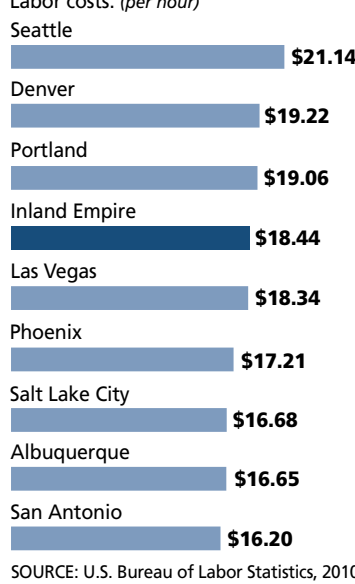
Gordon sees the need to streamline regulation and reduce the turnaround time for businesses to open here.

“In California, it can take two years to open a chain restaurant,” he said. “In Texas, it takes six weeks.”

Wesley Ahlgren, chief operations officer of CVEP, rattled off all the initiatives the public/private organization focused on to diversify the economy. Many have begun as part of the group’s economic blueprint, he said, predicting that the new Innovation Hub will incubate six new companies by 2012.

How competitive are we?

Labor costs: (per hour)



SOURCE: U.S. Bureau of Labor Statistics, 2010
THE DESERT SUN

“We’re going to have a medical school (in the valley),” he said. That’s “the vision for next year,” along with a film academy.

Although California may not be the most desirable business environment in the country, CVEP board chairman Don Perry said there are a number of businesses and industries that would love to be in a part of the state that is within a two-hour drive of millions of people.

The regional approach is key, he said.

Drawing from a time the Center for Economic Growth was founded in Albany, N.Y., Perry said the region with a collection of small cities that were a day’s horse ride apart and were known for holding grudges for 300 years came together.

“Today, its biggest industry is nano-technology,” one representing \$7 billion in investment, he said.

Perry sees a sense of cohesion now, and is confident the valley’s competitive edge will sharpen in the coming year.

None of this has gone unnoticed by the the Center for Economic Growth.

Reached by phone this week, Center president F. Michael Tucker said he’s heard of the work that’s being done in this part of the West Coast.

“We’re always looking for best practices,” he said, and the CVEP group is one he is closely watching.

Debra Gruszecki covers tourism, CVEP and Indian gaming for The Desert Sun. She can be reached at Debra.Gruszecki@thedesertsun.com, (760) 778-4643 or follow on Twitter @DebinPalmSprngs.

SUIT

Continued from A1

balloon companies, and a pest control flight operator, were creating a nuisance, privacy invasion and safety hazard by flying too low over its 80-acre olive farm off Avenue 54 between Monroe and Jackson streets in the Vista Santa Rosa community.

Over more than two years of litigation, a dozen of the balloonists either went out of business, had default judgments entered against them or agreed to JCM’s demands that they stop flying near its property.

But the Wilkinsons and Seki and

Barrett remained in the case, denying they’d ever flown over JCM’s elaborate, high-walled compound at a height below Federal Aviation Administration requirements.

When the FAA twice investigated JCM Farming’s complaints of low overflights and found no evidence to support them, the Marrellis also sued the FAA in federal court, later expanding their defendants list to “The United States of America” and other federal agencies and officials.

In Riverside County, they later added as a defendant Windermere Real Estate, a company that has advertised on hot air balloons in the valley.

On Aug. 15 — two days before a

court-ordered inspection of JCM’s walled estate was to take place — JCM dropped the lawsuit without explanation.

JCM sought “to create its own private no-fly zone,” usurping the authority of the federal government to regulate airspace, Gilliland states in his latest motion.

“(JCM) was focused on a singular goal in this litigation: eliminating the ballooning industry in the Coachella Valley,” Gilliland’s motion states, adding they were nearly successful in achieving that goal.

JCM attorney Andrew Rauch did not return messages seeking comment.

An economic study commis-

sioned by Gilliland showed hot air ballooning contributed \$9.7 million to the Coachella Valley’s economy at its peak in the 2005-06 tourist season, but that impact had dropped to \$523,000 by last season.

By defending JCM’s lawsuit, Gilliland argues, the defendants provided benefit to the public through reaffirming the public’s right to use the airspace; saving the ballooning industry in the Coachella Valley; and helping to stop the “economic devastation” JCM’s lawsuit caused.

Under the California Code of Civil Procedure, “A court may award attorneys’ fees to a successful party against one or more opposing parties in any action which

has resulted in the enforcement of an important right affecting the public interest,” according to Gilliland’s motion.

“Where a plaintiff files a questionable lawsuit, and drags defendants through the legal process over two years, and then abruptly decides to dismiss the case — a case that impacted the community at large — then there should be financial consequences to that plaintiff,” he said.

A hearing on the motion is set for Nov. 29 in Riverside County Superior Court in Indio.

Keith Matheny is an investigative reporter for The Desert Sun. He can be reached at keith.matheny@thedesertsun.com or (760) 778-4693. Follow on Twitter @keithmatheny