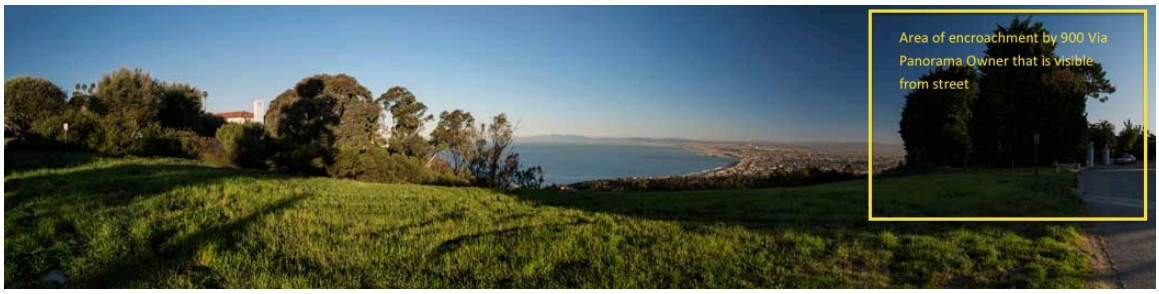
Letter to the Palos Verdes Estates City Council – March 4, 2013
Detailed Statement by John & Renata Harbison about 900 Via Panorama Rezoning Application
Concerning Rezoning Application ZC-2/M-902-13

- **Opposition To Rezoning Application ZC-2/M-902-13.**

- **Expression of grave and serious concerns to the transaction May 2012 whereby 1.7 acres of Palos Verdes Estates public parkland was conveyed to The Via Panorama Trust u/a May 2, 2012 (representing the Luglianis as "the Owner" of 900 Via Panorama) for $500,000 as part of an integrated series of transactions by the City of Palos Verdes Estates (PVE) and the Palos Verdes Homes Association (PVHA) as memorialized in a "Memorandum Of Understanding" (MOU) approved by the City Council 07/24/12**.



As PVE Residents we formally express our very grave and serious concerns about Application Number: Agenda Item ZC-2M-902-13 of the 03/12/13 meeting of the PVE City Council. This application requests a Zone Change of Parcel A adjacent to 900 Via Panorama from Open Space to R-1 Single Family Residential and includes a Miscellaneous Application for walls exceeding the maximum allowable height. We believe this is demonstrably illegal and will explain that opinion in the following discussion.

We also wish to express not only our opposition to the above referenced rezoning application but also our very grave and serious concerns about the earlier transaction which was approved unanimously by the Palos Verdes Unified School District (PVPUSD), by the PVHA, and by the PVE City Council at their meeting on 7/24/12 whereby 1.7 acres of parkland ("Parcel A") surrounding 900 Via Panorama was sold for $500,000 to the Owner of said property.

Let us be very specific. By law "Protective Restrictions" or "Covenants" "Run with the Land" and therefore semantically speaking any and all "Deed Restrictions" are clearly "Covenants running with the land." Such "Deed Restrictions" are perpetual and everlasting under law unless (1) the document cites a specific duration or expiration date or (2) they are released by the party who placed the restriction(s).

The **"Protective Restrictions Palos Verdes Estates"** and both of these options (1) and (2) above are explicitly addressed in the two **"Protective Restrictions Palos Verdes Estates" booklets.**

- The Bank of America Deed of Trust Indenture, including Declarations, recorded October 18, 1924;

- In the Bank of America Quit Claim transferring all city Parkland properties to the PVHA recorded June 21, 1940;

- And in the Palos Verdes Estates City Council Resolution, accepting title to all city Parkland properties on June 12, 1940.

The latter two documents above referenced are attached for those of you who have not seen these two specific documents in the past. Please note all the **"Restrictions, Conditions, Covenants, Liens, and Charges**" are explicit in all three of these documents and include sections pursuant to both **"Duration of the Restrictions**" and the process for **"Modification of Restrictions".**

Each and every document states clearly that all "Restrictions, et al" are binding not only to the original Grantor but all Grantees.

Now let us address the PVE City Council minutes from 1939/1940 starting with page 334 from that minutes book. During five City Council meetings (11/01/1939, 11/08/1939, 12/20/1939, 01/24/1940 and 02/27/1940) there were discussion and motions as to **how to properly convey or deed the parkland properties to the City of PVE with the "Protective Restrictions**."

We then refer you to the minutes of June 14, 1940 (as attached): specifically the formal Quit Claim of the Parklands, golf course, etc, made by Bank of America to the PVHA and the PVE City Council Resolution of June 12, 1940. Starting with page 334 of the minutes book, the first three pages are the beginning of the Bank of America Quit Claim deed. Pages numbered three, four and five are the first pages of the Quit Claim and describe what was being quit claimed; pages six and part of seven is the PVE City Council Resolution 12 authorizing the City of PVE to accept title which passed June 12, 1940; pages seven, eight, nine, ten, and part of eleven are the grant to the PVHA to the City of PVE of that certain real property (**parklands**, golf course, etc.); pages eleven and twelve are the definition and statement, ***"This conveyance is made and accepted by the City of PVE and said realty is hereby granted subject to each of the following provisions, restrictions, and covenants, to-wit…."***

On pages eleven and twelve it states "*Each and every provision, condition, restriction, lien, charge, easement, and covenant contained in the* ***Declaration of Establishment of Basic Protective Restrictions*** *executed by…* is *subject to which said property and/or all parcels thereof should be sold and conveyed and* ***all of said provisions, conditions, restrictions, reservations, liens, charges, easements, and covenants are hereby made a part of this conveyance and expressly imposed upon said realty as fully and completely as if herein set forth in full."***

THUS FUTURE FIDUCIARY RESPONSIBILITY IS CLEARLY ESTABLISHED

For further understanding, we reference the **"Protective Restrictions Palos Verdes Estates**" booklets which state **very clearly** in **Declaration 14 Page 14 Section 8 "Duration of Restrictions**" that "*all of the restrictions, conditions, covenants, reservations, liens, charges set forth in this Declaration of Restrictions shall continue and remain in full force and effect at all times against said property and the owners thereof, subject to the right of change or modification provided for in Section 9 hereof, until January 1, 1960, and shall as then in force be continued automatically and without further notice from that time for a period of twenty years, and thereafter for successive*

periods of twenty years each without limitation unless within the six months prior to the expiration of any successive twenty-year period thereafter a written agreement (is) executed by the then record owners of more than one-half in area of said property …."

Also provided in **Declaration 14 Page 15 Section 9 "Modification of Restrictions"** describes the process for change of **"Restrictions, Conditions, Covenant, Liens and Charges"**. It is explicit that no changes or modifications shall be made without the written consent duly executed and recorded of not less than two-thirds (in area) of all lands held in private ownership within 300 feet in any direction of the property for which a change or modification is being sought.

It seems rather conclusive that PVE Parkland cannot be sold, conveyed, or transferred to a private owner without such actions as defined in either of the above two paragraphs and that any such requested change or modification needs to be approved by such process.

NEITHER OF THESE ABOVE NECESSARY ACTIONS WAS TAKEN

As these actions were not taken we must consider **"Protective Restrictions Palos Verdes Estates" Declaration 14, Page 15a, Section 12 "Reversion of Title".**

For clarity, Section 12 **"Reversion of Title"** states: *"Each and all of said restrictions, conditions, covenants, reservations, liens, and charges is and are for the benefit of each owner of land (or any interest therein) in said property and they and each thereof shall inure to and pass with each and every parcel of said property, shall apply to and bind the respective successors in interest of Bank of America."*

It further reads ***"A breach of any of the "Restrictions, Conditions, and Covenant hereby established shall cause the real property upon which breach occurs to revert to Bank of America, or its successors in interest, as owners of the reversionary rights herein provided for…."***

Parcel A was part of the 800 acres in the original formation of PVE in 1923 designated as public parklands and constrained by certain "Protective Restrictions" explained above and were specifically and unilaterally designated to remain in force in perpetuity and binding on all future Grantees and property owners. Those "Protective Restrictions" were assumed by PVHA and subsequently by the City in 1939/40, and to our knowledge, have not been modified.

Therefore, since the 2012 conversion of PVE Parkland to private ownership did not adhere to the process by which restrictions could be changed or modified, it is **a specific breach** of the "Protective Restrictions Palos Verdes Estates" as provided for in Declaration 14, Page 15a, Section 12. Hence, we believe **the process of "Reversion of Title" should be triggered.**

We are also concerned that the Parkland conveyance, which we have now clarified as to why we believe was and is illegal, also includes a complex movement of monies in a "simultaneous" transaction, which could open the participating private and public entities to scrutiny by the IRS and California tax authorities for collusion to avoid taxes.

