

Jacob wins again in suit filed by Zell-owned mobile-home parks

By [Greg Moran \(Contact\)](#) Union-Tribune Staff Writer

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FEDERAL COURT — A federal judge has again ruled in favor of the county and Supervisor Dianne Jacob in a defamation lawsuit brought by the owners of mobile-home parks in East County.

Judge Napoleon Jones ruled that three statements Jacob made in 2002 and 2003 about mobile-home parks owned by MHC Inc. were protected under the state's anti-SLAPP law. That law is aimed at protecting people who speak out from meritless lawsuits aimed at chilling free speech.

MHC, now known as Equity Lifestyle Property, is one of the nation's largest operators of mobile-home parks. Its chairman is Sam Zell, a billionaire who is the head of media conglomerate Tribune Co., which filed for bankruptcy protection this year.

The ruling largely reiterates an earlier ruling by Jones that seemed to end the lawsuit. However, Zell appealed, and last March a three-judge panel of the 9th U.S. Circuit Court of Appeals revived a portion of the lawsuit that focused on three statements Jacob made.

The supervisor said yesterday that the ruling vindicated her statements.

“Most importantly this is a victory for the residents of the Zell-owned mobile-home parks,” she said. “I’m personally grateful for the court for protecting my free speech rights. For the second time.”

A lawyer for MHC did not respond to a phone message left yesterday afternoon.

The company sued the county and Jacob in 2003, after the supervisor blasted MHC on air and in print over plans to increase rents at three mobile-home parks – Rancho Mesa and Rancho Valley outside El Cajon, and Lamplighter Village in Spring Valley.

In 2005, Jones threw out most of the suit, ruling that Jacob's statements were protected. But last year the appeals panel, while upholding most of that ruling, sent the case back to Jones for hearings on whether three statements Jacob made were false.

Those statements were that the company lied about fixing a sewage problem, had a reputation for driving out elderly tenants by increasing rents, and that prosecutors might investigate MHC.

In order to win, MHC had to convince Jones that there was a probability it would win its defamation claims at trial. But the judge said the company did not have enough evidence to show it would win.

On the sewage issue, he said the evidence showed that while the company had tried to fix the problem, it was still not fixed when Jacob made her statement.

He also said the company “has not provided any evidence to indicate that it does not have a reputation for raising rents and forcing out residents.” And he also said that there was evidence that Jacob had spoken to incoming District Attorney Bonnie Dumanis about the situation and Dumanis had said she might be interested in looking into the MHC situation.

“Everything I said was true,” Jacob said yesterday.

The county will now try to recoup costs for defending the suit, said Senior Deputy County Counsel William Johnson. MHC and Zell could also appeal this ruling again, however, but Johnson said he hopes they will not.

“Hopefully they are going to let this one ride,” he said. “We've now prevailed on everything.”

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