### Honorable Mayor and City Councilmembers:

John regrets that he was not able to attend the July 14, 2015 City Council meeting because of a conflict with a non-profit board on which he serves. However, upon reviewing the Cox video broadcast of the proceedings as well as the audio posting on the PVE website, he is quite disappointed at the comments made by City Council members — and specifically the continued misrepresentation of statements and motivations attributed to Citizens for Enforcement of Parkland Covenants. In all our efforts at CEPC in support of Parklands, we have been careful to stick to the facts; the hundreds of documents and statements made on our <a href="www.pveopenspace.com">www.pveopenspace.com</a> website are consistent with that approach. We are disappointed that our elected officials do not seem to share either that view or that approach.

As such, we think that it is important to set the record straight on some of the statements made on July 14<sup>th</sup>, as well as statements that have been made by City Councilmembers in past meetings as it relates to the topic of transparency and "notice" of the sale of parklands. We have made many of these same points before in speeches at City Council meetings and in letters and emails submitted to Councilmembers; but we are collecting these observations in one place so that it becomes apparent to you why many residents in PVE are now critical of the lack of transparency by our City Government.

### The topics we will cover include:

- 1. Whether the public was adequately given notice of the MOU that was discussed and approved at the May 8, 2015 City Council meeting
- 2. Whether the statement by Councilmember Vandever that this is a NIMBY issue only and that views impacting the Harbisons' are the sole motivation for CEPC's actions has merit
- 3. Why the objectives listed by the City for entering into the MOU per the City website are indeed all met if you accept the ruling rather than appeal
- 4. Why the press has not covered the City's perspective in their articles (to the extent you believe they should)

Everything in this email is factual; if you believe that is not the case, then please let us know and cite specifics so we can have a substantive dialogue. If you accept them as facts, then we hope you will stop spreading misrepresentations that attempt to lead the public to other conclusions. We can certainly agree to disagree on the implications of the facts, or the appropriateness of policy decisions the Council has made, but the facts themselves should be irrefutable.

## 1) Whether or not the public was adequately given notice of the MOU that was discussed and approved at the May 8, 2015 City Council meeting

Councilmembers Vandever and Goodhart both commented on July 14, 2015 that the MOU was discussed and approved with full transparency:

**Jim Goodhart:** "Mr. Fay. Now that the ruling is out, some of the words in your script refer to meetings in private, and I can assure you that is exactly counter on this very dais, there were a number of meetings where this was done in public, and then in the school board also in this chamber, so I discount that.

**Dick Fay:** How would people know about that?

Jim Goodhart: Through public notice, sir."

- Mayor Jim Goodhart 7/14/15

"Jim Vandever: I also concluded that there is no lack of transparency, there is no cover-up, there is no backroom deal. And I'm really disappointed that the Citizens Committee and others have developed and promoted the storyline that the City has been involved in some kind of shady dealings or there has been a reckless sale of parkland – that didn't happen. There is no reason in the world that the citizens of our City can't trust its City Government. It is true that the litigation discussions were not conducted in public. They shouldn't be. They never are. Unless I missed a notice, I don't think the Citizens Committee conducts their litigation discussions in public either. That's just not the way it's... It doesn't happen that way. It's really important to note that the settlement was discussed and approved by the council in an open session that was properly noticed. In fact I think it came to this Council twice, if I understand it correctly. So I'm just really saddened and disappointed how casually the Committee has launched an attack on the integrity of the City, the City Attorney, the City Council."

- Councilmember *Jim Vandever 7/14/15* 

We have never said that the **negotiations** that led to the MOU should have taken place in a public forum. We have also never said that the MOU was not publically discussed in three City Council Meetings (on 5/8/12, 7/24/12 and 3/12/13) and one Planning Commission meeting on 2/19/13. What we have said was that the City's efforts and legal requirement to **properly notify the public of those meetings in advance was deficient.** 

In truth, the only attempt to provide notice was posting the agenda on the
website and the bulletin boards at City Hall, the Palos Verdes Golf Club and the
Malaga Cove Library. We have no means of confirming that happened, but we
assume that it did. However, that posting was deficient (as per Brown Act
requirements) because the precise language in the agenda did not make
reference to a proposed sale of public parkland, and hence it was insufficient to

**alert anyone who might have an interest** in coming to the meeting to learn more and potentially provide comment. Here is the exact language that was posted:

