

Comments on PVE Website "Legal Matters" page  
dated November 22, 2015

**PVE Website text is in Red**  
**CEPC comments/response is in blue**  
**Quotes from the ruling are in black**

<http://www.pvestates.org/index.aspx?page=198>

**Question: What were the factors involved in deciding to appeal the judgment? Did you consider input from residents?** Answer: The City Council weighed several factors in its consideration to appeal. The Council listened to those who opposed an appeal. While the Council understood their concerns, there were two very significant factors that stood out in the final decision:

- The serious incursion into our residents' management of our parklands and open space, and ...

The clause of concern is apparently f (iv):

"...Thereafter, neither the Association nor the City as to similarly situated property owned by the City that is subject to the Establishment Documents or the 1940 Deed Restrictions shall allow any new structure, vegetation or object to be maintained on the Property if it would violate the Establishment Documents or the 1940 Deed Restrictions."

This is merely a statement that an enforcement actions against encroachments need to be consistent with the deed restrictions. It does not grant any special powers to anyone. Indeed, we can find no "special enforcement authority" specific to encroachments in the judgment. Such powers would derive from any of the clauses that use the word "enjoin" and here is that list:

- (2i) The Association is enjoined from conveying any right or title in the Property to any party other than an entity which is authorized by law to hold, maintain and operate public parkland.
- (2j) The Association is enjoined from entering into any contract providing private parties the right to use the Property in violation of the Establishment Documents and/ or the 1940 Deed Restrictions (Exs. "5," "6," "7" or "8.")
- (2k) Defendants Lieb, Robert Lugliani and Delores Lugliani are hereby enjoined from constructing or maintaining any structures on the Property or altering the landscaping on the Property (except to cooperate with the removal of landscaping as described in this Judgment).
- (2l) The City and Association are enjoined from entering into any contracts or taking any actions to eliminate or modify those deed restrictions unless the Association first complies with the Amendment Procedures described in Article VI, sections 1, 2 or 3 of the attached Exhibit "3."
- (3) The Court hereby enjoins the City from creating an "open space, privately owned" zoning district or from making any [other] order, ordinance, promulgation, or other 4 action which has the purpose or effect of removing the Property from use for

- park and/ or recreational purposes
- (8) All parties are enjoined from changing any aspect of Area A or the legal posture of the issues in the case until after the Judgment is signed and entered.

None of these clauses relate to encroachments — other than the one focused on the Luglianis, which states they are not allowed to construct or maintain structures or landscaping. There is no 'extraordinary provision' and to assert that there is, represents an attempt by the Mayor to misrepresent the specifics of the Ruling. It is very disconcerting that the City is resorting to such obfuscation that serves no purpose other than to intentionally mislead the public and provide justification for an unjustifiable decision to appeal.

Further, the Judgment actually directly contradicts the assertion about the City losing its discretion to allow encroachments by stating:

“Nothing contained in this Judgment shall prohibit any party from allowing landscaping, paths or other improvements whose purpose and effect are to improve the quantity and quality of the coastal view from the Property or public access to the Property to the extent permitted by, and done in compliance with all requirements under the Establishment Documents or the 1940 Deed Restrictions (Exhibits "5," "6," "7" and "8.")

Finally, if this “special enforcement authority” was so serious in its implications, then why did the City not raise an objection during the three months from the day the ruling was issued to the day the final judgment was published in late September? Drafts of the judgment were circulated and commented upon by all the lawyers, and the City did not raise an objection in writing or in the Court Hearings during that period.

- ...The City's exposure to ongoing legal fees that would result from the court's decision to maintain “continuing jurisdiction” if the judgment was left unchallenged.

This is a red herring. The ruling grants no one (including CEPC and Harbison) any rights to return to court and press for the removal of encroachments on any property other than the subject Parcel A Via Panorama Parkland property presently owned by Defendant Lugliani.

Another factor in deciding to appeal was that the two other defendants in this case had already decided to appeal.

That does not make it right for the City to appeal, since the City's interests may be different from the interests of the Luglianis or the PVHA and the City continues to accrue court and legal fees separate from the other defendants.

For these reasons, the Council decided it was in the best interest of all Palos Verdes Estates residents to have the City join the appeal.

