UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA (WESTERN DIVISION - LOS ANGELES)

JEFFREY POWERS, ET AL,) CASE NO: 2:22-cv-08357-DOC-KS) Plaintiffs, CIVIL))) Los Angeles, California vs. DENIS RICHARD MCDONOUGH, Friday, October 11, 2024 ET AL, (8:32 a.m. to 9:13 a.m.) (9:38 a.m. to 9:43 a.m.) Defendants. (1:21 p.m. to 3:04 p.m.) (3:53 p.m. to 3:59 p.m.)

HEARING ON INJUNCTIVE RELIEF

BEFORE THE HONORABLE DAVID O. CARTER, UNITED STATES DISTRICT JUDGE

APPEARANCES: SEE PAGE 2

Court Reporter: Recorded; CourtSmart

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3 Los Angeles, California; Friday, October 11, 2024; 8:32 a.m. --000--THE COURT: So, Counsel, when we go on the record, if you'd be kind enough to state your names just because we're on CourtSmart. And we'll call the case to order. Let me just indicate that all counsel are present except co-counsel for the Plaintiff. He's not able to be with us today. And I'd like to take up the matter of Brentwood School first if that's possible. THE CLERK: Counsel, can we have your appearances, please? MR. SILBERFELD: Sure. Roman Silberfeld for the Plaintiffs. MS. PIAZZA: Amelia Piazza for the Plaintiffs. MR. ROSENBERG: Brad Rosenberg from the Department of Justice for the Federal Defendants. MR. KNAPP: Cody Knapp for the Federal Defendants. MR. MILLER: Good morning, Your Honor, Skip Miller appearing specially for Brentwood School. MR. MCCORMICK: Sean McCormick for the Intervenor Bridgeland. THE COURT: Concerning Brentwood School, do you have any information for the Court? I've gotten as much information as possible from the Special Master but we're not certain where

the parties are at the present time.

something that we discussed with the Court on Tuesday afternoon or Tuesday morning.

THE COURT: Well, why don't you restate that so I know your position on both -- from both parties?

MR. ROSENBERG: Sure. So in the current draft of the settlement agreement, there is a paragraph that provides for robust Court oversight of not only the implementation of the proposed settlement agreement but also virtually all aspects of this Court's September 6th findings of fact, conclusions of law and legal opinion.

Now, the Government recognizes that the Court has made clear on many occasions that it intends to exercise oversight and we, of course, reserve our right to object to that to the extent that is part of a Court order that the Court ultimately implements, be it part of the September 6th decision or a final judgment that the Court may ultimately enter. And to be clear, we do object to that.

But it's one thing for the Court to make its own determination that it's going to exercise oversight over the Government's objections. It's another thing for the Government to voluntarily agree as part of a settlement to that oversight. And I've previously referred to the level of approval that's required to enter into that type of agreement. It is a very big lift, to put it colloquially, but it's also not something that I think the Government can voluntarily agree to.

And I want to be clear about something and if the Court takes away nothing else from what I'm saying here and everyone in the audience takes away nothing else from what I say here, they should listen to this.

The Government, and particularly the Department of Veterans Affairs, is not opposed to providing housing and housing-related services to veterans but much of what we have been in this court and discussing, whether through the trial or whether through our many post-trial meetings, concern the question of how those services can best be provided.

And it's a fundamental principal of the Government and the Government's position here that VA as an agency is in the best position to make determinations about the provision of those services and the management of its own operations in providing those necessary services to veterans. And it is in a better position to make those decisions than having an outside or external manager effectively managing the agency's operations.

And in many respects, that's just a structural issue regarding how the Government operates and it's been a fundamental issue throughout the case and I think that's part of why the paragraph that's currently in the settlement agreement that goes far beyond any of the provisions regarding the Brentwood School is something that the Government cannot agree to.

The other paragraph that is a significant problem in the current version of the Brentwood settlement agreement is a paragraph concerning an appeal or a potential appeal. And I hate to sound like a broken record but I'll say it again just so that the record on each individual day's proceedings is clear.

A decision on whether to appeal a decision by this

Court is a decision reserved for the Solicitor General of the

United States. And there's -- the Solicitor General is

entitled to 60 days from the date of the issuance of an

appealable order to make that decision and I believe that's

Federal Rule of Appellate Procedure 4.