Resolution R12-11; Consideration of Memorandum of Understanding
Among the City of Palos Verdes Estates, the Palos Verdes Homes
Association, the Palos Verdes Peninsula Unified School District, and the
Property Owners of 900 Via Panorama (Thomas J. Lieb, Trustee, The Via
Panorama Trust U/DO May 2, 2012, Together with Trusts for the Benefit of
Related Parties) Regarding Resolution of Enforceability of Deed
Restrictions on Property Owned by PVPUSD and of Encroachment in City
Parkland Near 900 Via Panorama and Disposition of Certain Open Space
Properties (Lots C & D)

Per The Brown Act-Open Meetings for Local Legislative Bodies – 2003 - California Attorney General's office, Page 16, "The purpose of the brief general description is to inform interested members of the public about the subject matter under consideration so that they can determine whether to monitor or participate in the meeting of the body." The words used in the 5/8/12 agenda obviously did not satisfy that requirement – as evidenced both by the words themselves as well as the outcome (no one came forward to make comments on this 2012 agenda item other than Joe Barnett); this contrasts dramatically to the response of over 100 residents to the re-zoning application and subsequent City Council meetings when signs were posted in 2013.

- The City did not post any signs on the property or send letters to nearby residents in 2012, as is customary for matters of much less significance than the sale of parkland. When we asked why signs weren't posted, we were told that the City "has no procedures for selling parkland, so therefore we didn't need to follow any protocols" or words to that effect. Obviously, the City would not be expected to have procedures for the sale of parkland because selling parkland runs counter to the deeds. If the City wanted to be transparent, the City should have followed steps similar to noticing less important matters coming before the Council, rather than doing nothing.
- Contrary to claims made by City Councilmembers in the March 12, 2013 City
  Council meeting that the May 8, 2012 and July 24, 2012 meetings had been
  properly noticed in the paper, the City did not post any notices in the
  newspaper (Peninsula News) prior to the meeting:

"This was a properly noticed meeting in the paper.... There were several articles in the paper about it."

- Councilmember and Mayor Pro-Tem Jim Goodhart 3/12/13

"Everything that we've talked about was done in open session with proper notice. The Press covered it."

- Councilmember and Mayor George Bird 3/12/13

Based on these assertions, Renata spent several hours in the public library trying unsuccessfully to locate the notices. She then wrote to Vickie Kroneberger on March 15, 2013, who responded that notices were **not** placed in the newspaper after all, contrary to the representations of City Councilmembers. The email exchange is attached. Ms. Kroneberger makes the statement that "On each Thursday, in the Palos Verdes Peninsula News (an adjudicated newspaper of general circulation published weekly) in the City Beat Section, it states that the City Council meets the second and fourth Tuesday of each month." While that reference may have been noted in a "City Beat Section" at the time, this does not constitute notice of specific Agenda items, and hence does not give the public or PVE residents notice of items on the Council (or Planning Commission) Agenda. While PVE City may have followed the "letter of the law", it certainly did not inform its constituency about details that may have been of interest to them. In fact RPV, RHE and RH all report more Agenda items that the City of PVE. How does that reflect on the City of PVE?

- Notice through an article in the newspaper does not constitute notice, particularly when that article is published after the City Council discussion and approval. The council meeting to discuss the MOU occurred on May 8, 2012; the Daily Breeze Article was published a week later on May 14, 2012. So unless one has access to a time machine, it would have been impossible to appear at the hearing to express concerns after reading the article.
- When notices were sent out for the re-zoning hearing at the February 19<sup>th</sup>
  Planning Committee, we (the Harbisons) were not noticed even though our
  property is less than 300 feet from the Parkland property. When we informed
  City Hall that we had measured the distance and that our house was 290 feet

away, we were told by Allan Rigg that the 300-foot threshold for notices was measured from the original Lugliani property, not from the parkland property. Perhaps this was an honest mistake, but it's easy to surmise that it might not just have been an oversight in the context of the lack of transparency highlighted above.

• To provide further evidence on the ineffectiveness of the notice process, Councilmember Vandever noted in his comments last week that he did not know about the MOU until it came before his Planning Committee in February 2013:

I was not on the Council when the settlement was considered. I learned about it when I was on the Planning Commission. The matter came before the Planning Commission, so I did get a chance to look at it.

