



Las Virgenes Homeowners Federation, Inc.

Post Office Box 353, Agoura Hills, California 91301



The voice and conscience of the Santa Monica Mountains for 45 years

Tuesday, June 12, 2012

Senator Noreen Evans and Committee Members
Senate Judiciary Committee
State Capitol, Room 2187
Sacramento, CA 95814

Via e-mail to: teresa.schilling@sen.ca.gov

Re: LAS VIRGENES HOMEOWNERS FEDERATION OPPOSED TO AB 2226

Dear Chair Evans and Committee Members:

The Las Virgenes Homeowners Federation (LVHF) is the oldest and largest federation of homeowner organizations and associations in the Las Virgenes region of the Santa Monica Mountains, representing more than 14,000 homeowners. For 45 years we have been committed to the conservation and protection of the magnificent Santa Monica Mountains and coastline as the rightful, natural legacy, of current and future generations.

The LVHF is definitively **OPPOSED to AB 2226**. AB 2226 has the appearance of being drafted to benefit a particular property owner whose “project” has been denied by the Coastal Commission, which we (the Federation) also opposed. The project is currently in litigation. One of the plaintiff’s attorneys is also representing this bill, which advances one of the central arguments of his case: that state agencies should be bound by Section 662 of the Evidence Code. The Legislature in general, and the Judiciary Committee in particular, has a long history of not pre-empting the courts by legislating matters that are currently subject to judicial review.

The “project” was a proposed ridgetop **development scheme**—five massive homes scarring over half of a mile of a spectacular, designated Significant Ridgeline that the Sierra Club deems “one of the most impressive interfaces of coast and mountains anywhere in California.” It would have left an immense footprint on unspoiled mountain terrain and a permanent blight on the public’s visual and scenic resources.

In order to maximize their development potential, the project proponents attempted to **conceal their associations** (unity of ownership) **by five individual applications** under various limited liability corporations (LLCs). Allowing these applications to be treated individually or as “separate entities” would have prevented the Coastal Commission from analyzing the true individual and cumulative harms this project would have brought to the Santa Monica Mountains and would set a terrible precedent for future manipulation by applicants scheming to avoid conforming to the Coastal Act of California.

Upon investigation, Coastal staff found the applicant or his joint venture was the unified owner of at least three of the parcels and all five parcels were funded with partnership assets. This was the grounds for their denial. The project was denied by the Coastal Commission because Coastal staff was able to investigate true ownership and make the determination that the project was a “single coordinated development” and the environmental impacts were inconsistent with the Coastal Act.

AB 2226 would frustrate the Coastal Commission or any other public agency’s ability to make such determinations in the future. By raising the standard from “Substantial evidence” to “Clear and convincing proof” the bill would make it nearly impossible for state agencies to pierce the corporate veil or otherwise determine the actual business realities behind mere record title to land ownership. By doing so, AB 2226 would inhibit the Commission’s ability to carry out its statutory mission to protect coastal zone resources.

With all due respect, AB 2226 is bad, special interest policy, and not in the best interests of the citizens of the great state of California. We urge your **no vote** when this comes before your committee June 19.

Thank you very much.

Sincerely,

Kim Lamorie
President
LVHF

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