And there's a reason why the Solicitor General is afforded that time because the Solicitor General has to make a decision about what's in the interest of the United States and particularly in a complex case such as this that has many different claims that are cross-cutting and overlapping. I need to be able to provide the Solicitor General with the space to be able to make an informed decision.

The current version of the settlement agreement would restrict the Government's rights to take an appeal. I think there is a little bit of a disagreement between the parties about what the intended scope of that provision is. I don't think that -- I think Plaintiffs view the scope being a little bit more narrowly and limited to Brentwood School. The

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agreement provides as follows. "Except as to the rights of Brentwood School under Paragraph 10, the parties" -and the parties to this agreement, Your Honor, as framed would be the Plaintiffs, Brentwood and the VA -- "the parties to this agreement specifically waive any and all rights to post-trial motions, motions for reconsideration, motions to intervene and rights of appeal or extraordinary relief from a revealing court. As a material term of this agreement" -- and this is the important part -- "with reference to this settlement, at any of the Court's findings of fact, conclusions of law, the Court's post-trial opinion and any emergency orders issued by the Court that refer to the factual background of the former Brentwood leased premises." Now, I wrote that and maybe I wasn't as artful as I might be all I was trying to accomplish with respect to Paragraph 30 was that we didn't want VA, if they agreed to this settlement, which they can do if they wish, agreeing to the settlement and the next day filing a notice of appeal about the orders referable to Brentwood which would have the effect of preventing Brentwood or allowing Brentwood not to make the payment that is called for by the settlement agreement. And if we have a two-year delay in the receipt of

fine with me.

to begin with. And so this was intended to be a carve-out of
only post-trial and appellate rights that the Government would
have referable to Brentwood and if we added a sentence or two
that said all other appellate remedies are preserved, that's

But the purpose of this paragraph standing alone was simply to say, if you enter into this settlement, we're going to proceed with the terms of the settlement. Brentwood will pay its money. It will get the releases it's entitled to and we will all move on hopefully to put some temporary housing on the campus in relatively short order.

That's what Paragraph 30 is about and as I say, I'm more than happy to add some more language, change some words but that's the intent and I explained that to counsel yesterday. He still has a different point of view but that's fine.

The other provision is the one about Court oversight. And this is Paragraph 2.4. It's fairly long. I won't read it although I'm happy to go over it in detail with the Court. I wrote this paragraph, too, and I did it for a very specific reason. We do not want -- the Court does not a repeat of the Valentini (phonetic) case and, fundamentally, that's what this is about.

We did not put in here anything that requires the VA, for example, to seek permission of the Court or the monitor

before they take any action. I could have put that in, didn't put that in.

Instead, this is an opportunity for the Court and the monitor at a granular level, to be sure because that's what's required here given the history. It allows the Court and the monitor at a granular level to look at what VA is doing with respect to the provision of temporary and permanent support of housing and adjust what VA does.

VA is not, with all due respect to Mr. Rosenberg, in the best position to make these decisions anymore. They've given up that right based on decades of mismanagement on this topic. And so this part is critically important to the Plaintiffs, especially in light of the fact that the Court has urged us to agree, as we have done, that the proceeds that Brentwood will provide now and into the future go to the VA for their use and management.

It can't go to the VA for their use and management without granular, specific oversight by this Court, by the monitor or by a subsequent Court because hopefully if all goes well, this will be a set of renewable leases that go on for a very long time.

And if they go on for a very long time, this provision is crucial to making sure that this Court or some other Court in the future looks at this agreement and understands that the Court at a granular and detailed level is

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allowed to look into the operations of VA referable to housing and make decisions and adjustments as needed. That's where we are.

THE COURT: I want to pay courtesy to Brentwood

School in just a moment but before that, Brad, do you have any
other comments about this?

MR. ROSENBERG: Thank you, Your Honor, Brad Rosenberg from the Department of Justice. I think I've set forth the Government's position and at the end of the day, this is -- and the decision to enter into any settlement agreement obviously has to be voluntary on the part of parties and one complicating factor here is when the Government settles a case, the review process is somewhat complicated.