**Q: What is the challenge to local management of our parklands?** A: The judgment contains a provision that allows the plaintiffs in the lawsuit to appear before Judge Meiers on 24 hours' notice to seek to force the City to remove any “structure, vegetation or object” that they feel might be encroaching on City parklands and open space. This extraordinary power applies to all of the parklands in the City, not just the Via Panorama property. These are far-reaching powers

given to one individual and an unincorporated organization.

As described above, the provision referenced is merely a statement that enforcement actions against encroachments needs to be consistent with the deed restrictions. It does not grant any special powers to anyone.

There is a provision #7 that says “The Court retains jurisdiction to enforce all terms of the Judgment, and any party may bring an ex parte to the Court if necessary.” Ex parte is the legal term for the 24 hour notice that is called out on the PVE website. “Any party” is not limited to CEPC or Harbison, so this does not grant any special powers to CEPC or Harbison. Further, the ex-parte would need to relate to acts that are “enjoined”, and the removal of encroachments on properties other than the Via Panorama Parkland are not listed as an injunction. As for the likelihood that such ex parte would be initiated by CEPC or Harbison, that would only be in an emergency such as an impending sales transaction that violates the ruling. Notably, during the 30 months since CEPC filed this lawsuit, CEPC never filed an ex parte – “emergency” -- motion, while the defendants did several times. So this whole concern expressed by the City has no merit.

**Q: Why not let a private group take over control of parklands and open space?** A: The City already has rules and laws governing parklands encroachments. Taxpayer funds are currently used to maintain City-owned parklands and open spaces, and for the City to enforce laws that ensure these open spaces remain as intended. For decades, the City has effectively and successfully removed illegal encroachments on open space land to preserve the original vision and scenic beauty of Palos Verdes Estates. Under an open-government system, violators are provided a due process when served notice about an encroachment. Procedures are in place to ensure a timely removal of encroachments and for violators to pay for and assume responsibility for encroachment removals.

CEPC acknowledges that process, and has supported the results of that process which included sending many citation notices to the Luglianis in the 40 years that they have owned 900 Via Panorama instructing them to remove encroachments. They received such a notice in 2005, and then every year for 5 years. It was only when the Luglianis agreed to pay the City and PVHA \$500,000 and the PVPUSD \$1.5 Million that concern over those encroachments magically evaporated. CEPC believes that no amount of money should allow a private resident to shirk his responsibility to comply with the law.

There is nothing in this ruling that says that a private group will as a consequence of this ruling “take over control of parklands and open space.” That is a total fiction, and the City should be ashamed that it is trying to scare the public into supporting their unpopular position of appealing the judgment. At stake in the appeal is the opportunity for the City Council and the City Attorney to try to regain the reputations that have been tarnished by promulgating an illegal sale of parkland.

Local control assures accountability, transparency, established standards for decision making and an appeals procedure.

CEPC fully agrees – as long as all players are on a level playing field. In this case, the City, the PVHA, the PVPUSD and the Luglianis all negotiated the details of this transaction over the course

of many months behind closed doors, while the residents of PVE were unaware of the back room deal and were not given ample time or sufficient notice to weigh in on it. There were no signs posted on the Via Panorama Parkland notifying neighbors about the impending sale and no notice published in the local newspaper beforehand. If the City calls this “transparency” and “following established standards” (we were told “there was no standard for selling parkland” and hence they didn’t need to provide signage) we would like to see what they believe assures accountability.

Under this judgment, the citizens of Palos Verdes Estates could be denied their chance to have public discussions or debate about the future control and enforcement of open space and parklands in the City by this special power conferred on these plaintiffs. A judge simply conferred on-going power to a private group whose organization or membership is not fully understood or public. The group or its members can exercise their power for any reason or no reason, without any accountability to the rest of our residents.

