

**Renata Harbison Comments to Palos Verdes Homes Association Annual Meeting
January 13, 2015**

Why is the PVHA wasting public resources to defend itself after taking the illegal action of selling parkland in violations of both the CC&Rs and the underlying deeds?

Here are excerpts from the 1940 deed that PVHA wrote when it transferred the parkland at Via Panorama to the City of PVE:

“That, except as hereinafter provided, said realty is to **be used and administered forever for park and/or recreation purposes only** ... 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" ... ¶ 3 (pp 6-7)

“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**. ¶ 3 (p 7)

“That, except as provided above, [exceptions are for utility easements] **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.**” ¶4 (p 9)

“These restrictions...shall inure to and pass with said property..., and shall apply to and bind the respective successors in interest...”

It can't be any clearer from the above that the sale of parkland to a private individual was illegal and should be reversed. Why are you continuing to waste public resources by fighting this lawsuit?

BTW, what will happen if we prevail in this lawsuit? All we are asking for is to reverse the sale of parkland, return the \$500k paid by the Luglianis, and then for the City of PVE to remove the illegal encroachments. That's all. The court decision that the PVUSD cannot sell unused property should stand since all parties have accepted that position – it is no longer subject to an appeal. As for the Lugliani's "charitable gift" of \$1.5 Million to the PVUSD, there is no basis for asking for that to be returned because Lugliani did not sign the MOU and to get the tax deduction for the gift he had to assert that he received nothing in return. We thank the Luglianis for their generous support of our schools.

So please do the right thing and reverse the sale. Get back to following your mission and bylaws.

On a separate note, I'd like to understand the process by which each one of you became a director of the PV Homes Association. If you all joined by "invitation" or a "buddy system" then I think the process is broken and needs to be changed. In my opinion you did not perform your fiduciary duty when you ignored the deeds and CC&Rs and sold parkland to the Luglianis