But focusing for a moment on Paragraph 2.4, which is currently up on the court's screen, the sweep of this provision is remarkable. It goes far beyond the Brentwood School. It provides that the parties acknowledge and consent to the Court's regular and periodic review of VA compliance with the terms of the settlement agreement, the VA's compliance with the Court's post-trial opinion, all of it, and any and all emergency orders issued subsequent to the Court's post-trial opinion which could include any orders that the Court may issue in the future.

It requires VA to make witnesses available without identifying who those witnesses, their level of seniority. I

1 could be apex witnesses, for example. It could be witnesses located far outside this Court's jurisdiction. And it requires that those witnesses or other individuals be made available at 3 hearings and the parties appear for hearings on three business

Again, to be clear, and standing here as a Department of Justice attorney in this courtroom, number one, the Government will always make all efforts to comply with any orders that this Court may issue subject to, of course, obtaining relief from either this Court or from another Court.

> THE COURT: Okay.

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days' notice.

Number two, the Government recognizes MR. ROSENBERG: that the Court has issued a decision and that the Court may choose to exercise its equitable powers over the Government's objections but as I said before, it's another thing entirely for the Government to voluntarily agree to these terms.

And standing here now, the Government cannot agree to these terms and it has nothing to do with the provision of services to veterans because, again, the Department of Veteran Affairs is committed to serving veterans and to doing its best to try to resolve homelessness in the Greater Los Angeles area.

I appreciate Plaintiffs' counsel's point of view and perhaps even this Court's point of view as reflected in its prior decision but because we are currently in that window of time where the Solicitor General has the right to evaluate what

Well, that -- I mean, I don't want to

potentially doesn't resolve it.

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1 | take a side in this. This is --

THE COURT: Well, let me ask all of you. Before we go any further, if I wrote injunctive relief now, of course, that relief would be broad and I would have jurisdiction. The Government though has to be concerned about the breadth of that because it's the unknown out there also. How does this affect your right to appeal eventually? And you have the right to appeal.

And so I do understand the concern on the Government's part about the broad wording. So two options -- well, first of all, let me hear from the Special Master.

John, do you have any comments? Let's just be transparent and we'll think out loud and don't hold us to what we're saying because we haven't gone back in chambers. So let's just have this discussion transparently for a moment. Your thoughts?

MR. HEUSTON: My comments are a couple questions more directed to the Government. The Government seemed to indicate that there could be a phrasing of the paragraph referencing the jurisdiction of the Court and the breadth of it that they might be able to live with. And I wanted some additional clarification as to why the Government was construing the oversight responsibilities laid out in that paragraph as the equivalent of management as opposed to oversight. So those points of clarification would be useful.

THE COURT: Brad.

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MR. ROSENBERG: So Brad Rosenberg from the Department of Justice. On the second point, we are struggling with the difference between management and oversight but we view the way that that Paragraph 2.4 is currently written to be functionally the equivalent of management.

But regardless of how it's framed, I don't think that distinction makes a difference from the Government's perspective on whether or not it can voluntarily or should voluntarily enter into an agreement that would bind the agency in a way that it would not otherwise be bound as opposed to the Court imposing its jurisdiction without the Government's agreement to that form of management or oversight.

MR. HEUSTON: Okay. Just one more clarifying question, if I may. So let's just assume you did agree and this process went forward and there were reports and recommendations to the Court. The Court might implement an order that's not outlined and it's not contemplated by the parties. The Court could implement an order and at that time, I think if the order came forward and you didn't like what was being ordered, you could still appeal some aspect of the order that came pursuant to the oversight provisions contemplated in the settlement agreement.

In other words, the VA would retain the right to potentially challenge orders that might arise out of the

oversight provisions. So, in effect, this would not be a signing off of the VA to anything the Court might do down the road. It's simply acknowledging that there shall be oversight and processes later in this -- as contemplated in the agreement.

MR. ROSENBERG: So I think the challenge there is

Paragraph 30 would operate to waive the Government's ability to

appeal. So I don't -- and let me ask a clarifying question.

Are you referring to a decision, for example, by a Special

Master such as yourself to the District Court judge or a

decision -- an order issued by a District Court judge that

could then potentially be appealed to the Ninth Circuit?

