Architect Myron Hunt (1868–1952) is perhaps best known for his design of the Huntington Library (1911) or the Ambassador Hotel (1919), but important to the history of Palos Verdes was his affiliation with Frank Vanderlip’s original design team, where Hunt helped establish the guidelines for the visual character of the community. Along with architects Robert Farquhar and David Allison, project manager Jay Lawyer and city planner Charles Cheney, Hunt was a founding member of the Art Jury, guiding the vision of a new design style called California Architecture. With inspiration derived from architecture of similar Mediterranean climates, styles from Italy and Spain were blended into an eclectic mix. This combination of several styles in one building is what differentiated it from architecture of the past.

Myron Hunt was born in Massachusetts, and after studying at MIT from 1890 to 1893, his first professional job was as a draftsman for Hartwell and Richardson in Boston. In order to research buildings of the early Renaissance, he spent 1895 in Florence, Italy and returned to work for Shepley, Rutan and Coolidge, who had left Richardson’s office to design Stanford University. Working under the tutelage of this latter firm, Hunt was taught an important principle of closely relating buildings and landscapes, a characteristic he would include in his personal practice.

When Hunt moved to California in 1903, he was one of a few local practitioners in the region who had attended architectural school. None of the men practicing in then sparsely populated Los Angeles had knowledge of Mediterranean architecture, let alone studied in Europe. His partnership with Elmer Grey in 1904 began a career of developing a distinct regional style which matured in the 1920s. Hunt noted, “People come from all over the world to Southern California, recognizing its climate. They should expect to find an individual type of architecture here which recognizes this climate.” The Mediterranean style took hold in Palos Verdes Estates, with Hunt declaring, “We have arrived at a distinctive architecture that is our own and which is a real expression of our culture and civilization.”

The development of the new and regional style called “California Architecture” began in the late 19th century. By 1890, Mission Revival had become the official style of California, found in train stations, college campuses and homes. To encourage the continuation of this look and a regional identity, some developers discounted lots if the houses were constructed in “Moorish, Mission or Pompeian

Continued on page 3
A LETTER FROM THE PRESIDENT

Dear PVHA Members,

We have our upcoming annual meeting and election of members of our Board of Directors on January 9, 2018. Within the Bulletin, you will find an article that adds clarity to the fact that PVHA, while not a part of city government, is a mutual benefit corporation and that membership is by property ownership. Each property in Palos Verdes Estates and the Miraleste section of Rancho Palos Verdes has a single vote in the affairs of PVHA. So, different from municipal elections where the city of Rancho Palos Verdes has a single vote in the affairs of Rancho Palos Verdes and the Miraleste section of the city government, is a mutual benefit corporation and adds clarity to the fact that PVHA, while not a part of city government, is a mutual benefit corporation.

As required by our bylaws and the vision of our founders, a quorum of the membership is necessary for the association to conduct its business. Therefore, that quorum (50% plus 1) is required, is very important to PVHA and is desirable.

Please look for three mailings this year: a postcard announcing the upcoming meeting and election, a member verification and ballot with instructions, and a reminder postcard designed to reinforce your need to submit your verification and ballot to the Inspector of Elections prior to the deadline: 4:30 p.m. January 3, 2018.

Additionally, this year there will be a sealed ballot box at Palos Verdes Estates City Hall (at the planning counter inside and to the right of the main door). This locked box is supervised by the Inspector of Elections. Please note that PVHA is not permitted to accept ballots by fax or email since they would not constitute secret ballots. Finally, PVHA closes the election on 4:30 p.m. January 3, 2018 to permit a count to determine the Quorum, and when a Quorum is established, a count for members of the Board is done under the supervision of the Inspector of Elections. The Inspector makes his report at the Annual Meeting. Therefore, PVHA will not accept member verifications and ballots at the Annual Meeting or after the close of the election.

The Board of Directors encourages you to participate by helping us achieve a Quorum and asks that you vote for the candidates on the ballot to ensure your voice is heard.