Again, there is nothing in the ruling that denies citizens their opportunity to discuss and debate parkland issues. The only thing that bypasses such discussions would be the willful action of the Defendants (including the City of PVE) to fail to implement the specific actions required in the ruling. All those specified actions relate to returning the Via Parkland to its parkland state, and yes, that is no longer a subject for deliberation by the City of PVE or the public. As to actions on any other parkland, the Court would only get involved if there were an imminent act such as the sale of additional parkland parcels by the City of PVE or the PVHA; that is totally in the control of the City of PVE and the PVHA. The ruling says they do not have discretion to violate deed restriction on the sale of parkland. Period. If the City of PVE or the PVHA irresponsibly try to sell parkland or deny public access **again**, then any resident in PVE could go to court and obtain an injunction to stop the sale. But for other issues relating to parkland use and development, the City’s processes of seeking public comment would and should prevail.

Additionally, all City decisions are subject to judicial review, and that is an important check on the exercise of government authority. This judgment, however, creates a fast-track into court for the plaintiffs without necessarily allowing the local public meetings and processes to run their course.

Only direct violations of the provisions can result in fast-track consideration of the court. What the City is claiming is not true. They should be ashamed for suggesting otherwise.

**Q: Why spend more on legal fees to appeal this decision?** A: We believe pursuing the appeal is the best chance to save money on legal fees. If the City failed to appeal, the City would be the only party that did not appeal and faced the prospect of having to pay the plaintiffs’ attorney fees. More important, the judge’s order, as it stands, will require the City to incur legal costs every time the plaintiffs take a matter to Judge Meiers. The Council believes it is better policy to spend a smaller amount of money on an appeal to defend our residents’ right to manage the parklands compared to the significantly higher costs of multiple future court appearances and litigation expenses should the judgment remain intact.

This statement does not appear logical. If the appeal succeeds, and the Court decides against awarding legal fees to CEPC, then neither the City nor the other plaintiffs are responsible for CEPC’s fees. If the ruling is sustained on appeal, then all the Defendants (including the City) are

responsible for CEPC's fees. The only question would be fees CEPC incurs during the appeal, and presumably if the judgment is sustained, the City could argue that they are not responsible for sharing those costs – but only if they did not participate in the appeal. By participating in the appeal, the likelihood is that the City will have to pay more legal fees to CEPC, not less. In addition, if the defendants win the appeal, the litigation will move into a trial phase, which will incur significant additional costs for everyone.

As for incurring fees “every time the plaintiffs take a matter to Judge Meiers,” that is totally in the control of the City. If the City and the other Defendants do what is required in the Judgment, then there would be no such instances.

**Q: Are there other cost considerations?**

A: Yes. Under the current court decision, taxpayer money may have to be used to remove any and all encroachments found on parklands and open spaces. Then the City would incur additional expenses attempting to recover costs by litigating against property owners. The removal of encroachments would change from a cooperative effort to an adversarial one. Under the current system operated by the City, violators must pay for encroachment removal. The City Council works to avoid using taxpayer money to remove encroachments – as Judge Meiers would order.

This is also a serious misstatement. There are specific provisions in the 1923 CC&Rs for the PVHA to recover costs of intervention to remove encroachments, and the PVE Municipal Code Chapters 12.04 and 17.32, along with Resolution R05-32 specify a similar process for recovering the costs. The Judgment contemplates recovery because Judgment specifically says:

“Nothing contained in this Judgment shall authorize or prohibit any party from taking any actions or filing any legal proceedings to recover the costs of encroachment removal from the other Defendants in this matter. “

**Q: Are there any parts of the court judgment that were in the City's favor?** A: Yes. The court judgment left intact parts of the original settlement agreement, allowing the City to retain ownership of Lots C&D. It is uncertain what will be the status of the settlement agreement if the CEPC/Harbison judgment stands; that may be the subject of further litigation.

Yes, the lawsuit **did not** challenge the settlement agreement. It only challenged the portion of that settlement (MOU) that was illegal – namely the **sale of public parklands to a private individual**. Moreover, the Judge in the CEPC case made it very clear that her ruling did not affect the other aspects of the MOU, and that even if she did want to affect that, she would be unable to do so since the PVPUSD is not party to the CEPC case. In fact, Section II of her Summary Judgment Ruling dated 6/29/15 titled “The Court Need Not Find the Settlement Agreement to be Void.” In that section, the ruling states:

