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RIBA, three communities settle lawsuits on permit fees

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If you paid for a building permit in Cranston, Lincoln or Warwick during the last decade, legal action by the Rhode Island Builders Association might have earned you a partial refund or credit.

Proposed settlements in three separate class-action lawsuits were announced in February. In the suits, filed in 2005, RIBA contended that applicants were overcharged for building-permit fees for new single-family homes or condominiums in the three communities between November 17, 2002, and May 21, 2010.

The settlements also involve RIBA working with the three communities on new fee structures.

In total, the proposed settlements amount to \$375,000 in cash refunds, with an additional \$100,000 in building-permit credits to be issued by the city of Cranston, according to attorney Michael Kelly, whose firm represented RIBA in the lawsuits.

Checks were to be mailed, and credits issued, pending approval of the settlements by the Superior Court at a hearing scheduled for March 20th. Kelly told The Rhode Island Builder Report that, as of February 27th, there had been no objections to the settlements, and there was no reason to believe the court would not approve them.

No action by eligible recipients is required. Payments will be automatic.

Warwick

The proposed settlement with Warwick involves cash distributions to applicants for 361 building permits issued during the dates listed above. Under the agreement, the city will pay \$50,000. After payment of legal fees and costs, a court-approved amount will be distributed to eligible recipients.

Lincoln

Under the proposed settlement with Lincoln, the town will pay \$150,000 into a settlement fund based on charges for 298 building permits issued between the specified dates. After payment of legal fees and costs, a court-approved amount will be distributed to those eligible.

Cranston

Under the proposed settlement, the City of Cranston will pay \$175,000 and make available an additional \$100,000 in credits against future building permit fees to eligible applicants. The amount is based on fees charged for 575 permits issued between the specified dates. After payment of legal fees and costs, a court-approved amount will be distributed to those eligible in the form of cash and/or credits.

There is no need for eligible recipients to take any action. As stated above, payments and/or credits for those eligible applicants will be automatic. Full details of the proposed settlement are available online at www.maklawfirm.com.

Paul Eno is the owner and editor-in-chief of New River Press, Woonsocket and is the editor of the monthly RIBA newsletter, The Rhode Island Builder Report.