

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO

Legal Notice of Proposed Class Settlement
Aglio et al. v. City of San Diego (Case No. 37-2009-00081994-CU-EI-CTL)

**Homeowners & residents who were not part of the
De Anza Cove class action case could get relocation
benefits from settlement of a related class action case**

Please read this Court-ordered Class Action Notice

Homeowners and residents of the De Anza Cove / Mission Bay Park mobilehome park (2727 De Anza Road, San Diego, California, the “Park”) on or after October 22, 2003—**who were not class members in the *De Anza Cove* class action case**—may be affected by the separate *Aglio* class action lawsuit and the proposed settlement of this lawsuit and payment of relocation benefits (*Aglio et al. v. City of San Diego*, San Diego Superior Court, Case No. 37-2009-00081994 “*Aglio* Action”). If you are already a member in the *De Anza Cove* class action case (San Diego Superior Court, Case No. GIC 821191), neither this Notice nor the *Aglio* Action applies to you.)

WHAT IS THIS CASE ABOUT? Plaintiffs allege, among other things, that Defendant City of San Diego (“City”) violated California’s Mobilehome Residency Law (“MRL”) and the *Aglio* Class members’ legal rights, coerced *Aglio* Class members to sign release agreements and evicted others, and sought to close the mobilehome park and force *Aglio* Class members to vacate the Park without providing mandatory relocation assistance and relocation benefits. Plaintiffs seek monetary compensation, an injunction, and other relief. The City denies all Plaintiffs’ allegations and contends that it acted in accordance with all applicable laws. The City asserts that its release agreements are enforceable and that all people who signed the City’s release agreements did so voluntarily, not under duress, coercion, or due to fraud, and with full knowledge of their potential claims. Further, the City contends that the claims of the *Aglio* Class members are barred by their alleged failure to comply with the requirements of

the Government Claims Act, including the requirements to timely file valid claim forms and/or to timely file a lawsuit. Accordingly, should this proposed settlement not gain final court approval, the City alleges that no further compensation is owed whatsoever because the claims herein are barred entirely by both the Government Claims Act as well as the applicable statutes of limitation. Plaintiffs deny, and continue to deny, the City’s contentions.

Through this proposed *Aglio* Class settlement, the parties intend to resolve their disputes fully as to the *Aglio* Class, to confirm the legal rights of the *Aglio* Class, to clarify the size, calculation, and timing of payment of the relocation benefits owed by the City, to provide for payments in full settlement and discharge of all claims by the *Aglio* Class against the City, and to bring certainty and finality.

This Court-ordered Notice, along with the accompanying *Aglio* Settlement Agreement, informs you of:

- Plaintiffs’ general allegations
- The terms of the proposed *Aglio* Class Settlement, compensation called for through the Settlement, and this Court’s preliminary approval of the Settlement
- This Court’s appointment of Plaintiffs’ Class Counsel & certification of the *Aglio* Class for settlement purposes
- Your right to continue to participate in, object to, or exclude yourself from, the *Aglio* Class and Settlement

By Order of the Honorable Joel M. Pressman
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AM I AFFECTED BY THIS LITIGATION? The Court has conditionally certified the Aglio Class for settlement purposes as: “As of October 22, 2003, and thereafter, all homeowners and/or residents—and their heirs—of the approximately 509 homes within the mobilehome park now known as Mission Bay Park and formerly known as De Anza Harbor Resort (“Park”), located at 2727 De Anza Road, San Diego, California, who were *not* class members within the *De Anza Cove* class action (San Diego Superior Court, Case No. GIC 821191).”

The Court also certified three subclasses within the Aglio Class to differentiate those who signed release agreements, were evicted, or other residents. Subclass A is: “All homeowners and/or residents within the Aglio Class who signed release agreements with the City of San Diego regarding the Park.” This subclass will address the alleged unenforceability of these release agreements in light of state law prohibiting any waiver of rights under the MRL, the false pretenses under which such agreements were obtained, and the heavy-handedness with which these agreements were secured. Subclass B is: “All homeowners and/or residents within the Aglio Class who were evicted from the Park on or before September 4, 2007.” Subclass C is: “All homeowners and/or residents within the Aglio Class who currently reside at the Park (at any time during the period from January 14, 2015 through July 1, 2016 or the revised Park Closure Date, whichever is later) and are not part of Subclass A or B.” This Subclass will address what relocation benefits may or may not be owed to those homeowners and residents who currently reside at the Park, but did not reside in the Park on October 22, 2003, as would be required to be a class member within the *De Anza Cove* class action case.