Phil Frengs,
PVHA President

HOMES ASSOCIATION NEWS AND ANNOUNCEMENTS

- Annual Meeting announcement and ballot mailings: In an effort to encourage increased member participation, PVHA will be sending out three separate mailings regarding the annual meeting and election. Please advise us if the property owner(s) of record has had a change of address. In November, the PVHA Annual Meeting materials, member verification and Board of Directors election ballot was sent. Please help us reach a quorum required to conduct business, by returning your member verification by mail as soon as possible and before the close of elections on January 3, 2018.

- PVHA Board Meeting in Miraleste: As is customary, PVHA holds a board meeting once a year in Miraleste, for the convenience of RPV members. The PVHA board welcomed members to Miraleste Plaza #19, on October 24 at 4:30 p.m. Residents attended and raised questions of interest prior to the general business meeting.

- SB 649 Proposed Legislation: While PVHA is not a political entity, proposed legislation this past year attempts to preempt PVHA’s ability to protect and support the architectural character and open space that our founding fathers envisioned. This legislation would virtually eliminate the authority of cities and counties to negotiate with telecommunications companies on the siting and aesthetics of wireless equipment on public infrastructure and in the public right-of-way. The PVHA Board and The Art Jury went on record with opposition to this bill. Governor Brown vetoed the bill in the 11th hour, stating “...I believe that the interest in which localities have in managing rights-of-way requires a more balanced solution than the one achieved in this bill.”

- PVHA Cares Senior Health and Wellness Faire: PVHA hosted an information booth at the Annual PVHA Cares Senior Health and Wellness Faire. This year’s event was held on October 13 at the Neighborhood Church and included refreshments and giveaways including a two ticket donation to a Norris Theatre performance, proudly donated by PVHA.

- Palos Verdes Specialist Program: This program is offered by the Palos Verdes Peninsula Association of Realtors twice a year. On October 23, 2017 PVHA conducted a presentation and question and answer session with the City of PVE to educate real estate agents about the basics of working within the jurisdiction of the PVHA in the city of Palos Verdes Estates and the Miraleste area of Rancho Palos Verdes.

- City of PVE and PVHA Ad Hoc Committee: Representatives from the PVHA Board of Directors; President Phil Frengs and Director Dale Hoffman, Art Jury Vice President George Swenscy, Art Jury member Criss Gunderson and PVHA Manager Kimberly Robinson joined representatives from the City of PVE, City Council and Planning Commission at the meetings held on July 27 and October 26, 2017. These were publicly noticed meetings and time was provided for public comment. Projects that had lengthy hearing processes were presented as case studies and discussed. A subcommittee was formed to provide further data to the committee regarding each entity’s project approval process and criteria for analysis of view impacts. The next Ad Hoc committee meeting is tentatively planned for January 18 in PVE City Council chambers from 3 to 5 p.m. The public is invited to attend.

- Heal the Bay Coastal Cleanup Day 2017: On Saturday, September 16, PVHA supported this important cause that impacts our community, through staff volunteering.

- Community Support Donation: PVHA Board of Directors approved a donation to help fund a restoration project for the Community parcours, an outdoor fitness and exercise center for all ages, at the intersection of Palos Verdes Drive West and Via Coronel. The PVHA donated funds along with in-kind and monetary donations from other groups, that will help replace and repair deteriorating equipment and instructional signage.

- PVHA Annual Meeting: As determined by the Palos Verdes Homes Association Bylaws, the annual meeting of members is scheduled for the second Tuesday of January in Palos Verdes Estates City Council Chambers. The 92nd Annual Meeting will be held on January 9, 2018 at 8 p.m.

From the Vault: One of the original establishment documents signed February 4, 1923 by ‘Founding Fathers’.

