

1 KELLY G. RICHARDSON, Bar No.: 112666  
DANIEL A. NORDBERG, Bar No.: 77598  
2 ALISA E. SANDOVAL, Bar No.: 206426  
DANIEL C. HEATON, Bar No.: 262232  
3 RICHARDSON | OBER | DeNICHILLO  
234 E. Colorado Blvd., Suite 800  
4 Pasadena, California 91101  
Tel: 626.449.5577  
5 Fax: 626.449.5572

6 Attorneys for Plaintiffs,  
CITY OF LAGUNA HILLS;  
7 BFE ASSET PARTNERS, LLC;  
GJC PROPERTIES 8 LP;  
8 SUKIN & ROSENFELD LLC;  
ERIK M. BLOCK

9  
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
11 **COUNTY OF ORANGE**

12 CITY OF LAGUNA HILLS, a municipal entity;  
BFE ASSET PARTNERS, LLC, a limited  
13 liability company; GJC PROPERTIES 8 LP, a  
limited partnership; SUKIN & ROSENFELD  
14 LLC, a limited liability company; and ERIK M.  
BLOCK, an individual,

15 Plaintiffs,

16 vs.

17 ELITE HOSPITALITY, INC.; COUNTY OF  
18 ORANGE; BOARD OF SUPERVISORS OF  
THE COUNTY OF ORANGE; ORANGE  
19 COUNTY HEALTH CARE AGENCY; CEO  
REAL ESTATE; FRANK KIM; NICHOLE  
20 QUICK; and DOES 1 - 50, inclusive,

21 Defendants,

22 ILLUMINATION FOUNDATION, a nonprofit  
organization,

23 Real Parties in Interest.  
24

Case No.:

**DECLARATION OF GREGORY B.  
BEAM, ESQ.**

1 I, Gregory B. Beam, Esq., do declare as follows:

2 1. I give this declaration in support of Plaintiff City of Laguna Hills’ and Plaintiff BFE  
3 Asset Partners, LLC’s Application for an Order to Show Cause and Temporary Restraining Order.  
4 I have personal knowledge of the facts set forth herein. If called as a witness in this matter, I could  
5 and would testify competently thereto.

6 2. I am an attorney at law duly licensed to practice before all courts in the State of  
7 California and am one of two managing members of Plaintiff BFE Asset Partners, LLC (“BFE”).  
8 BFE owns two buildings located within a commercial interest development known as Plaza Pointe.  
9 The owners of the properties located within Plaza Pointe are subject to a certain Declaration of  
10 Covenants, Conditions, Restrictions and Reservation of Easements (“CC&Rs”), recorded on August  
11 9, 1978 in the Orange County Recorder’s Office as Instrument No. 12516, at Book 1279, Pages  
12 1893 through 1937.

13 3. The Laguna Hills Inn located at 23061 Avenida de la Carlota, Laguna Hills,  
14 California 92653 is also located within Plaza Pointe and is subject to the restrictions and obligations  
15 in the CC&Rs. The Laguna Hills Inn is owned by Elite Hospitality, Inc.

16 4. The two buildings owned by BFE are located at 23113 and 23117 Plaza Pointe Drive,  
17 Laguna Hills, California 92653 and are directly across the parking lot from the Laguna Hills Inn.  
18 To be clear, the parking lot used by Laguna Hills Inn is about 25 yards from the front doors of BFE’s  
19 buildings.

20 5. It has come to my attention that Elite Hospitality, Inc. has entered into an Occupancy  
21 Agreement with the County of Orange whereby the Laguna Hills Inn will be used to shelter people  
22 who have tested positive for COVID-19 or who are believed to have been exposed to COVID-19.

