

DAILY NEWS / TUESDAY, JANUARY 4, 1994

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**Agency, conservancy  
sued by developer**

WESTLAKE VILLAGE — A developer sued the Santa Monica Mountains Conservancy and a water district Monday, claiming they violated an option agreement giving the developer first crack at a 492-acre Westlake Village property.

The Los Angeles Superior Court lawsuit filed on behalf of Village Properties also names the Las Virgenes Municipal Water District as a defendant.

Village Properties alleges it spent more than \$2.5 million to prepare the property for a 330-home development.

— City News Service

▼ WESTLAKE VISTA

# December land sale prompts suit

□ Baldwin Company claims it had a first right of refusal agreement to purchase the 500-acre Westlake Vista property.

By **ROBERTA LANDMAN**  
Staff Writer

WESTLAKE VILLAGE — The Westlake Vista land deal that was consummated last month continues to spawn lawsuits.

The Baldwin Company filed suit Monday in Los Angeles Superior Court against the Santa Monica Mountains Conservancy and the Las Virgenes Municipal Water District.

The two agencies jointly bought the 500 acres surrounding Westlake Reservoir in December from the Federal Deposit Insurance Corp. for \$6.3 million, intending to have the land rezoned to open space to prevent development.

Baldwin's suit contends the two agencies intererred in a longstanding contractual agreement he company had to buy Westlake Vista from the FDIC; from the Federal Savings and Loan Insurance Corp. before that; and from the parcel's former owner, the failed Vernon Savings and Loan.

"We want our property back." Bob Burns, president of Baldwin's Los Angeles-Ventura division, said Tuesday.

The development firm wanted to build up to 330 homes on the land.

Baldwin had a deal in the making with the FDIC until the conservancy filed an environmental lawsuit, putting a halt to the purchase.

Baldwin also has a lawsuit pending against the FDIC for breach of contract; Burns said that case should come to trial in the summer.

Liz Cheadle, staff attorney for the conservancy, responded to the Baldwin suit Tuesday, saying, "We deny it all, and we will be referring it to the (state) attorney general's office to handle it on our behalf."

The water district's general manager, Kent McClain, said he could not comment on lawsuits, "except to say we have received service of the lawsuit."

Before Westlake Vista ended up in the hands of FDIC, Baldwin bought first right of refusal on the property from Warmington Homes for \$500,000, Burns said.

Warmington did not own the land — Vernon Savings and Loan did — but Warmington had received first right of refusal to buy it from Ver-

non before federal regulators closed the financial institution.

Burns said the agreement to have first right of refusal extended to the FSLIC, before it was dissolved, and then to FDIC.

After escrow closed on the property last month, Westlake Village city officials talked of holding a public hearing to change Westlake Vista's zoning to open space. Currently, 330 residential units are permitted.

"It's still very clear to us we have rights to the property," Burns said, adding the title the water district has on the land is only temporary.

The water district put up the \$6.3 million to buy Westlake Vista from FDIC and entered the agreement with the conservancy separately.

The conservancy is working with Los Angeles County to apply Proposition A funding toward the purchase, Cheadle said.

The conservancy, trying to keep the land free of development and protect endangered plants there, had tried to buy the land from FDIC for \$5.7 million.

The FDIC countered with \$8.1 million, prompting conservancy officials to revive an earlier lawsuit against FDIC based on the existence of the pentachaeta lyonii at Westlake Vista.

## Water district protects its investment

By Joanna Tobin  
Acorn Staff Writer

With the purchase of the Westlake Vista property finally signed, sealed and delivered, Las Virgenes Municipal Water District (LVMWD) officials want to make certain that possible area zoning changes made by the city of Westlake Village will protect future interests of the water company.

Toward that end, LVMWD boardmembers Steve Gavin and Glen Peterson have been appointed to work with the Environmental Subcommittee of the City Council of Westlake Village "to coordinate items of mutual interest and concern relative to land uses on the Westlake Vista property."

"We want to make sure our concerns, differences and similarities can be aired and discussed," said LVMWD representative Gene Talmadge. "Our intent is that we don't want to be precluded from building something on the

site."

For example, Talmadge said that the district might wish to construct a water treatment plant on the property at some future date. He added, though, that construction which did not have a direct bearing on the operation of the water company was not being considered by LVMWD.

The purchase price of the 491-acre parcel which surrounds Westlake Reservoir was \$6.3 million. LVMWD's interest in preserving the watershed led to the acquisition.

