

## **Frequently Asked Questions - Website**

### **Q: Why is this settlement good for the City of Palos Verdes Estates?**

**A:** This settlement achieves the City Council's main focus, the protection of our parklands. This agreement also provides an opportunity for all of us to come together, restore our community and focus on the outstanding quality of life that we all enjoy and work hard to protect.

### **Q: Why did the City appeal and take part in this lawsuit?**

**A:** The City achieved a positive result on appeal because the Court of Appeal reversed the adverse judgment against the City. As a result of the appeal, the City was able to protect our parklands and our local control of the parklands because the Court of Appeal invalidated the judge's overbroad ruling that would have allowed on-going parkland management to be handled in her courtroom. The City's intention, throughout this process, has been to protect the open space and neighborhood character that our residents hold dear.

### **Q: How much has it cost the City of Palos Verdes Estates to defend against the litigation?**

**A:** The City spent approximately \$345,000 in legal fees since the case was filed in June 2013 (5 1/2 years). More importantly, this protracted situation has taken a toll on the community, fermenting distrust in some residents and creating fractures in our community even though we all shared a strong, common resolve to protect our parklands. With this agreement, our community can now come together, and focus on the outstanding quality of life that we all enjoy and work hard to protect.

### **Q: What would happen if this settlement did not happen?**

**A:** The case would have proceeded to trial between the City and the plaintiffs over the issue of whether the City can be held responsible for the Homes Association's actions. The stakes at this point were primarily the plaintiffs' attorneys' fees; the Court of Appeal relieved the City of liability for the fees that had been awarded. There are other effects that do not involve the City directly but would affect the whole community. The Homes Association would have had to pay the plaintiffs' fees and bore the costs of the restoration of the Panorama Parkland. But the greater concern would have been over the potential liability to the Luglianis of the Homes Association for sure (and potentially the City) for their damages in connection with the judgment against the Homes Association, which have been estimated in the range of \$1 million to \$2 million.

**Q: What happens to the lawsuit(s) now?**

**A:** This settlement resolves this dispute and contains a provision that ensures that there will be no more litigation regarding this issue among the parties to the agreement.

**Q: Who made and prepared this settlement?**

**A:** This agreement was a collaborative effort that included all of the signatory parties. The City was only directly involved in the provisions affecting it and did not participate in the terms involving the settlement of the ROBE case, the governance of the Homes Association, or the disposition of the Via Panorama property other than to agree to accept as parkland any amount of land donated to the City.

**Q: What protects parklands in the future?**

**A:** The parklands continue to be protected by the community CC&Rs and the agreement does not change the City's role to preserve and protect precious parklands.

**Q: Why is Bluff Cove part of this agreement?**

**A:** The City was already on course to add Bluff Cove as permanent open space, having ceased the residential uses in 2012/13 and cleared the property of structures in 2015/16. As part of the settlement, the City committed to stay that course. The City's commitment was important to the plaintiffs and aided settlement.

**Q: Does Mr. Lugliani get any land with this agreement? If so, why, and can it be developed?**

**A:** As a result of the Court of Appeal's decision, the Homes Association would have ended up owning the property and the property contained multiple encroachments in violation of the deed restrictions (retaining walls, etc.). Part of the Homes Association's interest in the settlement was to relieve itself of the obligations of property ownership. The City was not involved in the negotiations regarding that portion of the settlement agreement, which is between Mr. Lugliani and the PVHA. The agreement does provide that the Luglianis obtain 1.4 acres of land, which like all PVE property is subject to the City's zoning laws and the deed restrictions associated with that parcel.

**Q: Why is this agreement connected with PVHA governance?**

**A:** The plaintiffs in the ROBE case against the Homes Association and the plaintiffs in the CEPC/Harbison case against the City, Homes Association, and the Luglianis insisted as a condition of settlement that both cases be part of a “global” settlement. It was not the City’s preference but the benefits of settlement outweighed the City’s desire for simplicity.

**Q: What is the city doing to abate encroachments on public land?**

**A:** . The City has a part-time code enforcement officer assigned to monitor our community for infractions, which accomplishes a number of goals: removing encroachments and maintaining the city as the community wants and expects, and doing so in a fiscally conservative, yet effective, manner. Complaints may be submitted to Sam Yang, Code Enforcement Officer, at [syang@pvestates.org](mailto:syang@pvestates.org) (310.378.0383).