DANIEL V. HYDE, State Bar No.: 063365 BRANT H. DVEIRIN, State Bar No.: 130621 LEWIS BRISBOIS BISGAARD & SMITH LLP 633 West 5th Street, Suite 4000 Los Angeles, CA 90071 Phone: 213-250-1800 / Fax: 213-250-7900 Email: Brant.Dveirin@lewisbrisbois.com Attorneys for Defendant, PALOS VERDES HOMES ASSOCIATION ARMBRUSTER GOLDSMITH & DELVAC LLP 6 Damon P. Mamalakis, State Bar No.: 184489 R.J. Comer, State Bar No.: 186284 11611 San Vicente Boulevard, Suite 900 Los Angeles, CA 90049 Phone: (310) 209-8800 / Fax: (310) 209-8801 Email: Damon@agd-landuse.com Attorneys for Defendants, ROBERT LUGLIANI and DOLORES A. 10 LUGLIANI, as co-trustees of THE LUGLIANI TRUST; THOMAS J. LIEB, Trustee, THE VIA PANORAMA TRUST 11 12 SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES 13 CENTRAL DISTRICT - STANLEY MOSK COURTHOUSE 14 15 **CASE NO. BS142768** CITIZENS FOR ENFORCEMENT OF PARKLAND COVENANTS and JOHN A. 16 Assigned to Hon. Barbara A. Meiers, Dept. 12 HARBISON, 17 Plaintiffs, DEFENDANT PALOS VERDES HOMES 18 ASSOCIATION; ROBERT LUGLIANI VS. AND DOLORES A. LUGLIANI, AS CO-19 TRUSTEES OF THE LUGLIAŃI TRUST; CITY OF PALOS VERDES ESTATES, a AND THOMAS J. LIEB, TRUSTEE, THE municipal corporation; PALOS VERDES VIA PANORAMA TRUŚT U/DO MÁY 2, HOMES ASSOCIATION, a California 2012'S JOINT REPLY TO PLAINTIFFS' corporation; ROBERT LUGLIANI and 21 OPPOSITION TO MOTION FOR DOLORES A. LUGLIANI, as co-trustees of JUDGMENT ON THE PLEADINGS, THE LUGLIANI TRUST; THOMAS J. LIEB, BASED ON THE OPPOSITION TO TRUSTEE, THE VIA PANORAMA TRUST MOTION FOR SUMMARY JUDGMENT U/DO MAY 2, 2012 and DOES 1 through 20, 23 **FILED ON MAY15, 2015** Defendants. 24 DATE: June 4, 2015 TIME: 9:30 a.m. 25 **DEPT.: 12** 26 Action filed: May 13, 2013 None Set Trial Date: 27 28

DEFENDANTS' JOINT REPLY TO PLAINTIFFS' OPPOSITION TO MOTION FOR JUDGMENT ON THE

PLEADINGS, BASED ON THE OPPOSITION TO MOTION FOR SUMMARY JUDGMENT FILED ON MAY15, 2015

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BISGAARD & SMITH LLP 4851-7811-0756.5

MEMORANDUM OF POINTS AND AUTHORITIES

I.

INTRODUCTION/ARGUMENT

The Opposition replies to the wrong motion. It is a repeat—a cut and paste job—of Plaintiffs' Opposition to the Defendant City of Palos Verdes Estates' ("City") Cross-Motion for Summary Judgment. It is literally word for word, except for two new paragraphs in the Introduction.

The City moved in its Cross Motion for Summary Judgment on the Second Amended Complaint's (SAC) Second Cause of Action for Waste of Public Funds/Ultra Vires Actions.

The Joint Motion for Judgment on the Pleadings, however, was not filed by the City.

Rather, it was filed jointly by Defendants Palos Verdes Homes Association ("Association) and Robert and Delores Lugliani ("Luglianis"). The Association's and Luglianis' Joint Motion for Judgment on the Pleadings, on its face, is to the SAC's First Cause of Action for Declaratory Relief – the Association and Luglianis move for judgment on the pleadings "AS TO THE FIRST CAUSE OF ACTION FOR DECLARATORY RELIEF."

Thus, the Opposition is completely non-responsive and should not be considered by the Court.

The Joint Motion for Judgment on The Pleadings is not procedurally infirm. The Joint Motion incorporates by express reference the arguments from the Association's and the Luglianis' Joint Opposition to the Motion for Summary Judgment. The Joint Opposition contains all of the necessary sections and legal authorities for the motion. Plaintiffs cite no rule of court prohibiting incorporation of pleadings or arguments contained therein. Incorporation was done to avoid duplication and conserve resources and because for the same reasons that the Plaintiffs' Motion for Summary Judgment should be denied, the Association and the Luglianis are entitled to Judgment as to the First Cause of Action.