“The court does not need to void the contract or, in this court's view, any part of it in order to enjoin or otherwise address as law and equity may dictate the conduct of the parties proposed in their agreement (MOU) and/or as then subsequently carried out because of their private contract among themselves. “

Moreover, reversal of the sale of parkland to Lugliani does not impact in any way the benefits to

the PVPUSD as negotiated in the MOU, so there is no reason for the PVPUSD to renege on the aspects of the MOU under their control. Most notably, PVPUSD will retain the \$1.5 million donation from the Luglianis because that was separated from the land purchase by the Luglianis for tax purposes. So the agreement by the PVPUSD not to sell parkland in the future -- which was the main reason both the City and the PVHA entered into the MOU -- is still in effect.

**Q: Is this case about whether the city sold parklands under the settlement agreement?** A: No. The City did not sell parkland. In connection with the settlement agreement, the City conveyed the Via Panorama parcel to the Homes Association. As part of that transaction, the City also retained an Open Space Easement over the parcel, an emergency access road, and utility easements. (Note: The Open Space Easement guaranteed that all the property subject to it would remain undeveloped). In exchange, the City accepted ownership of Lots C & D for the sole purpose of preserving them as parklands. The Homes Association sold the Via Panorama parcel, subject to and burdened by the City's easement. Thus, despite the change in ownership, the Via Panorama parcel must forever remain open space. Though the judgment did not undo the City's conveyance or the City's open space easement, it determined that the Homes Association's sale of the property violated the deed restrictions. The City entered into the settlement agreement to preserve Lots C & D as parklands because it believed that any burden resulting from the transfer of the Via Panorama parcel was outweighed by the benefit of its parklands preservation.

Technically, the PVHA sold the parkland to Lugliani and not the City. But that is because the City Attorney cleverly set it up that way in order to circumvent the deed restrictions and failing to do that, to leave the City with the argument that the City's hands are clean in the transaction. The problem with this argument is twofold:

- The MOU was constructed so that all the actions more or less happened simultaneously. In the instance of the land transfers, the deed from the City to the PVHA was executed the same day as the deed from the PVHA to Lugliani. For all intensive purposes, it was a single transaction governed by a single MOU
- The City's argument that it's hands are clean in this matter flies in the face of a statement made on the record at the May 8, 2012 City Council Meeting by then Mayor George Bird. At that meeting, Mayor Bird said,
  - "As it's been said eloquently by my colleagues to my left and right, this was a Win-Win-Win. The Homes Association, the School District has asked us to sign off on this, and **credit goes to one person, and that's our City Attorney, who the public must know that she really spearheaded and brought together the parties after having talked to each of them and worked together to come up with a Win-Win-Win-Win situation. As it's been said, rarely in legal settlements does everyone come out better off, and this is one of those situations where it can be truly said everyone is the better because of coming together of all these individuals and entities to resolve an issue."**

#### **FACT CHECK**

**What is CITIZENS FOR ENFORCEMENT OF PARKLAND COVENANTS v. CITY OF PALOS VERDES ESTATES, ET. AL about?**

In May 2012, the City entered into a multi-party agreement with the Palos Verdes Peninsula Unified School District (School District), the Palos Verdes Homes Association (PVHA), and the property owners of 900 Via Panorama. The agreement is a Memorandum of Understanding (MOU) among the parties which, among other things, achieves these objectives:

- Resolved litigation filed by the School District seeking to establish a right to sell open space for residential development (as agreed in the MOU, the School District dismissed the case and abandoned its effort to raise revenue through sale of open space Lots C & D);
- Reaffirmed the enforceability of the deed restrictions on all property owned by the School District in the City (as agreed in the MOU, the School District formally accepted the deed restrictions limiting use of its PVE properties to either school uses or open space, abandoning its legal challenge to those limitations on all School District-owned property in PVE);
- Resolved certain encroachments in one area of previously City-owned parkland near 900 Via Panorama;
- Provided for the preservation of certain open space properties (Lots C & D) by transferring ownership from the School District to the City (the School District had begun to use the lots as a fenced storage yard; the City is maintaining it as open space);
- Protected the dark skies in the neighborhood around Palos Verdes High School by avoiding lights on the athletic field;
- Facilitated the School District obtaining \$1.5 million revenue from the property owner of 900 Via Panorama (the Luglianis) and the reimbursement of \$400,000 in legal expenses incurred by the PVHA in defense of the community deed restrictions. In addition, the City received \$100,000 to cover ongoing maintenance costs of Lots C & D.