- Councilmember *Jim Vandever 7/14/15* 

If our representatives in City Government were not aware of the MOU and its components, how can the City expect the general public/residents to be aware?

• Finally, this email quote from Sid Croft admits to deleting reference to the sale of parkland from the MOU press release, which clearly demonstrates a desire to keep that information from the public:

"My clients wanted a more cryptic press release. A copy is attached." [Note the press release issued on the MOU did not mention the sale of parklands to a private person]

- Email from Sid Croft (Attorney for PVHA to Christi Hogan (City Attorney)

Thus the notice procedures were clearly inadequate, and that has been our expressed concern all along.

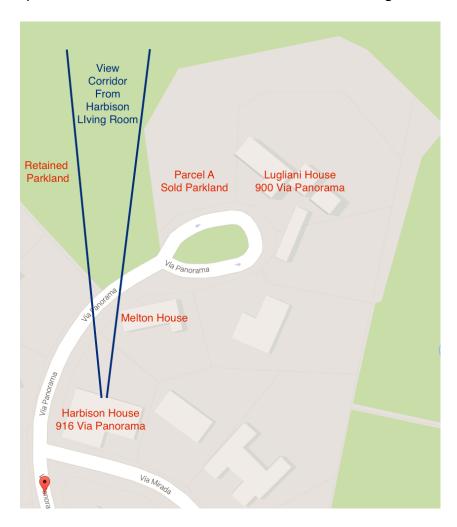
2) Whether the statement by Councilmember Vandever that this is a NIMBY issue only and that views impacting the Harbisons' are the sole motivation for CEPC's actions has merit.

Here's what Councilmember Vandever said at the City Council meeting on July 14, 2015:

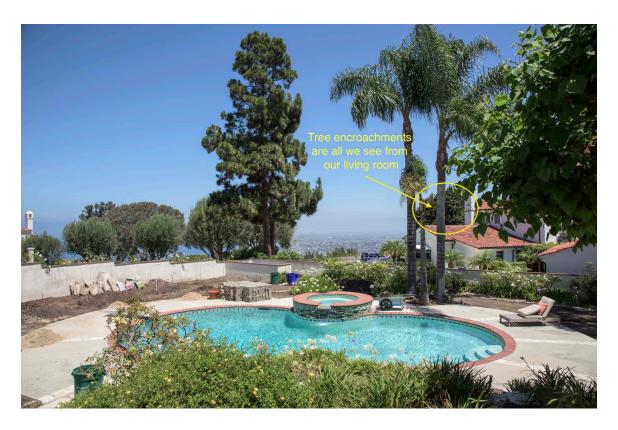
"The (primary) folks that sponsored this lawsuit [Harbisons] live directly across the street from the parcel. They are obviously trying to protect and enhance the view and the open space for that neighborhood, and I don't begrudge that. If I lived across the street from the gate and the tree I might have acted in the same way. And if I thought there was good cause to question the party's ability or authority to carry out that settlement I might have done what they did. But I would hope I would stop and consider that the City might have been acting in

good faith too in trying to make a decision that was good for all the residents of the entire City."

This is a very misleading and disappointing statement. We do not live "directly across the street" (Lin and Cathy Melton do); we live up the street and our view corridor is over the retained parkland and not Parcel A -- the Parkland sold to the Luglianis:



We appreciate that Councilmember Vandever was diligent in coming to our house prior to the February 19, 2013 Planning Commission Meeting. For that, we thank him. We showed him the view from our living room – which is captured in the photo below – which shows that only the tall trees on the purchased parkland property are visible peaking over the Melton's roof from our living room:



The view from our dining room does not include a view of any of the sold parkland



And the view from our exterior dining area (where we spend the most time appreciating the coastline view), also does not include any of the sold parkland:



So why is Councilmember Vandever saying we "live directly across the street" and that we "lived across the street from the gate"? That is inaccurate and misleading.