“We are beginning to find practical means of procuring better conditions and of preventing worse. We need to plan for good architecture, landscaping, beauty, color, and individual character, and to maintain the “town picture.” And we must establish the machinery for competent architectural control, or all our plans will be spoiled. “

-Excerpt from Architectural Control in Relation to Zoning by Charles H Cheney
design, while others simply prohibited different types. Contractors often followed the pattern books published in *Bungalowcraft* and other companies that featured Italian and Spanish models. Moving away from simplicity, Bertram Goodhue’s employ of the highly ornamental Spanish Colonial architecture for the 1915 Panama-California World’s Fair in San Diego responded to the mild climate and symbolically identified the city with its Hispanic past. A resurgence of American patriotism after World War I, however, deemed “Californian” more American than Hispanic, with practitioners relabeling the style and moving to greater eclecticism. In many ways, designers envisioned an “imagined historic California” with the architecture a romanticized version of accurate, more primitive, 19th-century architecture. Nevertheless, a 1923 campaign was waged in Palos Verdes to officially recognize its development of California Architecture. Though diverse in character, buildings were typically of very light color tone, faced in plaster, adobe, stucco or brick, with a low-pitched and usually randomly laid tile roof. With this style, not only did the spaces of the structures mimic Mediterranean design with indoor/outdoor connections and prolific use of patios, but the unique look captured the spirit of the new region. Both conservative as well as avant-garde architects in Los Angeles appropriated this approach, as seen in the work of Greene and Greene, Frank Lloyd Wright, Gordon Kaufmann and Rudolf Schindler.

While Hunt’s ideas were markedly influential, his personal commissions at Palos Verdes Estates were limited to only two buildings: the Palos Verdes Public Library and Art Gallery and the personal residence of landscape architect Frederick Law Olmsted, Jr and his wife, Sarah. Highlighted in the *Palos Verdes Bulletin* of November 1923, the Olmsted residence, located at 2101 Rosita Place, was designed as a white adobe, with a linear group of rooms opening to an arched, paved patio and gardens. This layout allowed for a cross-breeze through rooms, with the elimination of more typical hallways.

According to Hunt’s biographer, Alison Clark, the Olmsted residence was an unusual departure for Hunt—designing one wing at an angle, compared to his more typical symmetrical designs. However, one can observe that this form also drew from the California adobe, with multiple roof planes clad in red tile, wrought iron gates and balustrades, and a high central tower intended to reflect the building’s importance as a civic structure. The tower room’s interior walls were clad in white adobe, with a linear group of rooms opening to an arched, paved patio and gardens. This layout allowed for a cross-breeze through rooms, with the elimination of more typical hallways.

Hunt’s second building, the Palos Verdes Public Library and Art Gallery, was designed in 1929 and opened to the public in 1930. Another example of California Architecture, the style borrowed heavily from Mediterranean features with its white stucco, multiple roof planes clad in red tile, wrought iron gates and balustrades, and a high central tower intended to reflect the building’s importance as a civic structure. The tower room’s outdoor loggia was designed to overlook Farnham Martin’s Park and sweeping views of the Pacific Ocean. Further linking the building and site were surrounding walls faced in Palos Verdes stone.

For more about our guest contributor Christine Edstrom O’Hara, and footnotes for this article, visit pvha.org.

The spirit of California Architecture remains a key feature of coastal neighborhoods in Palos Verdes. The architectural control established in the 1920s continues to be a community asset in maintaining the character as originally envisioned. Understanding the form and historic context for this style provides a fresh understanding of regional community development in 1920s Southern California.
Wishing everyone a happy and festive holiday season from all of us at PVHA!

PVHA ANNUAL MEETING

As determined by the Palos Verdes Homes Association Bylaws, the annual meeting of members is scheduled for the second Tuesday of January in Palos Verdes Estates City Council Chambers. The 92nd Annual Meeting will be held on January 9, 2018 at 8 p.m.

Please verify your name and address on this mailing and notify the PVHA office at 310-373-6721 with any corrections.

