

Key Takeaways for Public re: Settlement January 9, 2019

Positives for the Public

- End to all litigation between the parties
- All Parties re-affirm validity of 1940 deed restrictions and lack of discretion in interpreting or changing them
- Public gets 4+ acres of open space at Bluff Cove along PVD West deed restricted as in all other City owned Parkland
- Public regains access to 0.4 acres most accessible from Via Panorama returned as City- owned deed restricted Parkland with all encroachments removed. View easement incorporated to expand Panoramic view. Roughly doubles the size of the park frontage along Via Panorama, and expands the view corridor. Implemented within 90 days, as opposed to potential years if continue the trial and likely appeal
- City does not pay anything more, including \$100k to Lugliani for reversal of sale
- PVHA avoids obligation to repay \$400k for parkland returned. As well as significant legal exposure to a lawsuit from Lugliani to recover \$1 million in legal fees having relied on PVHA representation that sale was legal. Those costs would have necessitated a special assessment on all homes in PVE and Miraleste since PVHA reserves of \$1 M have been depleted
- Residents within 300 feet of subject properties noticed by mail and signatures collected for approval under the 1923 Protective Covenants process for “modification of other restrictions”
- Public noticed by mail (for those within 300 ft of Panorama Parkland) and with a sign – prior to January 9, 2019 City Council Meeting
- CEPC hosted a meeting on December 13, 2018 to explain the transaction in advance of the City Council Meeting to CEPC’s supporters
- PVHA Board now supporting lowering the quorum to 35% and instituting changes in the election procedures that will improve voter turnout. 35% quorum would apply to Jan 2020 election which would also have a public referendum on permanently lowering the quorum. Changes include:
 - If there are challengers, incumbents must obtain 100 signatures within 30 days to be listed on ballot
 - Up to three full ballot mailings
 - Walk-in dropbox in PVE City Hall (during hours when PVHA is closed)
 - Ballots can be submitted at Annual Meeting
- Two ROBE candidates to be selected by PVHA to serve as Directors, filling seats open from resignation of Phil Frengs and Carolbeth Cozen

Negatives to the Public

- PVHA pays for Plaintiff legal fees of \$396k (partially with insurance)
- PVHA reimburses Lugliani for encroachment removal costs (up to \$225k)
- Lugliani gets to retain 1.4 acres and encroachments behind his house, but there is a net gain of 2.6 acres of deed restricted parkland