The Mountains Recreation and Conservation Authority (MRCA), which participated in a cost-share of the property, will take over ownership of portions of Westlake Vista land which do not immediately surround the reservoir, as well as another adjoining parcel currently owned by LVMWD. MRCA then plans to "sell a chunk to the (National) Park Service," according to Talmadge.

At the time of adoption of the General Plan by the city of Westlake Village in 1993, ownership of the Westlake Vista property was in question. City officials addressed the uncertainty last year by stating that they would continue to monitor the status of the land and to reconsider alternative uses, if ownership of the residentially-zoned property changed.

"We want to make sure that whatever zoning is there will permit our use," Talmadge said.

"We want to make certain that (our talks with the city) are amiable and not hostile," he added, "and that everyone knows where everyone else is going."

On Fri., Jan. 21, at 10:30 a.m., LVMWD and the Santa Monica Mountains Conservancy will conduct a brief ceremony commemorating the purchase of Westlake Vista. U.S. Rep. Anthony Beilenson (D-Thousand Oaks) is scheduled to be on hand to make a brief speech.

By JULIE TAMAKI  
TIMES STAFF WRITER

A developer has filed suit against the Santa Monica Mountains Conservancy and the Las Virgenes Municipal Water District over the water agency's purchase of a 492-acre parcel of land near Westlake Village Reservoir.

Village Properties, which is affiliated with the Baldwin Co., alleges in a lawsuit filed this week in Los Angeles Superior Court that the conservancy and water district violated an option agreement giving their company first chance to purchase the parcel. The developers contend they spent more than \$2.5 million preparing the land for development.

"The suit is consistent with our long-asserted claim that we have rights to the property . . . we plan to defend those rights," said Robert Burns, president of Baldwin's Los Angeles/Ventura division. "We're going to fight this battle for as long and hard as we have to. We're not going to simply roll over."

The water district paid the Federal Deposit Insurance Corp. \$6.3 million for a site where Village Properties had planned to develop 330 luxury homes on Westlake Vista.

Water district officials maintain that development of the land could have resulted in the contamination of the 9,800-acre-foot reservoir, which provides tap water for homes in Calabasas, Agoura Hills and the Westlake Village areas.

Bobbie Wymer, a district

spokeswoman, declined to comment on the lawsuit, which lists her agency, the Santa Monica Mountains Conservancy and Mountains Recreation and Conservation Authority as defendants.

Liz Cheadle, an attorney for the conservancy, said her agency has referred the case to the attorney general's office, which represents the conservancy.

"We think it [the lawsuit] is completely without merit," Cheadle said.

The Santa Monica Mountains Conservancy agreed to pay half of the \$6.3-million price tag in exchange for 235 acres of the Westlake Vista property and 237 additional acres of water district property.

The conservancy maintains that the land is crucial to protecting the Lyon's pentachaeta, an aster with yellow flowers, and the Santa Monica Mountains Dudleya, a rare succulent under consideration for threatened status by the U.S. Fish and Wildlife Service.

The lawsuit asks the court to bar the sale of the property and to rule that the developers have first claim to the land, which should be sold to them under the same terms that the water district received. It also seeks an unspecified amount of general and punitive damages.

The lawsuit also alleges that city officials in Westlake Village may change the zoning, preventing the planned development and reducing the land's value by at least \$9 million.

## Developer Files Suit Over Agency's Land Purchase

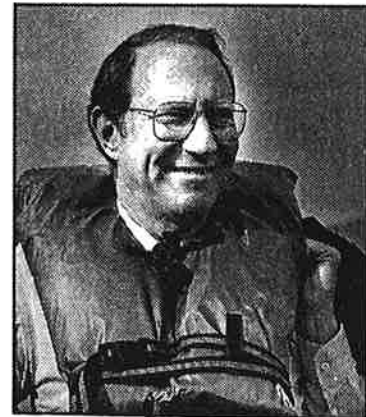
LOS ANGELES TIMES  
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# Conejo celebrates Westlake Vista

Community members gather to mark the purchase of almost 500 acres around the Las Virgenes Reservoir.

By **ROBERTA LANDMAN**  
Staff Writer

**WESTLAKE VILLAGE** — The dignitaries and community members who had gathered at the Las Virgenes Reservoir didn't notice the series of aftershocks that rolled through the area Friday morning.



**Sailor:** Congressman Tony Beilenson sports a life jacket as he tours the reservoir. He spoke at the ceremony to dedicate the land.

acres of Westlake Vista to the Santa Monica Mountains Conservancy.

