Dear supporters,

We have news. It is mixed, partly good and partly bad.

VOSR has reached a financial settlement with the opposing parties involved in our lawsuit over the Monarch apartments.

The bad news: the apartment project will go ahead as planned – we are sorry about that.

<u>The good news</u>: The settlement amount will cover the cost of legal fees up to this point, and provide close to half a million dollars for community purposes. This is a favorable settlement, and required substantial negotiation to reach these terms.

Because legal fees are included, <u>financial supporters may request reimbursement of their financial donations</u>. To receive a refund, please email <u>voiceofscrippsranch@gmail.com</u>. If you'd like to have your donation go toward community use, there is no need to email us.

Why this has happened: VOSR's lawsuit faced several challenges that, in combination, led us to accept the offer of a financial settlement. The challenges were in community funding, chances of success, and our understanding of what success would look like. Our attorney's views of our chances of success changed over the past several months, as we observed an increasing statewide push for new housing at all costs. This push has trickled down to pressure on City agencies, as witnessed by the blind eye that the City has turned to our requests for project changes. In addition, we understood that there was little certainty the City would stop the project even if we were to win our case; instead, they would probably amend our Community Plan to allow the apartments. Given the difficulty in funding, combined with the long road ahead and the low probability of a truly favorable outcome, we judged it best to accept a settlement.

How the community funds will be used: First we will pay legal fees and donor reimbursements, and set aside funds for any necessary taxes. The remainder of the funds will be used in community projects. We're considering a variety of options here. Examples might be helping to rejuvenate the Farmers Market, SR Community Center repairs, or funding diversity/inclusion based community projects. We would like to select uses that benefit a broad range of residents. If you have ideas, please let us know.

What's next for VOSR: VOSR has grown to become a voice for reasonable and responsible development in Scripps Ranch and the greater San Diego area. Our 501c3 non-profit application is pending, and we expect a status report by mid-July of this year. We intend to continue working for the public good by educating the community about impactful land use issues, building alliances to further needed action, and advocating for legal compliance with our Community Plan.

Questions? We are certain you will have questions. Please send them our way.

Many thanks for your support. We are truly grateful for all of your interest. This has been a long and challenging project – some of us have been fighting this fight since 2016. It is hard to accept this conclusion, but we are hopeful that good will come from community use of the settlement funds.

Wishing you all the best, Lorayne, Lisa, Peter, Shay, and Jean