Further it is possible that the Attorney General of California might see a need to investigate PVE and PVHA. **We certainly do not want to invite negative publicity (such as has happened to other cities in our state)**.

Let us now address Application ZC-2/M-902-13 for Rezoning.

We strongly urge the City Council to deny the rezoning application not only per the details provided above, but also for the following reasons:

- The Planning Commission carefully considered the request for rezoning along with written and oral testimony, including statements signed by about 35 residents. There were 10 speakers strongly opposed to the rezoning **with no private property owners speaking positively for the rezoning**. There was a packed "standing room only" attendance at the 2/19/13 meeting with the audience composed of residents who own property throughout our City, not limited to the immediate 900 Via Panorama neighborhood. The same is true of the residents who signed the statements. Having considered the public comments and having asked many probing and excellent questions, the Planning Commissioners **unanimously recommended against rezoning**. It would seem there would be no compelling rationale of any sort for overriding that recommendation and giving approval.

- It is not an exaggeration to say that there is a rising rage in the community and it is time to sit back and contemplate how to best (for the moment anyway) mitigate that rage.

- There is no good faith, justifiable, or legal basis of any nature, to rezone from OS to R-1 and we suggest it would be a breach of the public trust and fiduciary duties to do so.

- Thankfully rezoning is not discussed or promised in the Memorandum of Understanding (MOU). It obviously could not be promised in the deed and was not mentioned in the 5/1/12 and 7/18/12 staff reports prepared for City Council Meetings. If it had been important to the MOU transaction, it would have been specified in the MOU since it is the legal document reflecting the intent of all the parties.

- At their 2/19/13 hearing, the PVE Assistant City Attorney Robert Smith and PVE Director of Planning and Public Works Allan Rigg told the Planning Commissioners **that it would not be a breach of the MOU if rezoning were denied**. Mr. Smith and Director Rigg explained that **rezoning is not the only process to grant permits**, and that there was a separate conditional use process under Open Space zoning to issue permits for the structures in Area 3 to be reviewed and approved. The MOU and Deed contemplate only obtaining permits for retaining walls and accessory structures -- not rezoning from open space. Again any such approval would only complicate an already potential "Reversion of Title" situation.

- Some have suggested that promises may have been made behind closed doors that have not been brought to light. We do not believe that and hope that all members of the Council agree. Specifically it would be a fraudulent situation if any such promises of rezoning were made (and not disclosed) before an application was submitted and a

public hearing held. We suggest that the Council be certain that such was not the case. We must protect the City.

- The CC&Rs, MOU and string of deed documents since 1924 all require that the property be maintained as open space -- i.e., OS zoning. The recorded Quite Claim Deed under item 2. states: "*Unless expressly provided for herein, Grantee shall not construct any structure on the Property and the Property shall be restricted to open space*." But this statement becomes muddled when it is followed by "*It is the intent of the parties, subject to compliance with the requirements for such development of accessory structures of the City and Grantor, that Grantee may construct any of the following: a gazebo, sports court, retaining wall, landscaping, barbeque, and/or any other uninhabitable "accessory structure," as defined by Palos Verdes Estates Municipal Code (PPVEMC") Section 18.32.010.D within the area described on Exhibit "C," attached hereto and by this reference made a part hereof, and shown as Area 3 on Exhibit "B*."

- The recorded quit claim deed also states: "*The Deed shall not cause the Property to be merged with any adjacent lot and any such merger shall be prohibited*." The Deed expressly forbids merging this open space property with the owner's current property, so why should it be rezoned to R-1?

- The City Council minutes 7/24/12 state "*MPT Goodhart confirmed with City Attorney Hogin that Areas 1 and 3 of this property are currently, and would remain, zoned as open space.*" [Note that in the 7/24/12 Staff Report, "Area 2" refers to the sports field area that in the current rezoning application has been confusedly renamed "Area 3"] So why is a rezoning being considered?

- Rezoning to R-1 would be a huge economic windfall to the Owner. The appraisal on the property (which supported the $500,000 transaction price) assumed open space zoning and restrictions on building any habitable structures or any structure that would violate the open space. As R-1, it opens the door for development and a valuation that is already mentioned by realtors as over $2M, based on prices recently paid for smaller and even steeper lots along Via Del Monte with comparably outstanding views. Further, It would be a breach of the City Council's fiduciary duty to grant such a windfall to the owner less than 6 months after the Council unanimously approved the $500,000 price in the MOU – particularly when the property is facing a possible "Reversion of Title." Clearly rezoning would increase the value and such a situation could trigger a number of investigations. Would that be a desirable outcome for the City?

- At the 2/19/13 hearing, Planning Commissioner Chairman James Vandever asked Mr. Smith, Assistant City Attorney, directly whether under R-1 zoning the open space easement would permit any structures on any part of the property other than Area 3. Mr. Smith answered that the Deed Restrictions would allow no structures beyond Area 3. Mr. Vandever then asked for clarification whether this included fences, walls or hedges in the portion of the property visible from the road? Mr. Smith again answered that they would not be allowed because fences, walls or hedges are all structures impeding upon open space. Let us try not to smile, as these Restrictions (referred to by

Mr. Smith) are the same Restrictions already violated in their entirety. Therefore why should anyone have any confidence on adherence to the same Restrictions in the future?

- There is another worrisome area in Mr. Smith's memorandum to the Planning Commission in which he states "*The City generally has a general policy to prohibit structures in City-owned parkland…there have been limited unique circumstances in the past where the City has granted an exception to this policy based on the specific circumstances of the application…"* What are the unique circumstances that have caused exceptions to be granted in the past? Do any of those unique circumstances apply here? If so, what are they? And if not, what is the justification for rezoning this property? Would anyone with deep pockets be able to accomplish a similar acquisition and rezoning of parkland in the future? Would granting the rezoning to R-1 here set a precedent?

- The Property Owners have previously, without ownership or permit, constructed their own private "playground" on this public property. By the 2012 transaction and now rezoning they are trying to convert public land into a personally owned "playground."

- The owner's son (David Lugliani) told us on 02/09/13, that it is his family's intention to build a 6-foot fence on their property line to limit their liability. A fence on the property line would significantly encroach on the feeling of open space. In terms of limiting liability, having enjoyed the benefits of the existing encroachments without concern for liability for many years, what is different now? If liability is an issue – why not limit access only to Area 3, which is where the large retaining wall exists and future limited construction is allowed in the Deed and MOU, without affecting the feeling of open space, which is required under the Deed?

- The large pillars (crowned with lion statues) that surround the gates to the illegal driveway constructed on parkland were illegally built by the Luglianis prior to their acquisition of this parkland last year. Further, these pillars were constructed on City set back since they are directly on the street – and hence are not compliant with code. Are they going to be removed? If so, will construction of new pillars (set back the appropriate distance) be allowed given the prohibition of structures on the open space outside Area 3?

- The MOU and deed prohibit the combination of the newly acquire Parcel A with the Owner's existing parcels. However, will the open space acreage on Parcel A be allowed to be included in the calculation of allowable density of structures on the original 900 Via Panorama group of parcels? If so, why was this not disclosed?

- The staff report submitted to the Planning Commission cites the "Permit Streamlining Act", and specifically that "*the Legislature's intent [is] that the statute expedite the process of zoning the property to avoid unnecessary costs and delays to the school district.*" Why is that being cited, since rezoning was not discussed in the MOU, and hence regardless of the outcome of this application, no terms of the MOU are being neglected (and hence there is no implication to the PVPUSD)?

- If you decide to rezone, we weaken the CC&Rs that govern all of us, and we implicitly say we trust that the PVE and PVHA have processes in place to protect our parkland and the character of our piece of paradise. How can we trust that when both institutions have ignored their stewardship role in this deal crafted behind closed doors?

Ideally we urge the City Council to reverse the transaction and return the entire property to open space. In the absence of that action, the City Council must fulfill its obligation to the public by exercising its rights under the open space easement by not allowing any structures, including fences, walls or hedges, on any part of the part of the property not included in Area 3 on Exhibit "B" and which is visible from the street and the nearby houses. If there is an approval to rezone to R-1 the "Protective Restrictions" that protect our parkland, the character of our beautiful City will be forever compromised. Any such approval of additional structures at this time would further blemish the process and subject the City to even further derision and distrust.