23 6. The two front offices of BFE’s building located at 23117 Plaza Pointe Drive are the  
24 Law Offices of Gary Gough and Laguna Asset Management. Mr. Gough is at least 65, and is  
25 therefore in a high risk group relative to the Coronavirus. In addition, Laguna Asset Management  
26 has a number of employees. The two offices of BFE’s building located at 23113 Plaza Pointe Drive  
27 are my law practice as well as the Law Office of Mark Kompa. I am 71 years old, and am also in a  
28 high risk group relative to the Coronavirus. All of these businesses will be impacted most if the

1 Laguna Hills Inn is used to house COVID-19 patients due to the proximity of the Laguna Hills Inn.

2 7. My business has had issues with the hotel’s patrons for almost fifteen years. Over  
3 the years, there have been many instances of people walking over the small hill between the Laguna  
4 Hills Inn parking lot and that of BFE, destroying the landscaping. Those individuals then come  
5 into BFE’s parking lot to smoke cigarettes. Undercover Orange County Sheriff’s deputies have  
6 been in BFE’s parking lot in response to issues with patrons of the Laguna Hills Inn, and have even  
7 conducted surveillance from the Law Offices of Gary Gough.

8 8. The City of Laguna Hills has cited Elite Hospitality, Inc. several times for various  
9 reasons, including, I have been informed, operating an escort service.

10 9. Pursuant to Article II, Sections 2.01 and 2.02, of the CC&Rs, Elite Hospitality, Inc.  
11 was required to seek approval for any change of use of the Laguna Hills Inn from the City. It is my  
12 understanding that no such approval was ever sought or given.

13 10. The surrounding owners consider the proposed use of the Laguna Hills Inn as a  
14 shelter for COVID-19 patients to be a health and safety risk, a danger, and a nuisance to Plaza  
15 Pointe’s owners and their patrons and clientele, as well as to the community in general, both under  
16 Article II, Section 2.03 and the Civil Code.

17 11. The real possibility of cross-contamination by COVID-19 patients is a particular  
18 concern for me. Again, I am in a high risk group due to my age of 71 years. In addition, not only  
19 does my office manager have a compromised immune system, but so do my wife and son. My son  
20 in particular has a severely compromised immune system. If the Occupancy Agreement is allowed  
21 to proceed, he will face an additional risk due to my potential exposure to COVID-19 and bringing  
22 it home.

23 12. Also within close proximity is the Laguna Woods Village, a retirement community  
24 for people aged 55 years and older. I personally frequent two restaurants which are located less than  
25 a quarter of a mile from the Laguna Hills Inn: Coco’s and Snooty Fox. Both establishments are also  
26 frequented by the older folks who live at the Laguna Woods Village. I have personally observed  
27 the clientele at both restaurants to primarily be at least 65 years and older. Many of the patrons  
28 appear to be in their 80’s and even older.

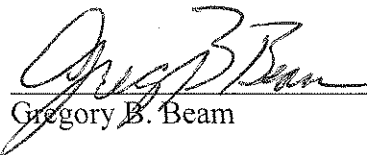
Richardson | Ober | DeNichilo  
234 E. Colorado Blvd., 8th Floor  
Pasadena, California 91101  
Telephone: 626.449.5577

1 observed the clientele at both restaurants to primarily be at least 65 years and older. Many of the  
2 patrons appear to be in their 80's and even older.

3 13. It should also be noted that Plaza Pointe is located near the El Toro "Y", which is a  
4 freeway interchange in southern Orange County where the Santa Ana Freeway (Interstate 5) and  
5 the San Diego Freeway (Interstate 405) merge. In other words, the Laguna Hills Inn is near a very  
6 congested and high traffic area which would result in thousands of people risking exposure to  
7 COVID-19.

8 14. Another concern is that each hotel room has a door that opens to the exterior of the  
9 building, as opposed to within a hallway. Keeping the COVID-19 patients under quarantine in  
10 such a set up would require a guard for every room. My understanding of the population that will  
11 be housed at the Laguna Hills Inn is that it consists of those with mental illness and substance  
12 abuse problems who may be difficult to manage.

13 I declare under penalty of perjury of the laws of the State of California that the foregoing is  
14 true and correct. Executed this 14<sup>th</sup> day of April 2020 in Orange County, California.

15  
16 By:   
17 Gregory B. Beam