Judgment as to The First Cause of Action should be granted. Plaintiff John Harbison and the other homeowners are bound to the Judgment in the prior School District Litigation and the resulting Memorandum of Understanding/ Settlement Agreement, under the Davis-Stirling Act

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and related case law, as well as under general corporate law principles. Those members of Plaintiff Citizens for Enforcement of Parkland Covenants, who are not homeowners, have no standing to challenge the deed restrictions. For those reasons alone, the Association and the Luglianis are entitled to Judgment on the First Cause of Action. Furthermore, the Association's decision in settling the School District Litigation and entering into the MOU are entitled to deference under the well established Business Judgment Rule. Finally, review of all the relevant covenants, restrictions and deeds, not just the 1940 Deeds that are the subject of Plaintiffs' narrow focus, and case law demonstrates that the restrictions in those Deeds terminated by merger of that even if they survived the conveyance of the subject property (Area A) to the Association, the Association has the power to interpret the restrictions which is conclusive. For the same reasons, 10 the Association also has the power to transfer Area A to the Luglianis, who under the 2012 Deeds 11 must preserve an open space easement, which is qualified only by a limited right to seek City 12 approval of certain narrowly defined structures. 13 II. 14 15 CONCLUSION 16 For these reasons, the Motion for Judgment on the Pleadings should be granted. DATED: May 1, 2015 LEWIS BRISBOIS BISGAARD & SMITH LLP 17 18 19 By: BRANT H. DVEIRIN, ESQ. 20 Attorneys for Defendant, PALOS VERDES HOMES ASSOCIATION 21 22 DATED: May 27, 2015 ARMBRUSTER GOLDSMITH & DELVAC LLP 23 24 By: 25 DAMON MAMALAKIS, ESQ. Attorneys for Defendants, 26 ROBERT LUGLIANI and DELORES A. LUGLIANI, as co-trustees of THE LUGLIANI 27 TRUST; THOMAS J. LIEB, TRUSTEE, THE VIA PANORAMA TRUST U/DO MAY 2, 2012 28

LEWI S BRISBOI

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DEFENDANTS' JOINT REPLY TO PLAINTIFFS' OPPOSITION TO MOTION FOR JUDGMENT ON THE PLEADINGS, BASED ON THE OPPOSITION TO MOTION FOR SUMMARY JUDGMENT FILED ON MAY15, 2015

1 2 3 4 5 6 7 9 mail addresses, if applicable): 11 12 13 14 15 16 17 affidavit. 18 19 X 20 unsuccessful. 21 X 22 23 24 foregoing is true and correct. 25 26 27

CALIFORNIA STATE COURT PROOF OF SERVICE

Citizens for Enforcement of Parkland Covenants, et al.

City of Palos Verdes Estates, et al. File No.: 50013.1840

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to the action. My business address is 633 West 5th Street, Suite 4000, Los Angeles, CA 90071.

On the below date, I served the following document(s) described as: **DEFENDANT** PALOS VERDES HOMES ASSOCIATION; ROBERT LUGLIANI AND DOLORES A. LUGLIANI, AS CO-TRUSTEES OF THE LUGLIANI TRUST; AND THOMAS J. LIEB, TRUSTEE, THE VIA PANORAMA TRUST U/DO MAY 2, 2012'S JOINT REPLY TO PLAINTIFFS' OPPOSITION TO MOTION FOR JUDGMENT ON THE PLEADINGS, BASED ON THE OPPOSITION TO MOTION FOR SUMMARY JUDGMENT FILED ON MAY15, 2015 on the following persons at the following addresses (including fax numbers and e-

SEE ATTACHED SERVICE LIST

(BY U.S. MAIL) I enclosed the above-stated document(s) in a sealed envelope or package addressed to the person(s) at the address(es) listed by placing the envelope or package for collection and mailing, following our ordinary business practices. I am readily familiar with the firm's practice for collection and processing correspondence for mailing. Under that practice, on the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the U.S. Postal Service, in a sealed envelope of package with the postage fully prepaid thereon. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in

(VIA ELECTRONIC MAIL) I caused a courtesy copy of the above-stated document(s) to be sent to the person(s) at the e-mail address(es) listed. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was

(BY OVERNIGHT DELIVERY) I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses listed above. I placed the envelope or package for collection and delivery at an office or a regularly utilized drop box of the overnight delivery carrier.

I declare under penalty of perjury under the laws of the State of California that the

Executed on May 27, 2015, at Los Angeles, California.

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DEFENDANTS' JOINT REPLY TO PLAINTIFFS' OPPOSITION TO MOTION FOR JUDGMENT ON THE PLEADINGS, BASED ON THE OPPOSITION TO MOTION FOR SUMMARY JUDGMENT FILED ON MAY15, 2015

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SERVICE LIST Citizens for Enforcement of Parkland Covenants, et al. v. City of Palos Verdes Estates, et al.
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