There is no justifiable rationale for re-zoning to R-1

<u>Let us now address the notification process.</u>

We believe the notification process for this rezoning was faulty and inconsistent with the need for transparency.

For example notifications of the Planning Commission hearing on 2/19/13 were sent to some **but not all** of the neighbors within 300 feet of the parkland, since the measurements were based on the distance from 900 Via Panorama rather than the property to be rezoned. Specifically, the owners of 916 Via Panorama (900 Via Mirada) are approximately 198 feet away from the boundary of the parkland but did not receive notice in the mail. There are others also within the designated radius who did not receive notice. See attached Zillow map with property boundaries and overlay.

On 2/20/13, in a telephone conversation the day after the Planning Commission hearing, Director Rigg told Renata Harbison that there is no requirement for mailing notifications of a City Council Meeting to consider rezoning requests; however in this case, the City would strive to be as transparent as possible by notifying everyone within **500** feet of 900 Via Panorama the date of the City Council meeting. Three days later on 2/23/13, Renata Harbison noticed a new sign posted, (with no notifications sent) that the matter would be on the agenda of the 2/26/12 meeting. You can imagine the consternation that caused – only three days for responses! Around 6:00 pm on 2/23/13, Director Rigg was kind enough to stop by the Harbison's home and explain that the sign was posted in error, and that the City Council meeting would be on 3/12/13. We don't know why this happened and will not suggest any personal prejudice was involved, but we believe a review of process may be in order.

In addition, not only was the rezoning notification process faulty, the process by which the sale of parkland to private ownership was also faulty.

The fact that in April/May of 2012, no signs were posted or letters sent out to any residents within 300 feet of the property being sold was in violation of the "Protective Restrictions". Since none of the neighbors on Via Panorama or Via Mirada were aware of the transaction before, during, or after the 7/24/12 City Council Meeting that approved the sale until a sign was posted on or about 2/05/13 is significant since it violates one of the processes that should have been followed. (See **Declaration 14 Page 15 Section 9 "Modification of Restrictions"**.)

Further Comments

To our knowledge and based on the reviews of competent advisors this sale of parklands is not only unprecedented it truly violates the "Protective Restrictions" in an extraordinarily way of confusion and intrigue.

The sale transaction also violates statements on the websites of the City and PVHA about the importance of preserving the open space that is so critical to differentiating PVE as a community.

It is also apparent that the City Council received some very bad advice; information presented to the City Council by staff was misleading in some regards, such as the true origin, nature and status of the encroachments on the west side of 900 Via Panorama. While such is insignificant to the main issue it still raises questions about either intent or competence.

For instance, at the 5/08/12 City Council meeting, City Attorney Hogin explained that the encroachments caused by constructing a sports court, retaining walls, steps, gazebo and landscaping were mostly done by the predecessor owner and not the Luglianis. You may remember that after the City Attorney made her comments, a resident and former mayor (Joseph Barnett) delivered a detailed description how he was intimately familiar with the property in the early 1970s as the listing agent. He said that **none of those encroachments existed at the time of the Lugliani purchase**. He apparently expressed surprise at the extent of the encroachments and concern about rewarding "*a violator of city codes*" by selling them parkland, which he also noted "**COULD NOT BE DONE**".

Surprisingly none of his remarks were detailed in the otherwise very accurate and specific minutes of the meeting as reflected in the audio and compared to what was written in the minutes.

We note Joe Barnett was correct on this point, and in fact on 02/09/13, David Lugliani (son of the owner and a real estate developer) acknowledged to Renata Harbison, John Harbison and Ann Hinchliffe verbally that his family built several structures attributed to the previous owners, including the retaining wall after they had cut into the hillside to create the sports field. Unfortunately the misleading information was perpetuated by the City Attorney's comments in the 7/24/12 City Council meeting and in the staff report for that Meeting.

Finally, the staff report prepared by Mr. Smith for the Planning Commission meeting on 2/19/13 continued to perpetuate this myth "*On the graded pad, the previous owners landscaped and improved a section of the parkland and built installed walls*." Where does the City Attorney's office get these facts? Is there an attempt to perpetuate misinformation that paints the

transgressions of the Owners of 900 Via Panorama in a more favorable light, even when the City Attorney was present in the 5/08/12 Council meeting where Joe Barnett corrected her?

When the Luglianis acquired 900 Via Panorama in 1975, the previous owner (Alex Haagen) had built a road on the parkland property – without notice or permits as well as other non-approved structures, including a trellised rose garden, gates and stairs. The Luglianis significantly expanded and extended encroachments on parkland which included grading a large sports field into the hillside, building a 20 (+) foot retaining wall on the now exposed slope due to the graded field, and also constructing pergolas and other structures as well as installing new landscaping. This landscaping includes trees that have grown to over 40 feet tall on the public parkland blocking neighborhood views of the coastline and ocean. This is just unimaginable in a City proud of its attention to "Protective Restrictions" and to protecting Parkland.

The Luglianis have derived benefit from these illegal encroachments for over 30 years and left the impression that this parkland was private property. These uses of land and attendant benefits were derived without applying for or receiving any permits or paying any taxes for use of this land. Another potential scrutiny for the IRS and the California tax authorities.

We believe such behavior should not be rewarded!

When the City became aware of these encroachments in 2004 through their GIS system, the City immediately and appropriately demanded that the Owner remove all structures. That demolition was begun at an undetermined time between 2011 and 2012, but halted before removal was completed as it is now apparent that a transaction was in the works, albeit illegal and in total violation of the "Protective Restrictions". The encroachments are clearly visible on Zillow (since property lines are visible) as well as Google maps.

The amount paid ($500,000) for Parcel A was and is significantly below market for 1.7 acres, with no solicitation to our knowledge made to other parties. These other parties might have pointed out that they could not legally buy such Parkland and hence we would not be in the dilemma we are in today.

We understand approximately $400,000 of these proceeds was used by the PVHA to pay legal fees on a lawsuit with the PVPUSD, and the remaining $100,000 was allocated to the City for its general budget. As such, the City and PVHA both benefitted from the transaction, but where is the benefit to the "owners of private property in the City of PVE.

In conclusion this transaction clearly violates the charter for PVHA.

Here are relevant excerpts from the PVHA website:

http://www.palosverdes.com/homesassociation/history.htm:

"*...the 3200 acres were transferred to a trustee, subject to the terms and provisions of a trust indenture commonly known as 'Palos Verdes Trust Indenture'... By the terms of the deeds*

transferring these properties to Palos Verdes Homes Association, ***the property must be perpetually devoted to public uses; otherwise, title reverts to the trustee….***

The Homes Association has independent functions to perform, which no city can legally perform. These functions must be performed by the Homes Association to protect one of the most valuable assets that the community has. Palos Verdes Estates is one of the few communities in Southern California, and indeed in the State of California, which has a comprehensive plan of both use and building restrictions. With the growth of the population and industry in Southern California, it is becoming increasingly important that use and building restrictions be perpetuated.

The Homes Association under the Restrictions themselves, under the Trust Indenture, and under its Articles of Incorporation and By-laws, is given the power and the right to enforce these restrictions….The deeds from the trustee to each original purchaser refer specifically to the restrictions, the organization of the Homes Association and the Art Jury bind the purchaser to comply with the restrictions. The restrictions and the original deeds are recorded, and being matters of record, each subsequent purchaser is also bound by the restrictions."
Considering the foregoing and the other documents and details referenced in this review of documents how could the PVHA sell the 1.7 acres to a private buyer? **There is no legal justification of any kind for such a sale.**

This transaction also violates what the City of PVE says on its website.

http://www.pvestates.org/index.aspx?page=38:

"*Deed restrictions were imposed on the land in 1923, when the Bank of America, as trustee for Vanderlip's Palos Verdes Project, drafted a trust indenture and outlined provisions for development…. Over the years, the City's governance has been guided by the vision of the original founders with an emphasis on* ***preserving, protecting and enhancing the quality of life and natural assets that make Palos Verdes Estates unique****."*

The undersigned residents would like to also present the following concerns:

Why was a private property owner even considered to purchase parkland when that is explicitly forbidden in the "Protective Restrictions" in all of the deeds pertinent to the management of Parklands, etc. without following Section 8 or Section 9 as we earlier described?

Why should the prohibited illegal activity of building on public lands in a manner that is explicitly disallowed being forgiven and rewarded decades after the fact?