Several times since the ruling, John Harbison has addressed the City Council to point out that the above objectives are met if the City accepts the ruling. For a copy of those comments, [click here](#).

A copy of the MOU and associated exhibits are available here: <[MOU](#), [Exhibit 1](#), [Exhibit 2 \(part 1\)](#), [Exhibit 2b \(part 2\)](#), [Exhibits 3 & 4](#)>. This MOU was discussed publicly at City Council meetings and the City approved the MOU at a public meeting. The staff report for the May 8, 2012 City Council meeting is available here: <[staff report](#)> The factual history and a complete explanation of the MOU from the City's perspective is available here: <[Summary of MOU Agreement](#)>.

John Harbison objects to one aspect of the MOU and he has formed an unincorporated association called Citizens for Enforcement of Parkland Covenants (CEPC) to sue the parties to the MOU, including the City. CEPC's particular concern is the PVHA's sale of a parcel of land to the Luglianis. The parcel was previously owned by the City (and is commonly referred to as Area A or Parcel A). The Parcel is subject to many deed restrictions and easements. The City holds an easement over the entirety of the property for open space, which prohibits the development of most of the lot. The City also has fire access and utility easements over portions of the lot. Like all properties in PVE, the parcel is also subject to the community CC&Rs. Under the MOU and the deed conveying the property, the parties anticipate certain limited accessory uses on a designated portion of Parcel A (such as a sport court, gazebo and a BBQ). CEPC appears to take issue with this aspect of the transaction above all else and its lawsuit seeks to undo the real estate transaction.

**Where is the subject property?**



Parcel A is approximately 1.7 acres of land located on the hillside below 900 Via Panorama. The overview (below) is meant to serve as a general guideline of the areas in question; for the concise perimeter, please view the perimeter survey here <survey>



The photo (below), submitted to the City by Mr. Harbison, is adjacent to Parcel A and is public right-of-way and City-owned open space (indicated above in yellow), which is not the subject property nor in contention with this lawsuit or subject to the MOU.





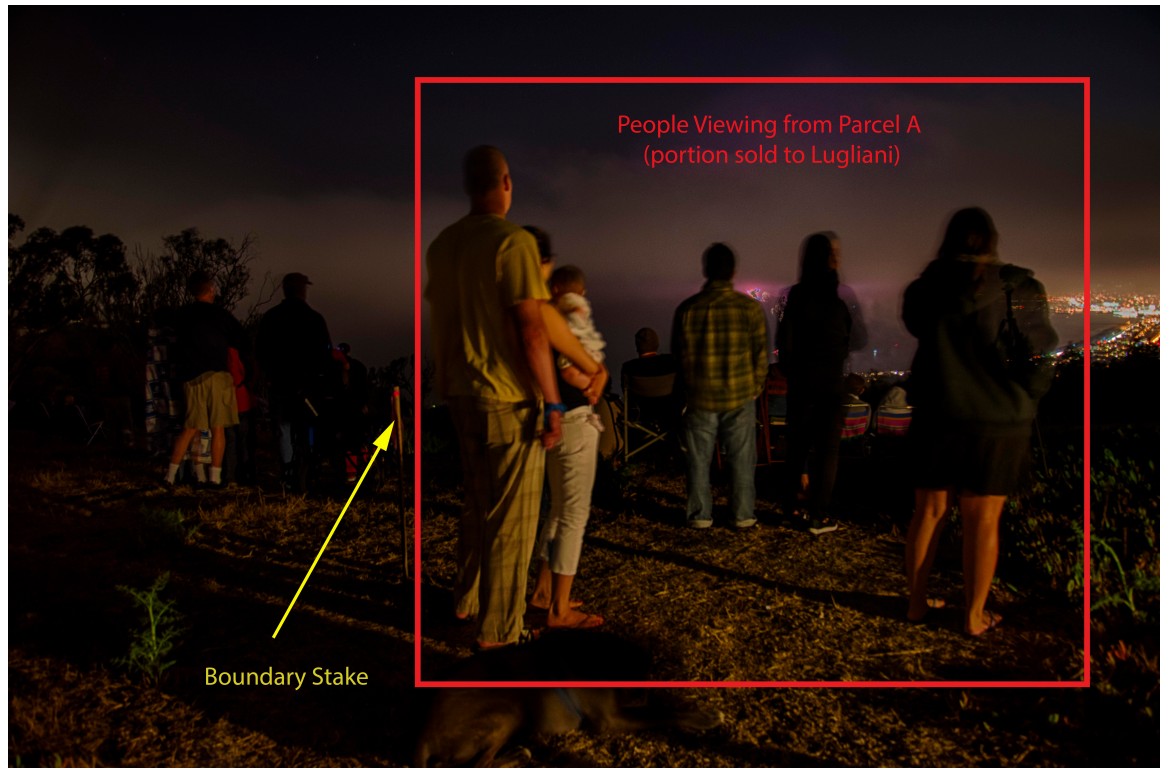
The above photo was part of a letter to the City Council on July 5, 2013 by Harbison pointing out the assertions that the public rarely used this parkland were false, and the photos were taken on July 4<sup>th</sup>, 2013. For a copy of that letter for full context, [click here](#).

