

WEDNESDAY, NOVEMBER 9, 2022

PERSPECTIVE

## Sheppard Mullin crafted complicated deal to form nature preserve near Malibu

By Douglas Saunders Sr.

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A team of lawyers from Sheppard Mullin Richter & Hampton crafted a deal that will preserve 1,250 acres of coastal hillside north of Malibu and end a decade's long fight over property that offers panoramic vistas of the Pacific and Channel Islands.

"One of the most challenging aspects of this transaction was that our client didn't own the property but had a sizable judgment lien on it," firm partner Jack Rubens said. "So, we had to negotiate separate, but related purchase agreements with the owner and The Trust for Public Land, and those parties often had very different ideas of how the overall deal should be structured because they had different needs and goals. Not a walk in the park, no pun intended."

The property called Deer Creek Beach, extends more than 2 miles straddling the Los Angeles/Ventura county line, will be the largest piece of land to ever be dedicated to the Santa Monica Mountains National Recreation Area, and the National Park Service will be in charge of managing it.

The fight stemmed from the estate of Lee Mansdorf, a B-24 bomber pilot captured by the Germans in World War II, who founded an aerospace business after the war. Sheppard Mullin's client, who the firm has refused to identify, was involved with Mansdorf. He left her a different piece of property before he passed away in 2003. A legal battle ensued between their client and Mansdorf's brother, Harry. In 2008, she received a default judgment for \$12 million. It took 14 years from the time the judgment lien was placed on the Deer Creek Beach property to the closing on Oct. 28.



Mansdorf Property near Malibu. | Courtesy of Trust for Public Land, Joe Sorrentino TPL

"This privately owned property has been a top conservation priority for decades. What Deer Creek Beach represents not only for coastal conservation, regional biodiversity, but outdoor recreation and an increase in outdoor equity for Southern California is immense," said Guillermo Rodriguez, California State Director and Vice President-Pacific Region for Trust for Public Land. "For TPL to lead in safeguarding the largest expansion of the Santa Monica Mountains and protect over 2 miles of Southern California beachfront is truly an honor and is a once-in-a-lifetime conservation opportunity."

For the last two years, Sheppard Mullin worked with TPL and the former owner of the site to structure, document, and complete a two-step transaction whereby its client, Amyla Holdings LLC, purchased the property and then transferred it to TPL for a reduced purchase price, the firm said in a statement. By borrowing funds, TPL purchased

the property and entered into an agreement with the National Park Service to work together over the next two years.

During this time, TPL will work to raise additional funds to eventually convey ownership of Deer Creek Beach to the National Park Service as part of a new addition to the Santa Monica Mountains National Recreation Area, the nation's largest urban National Recreation Area, for stewardship and recreational use. The National Park Foundation provided a \$529,000 operating grant to complete the deal.

"Great partnerships are the hallmark of successful conservation," said Will Shafroth, president and CEO of the National Park Foundation. "The Foundation is grateful to partner with Trust for Public Land and the National Park Service to help ensure that the stunning vistas of this coastal landscape will be protected and made accessible to all."

A \$10 million public investment, championed by California Senators Henry Stern and Monique Limon and spearheaded by California State Assemblywoman Jacqui Irwin, makes it possible to protect this magnificent landscape.

"Our community highly values the thousands of acres of protected open space and wildlife habitat within the local mountains," Assemblymember Jacqui Irwin said. "The Deer Creek parcel represents the largest unprotected property along the coast and the 1250 acres will provide significant additional recreation opportunities as well as wildlife habitat protection."

Deer Creek's protection marks the 24th project successfully closed by TPL in the Santa Monica Mountains National Recreation Area, protecting a total of 6,149 acres for future generations.

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