A review should be made of why no residents within 300 feet of the subject parkland were notified of the proceedings involving the sale of the property in May or July 2012?

A review should be made of why some residents within the same 300 feet were not notified of the Planning Commission meeting on 2/19/13?

The price paid for the 1.7 acres of parkland at $500,000 does not seem credible in spite of the appraisal value of $450,000. Values quoted to us by developers who had become aware of this transaction in recent weeks, said they were shocked at the price, and said they would have paid between two and three million for it. If rezoning for some reason were approved, it would definitely be worth significantly more than the price paid.

It appears that only the IRS can determine if the large donation to the Palos Verdes Unified School District figures into the value of the acquired parkland. Since the MOU made it clear that the donation was contingent on the successful acquisition of the parkland property adjacent to 900 Via Panorama, and because the value is most certainly much higher than $500,000, it is reasonable to expect that the IRS would interpret the $1.5 M donation as part of the value given to receive title to the parkland property. In such a case it would seem that the "donation" would not be allowed as a tax-deductible "donation"?

The Memorandum of Understanding ("MOU") seems to be filled with inaccuracies and inconsistencies. For instance, it states that "Area A [The Via Panorama Parcel A] is approximately 75,930 sq ft and roughly equivalent in size and value to Lots C & D." The MOU sites the square feet of Lot C & D as 19,984 sq ft and 17,978 sq ft respectively for a total of 37,962 sq ft. **Obviously 75,930 sq ft is not "roughly" equivalent – it is almost twice the size. Quite an error!** Further, the whole argument of a trade for Open Space is spurious, since Lot C & D were designated open space before the transaction.

If for some unexpected reason this transaction stands, what will be the official response when others in PVE decide to build on adjacent parkland and/or ask to buy the parkland property? We are worried the City/PVHA may be seeing future lawsuits from residents demanding similar rights to parkland they wish to purchase.

City Council minutes 7/24/12 state that "*they are not precluding, nor permitting any improvements*" including accessory structures. Why did the City Council not preclude any modifications that encroach on open space? The "Protective Restrictions" that were established in 1924 and that flow thorough to present Grantees require that parkland be maintained for public use and benefit. We suggest that selling to a private individual is not compatible with that fiduciary responsibility?

In the City Council minutes 7/24/12, City Attorney Hogin said "*it is to remain as open space in perpetuity*" but then contradicts that statement with "*accessory structures*" would be allowed. She then said the definition of accessory structures includes "*gazebo, sports court, retaining wall, landscaping, barbecues or any other accessory structure as defined in 18.32.010B of the PVEMC if approved*." Not allowed in the "Protective Restrictions" even if counsel says "It is allowed"? The City Attorney went on to say "*accessory structures are not allowed in open space; an application for rezoning of Area 1 would be required*". **WHAT?**

Such statements could give an appearance of encouraging rezoning to R-1 and hence to circumvent the open space requirement that the City Council was told would be "in perpetuity"?

This transaction violates the finding of the Court in 2012 that PVPUSD could not sell property designated as Open Space to private owners. PVHA defended that principle in the lawsuit, and settlement of the appeals process with PVPUSD was part of the Resolution that was approved on 7/24/12. However that principle was definitely violated in the Resolution approving the MOU. Why the sudden reversal by the PVHA?

SUMMARY

For the many and numerous justifiable reasons discussed in this document the request to rezone from OS to R-1 (Single Family Residential) must be denied at least at this time until the questions as to the legality of the transaction in its entirety are decided.

Beyond those very serious questions it would allow usage inconsistent with both the Protective Restrictions as well as the "open space" easements on the property that are controlled by the City. Any kind of structure would be in conflict with the normal parameters of open space and affect the views of the neighbors who look out at the "Queen's Necklace" coastline view through this parkland.

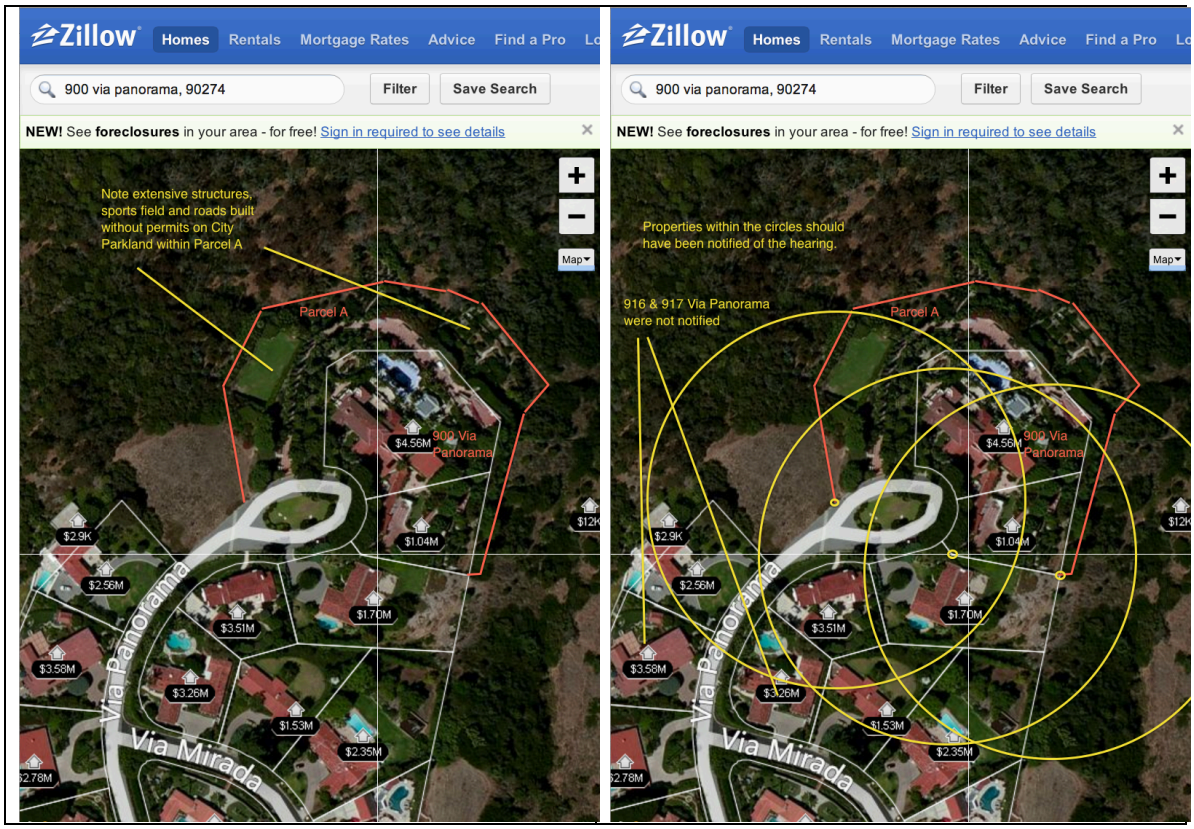
It seems that a family that made considerable illegal encroachments on Parkland has been given the Parkland in exchange for a charitable contribution to the PVPUSD and a smaller amount to the PVHA. That is a prohibited sale of Parkland property that belongs to all property owners in PVE. We predict this will haunt this City for a long time if there is not a "Reversion of Title"!

Respectfully Submitted,

_____ _____

John Harbison
916 Via Panorama
March 4, 2013

Renata Harbison
916 Via Panorama
March 4, 2013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Filter
Save Search
NEW! See foreclosures in your area - for free! Sign in required to see details
Note extensive structures, sports field and roads built without permits on City Parkland within Parcel A
Parcel A
900 Via Panorama
$4.56M
$2.9K
$2.56M
$1.04M
$3.51M
$1.70M
$3.58M
$3.26M
$1.53M
$2.35M
Via Panorama
Via Mirada
Properties within the circles should have been notified of the hearing.
916 & 917 Via Panorama were not notified


Encroachments by Owner on Parcel A Parkland
The parkland on Via Panorama has one of the best views of the coastline, and people often stop and enjoy the view.
Every 4th of July, people come there from all over PVE to watch the fireworks.