After two years marked by legal struggles, the water district and the conservancy became partners in the ownership of the land.

The two agencies split the \$6.3 million cost of the property, purchased from the Federal Deposit Insurance Corp., which had acquired from the failed savings and loans that owned the property.

They gathered to celebrate a victory: The purchase of almost 500 acres around the reservoir — property known as Westlake Vista — and the promise that it would be kept as open space in perpetuity.

On Friday, the Las Virgenes Municipal Water District handed over some 472

Rep. Anthony Beilenson, D-Woodland Hills, had interceded in the conservancy's behalf when the state land-buying agency tried to protect endangered plants at Westlake Vista from development — a battle that ended in the conservancy's taking the FDIC to court.

Beilenson called the purchase of Westlake Vista the "one silver lining in the savings and loan crisis," a piece of land that was saved for the public.

"A couple of years ago, frankly, I was worried about it," he said.

"It's almost culture shock to come out here," Beilenson told the celebrating crowd, saying it was the happiest occasion he had in days of inspecting quake-devastated areas this week.

Water district and conservancy officials praised the land deal, saying it had bought protection for the watershed and reservoir's water supply, protection for endangered plants and protection needed to keep away development.

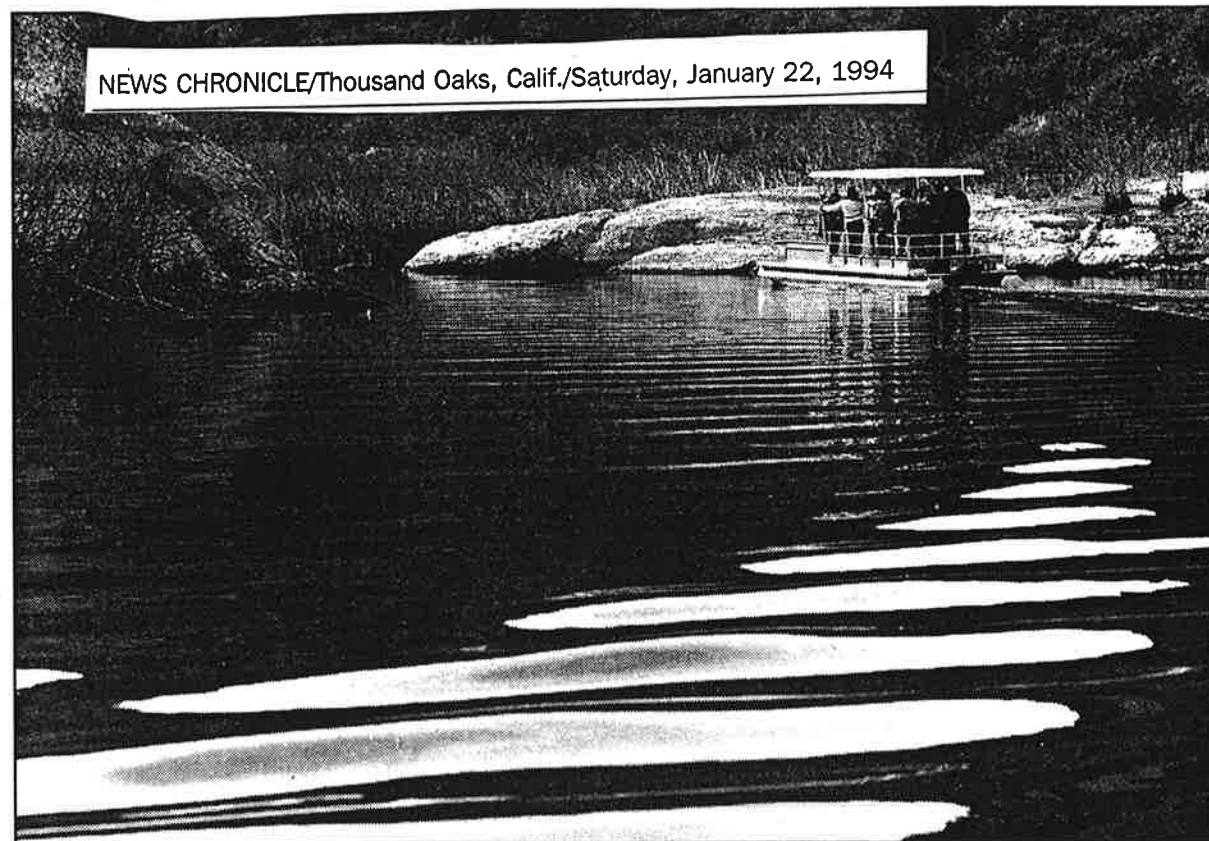
"This is everyone's dream come true," said Peter Ireland, an official of the Mountains Restoration Trust who had fought to keep Westlake Vista free of development when he was on the conservancy board.