If it's the latter, I think Paragraph 30 would preclude the Government from challenging or appealing any order that relates to -- certainly that relates to the Brentwood School even if it doesn't sweep more broadly than that. So I don't think that there would be an appeal option.

MR. HEUSTON: Okay. Well, again, I'll stop after this question but if Paragraph 30 were amended to allow you to retain some sort of right to appeal in that secondary situation for potential Ninth Circuit review, that might resolve your issues because I don't think anyone is contemplating that I am issuing any orders. There would be recommendations to the Court. The Court would probably have a hearing, listen to some dispute and potentially issue an order.

The aspects of the order if you didn't like it and it couldn't be resolved, I would think, might be appealable to the Ninth Circuit and there could be a provision there that allows that.

MR. ROSENBERG: So I have learned in my experience to never say "never" and I think where Mr. Miller is about to go in his discussion with the Court is something that was briefly discussed last night. I have not had a chance to vet that on my end and I don't know whether that is a viable path forward. It is something that we can explore. It doesn't -- and then maybe Mr. Miller should speak to --

THE COURT: Well, just one moment. John, let's assume that the devil is in the details. Let's assume that the Government has those concerns which they've expressed about the ability to summon witnesses within three days, et cetera, the apex issues that we might have.

This year is going to pass by so quickly that in the practical world, I can't imagine entering into a settlement and while the Government may appeal and decide to appeal other aspects that if we have a settlement in this area that they're going to be invigorated to go against the very settlement they entered into. So in the practical world, it doesn't make sense to me.

Now, number two, this should never be construed to tie the Government in perpetuity to giving up a right to

1 appeal. So we're back in a year.

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And I'm curious, as Mr. Miller mentioned, instead of the specificity which the Government is concerned about, why Paragraph 20 wouldn't resolve continuing jurisdiction by the Court because, by the way, if I write injunctive relief, I'm going to have it anyway.

So the end result is no matter where we end up, it's just the Government's ability to come out front and say, by the way, Judge, we agree and stipulate to it. That's the box they're in. But as a practical matter, like my wife says, some of the kids came through the front door. Some of our kids came through the back door. Some of our kids came through the window but they all got to the dinner table at 6:00 o'clock.

And so I'm just joking with you but the end result is, as a practical matter, this isn't going to be a problem.

It's just I understand that the finiteness of this is a concern but by the same token, why can't we just have Paragraph 20, John, continuing jurisdiction?

MR. SILBERFELD: Your Honor --

THE COURT: And I'm going to end up with that anyway.

Now, if we have a carve-out here in addition to that to give

the Government some confidence, that's fine. I can add that in
addition.

Now, hold on Skip.

25 I just want you to think about that because

MR. SILBERFELD: The emergency while we're trying to build housing in 90 days, 120 days, 180 days, 750 units potentially in 18 months requires VA to act differently than it has acted for the last ten years. And that difference of behavior is what makes Paragraph 2.4 necessary. I don't want there to be any misunderstanding between us and the Court and the VA about the level of this oversight.

It is not management. The Court is not going to manage any more than the monitor is going to manage projects. This is about accountability. This is about avoiding the mistakes of the past, namely *Valentini* and this level of specificity that the Court can exercise as it wishes is only in here so there is no misunderstanding on the part of anybody on the Government's side as to what their obligations are.

THE COURT: Okay. If we all agree that this principally benefits the veterans, how does the Court resolve this issue between the two of you?

MR. SILBERFELD: To me, there's only two ways and I've talked to both VA counsel and Brentwood counsel about this. We can either get past this with some language that allows the settlement to go forward or we will ask the Court to enter an injunction against Brentwood on these same terms that are in the settlement agreement. The Government may object to the issuance of that injunction and we can get to a final judgment and we can do that today.