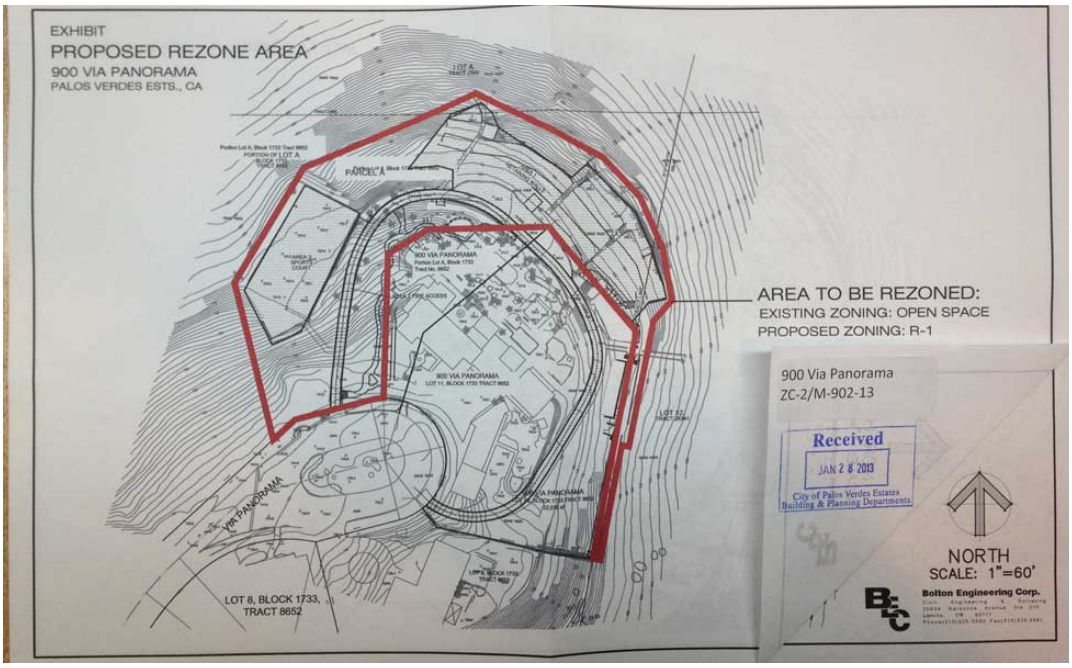
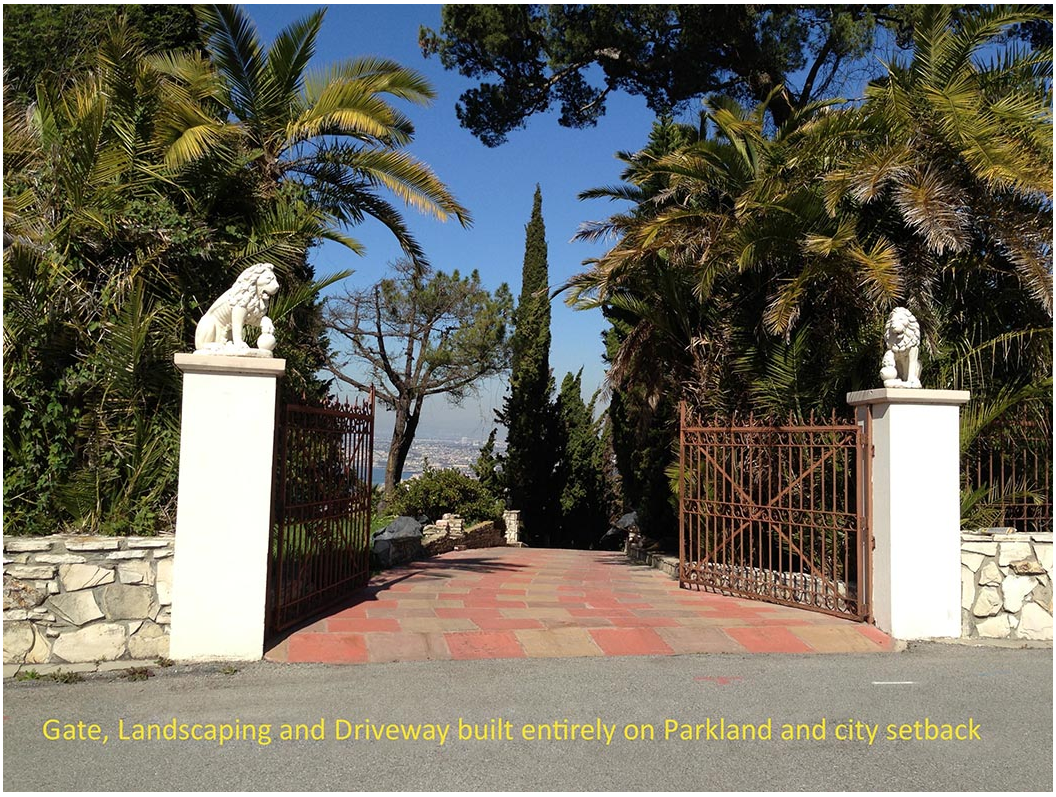


EXHIBIT
PROPOSED REZONE AREA
900 VIA PANORAMA
PALOS VERDES ESTS., CA
AREA TO BE REZONED:
EXISTING ZONING: OPEN SPACE
PROPOSED ZONING: R-1
900 Via Panorama
ZC-2/M-902-13
Received
JAN 2 8 2013
City of Palos Verdes Estates
Building & Planning Department
NORTH
SCALE: 1"=60'
Bolton Engineering Corp.
LOT 8, BLOCK 1733,
TRACT 8652


Sport Court and Retaining
Wall on Parkland


original property line
Encroachments on parkland
include gate, road, walls and trees


Gate, Landscaping and Driveway built entirely on Parkland and city setback

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America, hereinafter for brevity called "bank", in consideration of the sum of $10.00 to it in hand paid, receipt of which is hereby acknowledged, does hereby quit claim without warranty to PALOS VERDES HOMES ASSOCIATION, A California corporation, hereinafter for brevity called "grantee", all of its right, title and interest, including easements, rights of way, reversionary interests and interests of every nature in and to all that certain real property in the County of Los Angeles, State of California, described as follows:

Item 1. That portion of Lot B of Tract 4400, as per map recorded in Book 72, Pages 95 and 96 of Maps, records of said Los Angeles County, described as follows:

Commencing at the Easterly terminus of that certain course in the Southerly boundary of Tract 6882 as per map recorded in Book 76, Pages 20 and 21, of Maps, records of said Los Angeles County, having a length of 311.48 feet and a bearing of North 89° 43' 20" West, as shown on said map of Tract 6882, thence along said course North 89° 43' 20" West 106.20 feet to a point which is the true point of beginning of this description and also the Northeasterly corner of Lot V in Tract 6885, as per map recorded in Book 78, Pages 49 to 52 inclusive, of Maps, records of said Los Angeles County; thence along the said Southerly boundary of Tract 6882, South 89°43'20" East 106.20 feet to the beginning of a curve concave to the North and having a radius of 7796.53 feet; thence along said curve 1523.89 feet to the beginning of a curve concave to the North and having a radius of 3025.50 feet; thence along said curve 243.74 feet to the beginning of a curve concave to the South and having a radius of 1774.50 feet; thence along said curve 235.30 feet to the beginning of a curve concave to the South and having a radius of 4942.5 feet; thence along said curve 31.56 feet to the end thereof; thence due South 32.28 feet thence South 38° 18' 32" East 64.55 feet to an angle point in the Westerly boundary of Tract 6883, as per map recorded in Book 77, Pages 73 and 74, of Maps, records of said Los Angeles County; thence along the Westerly boundary of said Tract 6883, and of

Tract 10320, as per map recorded in Book 151, Pages 48 to 50 inclusive of Maps, records of said Los Angeles County, due South 222.46 feet and South 13° 54' West 100 feet to the most Westerly corner of Lot A of said Tract 10320; thence along the Southerly line of said Lot A and along the Southwesterly and Westerly line of Lot B of said Tract 10320 to the most Southwesterly corner thereof, which is a point on the Southerly boundary of said Lot B of Tract 4400; thence in a generally westerly and northwesterly direction, along the said southerly boundary of Lot B of Tract 4400, the Northeasterly and Northerly boundary of Tract 7540 as per map recorded in Book 104, Pages 56 to 59 inclusive, of Maps, records of said Los Angeles County, and the Easterly boundary of said Tract 6885, to the point of beginning, enclosing an area of 213.44 acres more or less.

Item 2. Lots J.V. and Y of Tract 6885, as per map recorded in Book 78, pages 49 to 52 inclusive, of Maps, records of said Los Angeles County; and the triangular portion of Lot 1 in Block 1712, of said tract, lying Northeast of a line drawn from the Northwesterly corner thereof to a point on the Easterly line thereof one hundred (100) feet Southerly of the Northeasterly corner thereof, comprising an area of 0.078 acre, more or less.