When the City posted the above photo and statement out of context, Harbison wrote another letter on July 17<sup>th</sup> pointing out the inaccuracies in the statements made by PVE on its website; for the full letter, [click here](#). But here are excerpts:

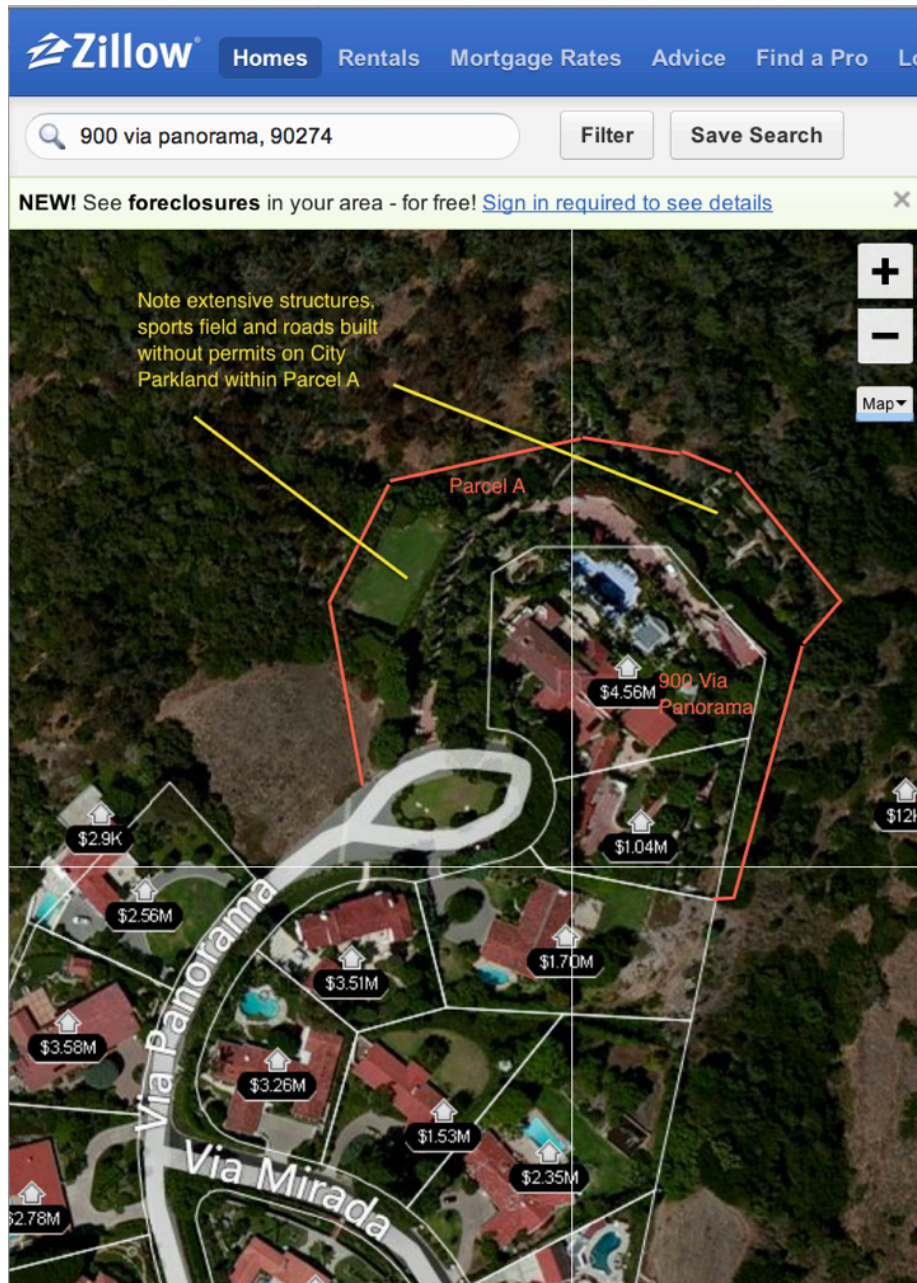
We would like to set the record straight on the statements made in your posting on "Legal Matters" on your website. On that page, your website says:

*"The photo (below), submitted to the City by Mr. Harbison, is adjacent to Parcel A and is public right-of-way and City-owned open space (indicated above in yellow), which is not the subject property nor in contention with this lawsuit or subject to the MOU."*

This statement is only partially true, since some of the people are standing on the portion of parkland that has been retained by the City. However, the statement misses the fact that some of the people were actually standing and sitting on the parkland property purchased by the Lugliani. You can see that in this photo noting the boundary stake at the left (hence everyone to the right of the stake is on the Lugliani purchased property).



Further, the parkland property sold represents about half of the area directly abutting the street. The only reason that half the people were not on the Lugliani parkland property is because of the blockage caused by all the encroachments and large trees that were illegally built and planted by the Luglianis. Had the Luglianis left the parkland in its original state, the people enjoying the fireworks would have been spread evenly across the entire open space, including that area blocked by the Lugliani encroachments.



Finally, the legal "demurrer" brief submitted to the Court this week by Mr. Lugliani's attorney once again misrepresents the true nature of the property conveyed by describing it as "steep inaccessible open space." The same characterization has been made repeatedly by the City Attorney in her staff reports and verbal comments in City Council Meetings. Such propagation of misinformation (despite repeated corrections by us in our communications to the City Council and Planning Commission) should cease. While **some** of the parkland sold is indeed on a steep slope, that is not true for **all** of it; in particular it is definitely not true for the part directly on Via Panorama that people actively use (and would likely use more if not obstructed by the Lugliani encroachments). Further, steep slopes are not necessarily inaccessible -- we frequently hike on similar steep parkland slopes in Palos Verdes. Whether or not it is steep and

inaccessible is irrelevant to the case (because it is illegal to sell any parkland regardless of its inaccessibility), but we object to the characterization since that misinformation is being used by the City and by Mr. Lugliani's attorney to justify to the public that they are not giving up much.

[Since then, we measured the altitude differential on Parcel A -- 60 feet and on Lots C & D -- 65 feet. So while Parcel A is severely sloped, it is not as sloped as Lots C&D. So the City's assertion that Lots C & C are more suitable for parkland because it is less steep is factually incorrect].

Our motivation in sending you these photos is to make it absolutely clear that:

1. The portion of the parkland that runs along Via Panorama is not "inaccessible." In contrast, there is not even a curb and it would be easy to roll a wheelchair onto the field.
2. People do use and enjoy the property as it runs along Via Panorama, as shown in the photos.
3. Therefore, representing the property as "inaccessible" and not used at all by the public is a **totally inappropriate distortion of the facts** and serves no purpose other than to fool the public into thinking that it is not losing much by the transfer to private ownership

The PVE City "Legal Matters" page on the website also characterizes that our concern centers on the encroachments:

*"Under the MOU and the deed conveying the property, the parties anticipate certain limited accessory uses on a designated portion of Parcel A (such as a sport court, gazebo and a BBQ). CEPC appears to take issue with this aspect of the transaction above all else and its lawsuit seeks to undo the real estate transaction."*

To be clear, we are indeed concerned about the encroachments. However, **our principal reason for filing the lawsuit is that we are deeply concerned about the dangerous precedent of selling open space parkland and, if applied on a broader basis, the long-term implications of that in our very special community.** We are not the only people concerned – over 100 people have signed letters in opposition to the transaction and over 70% of those letters opposing the transaction came from outside the neighborhood. This broad support should convince you that this is indeed a much more expansive issue than views and encroachments in a local neighborhood.