ABOUT US

The Palos Verdes Bulletin is a publication of the Palos Verdes Homes Association. Office hours are Monday, Wednesday, Thursday and Friday 8:30 a.m. to 5:00 p.m. Closed from noon to 1 p.m. Prior to commencing any work, Art Jury approval is required for all exterior changes to properties in Palos Verdes Estates and the Miraleste area of Rancho Palos Verdes. This includes large and small building projects, window changes, roofing, exterior finishes, removal, repair and replacement of existing exterior items, landscaping, tree removal, and site alterations. Some items may be quickly approved over the counter; others may be seen in our weekly Art Jury meetings. It may interest you to know that the PVHA archives contain approved plans dating back to the first projects and historical files, including the protective deed restrictions, on each property in Palos Verdes Estates and Miraleste. Please stop by and visit with us. We look forward to meeting you.

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There is no need for mutual agreement. The Covenants, Conditions, and Restrictions (CC&Rs) are legally defined to “run with the land.” In other words, if one wants to buy the property they are assumed to be aware of the restrictions and buying it subject to the restrictions contained in the CC&Rs. If an owner sells the encumbered land/home, he or she ceases to be a member of the association and the new owner becomes a member. All members must pay fees and conform to the restrictions of the association regardless of whether they have actual knowledge of these rules and fees or not.

Rules Enforcement

Legal actions of the homeowners’ association may be enforced through the threat and levying of fines, and private legal action under civil law. The HOA provides services, regulates activities, levies assessments, and may, as delegated by the state legislature, impose fines. Unlike a municipal government, they are not subject to the constitutional constraints that public government must abide by.

Vision of developers

It is clear the framers of PVHA’s organizational documents had in mind a strong and comprehensive regulation of the land under its trust and conservancy principles. The Articles of Incorporation seemingly cover every possible contingency of authority, and provide for 25 different purposes. See, for example, a final catch-all purpose which may legally be done, follow the same procedure as set forth and developed in a more focused and comprehensive way than ever before.

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PVHA history

(To follow this is taken from the PVE website):

“Ever since people began to congregate together in cities, and even in country communities, the problem of touching elbows has been with us. In Palos Verdes Estates constant effort has been directed to building an ideal garden suburb and residence park, with all the advantages of the city, in the country.”

Idea of PVHA as a “conservancy”

Both its organizational documents—its Articles and Bylaws—and its history clearly demonstrate that the protective principles of “conservancy” are paramount in PVHA’s raison d’être.

Executive Summary

At the time of the original creation of Palos Verdes Homes Association (“PVHA”) in 1923, the modern version of a Nonprofit Mutual Benefit Corporation had not yet been developed, but an early precursor had been recently created under California law, first enacted in 1909, and then revised and restated in 1921—the Non-profit Co-operative Corporation Act. Under this new law, the principles of a nonprofit business operation—in contradistinction to a for-profit business—were set forth and developed in a more focused and comprehensive way than ever before.

Homeowners Associations (“HOAs”) were still quite rare in those days, and it is clear the mission and vision of the founders of PVHA were far ahead of their time. They seized upon the new corporate format of the Non-profit Co-operative Corporation to embody formally and permanently their vision. As California nonprofit laws became more organized and efficient over the passing decades, PVHA was eventually converted, by operation of law effective 1980, into the modern Nonprofit Mutual Benefit Corporation it is today. And it has effectively maintained and preserved intact its original purpose:

“Ever since people began to congregate together in cities, and even in country communities, the problem of touching elbows has been with us. In Palos Verdes Estates constant effort has been directed to building an ideal garden suburb and residence park, with all the advantages of the city, in the country.”

“Today, the Art Jury and the Palos Verdes Homes Association continue to oversee building and landscaping across the city. Ninety years’ worth of logistical and aesthetic decisions showcase both the natural beauty of Palos Verdes and the cohesive, beautiful communities that the early planning and architect pioneers worked so hard to achieve.”
What is a Mutual Benefit Corp?

A mutual benefit corporation is a nonprofit corporation designed to serve the needs and to benefit the mutual interests of its members and the public.

The modern California Nonprofit Mutual Benefit Corporation was created by the California Corporations Code on January 1, 1978 to take effect January 1, 1980. This new law for the first time divided nonprofit corporations into three distinct areas according to function: public benefit, mutual benefit and religious corporations.