Item 3. Lots A and B of Tract 10320, as per map recorded in Book 151, pages 48 to 50 inclusive, of Maps, records of said Los Angeles County.

Item 4. Lot F of Tract 10624, as per map recorded in Book 163, Pages 7 to 9 inclusive of Maps, records of said Los Angeles County, except that portion thereof described as follows:

Beginning at the most westerly corner of Lot 2, in Block 2 of said Tract; thence along the Southerly line of said Lot 2 North 89° 48' 27" East 257.45 feet to the most westerly corner of Lot 1, in said Block; thence along the Westerly line of said Lot 1, South 22° 27' 40" East 65.04 feet; thence North 78° 08' 54" West 248.44 feet; thence South 87° 10' 06" West 69.87 feet; thence North 57° 16' 17" East 38.04 feet, more or less, to a point in the Westerly line of said Lot 2, distant thereon North 08° 43' East 9 feet from the most Westerly corner thereof; thence South 08° 43' West 9 feet to the point of beginning, enclosing an area of 0.189 acre, more or less.

It being the intent of bank to quitclaim all interests of every nature whatsoever to grantee in the above described property including any interest reserved to bank by reason of that certain trust indenture recorded July 5, 1923 in Book 2556, Page 61 of Official Records, in the office of the County Recorder of the County of Los Angeles, and any and all amendments thereto.

It is expressly understood and agreed that this quitclaim is made and executed by bank herein solely as trustee under that certain trust indenture hereinbefore referred to and that bank herein shall not in any manner nor to any extent whatsoever become personally responsible or liable for any damages, losses or expenses arising or substained in connection with this quitclaim and further this transfer and quitclaim is made and accepted subject to all state and county taxes now a lien and now due and/or delinquent and without warranty on the part of bank herein of any kind or character, either express or implied.

In Witness Whereof, BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, has this 14th day of June, 1940, caused this instrument to be executed and its name and seal to be hereunto affixed by its Trust Officer and Assistant Trust Officer thereunto duly authorized.

BANK OF AMERICA NATIONAL TRUST AND
SAVINGS ASSOCIATION

By R. A. Wright, Trust Officer
By Grant J. Hoge, Assistant Trust Officer.

Consent to the execution of the foregoing deed is hereby given.
Dated June 14, 1940.
Oscar L. Willett, Trustor, Palos Verdes Project.

State of California, County of Los Angeles)ss.

On this 14th day of June, 1940, before me, M. Cupp, a Notary Public in and for said County and State, personally appeared R. A. Wright known to me to be the Trust Officer, and Grant J. Hoge, known to me to be the Assistant Trust Officer, of Bank of America National Trust and Savings Association, the association that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the association therein named, and acknowledged to me that such association executed the same.

Witness my hand and official seal.

(SEAL) M. Cupp, Notary Public

in and for said County and State.

#1545, Copy of original recorded at request of Grantee, Jun 21, 1940, 3:23 P.M.

Copyist #14. Compared. Mame B. Beatty, County Recorder, by (signature)

T. M. Miller (153) Deputy.
$2.10-16-P.

- - - - -

Bk 17615
Pg. 163
6-14-40

RESOLUTION #12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA AUTHORIZING THE CITY TO ACCEPT TITLE TO THE PARK PROPERTIES AND TO ACCEPT TITLE TO THOSE CERTAIN LOTS DESCRIPTION TO WHICH IS ATTACHED AND HEREWITH INCORPORATED BY REFERENCE AND AUTHORIZING THE CITY ATTORNEY TO RECORD THE SAME. AND TO PETITION THE COUNTY BOARD OF SUPERVISORS TO CANCEL THE DELINQUENT TAXES AND TAX DEEDS.

The City Council of the City of Palos Verdes Estates do ordain as follows:-

Section 1 That the City Council of the City of Palos Verdes Estates hereby accept the grant deeds and quit claim deeds description of which is attached.

Section 2 That the City Attorney is hereby authorized to record the above mentioned deeds with the County Recorder.

Section 3 That the City Attorney is hereby authorized to Petition the Board of Supervisors to direct the cancellation of the Tax Deeds now in the name of the State of California.

Section 4 The City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the Book of original Resolutions of said City; shall make a minute of the passage and adoption thereof in the records of the proceedings of said City Council and in the minutes of the meeting at which the same is passed and adopted.

Passed and adopted this 12th day of June, 1940.

(SEAL)

H. F. B. Roessler
Mayor of the City of Palos Verdes Estates, California

Attest:
Seymour F. Bergstrom
City Clerk of the City of
Palos Verdes Estates, Calif.

State of California County of Los Angeles City of Palos Verdes Estates) ss

I, Seymour F. Bergstrom, City Clerk of the City of Palos Verdes Estates, California, do hereby certify that the whole number of City Council is five; that the foregoing resolution, being Resolution No. 12 was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a Special Meeting of said City Council held on the 12th day of June, 1940, and that the same was so passed and adopted by the following votes: Ayes: Councilmen Reeder, Smith, Sadler and Mayor Roessler. Noes: None Absent: Councilman Bray.

Witness my hand and seal of said City this 12th day of June, 1940.

(SEAL)

Seymour F. Bergstrom
City Clerk of the City of
Palos Verdes Estates, California.

(1)

Palos Verdes Homes Association, a California corporation, in consideration of Ten Dollars ($10.00) to it in hand paid, receipt of which is hereby acknowledged, does hereby Grant to the City of Palos Verdes Estates, a municipal corporation of the sixth class of the State of California, its successors and assigns, that certain real property in the County of Los Angeles, State of California, hereinafter referred to as "said realty", described as follows: Item 1. Lots J, V and Y of Tract 6885, as per map recorded in Book 78, pages 49 to 52 inclusive, of Maps, records of said Los Angeles County, and that portion of Lot B of Tract 4400, as per map recorded in Book 72, pages 95 and 96 of Maps, records of said Los Angeles County, described as follows (with the exceptions hereinafter described in paragraphs (a) and (b) hereof): Commencing at the Easterly terminus of that certain course in the Southerly boundary of Tract 6882, as per map recorded in Book 76, pages 20 and 21 of Maps, records of said Los Angeles County, having a length of 311.48 feet and a bearing of North 89° 43' 20" West, as shown on said map of Tract 6882; thence along said course North 89° 43' 20" West 106.20 feet to a point which is the true point

of beginning of this description and also the Northeasterly corner of Lot V in Tract 6885, as per map recorded in Book 78, pages 49 to 52 inclusive, of Maps, records of said Los Angeles County; thence along the said Southerly boundary of Tract 6882, South 89° 43' 20" East 106.20 feet to the beginning of a curve concave to the North and having a radius of 7796.53 feet; thence along said curve 1523.89 feet to the beginning of a curve concave to the North and having a radius of 3025.50 feet; thence along said curve 243.74 feet to the beginning of a curve concave to the South and having a radius of 1774.50 feet; thence along said curve 235.30 feet to the beginning of a curve concave to the South and having a radius of 4942.5 feet; thence along said curve 31.56 feet to the end thereof; thence due South 32.28 feet; thence South 38° 18' 32" East 64.55 feet to an angle point in the Westerly boundary of Tract 6883, as per map recorded in Book 77, pages 73 and 74, of Maps, records of said Los Angeles County; thence along the Westerly boundary of said Tract 6883 and of Tract 10320, as per map recorded in Book 151, pages 48 to 50 inclusive, of Maps, records of said Los Angeles County, due South 222.46 feet and South 13° 54' West 100 feet to the most Westerly corner of Lot A of said Tract 10320; thence along the Southerly line of said Lot A and along the Southwesterly and Westerly line of Lot B of said Tract 10320 to the most Southwesterly corner thereof, which is a point on the Southerly boundary of said Lot B of Tract 4400; thence in a generally Westerly and Northwesterly direction, along the said Southerly boundary of Lot B of Tract 4400, the Northeasterly and Northerly boundary of Tract 7540, as per map recorded in Book 104, pages 56 to 59 inclusive, of Maps, records of said Los Angeles County, and the Easterly boundary of said Tract 6885, to the point of beginning, enclosing an area of 213.44 acres, more or less. (a) Except those portions of said Lots J, V and Y of Tract 6885 and of said Lot B of Tract 4400, described as follows: Beginning at a point in the Southwesterly boundary of said Lot J which is South 38° 25' 00" East thereon 16.51 feet from the Northerly boundary of said Lot J; thence South 58° 25' 00" East 72.89 feet to the beginning of a curve concave to the Northeast,