Westlake Village Mayor Doug Yarrow said Westlake Vista's being in the hands of the two agencies is important to the city. "It means this land is going to be protected. It's a wonderful legacy, hopefully to leave to generations to come."

The Baldwin Company, which was trying to buy Westlake Vista when the conservancy stepped in with its lawsuit, is suing the conservancy and the water district.

Westlake Village city officials have said they want to hold public hearings to change Westlake Vista's zoning to open space.

City Manager Ray Taylor said Westlake Village's city attorney is evaluating the lawsuit and how it might affect the city.



NEWS CHRONICLE/Thousand Oaks, Calif./Saturday, January 22, 1994

MARK PICKERING/Staff Photographer

**Celebration:** A motorboat takes visitors on a scenic trip around the Las Virgenes Reservoir Friday. They were on hand to cel-

ebate the deeding of 472 acres around the reservoir to the Santa Monica Mountains Conservancy.

# Westlake Vista entangled in lawsuits

**WESTLAKE VILLAGE:** *City will wait to change zoning until disputes are resolved.*

**By Roberta Landman**  
*Staff writer*

People in Westlake Village have looked forward to the pristine, mountainous land surrounding the Westlake Reservoir being preserved as open space.

But lawsuits disputing ownership of the land are forcing the city to wait before changing the zoning on the controversial 491 acres to open space, Westlake Village Mayor Doug Yarrow said Monday.

"We're kind of standing on the sidelines watching it go through the process," Yarrow said. "We feel it's better for us to wait until the lawsuits are settled — quite frankly because of the potential for us being sucked up in a lawsuit."

Only four days earlier, in his State of the City Address, Yarrow was optimistic about

the land, which sits above the city, always remaining free of development.

He recalled a ceremony in January at the lakelike reservoir, where people celebrated the purchase of Westlake Vista by the Las Virgenes Municipal Water District and the Santa Monica Mountains Conservancy.

But the property, long-encumbered by lawsuits, remains mired in litigation.

Westlake Vista had been acquired by the Federal Deposit Insurance Corp. in 1989 after a savings and loan company that had owned it failed.

The Baldwin Co., which had been dealing with the savings and loan, wanted to build up to 330 luxury homes at Westlake Vista. In 1992, the developer was close to finalizing a \$10 million deal with FDIC when the conservancy stepped in and filed an environmental lawsuit against FDIC to stop the deal.

The conservancy argued the land could not be developed because two endangered plants — pentachaeta lyonii and dudleya cy-mosa — had been found at Westlake Vista.

Under pressure from the conservancy, the FDIC did a turnabout and marketed the land to environmental groups, later completing a deal with the water district.

In an atmosphere of suits and countersuits, Baldwin filed suit against FDIC, claiming the agency had breached a contract that should have allowed Baldwin to buy Westlake Vista.

According to Scott Bertzyk, an attorney for Baldwin, a federal district court judge ruled last month that FDIC did breach its contract with the company. The suit established FDIC's liability, he said.

"We can't get back the land from FDIC, because they don't have it," Bertzyk said, adding that Baldwin is seeking monetary damages from FDIC, which will be decided in a future court hearing.

FDIC spokesman Andrew Porterfield said he could not comment on the Baldwin-FDIC case because it is still in litigation. "It's not over yet. No one has completely won or lost," he said.

Baldwin also has a joint suit against the water district and the conservancy. The company claims the two entities interfered with Baldwin's contractual relationship with FDIC. The case is scheduled to go to trial Feb. 6 in Los Angeles Superior Court.

Tari Cody, an attorney representing the water district, said Monday the district's position is that "we didn't do anything wrong — that the FDIC was selling the property ... and we were one of the parties that bid on it, and we were successful."

The water district paid FDIC \$6.3 million for the property in late 1993 and split the cost with the conservancy.

"All we did was try to prevent development in an area where endangered species are located ... which is the conservancy's mandate," added state Deputy Attorney General Terry Fujimoto, who is representing the conservancy and its sister agency, the Mountains Recreation Conservation Authority.