### **What is the City's position in this case?**

The lawsuit challenges the conveyances of Parcel A from the City to the PVHA and from the PVHA to the property owner of 900 Via Panorama (Lugliani). It also seeks to prevent the City from considering the Lugliani's zoning application and to compel the City to enforce restrictions that the lawsuit claims are applicable to the property. The City will address each of the technical legal arguments in court, which is the appropriate forum.

It is the City's position that, acting within its legal authority and in the best interests of the community when it participated (at the request of the PVHA) in the agreement, the community received important public benefits, including removing all legal doubt over the enforceability of the deed restrictions on PVE property owned by the School District.

By accepting the ruling, there is even less legal doubt that the deed restrictions are enforceable. Now there are two rulings by two judges that the deed restrictions remain in force. So why is the City still saying they need to fight the ruling?

### **What is at risk to the community and to the City with this lawsuit?**

While plaintiff CEPC seeks primarily to undo the conveyance of Parcel A, that transaction is one piece of a complicated puzzle. It is uncertain at this point what effect the CEPC lawsuit may have on the MOU as a whole.

As described above, the PVPUSD is unlikely to unwind the settlement because under the ruling, it still gets everything it sought. Similarly, the City and PVHA accomplish their objectives of ending the earlier litigation initiated by the PVPUSD. The only party to the MOU whose objectives are not met is Lugliani, but other than ask for the \$500,000 he paid for the parkland property to be returned when the land transfer is voided, he has no recourse to ask for his \$1.5 million charitable donation to the School back, since to ask for that would risk perpetrating a tax fraud.

### **Who represents the City on such legal matters and how does the City respond to litigation?**

The City Attorney represents the City in litigation. While the City does not comment on litigation, public information from the City on such matters is disseminated through the Mayor, City Attorney and City Manager.

### **Can anything be constructed on Parcel A?**

The property owners would need approval from the City and the Art Jury in order to construct any accessory uses or to permit the existing retaining walls. The City imposed an open space easement across the property, which continues to be zoned as open space, in addition to deed restrictions recorded on Parcel A by the PVHA, which together prohibit development on most of the parcel. The MOU and the PVHA's conveyance anticipate limited accessory structures and maintenance of existing retaining walls in designated portions of Parcel A. This expectation was part of the Lugliani's incentive to participate in the MOU. Note that the Lugliani's financial participation satisfied the School District's goal (which the School District had sought to achieve through the litigation and sale of open space). By satisfying the School District's fiscal goal, the

path was cleared for the City and the PVHA to secure from the School District affirmation of the deed restrictions, which protected all public open space in PVE without the risk of litigation. [For a more detailed description of the risks, see <[Summary of MOU Agreement](#)>.

#### **What is the status of the lawsuit?**

[Updated 7/2/2015]

The lawsuit consists of three causes of action (or claims) and was brought originally against four different parties (the City, the School District, the Homes Association and a private property owner); the plaintiffs have not pursued the case against the School District.

The court previously ordered [[minute order](#)] that one of the lawsuit's three claims against the City be dismissed, finding it was without merit as a matter of law. The other two claims were assigned to a different judge.

On July 1, 2015 the City received the second judge's ruling in favor of plaintiffs [[judgment document](#)], which appears inconsistent with and apparently contradicts the court's prior order dismissing one of the claims. The City is disappointed in the court's latest decision and will be evaluating its options including whether to pursue an appeal. The City Council will meet in closed session on July 14 to discuss this matter.

This should be updated for more recent events, including other public hearing dates that have occurred and the decision to appeal.