tangent to said last-mentioned course and having a radius of 350 feet; thence Southeasterly along said curve 27.65 feet to the beginning of a curve concave to the North, tangent to said last-mentioned curve and having a radius of 115 feet; thence Easterly along said last-mentioned curve 100.15 feet to the beginning of a curve concave to the South, tangent to said last-mentioned curve and having a radius of 1140 feet; thence Easterly along said last-mentioned curve 325.89 feet; thence North 83° 32' 24" East 126.12 feet to the Southerly boundary of Tract 6882, as per map recorded in Book 76, pages 20 and 21 of Maps, records of said Los Angeles County; thence Easterly along the boundary of said Tract 6882 and following the same in all its various courses to the Northerly terminus of that certain course in the most Westerly boundary of Tract 6883, as per map recorded in Book 77, pages 73 and 74 of Maps, records of said Los Angeles County, having a bearing due North and a length of 222.46 feet, as shown on said map; thence South along said most Westerly boundary 62.16 feet to the beginning of a curve concave to the South and having a radius of 4793.50 feet, a radial line of said curve to said beginning thereof bearing North 07° 19' 41" West; thence Westerly along said last-mentioned curve 51.15 feet to the beginning of a curve concave to the South, tangent to said last-mentioned curve and having a radius of 1625.50 feet; thence Westerly along said last-mentioned curve 215.54 feet to the beginning of a curve concave to the North, tangent to said last-mentioned curve and having a radius of 3174.50 feet; thence Westerly along said last-mentioned curve 150.29 feet to the beginning of a curve concave to the South and having a radius of 2550 feet, a radial line of said curve to said beginning thereof bearing North 05° 32' 53" East; thence Easterly along said last-mentioned curve 371.71 feet; thence South 76° 06' 00" East 42.47 feet to the Southerly terminus of the above described course having a bearing due North and a length of 222.46 feet; thence South 13° 54' 00" West along the Westerly boundary of said Tract 6883, 80 feet; thence North 76° 06' 00" West 42.47 feet to the beginning of a curve concave to the South, tangent to said last-mentioned course and having a radius of 2470 feet; thence Westerly along said last-mentioned curve 658.86 feet; thence South 88° 37' 00" West

77.80 feet to the beginning of a curve concave to the North and having a radius of 7945.53 feet, a radial line of said last-mentioned curve to said beginning thereof bearing South 08°51'57" East; thence Westerly along said last-mentioned curve 1131.25 feet; thence South 83°32'24" West 559.06 feet to the beginning of a curve concave to the South, tangent to said last-mentioned course and having a radius of 940 feet; thence Westerly along said last-mentioned curve 338.21 feet; thence South 71°07'38" West 210.28 feet to a line that is parallel with and 10 feet Southeasterly, measured at right angles, from the line bearing South 62°55'30" West in the Northwesterly boundary of said Lot J of Tract 6885, as shown on said map of said tract; thence South 62° 55' 30" West along said parallel line, 221.39 feet to the Southwesterly line of said Lot J; thence Northerly, Northeasterly and Northerly along the boundary of said Lot J, to the point of beginning; enclosing an area of 1.41 acres, more or less, within the boundaries of said Lot J, and 2.19 acres, more or less, within the boundaries of said Lot V, and 0.50 acre, more or less, within the boundaries of said Lot Y, all in said Tract 6885; and enclosing also an area of 8.46 acres, more or less, within the boundaries of said Lot B of Tract 4400. (b) Also, except those portions of said Lot B of Tract 4400, described as follows (the basis of bearings is "East", being the bearing of the Southerly line of said Lot B, extending from the angle point marked "B" to the angle point marked "A", as shown on said map of Tract 4400): (1) Commencing at said angle point marked "B"; thence North 85° 38' 27" East 3888.87 feet to the true point of beginning of this description; thence North 26° 20' 50" West 48 feet; thence North 47° 39' 25" East 31.21 feet; thence North 63° 39' 10" East 16 feet; thence South 26° 20' 50" East 56.60 feet; thence South 63° 39' 10" West 46 feet, more or less, to the point of beginning, enclosing an area of 0.057 acre, more or less.

(2) Commencing at said angle point marked "B"; thence North 86° 31' 38" East 3942.44 feet to the true point of beginning of this description; thence North 26° 20' 50" West 40 feet; thence North 63° 39' 10" East 65 feet; thence South 26° 20' 50" East 50 feet; thence South 72° 23' 56" West 65.76 feet, more or less, to the point of beginning, enclosing an area of 0.067 acre, more or less.

(3) That portion of said Lot B of Tract 4400 which is included within a circle having a radius of 85.60 feet, the center point of said circle bearing North 86° 48' 14" East 1965.79 feet from said angle point marked "B"; enclosing an

area of 0.53 acre, more or less. Item 2. The triangular portion of Lot 1 in Block 1712 of Tract 6885, as per map recorded in Book 78, pages 49 to 52 inclusive, of Maps, records of said Los Angeles County, lying Northeast of a line drawn from the Northwesterly corner thereto to a point on the Easterly line thereof one hundred (100) feet Southerly of the Northeasterly corner thereof, comprising an area of 0.078 acre, more or less. Item 3. Lots A and B of Tract 10320, as per map recorded in Book 151, pages 48 to 50 inclusive, of Maps, records of said Los Angeles County. Excepting and reserving therefrom any and all streets, alleys, walks, roads and/or highways abutting or adjoining said realty and all land within or under same, and the easements and rights-of-way hereinafter referred to. It is the express intention of the parties hereto that title to all land under or within all streets, alleys, walks, roads and/or highways abutting or adjoining said realty is reserved unto the Grantor herein, its successors and assigns, and the Grantee herein acquires no interest therein by virtue of this deed.

This conveyance is made and accepted and said realty is hereby granted, subject to State and County taxes now a lien and now due and/or delinquent and to any and all rights and easements of record, but without warranty on the part of the Grantor herein of any kind or character, either express or implied, as to any matters not contained or referred to herein; and upon and subject to each of the following provisions, conditions, restrictions and covenants, to-wit:

1. The express condition that the Grantor herein is not responsible or liable, in any way, for any inducement, representation, agreement, condition or stipulation not set forth herein, or in deeds of record heretofore conveying said realty and rights and easements applicable thereto, or in the Declarations of Restrictions hereinafter mentioned. 2. Each and every provision, condition, restriction, reservation, lien, charge, easement and covenant contained in the Declaration of Establishment of Basic Protective Restrictions executed by Commonwealth Trust Company, as owner, recorded in Book 2360, page 231 of Official Records of said Los Angeles County, and Amendments Nos. 1 and 3 thereto (executed by Bank of America, successor in interest to said Commonwealth Trust Company),

recorded in Book 2940, page 27 and in Book 4019, page 274, respectively, of said Official Records; and in Declaration No. 5 of Establishment of Local Protective Restrictions, executed by said Bank of America and recorded in Book 2863, page 364 of said Official Records; and in Amendments Nos. 3 and 6 to said Declaration No. 5, executed by said Bank of America and recorded in Book 4019, page 274 and in Book 5583, page 28, respectively, of said Official Records; and in Amendment No. 80 to said Declaration No. 5, executed by Palos Verdes Estates, Inc. and recorded in Book 16565, page 183 of said Official Records; and in that certain conveyance executed by said Bank of America to Grantor herein and recorded in Book 3400, page 279 of said Official Records, whereby there was established a general plan for the improvement and development of said realty and other property described and/or referred to in said Declarations of Restrictions, and provisions, conditions, restrictions, reservations, liens, charges, easements and covenants were fixed, including the establishment, maintenance and operation of Palos Verdes Homes Association, a California corporation, and of the Art Jury as therein provided, subject to which said property and/or all parcels thereof should be sold and conveyed and all of said provisions, conditions, restrictions, reservations, liens, charges, easements and convenants are hereby made a part of this conveyance and expressly imposed upon said realty as fully and completely as if herein set forth in full. 3. That, except as hereinafter provided, said realty is to be used and administered forever for park and/or recreation purposes only (any provisions of the Declarations of Restrictions above referred to, or of any amendments thereto, or of any prior conveyances of said realty, or of any laws or ordinances of any public body applicable thereto, to the contrary notwithstanding), for the benefit of the (1) residents and (2) non-resident property owners within the boundaries of the property heretofore commonly known as "Palos Verdes Estates" (that is to say, within the boundaries of the Grantee municipality, of Tracts 6881 and 9302 of said Los Angeles County, and of any other property that may be under the jurisdiction of said Palos Verdes Homes Association), under such regulations consistent with the other