Further, over 150 people have signed letters of support, and 81% of them do **not** live in the immediate neighborhood – i.e. on Via Panorama or Via Mirada. So characterizing CEPC's interests as being parochial or NIMBY is grossly inaccurate and inappropriate. Only 19% live in the neighborhood, and this is very unusual for topics that are discussed at City Council

Finally, we have both appeared in front of City Council on multiple occasions trying to protect parkland in other areas of our fair City from abuse – thus our interest in parkland is well documented and not limited to the parkland closest to our home:

On September 6, 2013 Ried Schott and John presented to PVE City Manager Tony Dahlerbruch and City Planning Director Allan Rigg a detailed report on encroachments on two dozen paths and ten lanes, as well as various parkland parcels. The report cited 25 structural encroachments, 23 deliberate landscape blockings and 36 inadequate clearings of vegetation. The scope covered all of PVE, and we provided photos, maps and even an interactive Google Maps overlay to assist the enforcement officer in verifying the list.

- John spoke at City Council meetings multiple times on trails issues, including the attempts by residents adjacent to the Paseo Del Sol Fireroad to close that trail
- Both of us have spoken at City Council meetings multiple times on the Paseo del Sol turnaround project, which also violates the same underlying deed restrictions against construction on Parkland as the Via Panorama parkland

Therefore, this is not a NIMBY issue. Perhaps Councilmember Vandever forgot the details from his visit to the Via Panorama Parkland and our home in 2013? Many residents throughout PVE are sincerely concerned that the actions of the City and Homes Association in selling parkland on Via Panorama put all parkland in grave jeopardy by establishing a dangerous precedent – hence residents throughout PVE have been celebrating the Judge's ruling because it protects all Parkland forever – just as the deeds stipulate, and as you have stated, is also your desire.

3) Why the objectives listed by the City for entering into the MOU per your website are indeed all met if you accept the ruling rather than appeal.

The City website enumerates six objectives for entering into the MOU. As I indicated in my email to you on July 9, 2015, by accepting the ruling (and not appealing) you would still be accomplishing those objectives. Here is my explanation against each of your objectives in Blue:

 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).

The School District cannot re-instate its appeal, so that court judgment still stands. The CEPC ruling by Judge Meiers reinforces that by incorporating the earlier judgment; the current ruling further strengthens the deed restrictions since two Judges independently have now come to the same conclusion – that the deeds and CC&Rs cannot be modified other than through the procedures established in 1923. The CEPC ruling goes further and explicitly applies to all property in PVE subject to these 1923 deed restrictions, which includes all School property and all parkland owned by PVE City. The School District will keep its tax deductible donation since the Luglianis are very unlikely to risk criminal tax fraud charges by claiming that the donation was tied to obtaining property; so the School District, has no reason to renege on their settlement terms since all the benefits they expected are still realized if the CEPC ruling stands.

 Reaffirmed the enforceability of the deed restrictions on all property owned by the School District in the City. As stipulated in the MOU, the School District formally accepted the deed restrictions limiting use of its PVE properties to either school use or open space, thereby abandoning future legal challenges to those limitations on all School District-owned property in PVE.

See response above. There is no reason for the School District to renege, and the second ruling explicitly ties it to the other properties with the same/similar deed restrictions.

 Resolved certain encroachments in one area of previously City-owned parkland near 900 Via Panorama.

All encroachments will be removed without creating liability for the City (since we are advocating 1) that the large 21 foot tall wall remain in the ground as the dirt is moved back up to restore the slope, and 2) that the other lower retaining walls on the north and east side be permitted after the fact for safety reasons after permitting). In this way, the outcome is an improvement over the MOU – certainly from the standpoint of fairness to the 38 residents who complied with notifications of encroachment in 2005, and in terms of future application of municipal code and that precedent.

 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.

Lots C&D are untouched by the CEPC ruling. As described above, the School District continues to get everything it sought in the MOU with Lots C & D to remain as open space now owned by the City, so this aspect of the contract should not change.

 Protected the dark skies in the neighborhood around Palos Verdes High School by avoiding lights on the athletic field.

Again, there is no change anticipated. As described above, the School District continues to get everything it sought in the MOU, so this part of the agreement also stands.

 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.

The School District keeps the \$1.5 million donation because the MOU went to great lengths to separate the donation from the rest of the transaction and hence the Luglianis are very unlikely to risk criminal tax fraud by claiming that the donation was tied to obtaining property. Both the IRS and LA County Tax Assessor would consider such a demand as admission of tax fraud since we expect a charitable gift deduction was claimed and the property value was submitted to and registered at LA County as \$500,000 in consideration paid. Whether or not the City will need to return the \$100,000 and the PVHA will need to return the \$400,000 is still to be decided by the Court; a return of these funds would

be unfortunate if that should occur, but both entities have sufficient cash reserves to cover that (unlike the PVPUSD).