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              THE COURT:
                         But I would think Brentwood, while they
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    may like the ultimate result, is going to be concerned about
    just their image in terms of the school. I think a real
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    practical aspect of this is Brentwood coming forward with this
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    kind of offer and that being ordered by the Court as injunctive
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    relief when they'd like to be in the position of voluntarily
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    coming forward.
              So I leave that to all of you. I have no way of
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    resolving that but that's --
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              MR. SILBERFELD: I got it.
              THE COURT: -- out there.
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              Skip, back to you.
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              MR. MILLER: Thank you, Your Honor. My reaction to
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    an injunction is that we're not a party to the lawsuit.
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    have not had our day in court and --
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              THE COURT: Well, I would be ordering the VA to do X,
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    Y and Z.
              MR. MILLER: Right.
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              THE COURT: You're not a party to the lawsuit.
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    would be ordered -- everything goes through the VA. They're
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    responsible for this.
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              MR. MILLER: Right. More substantively, my
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    reaction -- I mean, we're in the middle. We don't really have
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    a quarrel with either side. We've reached agreement with both
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    sides on the settlement.
                              This is a Brentwood School
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1 settlement. This is not a settlement of temporary housing.
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- 2 That's a different aspect of the case. I don't know why
- 3 | anybody would want to appeal from a settlement agreement that
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- 5 THE COURT: I don't either.
- MR. MILLER: -- number one. And, number two, I don't completely understand why anybody would want provisions in here that go beyond the Brentwood School deal. That's all this is.

And I think that with all respect to legal technicalities and chain of command and all that and time for the Solicitor General and the other -- the Plaintiffs wanting protections to make sure that the temporary housing is built, I think they're losing sight of the forest for the trees. It's just the Brentwood School deal and I think -- I don't think these provisions should hold it up at all.

THE COURT: Well, that's my ultimate concern for all of the parties and that is, while you may have positions that are appropriate from your view point, aren't we losing focus on principal benefit to our benefits and the passage of time leaves people in the rain with illness, disease and even death. And this has been languishing from 2011 to today's date.

And there has to be at this point some Court intervention recognizing that the VA doesn't want the Court's involvement and that's well understood but not by the Court because the Court does deem this an emergency now and that does

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   set the VA potentially on a different schedule.
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- 2 So I'm back to you, Skip, for any other comments and 3 then I want to talk to the Special Master for a moment
- 4 privately.

- MR. MILLER: Well, I guess my last comment is that the first payment, \$3 million, if the VA decides and the 6 7 process is supported, that could be spent quickly on temporary
- 8 housing and the emergency that the Court has already declared.
- 9 So I think it's in everybody's interest and especially the
- 10 veterans' interest to get this deal done now today. That's my
- 11 take.
- 12 THE COURT: Or I'm put in the position of then
- 13 writing injunctive relief. In other words --
- 14 MR. MILLER: I don't --
- 15 THE COURT: -- if we can't reach a settlement, then I 16 think today is the day that the Court needs to resolve this
- 17 between all of us.
- 18 Does this affect the modular units? And if it does,
- 19 then I know Mr. Soboroff and I know that Paul Chau is here
- 20 also. We have a number of people who are going to speak to us
- 21 about that. Also we were requesting the engineers, et cetera,
- 22 today who are here. If we don't resolve this, does this have
- 2.3 an effect on these?
- 24 MR. SILBERFELD: Not from our point of view, Your
- 25 We have Emergency Order Number 1 that's in place.

would be nice to be able to conclude this and have this fund of money available in short order but it ultimately at the end of the day does not affect what we do with the provision of the temporary housing in the near term.

THE COURT: For the Government, if we all agree that this principally benefits the veterans, I'm looking for a way that I don't place you in jeopardy but by the same token, we move forward. I don't quite know how to do that unless I'm forced to write injunctive relief today.

And I'm not threatening but it might be much broader than what we are shaping right now. In other words, if I'm writing injunctive relief and I'm having to do that in a broad sense, then I'm writing broadly. And I had hoped to get there through increments, let's say.

So that would change the Court's perspective of what I would be writing instead of working together in these increments trying to get units off the ground. We may still end up at the same place with incremental units going forward but now I would be writing with finality.

Well, if you want to meet and confer, that's fine but let me come back to one thing I'm going to speculate, Skip, and that is, Judge, we've got \$3 million on the line the first year, \$2 million on the line the second year. Over at Brentwood School, you have to be concerned that if you put that \$3 million on the line and then there's an appeal -- I can't

1 imagine as a practical matter that the Government -- in the 2 real world, the Government appealing the first year.