conditions set forth in this deed as may from time to time hereafter be established by said municipality or other body suitably constituted by law to take, hold, maintain and regulate public parks, for the purpose of safeguarding said realty and any vegetation and/or improvements thereon from damage or deterioration, and for the further purpose of protecting the residents of said Palos Verdes Estates from any uses of or conditions in or upon said realty which are, or may be, detrimental to the amenities of the neighborhood; except that said realty may be used for the operation of a golf course and club house, with the usual appurtenances thereof; provided, (a) That any portion of said realty, title to which is acquired by the United States of America, the State of California, or by any public authority, and which is used for governmental purposes, may with the written approval of the owner of the reversionary rights provided for herein, and the Art Jury, be specifically exempted from this provision requiring exclusive use thereof for park and/or recreation purposes. (b) That the easement is specifically reserved to Palos Verdes Homes Association and its successors in interest to establish and maintain such reasonable number of water mains and other public utilities as to it may seem advisable in and over said realty in a manner not inconsistent with the purposes for which said realty is hereby conveyed. (c) That rights-of-way for road purposes are reserved upon and across that portion of Lot B of Tract 4400 hereinabove described in Item 1 of said realty to provide access to Lot A of Tract 9822, as per map recorded in Book 139, pages 45 to 47 inclusive, of Maps, records of said Los Angeles County (over which lot further rights-of-way continue to Via Campesina), from properties of the Palos Verdes Water Co., as follows: (1) from two parcels of land whose location is described in paragraphs (1) and (2) of exception (b) under said Item 1 and upon which are located "Pump House No. 4" and"Pump House No. 8", respectively; and (2) from a parcel of land, whose location is described in paragraph (3) of exception (b) under said Item 1 and upon which is located the "No. 1 Main Reservoir". (d) (1) That non-exclusive easements are reserved to Southern California Edison Co., Ltd. for the use, maintenance and replacement of one line of poles with the usual appurtenances, to be used for conveying electric energy, in and over said Lot V

of Tract 6885 and along the Northerly line of said Lot 1 in Block 1712 of said tract, as per deeds dated January 28, 1925 and February 6, 1925 from Grantor herein to said Edison Co.; and also in the neighborhood of the Northeasterly corner of said Lot 1 in Block 1712, and in and over that portion of Lot B of Tract 4400 hereinabove described in Item 1 of said realty, as per deed dated March 18, 1927 from Grantor herein to said Edison Co.

(2) That non-exclusive easements are reserved to Southern California Edison Co., Ltd. for the use, maintenance and replacement of an underground conduit system, to be used for conveying electric energy, in and over that portion of Lot B of Tract 4400 hereinabove described in Item 1 of said realty, as per deeds dated June 10, 1927 and September 7, 1932 from Grantor herein to said Edison Co.

(3) That non-exclusive easements are reserved to Associated Telephone Co., Ltd. for the use, maintenance and replacement of an underground telephone conduit system, in and over that portion of Lot B of Tract 4400 hereinabove described in Item 1 of said realty, as per deed dated October 3, 1929 from Grantor herein to said Telephone Co. (4) That a non-exclusive right-of-way and easement is reserved to Associated Telephone Co., Ltd. for the construction, maintenance and operation of telephone conduits, cables and wires, together with the necessary appurtenances thereto and the right of entry to said easement, in and over a six (6) foot strip of land lying three (3) feet on either side of the following center line: Beginning at a point on the Northerly line of Via Tejon, as shown on said map of Tract 6885, which point is the intersection of said Northerly line with a line bearing North 14° 44' 25" West from the Northeasterly corner of Lot 1 in Block 1710 of said tract; thence along said line bearing North 14° 44' 25" West, across Lots V, Y and J of said tract to a point in the Southeasterly line of Palos Verdes Drive, said Southeasterly line being that course bearing South 71° 07' 38" West and having a length of 210.28 feet, in the latter part of the description of exception (a) under Item 1 of said realty.

(e) That the buildings and appurtenances of the Palos Verdes Country Club located on said realty, with or without the golf course appurtenant thereto, may be leased to a private operator or operators, and the privileges thereof shall always be available to the property owners, both resident and non-resident, of said Palos Verdes Estates, as above delimited, on at least as favorable terms as are granted to the most favored members and/or patrons of said Country Club.

4. That, except as provided above, no buildings, structures or concessions shall be erected, maintained or permitted upon said realty, except such as are properly incidental to the convenient and/or proper use of said realty for park and/or recreation purposes. 5. That, except as provided in paragraph 3 hereof, said realty shall not be sold or conveyed, in whole or in part, by the Grantee herein except subject to the conditions, restrictions and reservations set forth and/or referred to herein and except to a body suitably constituted by law to take, hold, maintain and regulate public parks; provided, that portions of said realty may be dedicated to the public for parkway and/or street purposes.

6. That said municipality or other body having jurisdiction may, by and with the written approval of Palos Verdes Art Jury first obtained, permit the owner of a lot abutting on said realty to construct and/or maintain paths, steps and/or other landscape improvements, as a means of egress from and ingress to said lot or for the improvement of views therefrom, in such a manner and for such length of time and under such rules and regulations as will not, in the opinion of said municipality or other body and of Palos Verdes Art Jury, impair or interfere with the use and maintenance of said realty for park and/or recreation purposes, as hereinbefore set forth. 7. That none of the conditions, restrictions, covenants and reservations set forth in paragraphs 3 to 6, inclusive, hereof may be changed or modified by the procedure established in Section 3 of Article VI of said Declaration of Establishment of Basic Protective Restrictions and in Section 9 of said Declaration No. 5 of Establishment of Local Protective Restrictions. Provided, that a breach of any of the provisions, conditions, restrictions, reservations, liens, charges and covenants set forth in paragraphs 2 to 7, inclusive, hereof shall cause said realty to revert to the Grantor

herein, or its successor in interest, as owner of the reversionary rights herein provided for, and the disincorporation of the Grantee herein as a municipality or the dissolution of said body referred to in paragraph 5 hereof (in the event of the transfer of any of said realty thereto) shall in like manner cause said realty to revert to the Grantor herein or its successor in interest, and the owner of such reversionary rights shall have the right of immediate reentry upon said realty in the event of any such breach and in the event of such disincorporation or dissolution, and, as to each lot and/or parcel owner of said property or other property described and/or referred to in said Declarations of Restrictions, the said provisions, conditions, restrictions, reservations, liens, charges and covenants shall be covenants running with the land, and the breach of any thereof or the continuance of any such breach may be enjoined, abated or remedied by appropriate proceedings by the Grantor herein or its successors in interest, or by such other lot or parcel owner, and/or by any other person or corporation designated in said Declarations of Restrictions. Provided, Also, that by the acceptance of this conveyance the Grantee agrees with the Grantor that the reservations, provisions, conditions, restrictions, liens, charges and covenants herein set forth or mentioned are a part of the general plan for the improvement and development of the property described and/or referred to in said Declarations of Restrictions, and are for the benefit of all of said property as described and/or referred to and each owner of any land therein, and shall inure to and pass with said property and each and every parcel of land therein, and shall apply to and bind the respective successors in interest of the parties hereto, and are, and each thereof is, imposed upon said realty as a servitude in favor of said property and each and every parcel of land therein as the dominant tenement or tenements. In Witness Whereof, Palos Verdes Homes Association has caused this deed to be duly executed, by its officers thereunto duly authorized, this 14th day of June, 1940.

(Seal)

Palos Verdes Homes Association
Val E. Miltenberger Vice-President
Everett M. York Secretary

The Park and Recreation Board of Palos Verdes Homes Association hereby expressly approves and consents to the execution of the foregoing deed.
Hammond Sadler Chairman

State of California County of Los Angeles) ss: On this 14 day of June 1940, before me, Lillian Throne, a Notary Public in and for said County, personally appeared ~~Virie-Bt-Bray~~ Val E. Miltenberger, known to me to be the Vice president, and Everett M. York, known to me to be the Secretary, of Palos Verdes Homes Association, the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same. Witness my hand and official seal.

(Seal)

Lillian Throne Notary Public
in and for the County of Los Angeles,
State of California. My Commission
Expires December 1, 1940.