Prior to that, all three forms were regulated under a single set of nonprofit corporation provisions. It was up to the individual entity to create its Articles and Bylaws to provide for such things as for whom it was designed to function, to whom its assets should be distributed upon liquidation. For example, an entity designed for public benefit would set forth its purposes to provide for the general public, and require the distribution of its assets to another class or to the Attorney General upon liquidation; whereas, an entity created for the mutual benefit of its members could provide for more specific purposes.

PVHA is of the latter type. The transition provisions of the 1978 Act provided how pre-existing entities would be treated under the new separate categories, and Section 9912 was added to the Corporations Code, which provided for the nonprofit mutual benefit corporation similar to other corporations like home owners associations.

Nineteenth Century Idea

The nineteenth century was an exciting time for the United States. Thanks to the industrial revolution, the nation was shifting from an agricultural society to an industrial society. As a result, people began moving to the cities to find work, but with so many people, the cities became dirty and noisy, which created an undesirable place in which to live. To answer this problem, railroad communities began to appear. This allowed people to work in the city but live outside the city and travel via rail. These railroad communities were mostly comprised of middle-class people, and they were the building blocks for modern associations.

Twentieth Century Expansion

In the twentieth century, the development of the automobile allowed people to live even further away from the city and railroads, so more communities began appearing. Although many of these communities didn’t really have formal rules and regulations, most of the residents had a shared idea of how the neighborhood should look and run. In the 1960s, HOAs grew thanks to the federal government. The Federal Housing Authority and the Urban Land Institute encouraged more residential developments.

Was it used commonly in the 1920s?

In 1923, when PVHA was founded, a Homeowners Association was rare. PVHA may be one of the earliest in the country and certainly in California.

The origins of the modern homeowners association began with the publication of Ebenezer Howard’s 1902 book, “Garden Cities of To-morrow.”

A Brief History of the HOA

Fifty years ago the term “homeowners association” or “HOA” for short, was relatively unknown in the United States. Various sources have estimated that the total number of HOAs in the U.S. as of 1963 was perhaps no more than five hundred. Other sources have a handful of large, established planned developments such as Rancho Santa Fe in San Diego County, California and Forest Hills Gardens in Queens, NY, none of these were HOAs as small by comparison and were concentrated in relatively few areas of the country including Southern California, Florida and to a lesser extent fast-growing cities like Phoenix, AZ and Houston, TX. As a result of increasing demand for new housing which had been steadily growing since the end of World War II, development of residential real estate was booming. Local municipalities were eager to license the tax base of their communities through development in the inventory of taxable real estate.

While cities were expanding into suburban sprawl, developers often found that local governments were ill-equipped to anticipate or manage the long term stewardship of the growing infrastructure that was required to service the emerging suburban landscape.

As urban planners, developers and municipal governments began collaborating on residential development projects to meet the demand for new homes, they realized there was no pre-existing common interest development (CID) in which the individual homeowner share in the use, benefit and ownership responsibilities of the individual property owners to the HOA and the property owners.

The term “common interest” refers to the shared or “common ownership” aspects of such developments, in which the individual homeowner share in the use, benefit and ownership responsibilities of the individual property owners to the HOA and the property owners.

The rules and restrictions established by the developer and recorded with the deeds to the lots would become known as the Declaration of Covenants, Conditions & Restrictions (CC&Rs), although in the vernacular of the layperson and even many industry professionals, the term CC&Rs is now used in a broader sense when referring to the HOA’s bylaws, rules and regulations as well as the actual CC&Rs. It is these CC&Rs, combined with the bylaws, rules and regulations of the HOA which, in effect, become the de facto “charter” for a new form of privatized residential government known as the homeowners association.

In 1923 a Homeowners Association was rare. PVHA may be one of the earliest in the country and certainly in California.