# 4) Why the press has not covered the City's perspective in their articles (to the extent you believe they should)

"If anyone's interested in further information about the City's position in this case, which has never been recorded in our local papers, never been reported in our local papers, please refer to the City website. In fact we had to set up that page on our website in order to get our story out because the press won't carry our side of the story."

- Councilmember John Rea 7/14/15

Fundamentally, we obviously have no control over what the press chooses to print or not to print. We can say that if the City is frustrated, then we suggest you reconsider continuing to give the press (and the outside world) false or misleading information. For example:

- On Feb 16, 2013 the Daily Breeze reporter and a photographer came to the Parcel A site to take photos. That night, the reporter called John and said he was fact-checking because he had just been told by Christi Hogin that "there are no encroachments anywhere on that property." John was as shocked as the reporter, responding with "no comment" since the reporter and photographer had seen (with their own eyes) the sports field carved into the hill, the 21-foot retaining wall as well as other encroachments. Understandably, the reporter chose not to include the ridiculous claim by Ms. Hogin; we don't know what else he chose not to report.
- On July 8, 2015, the quotes by Ms. Hogin in the Peninsula News made no sense, and John commented on that in an email to you on July 9.
- In the "legal matters" page of your website, you say "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." When the City initially posted this webpage in July 2014, John responded on July  $17^{th}$  with photos that showed the location of the property stake and pointed out that some of the crowd were standing on the Parcel A property. Yet the City never corrected this erroneous statement on your website. Attached is that 7/17/13 correspondence from John.

So if you'd like the Press to report your side of the story seriously, the representatives you designate to talk to the Press (and whoever writes your website) need to stop making erroneous statements if you want to be taken seriously.

Respectfully,

John and Renata Harbison 916 Via Panorama Palos Verdes Estates, CA

Attachment: email to PVE City Council members 7-17-13

#### **Honorable Palos Verdes Estates City Councilmembers:**

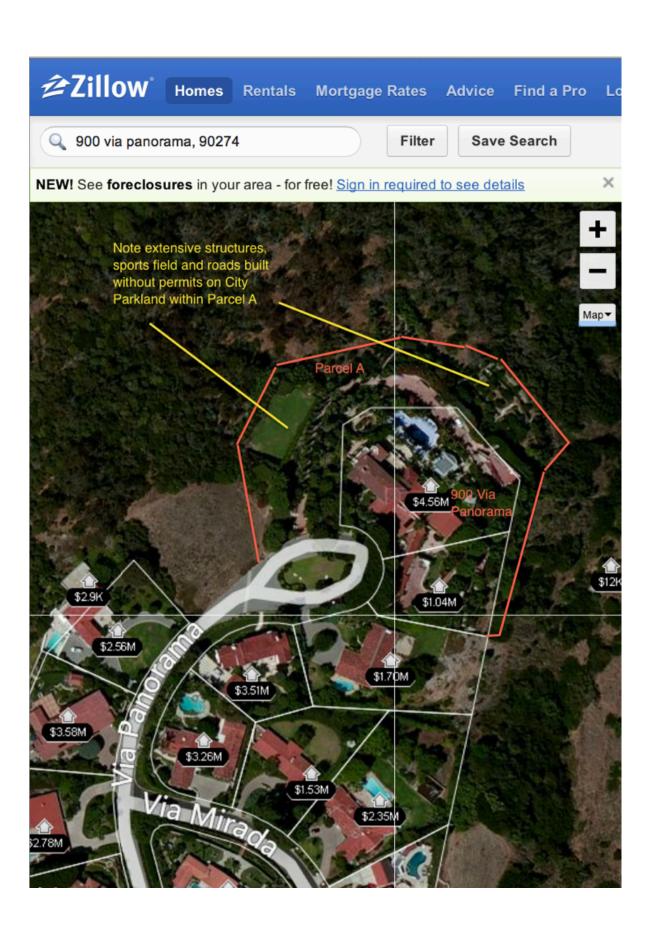
We would like to set the record straight on the statements made in your posting on "Legal Matters" on your website. On that page, your website says:

"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 Luglianis. 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 Clty 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.

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 <b>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.

Respectfully submitted,
John and Renata Harbison

As members of Citizens for Enforcement of Parkland Covenants