1 RENÉ AUGUSTE CHOUTEAU SUPERIOR COURT OF CALIFORNIA ASSISITANT PRESIDING JUDGE COUNTY OF SONOMA 2 OF THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SONOMA 3 **COURTROOM 9** 600 Administration Drive 4 Santa Rosa, CA 95403 (707) 521-6729 5 6 7 8 SUPERIOR COURT OF CALIFORNIA 9 COUNTY OF SONOMA 10 11 HOWARD HERMAN, et al., Case No.: SCV-240423 12 STATEMENT OF DECISION Plaintiffs, 13 ٧. 14 ALEXANDER ANOLIK, et al., 15 Defendants. 16 17 Procedural History 18 19 Howard Herman (hereinafter referred to as "Herman") filed his original complaint 20 21 March 27, 2007, in SCV-240423 alleging causes of action for unfair competition, unjust 22 enrichment-road, and nuisance. Alexander Anolik (hereinafter referred to as "Anolik") 23 filed a first amended cross-complaint on August 30, 2007 alleging twelve causes of 24 action, including one for declaratory relief-road. Prior to trial the court granted summary 25 judgment to Herman on all causes of action in the Anolik cross-complaint other than the 26 declaratory relief cause of action. On August 1, 2008, Herman filed a second complaint 27 alleging causes of action for slander and interference with business relationships 28

(Business & Professions Code §17200, et sec.). The two complaints were consolidated 1 2 for trial. 3 11. 4 Decision 5 6 A. Herman's Cause of Action for Unjust Enrichment-Road/Anolik's Cross-Complaint for 7 Declaratory Relief-Road. 8 9 The evidence established that Herman contributed a total of \$287,923. to 10 construction and maintenance of the improved road from Lakeville Highway to the 11 Herman and Anolik properties. This road also serves a number of other properties. 12 The total spent by Herman can be broken down as follows: 13 2008 \$123,000 Original cost of construction 14 39.000 Repairs effectuated by Mr. Herman 40.000 Repairs done by Mr. March and paid for by 15 Mr. Herman Total 1 \$287,923 16 17 In allocating the costs set forth above between Anolik and Herman, the court has 18 considered the following factors: 19 20 1. The acreage of all properties served by the road. 21 2. The distance along the road utilized by each property gaining access from the 22. road. 23 3. The intensity of the use of the road by each property gaining access along the 24 road. 25 By applying these factors, the court has given primary emphasis to the length of 26 27

28

<sup>&</sup>lt;sup>1</sup> In Herman's motion for summary judgment, the court granted judgment to Herman as to any amounts that Anolik claimed that he contributed to the construction or maintenance of the road.

the road utilized by each property and the intensity of use by that property. In arriving at its allocations, the court makes the following findings:

- 1. Hertzog's property fronts the road but uses the road infrequently because the main access for that property is directly from Lakeville Highway. Domaine Chandon accesses its property from the road but utilizes only a short portion of it. Northbay Construction utilizes much more of the road and makes substantial use of the road for its equipment. Berg, Crane, San Giacomo and Hertzog uses a large portion of the road but their impact on the road is minor because of infrequent use.
- 2. The major user of the road is Herman for construction and daily use of his horse boarding and training facility and for horse shows.
- 3. Anolik's burden on the roadway is far less than Herman's. Although his property is situated at the end of the road, the traffic that his property generates is far less than that generated by Herman.

The properties are allocated the following percentages of responsibility for the road:

Northbay	5%
Domain Chandon, Hertzog	
San Giacomo, Crane	5%
Herman	65%
Anolik	25%

Based on the above, Anolik must reimburse Herman for construction and maintenance of the road in the amount of \$71,980.

# B. <u>Unfair Business Competition</u>

Herman's theory of unfair competition is that Anolik's illegal uses on his property allowed him to lure boarders and trainers who would otherwise utilize Herman's

facilities. Herman's expert, Mr. Henry opined that 46-50% of Anolik's tenants would have boarded at Riverside.

This opinion is not supported by the evidence. Substantially all of Anolik's tenants had been residents at Riverside and left because they were asked to leave.

They then found a place to board their horses on Anolik's property. Herman operates a large scale, first class, horse training facility. His business has in no way reduced or impaired by the few boarders and tenants on Anolik's property. Court renders judgment for Anolik on this cause of action.

Herman has shown no harm suffered because of these residential or commercial uses on the Anolik property. Korea Supply Company v Lockheed Martin Corp. 29
Cal.4<sup>th</sup> 1134, 1150-1151 (2003).