WHAT ARE KEY TERMS OF THE SETTLEMENT? The Settlement provides a precise amount of relocation benefits per home based on the size of the home. Generally, homeowners in Subclasses A & B will receive moving expenses (approximately \$1,660 per household), plus “rent differential,” which is calculated by multiplying 48 by the difference between comparable rent and existing space rent [*i.e.*, (48 x (Comp. Rent – Space Rent))]. Comparable rents used in the “rent differential” calculation shall be:

Home Size	Comp. Rent
0 – 664.9 sq.ft.	\$1,300
665 – 1059.9 sq.ft.	\$1,750
1060 – 1379.9 sq.ft.	\$2,600
1380 – 1629.9 sq.ft.	\$3,395
1630+ sq.ft.	\$3,595

These are the same moving expenses, comparable rents, and rent differential calculations that were ordered by the Court in the *De Anza Cove* class action case. On average, total relocation benefits for Aglio Class homeowners in Subclasses A & B are estimated under this proposed settlement at about \$65,000 per eligible home (less for smaller homes, and more for larger homes). Renters in Subclasses A & B will receive, per home, moving expenses plus two times the comparable rent amount.

Another beneficial term of this settlement is that **for those Aglio-eligible households who are still residing in the Park, the Park will not close for them until at least July 1, 2016** in order to allow Six-Month Park Closure Notices and an Amended Relocation Impact Report to be served on them, as well as other documents and claim forms. The Park Closure Date of January 13, 2016, will still apply, however, to all *De Anza Cove* class members as required by the *De Anza* Court’s Amended Judgment.

In addition, as part of this proposed *Aglio*

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settlement, the City agrees not to enforce the terms of its release agreement against any *Aglio* Class members, and not to raise its statute of limitations and other defenses.

The Settlement Agreement details many terms and benefits available to *Aglio* Class members (for example, relocation compensation computation is detailed in paragraphs 17-30), so **please read the accompanying Settlement Agreement**. For example, some homeowners might qualify for temporary lodging expenses; interest (to be paid on a pro-rata basis based on valid claims made); and those *Aglio* Class members who signed release agreements and already received payment from the City (between \$4,000 and \$8,000) will have that payment amount deducted from the final calculation of their relocation benefit compensation. Additionally, people in Subclass C are or may be subject to special circumstances, with relocation benefits that may be different or potentially significantly reduced.

WHAT WILL THIS SETTLEMENT COST ME? As an *Aglio* Class member, **the settlement costs you nothing**. Just like the *De Anza Cove* class action, none of the attorneys' fees or costs come from the common fund or from any part of the relocation compensation owed to the *Aglio* Class. The Court will order the City to pay Class Counsel's attorneys' fees and costs *in addition to* the relocation compensation you receive. Total relocation compensation, moving expenses, temporary lodging, and interest is estimated at \$14 million, and this Court has preliminarily approved an award of \$4,666,667 as reasonable attorneys' fees (33⅓% of \$14 million) plus costs of \$140,000 to Class Counsel, which the City is required to pay. **You don't pay Class Counsel anything.**

WHAT IF I WANT MORE INFORMATION? The Settlement Agreement, lawsuit, and other relevant

documents about this case are available to you and can be reviewed at the website established by the *Aglio* Class Notice Administrator (KCC/Gilardi) at www.AglioSettlement.com. Additional information about this case and the Settlement is available at Class Counsel's website at www.CaliforniaMobilehomeAttorneys.com on the "Case Updates" page. If you have any other questions, you can also write to Class Counsel at:

Aglio Plaintiffs' Class Counsel
Tatro & Zamoyski, LLP
12760 High Bluff Drive, Suite 210
San Diego, CA 92130

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court has appointed Tatro & Zamoyski, LLP and Thorsnes, Bartolotta & McGuire to act as Plaintiffs' Class Counsel and represent all *Aglio* Class Members' rights and interests. Class Members will be bound by all Court orders, rulings, and judgments, whether favorable or not. Any claims that you have concerning the allegations briefly summarized in this Notice will be determined by the final resolution of this case. The Action will not be dismissed, settled, or compromised without final approval of this Court.