In 1923 we first perhaps HOAs scattered around the country according to author Elsys McMahon, who has documented the meteoric rise of private residential governance in recent books, “Pristonite” (Yale University Press, 1994). By this time, planners, developers and bureaucrats were anxious to find ways to reduce the cost of development and the municipal maintenance costs anticipated for thousands of new subdivisions that were needed to satisfy the demand for housing that had been steadily increasing since the end of World War II.

Is the nonprofit mutual benefit corporation format commonly used for HOAs?

Yes, HOAs are commonly set up as mutual benefit corporations, especially in California. The California Office of the Attorney General website states that today most, but not all, HOAs are set up as mutual benefit corporations.

History of HOAs

HOAs have been around for a long time, and for good reasons. They help create a pleasant and safe place to live. The history of homeowners associations starts in the middle of the 19th century and continues to grow and expand today.

In 1923 many of these communities owned assets have come to include major infrastructure components such as community water systems and roads but in the majority of cases these “common area improvements” are more often things like recreational amenities, fencing and barrier walls, landscaping, green space and other site improvements.

In the early days, CIDs were mostly what could be termed “traditional” subdivisions in which detached, single-family homes were located on individually platted lots. Homeowners were left with the responsibility of maintaining their individual lots and homes, as well as shared or “common ownership” aspects of the neighborhood such as swimming pools and green-space were provided for outdoor recreation.

The inclusion of shared or “common area” spaces within residential developments was not a new idea. Although evidence of shared housing arrangements may be found in ancient cultures throughout the world, the term “subdivision” was coined in the 1960s, with the goal of reducing the sprawling effects of residential development. Or at least that was the hope. In order to achieve the goal of smaller lot sizes, shared recreational spaces such as parks, playgrounds, swimming pools and green-space were provided, thereby allowing homes to be built on smaller lots because individual yard space was needed for outdoor recreation.

In 1962 we find perhaps 500 HOAs scattered around the country according to author Elsys McMahon, who has documented the meteoric rise of private residential governance in his landmark book, “Pristonite” (Yale University Press, 1994). By this time, planners, developers and bureaucrats were anxious to find ways to reduce the cost of development and the municipal maintenance costs anticipated for thousands of new subdivisions that were needed to satisfy the demand for housing that had been steadily increasing since the end of World War II.

Barely ten years into the new millennium the FCAR in 2004 estimated that the number of HOAs in the U.S. was somewhere around 305,000! Clearly, as we entered the second decade of the new century the CID and other attached form schemes, which have become the predominant form of residential development in the country. While it is probably fair to say that Ebenezer Howard’s Utopian vision of planned communities with happily inte- grated residential, commercial, industrial and agricultural zones expanding concentrically from an idyllic residential core has never really been realized, what cannot be denied is the phenomenal growth in the number of HOAs and the growing acceptance of private residential governance in the United States.

As the number of HOAs has grown, so too has the number of people who find themselves living in privately governed residential communities. Whereas in 1970...
A mutual benefit corporation is a nonprofit format commonly used for such things as for whom it was intended. As a result, people began swarming into the emerging suburban landscape. As the urban core of many cities expanded into suburban sprawl, developers often found that local governments were concerned about the cost of maintaining the new housing which had been steadily growing since the end of World War II. development of residential real estate was booming. Local municipalities were eager to enlarge the tax base of their communities through development and to establish the rights and responsibilities of the individual property owners to the HOA and the HOA to the property owners. The rules and restrictions established by the developer and recorded with the deeds to the lots would become known as the Declaration of Covenants, Conditions & Restrictions (CC&Rs), although in the vernacular of the layperson and even many industry professionals, the term CC&Rs is now used in a broader sense when referring to the HOA’s bylaws, rules and regulations as well as the actual CC&Rs. It is these CC&Rs, combined with the bylaws, rules and regulations of the HOA which have, in effect, become the de facto “charta” for a new form of privatized residential government known as the homeowners association. The legal construct of the modern day HOA has evolved over the last fifty years.