### C. <u>Nuisance</u>

Anolik allows several nuisances to exist on his property. First, there is the firing range which has not been permitted by the County of Sonoma. This is a public nuisance. It is maintained in violation of County zoning regulations and thus is a nuisance per se. Sonoma County Code, section 24-33. The noise of gunfire creates a nuisance to the public generally and disturbs Mr. Herman's use of his property. Mr. Herman has suffered private injury because the noise of the fire range disturbs the horses that are being trained or ridden on his property.

The second public nuisance on Anolik's property is the illegal septic system, which is maintained in direct violation of the County designation of Anolik's property as a flood zone subject to inundation and recorded restrictions on use of the property. The septic system also constitutes a private nuisance; it creates a health hazard for Mr. Herman and other adjoining land owners because in flood situations the septic tanks will be under water and release their contents to the adjoining properties.

The court enjoins the firing range use on Anolik's property and orders Anolik to immediately cease and desist this use and from allowing others to use the firing range until such time that he attains approval of the range from the County of Sonoma.

The Court further enjoins the residential uses on the Anolik property and prohibits Anolik from allowing new tenants to occupy the structures on the premises whether they be residential tenants in the housing which has been constructed or persons seeking to board horses in the stables which have been built by Anolik.

As to existing tenants, Mr. Anolik is ordered to immediately apply for permits to legalize the residential uses and boarding of horses, to complete that application within 60 days and to obtain permits for those uses within 18 months. If such permits are not obtained, Anolik is ordered to desist from all residential uses, to remove bathroom and kitchen facilities from the structures on the property and to terminate the boarding of horses on the property.

# D. <u>Defamation</u>

In his original complaint dated August 1, 2008, Herman characterizes his cause of action for defamation as slander. In fact, the evidence produced at trial established a cause of action for libel. The court will allow amendment of the complaint on its face to allege libel.

The court finds that statements made in two separate letters, one to Giant Steps and the other to the County of Sonoma to be libelous. Specifically, the statement in each of the letters that Mr. Herman is harboring illegal aliens on his property, that he has them on the payroll and he is lying about their legal status are untrue and accuse Herman of criminal acts.

The allegation in Anolik's letters that Mr. Herman allows cock fights on his property is not libelous. The weight of the evidence established that cock fighting has taken place on Herman's property.

The defamatory nature of Anolik's letters are facially evident. The statements made in these letters constitute libel per se. Thus they support an award of general damages even if special damages are not proven. <u>Dun and Bradstreet, Inc. v.</u>

Greenmoss Builders (1985) 472 U.S. 749, 760)

Herman did not prove special damages. The Court awards general damages to Mr. Herman as compensation for Anolik's libel in the amount of \$10,000.

# E. Attorneys Fees

The court awards attorneys fees on the nuisance cause of action pursuant to Sonoma County Code section 1-702. The court does not award attorneys fees under C.C. P. §1021.5. Costs are awarded to Herman.

Dated:

FEB 2 6 2010

RENÉ AUGUSTE CHOUTÉAU Assistant Presiding Judge of the Sonoma County Superior Court

#### PROOF OF SERVICE BY MAIL

I, the undersigned, say:

I am an employee of the Superior Court State of California, County of Sonoma; my business address is 600 Administration Drive, Room 207-J, Santa Rosa, California 95403; I am not a party to the matter or action mentioned in the attached document; and, I am over the age of 18 years.

I am readily familiar with Sonoma County's practice for collection and processing of correspondence for mailing with the United States Postal Service; and that on the date executed, I placed a copy of the attached document (s) —Statement of Decision— in each of the separate envelopes addressed respectively as set forth below and (except as otherwise indicated), placed them for collection and mailing at Santa Rosa, California, first class, postage fully prepaid, following business practices.

Kim O. Dincel Marc S. Hines John B. Sullivan Hines Smith Carder Leasure Dincel 25 Metro Drive, Ste 600 San Jose, Ca. 95110 Chip Cox Long & Levit 465 California St. Ste 500 San Francisco, Ca. 94104

Thomas M. Downey Robert M. Bodzin Burnham Brown A Professional Law Corporation PO Box 119 Oakland, Ca. 94604 Robert Sprague Alexander Anolik PLC 2107 Van Ness Avenue Ste 200 San Francisco, Ca. 94109

Jonathan Harriman Alexander Anolik PLC 2107 Van Ness Avenue Ste 200 San Francisco, Ca. 94109

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Santa Rosa, California on March 1, 2010.

Cheri Nielsen, Judicial Assistant Superior Court State of California County of Sonoma

Proof of Service by Mail

- 7

1 2

3

4 5

6

7

8

9

10

11

12

13

14

16

17

18

19

2021

22

24

23

2526

27

28