The Court has scheduled a Fairness and Final Approval Hearing at 10:30 a.m. on March 18, 2016, in Dept. C-66 of the San Diego Superior Court, 330 West Broadway, San Diego, CA 92101. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate.

If there are objections, the Court will consider them. If you're a Class Member and have not excluded yourself from the Class, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send your objection to both the Court and the *Aglio* Class

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Notice Administrator. Be sure to include the full name of the case and the case number, your name, address, telephone number, your De Anza space number, the reasons why you object to the Settlement, and your signature. Also indicate if you intend to appear at the hearing and want to ask permission to speak to the Court. You can opt to have your own lawyer represent you at your own expense to appear for you in Court. Your objection and statement of intent to appear must be postmarked and mailed to both the Court (Hon. Joel M. Pressman, San Diego Superior Court, Dept. C-66, 330 West Broadway, San Diego, CA 92101) and the Aglio Class Notice Administrator (c/o KCC/Gilardi, P.O. Box 8060, San Rafael, CA 94912-8060) no later than March 1, 2016. After the hearing, the Court will make its decisions. Within 14 days of Court Approval, the City/OPC shall serve an updated Six-Month Notice of Park Closure and Amended Relocation Impact Report on the Aglio Class members still residing at the Park.

SHOULD I EXCLUDE MYSELF FROM THE CLASS?

If you do not want your rights determined in this Action and do not want the benefits of the Aglio Settlement, you can choose to exclude yourself from the Aglio Class. By electing to be excluded, you will not be bound by any decision in the Aglio Action, you will not partake in this Settlement, and you may present any claims by filing your own separate lawsuit. **If you exclude yourself: (a) you will not be protected by the mechanisms afforded through this Settlement; (b) the City will not permit you to extend your residency beyond the existing January 13, 2016 Park Closure Date; (c) you will not receive the agreed-upon relocation compensation provided by this Aglio Class settlement; (d) you would be potentially subject to the litany of risks and defenses that the City has raised to date in this Aglio Action, such as being subject to eviction by Unlawful Detainer procedures starting after**

the Park Closure Date of Jan. 13, 2016, being potentially time-barred by the statute of limitations and/or Government Claims Filing prerequisites, attempting to overcome the terms and language of the City's release agreements, and facing the possibility of a prevailing party attorney's fee and cost award against you personally if the City were to prevail against you; (e) you must act quickly to protect your legal rights or may lose them; and (f) Class Counsel will not represent you. To have the Court exclude you from the Aglio Class and this Settlement, send a letter listing your name, current address, phone number, De Anza space number, along with a statement that you want to be excluded from the Aglio Class and your signature. **To remain an Aglio Class member and receive the benefits of the Settlement, DO NOT submit an exclusion request.** To be valid, any exclusion requests must be mailed and postmarked on or before **March 1, 2016** to: Aglio Class Notice Administrator–Exclusions, c/o KCC/Gilardi, P.O. Box 8060, San Rafael, CA 94912-8060.

CAN I SEE THE DOCUMENTS FILED IN COURT?

If you would like to review any documents filed with the Court in this case, all Court records may be examined at the Clerk's office, San Diego Superior Court, 330 West Broadway, San Diego, CA 92101. **Please do not phone the Court.**

HOW DO I REMAIN AN AGLIO CLASS MEMBER?

If you want to be part of this Settlement, you don't need to do anything at this time. In the near future, Aglio Class members will submit Claim Forms to the Court-appointed Relocation Coordinator / Claims Administrator (Overland, Pacific & Cutler "OPC"). The deadline to submit a Claim Form shall be June 1, 2016. Claim Forms will be distributed to Aglio Class members and will also be available through the Relocation Coordinator / Claims Administrator, OPC.

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