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there were an estimated 2 million people living in HOAs, by 2009 the number had grown to 60 million according a tracking poll conducted by Zogby International in January of 2010. As we know, PVHA is not a CID as most HOAs are, and so while it shares some of the history of HOAs outlined here, it nonetheless remains a unique organization in many ways.

CC&Rs or in PVHA’s case

Deed Restrictions

The Covenants, Conditions, and Restrictions (CC&Rs), also called the Declaration, is recorded in the public records and sets forth the detailed rules of membership/property ownership in the community. There is no need for a mutual agreement between buyer and seller regarding the CC&Rs, as they are legally defined to “run with the land.” In other words, if one wants to buy the property they are assumed to be aware of the rules and buying it subject to the restrictions contained in the CC&Rs. If an owner sells the encumbered land/home, he or she ceases to be a member of the association and the new owner becomes a member. All members must pay fees and conform to the restrictions of the association regardless of whether they have actual knowledge of these rules and fees or not.

Rules Enforcement

Legal action of the homeowners association and levying of fines, and private legal action under civil law. The HOA provides services, regulates activities, levies assessments, and may, as delegated by the states legislature, impose fines. Unlike a municipal government, they are not subject to the constitutional constraints that public government must abide by.

Vision of developers

It is clear the framers of PVHAs organizational documents had in mind a strong and comprehensive regulation of the land under its trust and conservancy principles. The Articles of Incorporation seemingly cover every possible contingency of authority, and provide for 25 different purposes. See, for example, a final catch-all purpose which may be advisable, proper, authorized, and/or permissible to be done by Palos Verdes Homes Association under or by virtue of any restrictions, conditions, and/or covenants or laws affecting said property or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the foregoing powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereof. In exercising any of said powers, the Board of Directors may, so far as may legally be done, follow the same procedure as followed by Boards of Trustees of cities of the 6th Class of the State of California, so far as same are not in conflict with any of the provisions contained in said restrictions, conditions, and covenants affecting said property, and provided that each method of procedure may be discontinued at any time as to said property or any portion thereof or as to any portions of said property which is or shall be annexed to or become a part of an incorporated city.

Idea of PVHA as a “conservancy”

Both its organizational documents—its Articles and Bylaws—and its history clearly demonstrate that the protective principles of “conservancy” are paramount in PVHAs raison d’être.

PVHA history

(The following is taken from the PVE website):

“Ever since people began to congregate together in cities, and even in country communities, the problem of touching elbows has been with us. In Palos Verdes Estates constant effort has been directed to building an ideal garden suburb and residence park, with all the advantages of the city, in the country.”

-Excerpt from 1923 publication on PVE

Executive Summary

A t the time of the original creation of Palos Verdes Homes Association (“PVHA”) in 1923, the modern version of a Nonprofit Mutual Benefit Corporation had not yet been developed, but an early precursor had been recently created under California law, first enacted in 1909, and then revised and restated in 1921—the Non-profit Co-operative Corporation Act. Under this new law, the principles of a nonprofit business operation—in contradistinction to a for-profit business—were set forth and developed in a more focused and comprehensive way than ever before.

Homeowners Associations (“HOAs”) were still quite rare in those days, and it is clear the mission and vision of the founders of PVHA were far ahead of their time. They seized upon the new corporate format of the Non-profit Co-operative Corporation to embody formally and permanently their vision. As California nonprofit laws became more organized and efficient over the passing decades, PVHA was eventually converted, by operation of law effective 1980, into the modern Nonprofit Mutual Benefit Corporation it is today. And it has effectively maintained and preserved intact its original purpose:

“Ever since people began to congregate together in cities, and even in country communities, the problem of touching elbows has been with us. In Palos Verdes Estates constant effort has been directed to building an ideal garden suburb and residence park, with all the advantages of the city, in the country....

“Today, the Art Jury and the Palos Verdes Homes Association continue to oversee building and landscaping across the city. Ninety years’ worth of logistical and aesthetic decisions showcase both the natural beauty of Palos Verdes and the cohesive, beautiful communities that the early planning and architect pioneers worked so hard to achieve.”