If they did, you still have \$2 million that you don't have to spend. And let's just hypothetically say that the Government appealed and the Court was overturned. Wouldn't you minimally be back to the same lease agreement that runs in 2027? In other words, the Court -- the Ninth Circuit overturns me -- and by the way, this would take a while on appeal. They might not get it until 2025 or 2026. But even if the Court was overturned --

MR. MILLER: We --

THE COURT: -- I don't see the harm in this investment of the \$3 million. In fact, it seems minimal because you'd still have a lease until 2027 if I was overturned. And if not, you're going to see a good working relationship, I think, in that first year that makes that second year and that second payment viable for you.

So, I mean, just think about that for a moment. In the real world, I'm afraid that these issues that you have finally do not benefit the veterans if we're going to lose these facilities. But if we are, we might as well decide that today.

MR. MILLER: I have an idea how to resolve this impasse which I would like to talk to counsel about.

THE COURT: Sure.

1 MR. MILLER: Listening to the Court stimulated my 2 thinking. So maybe if we could take a few minutes.

THE COURT: Yeah. Well, please. And let me talk to the Special Master also. Now -- I mean, the monitor, not Special Master.

I want to apologize to you for thinking out loud.

When I'm saying this, it's a little bit of a sorting process

for me because I haven't been with you the last three days.

And so that's not a final decision by me. I'm just trying to look down the line to, if you can't reach an agreement, then

I've got to write injunctive relief.

And if I write injunctive relief, it may not only be incremental, it may be broad and then I've got to decide 750?

Do I space that? Do I come down to a lesser number or do I do all three? Because if we're going up on appeal, we might as well have it appeal at one time on a lot of these issues. If we can carve out certain parts and give you the confidence, Brad, that you can appeal -- as a practical matter, I got that you're going to the first year because we've just reached a settlement. That would almost be ridiculous. I don't know how to do that by agreement of all of you but if there's a way I can carve out and make that the ultimate decision without you committing, I'm happy to.

And think about if that relieves some pressure on you if we're amenable to the agreement. But if the Court does

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adopt some kind of oversight, quite frankly, which I'm going to
do through injunctive relief anyway. We're going to end up in
the same place, folks.
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The only damage is we may not get these emergency shelters off the green -- or off the ground. It's going to take a while and that's a real tragedy. Plus, Brentwood School, which is coming forward, is going to be in a very difficult position because the Court finding injunctive relief that has to come back from a good-faith offer on their part to putting them in the situation, I'm ordering the VA to do certain things.

And I have to say to Brentwood, regardless of how good your offer is, I'm not threatening you but I'm telling you my order would probably be much broader than you suspect in this initial agreement between the two of you.

I'm going to take a recess. I want to talk to John.

I've talked too much. Maybe if you can come up with a solution, fine. But if you can't in a few moments, I want to know and then I want to know if we're going to go forward with a presentation today by Mr. Soboroff and by Paul Chau. Thank you.

(A recess is taken at 9:13 a.m.; reconvened at 9:38 a.m.)

THE COURT: Back on the record. All counsel are present.

MR. SILBERFELD: So I don't think there's a path

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    forward on settlement with all parties. I think there is a
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    path forward on settlement between the plaintiffs and Brentwood
    School. And tied to it, the entry of an injunction against VA
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    as to those terms of the now former settlement agreement that
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    they are required to do in order to effectuate the settlement,
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    such as entering into a lease and keeping them on and using it
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    for the proper purposes and so forth. So --
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              THE COURT:
                         Okay.
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              MR. SILBERFELD: -- that seems to be where we are
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    because I don't think a global settlement is going to be
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    reached.
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              THE COURT: Okay.
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              MR. MILLER: I think that's fine with us.
                                                          The way we
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    came up with that is when Your Honor was --
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              THE COURT:
                          Thinking out loud.
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              MR. MILLER: -- thinking out loud. Musing, musing is
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    a word that comes --
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              THE COURT:
                          Musing.
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              MR. MILLER: -- to mind. Musing about well, you
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    know, I certainly can and contemplate issuing injunctive
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    relief. The thought occurred to me and we started talking
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    about it that the injunctive relief could, in effect, replace
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    2.4 that the Government so strongly objects to in the lease.
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    Pardon me, in the settlement agreement. And that's fine with
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us.

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    proceed, we also have then a pathway forward potentially with
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    these modular homes.
                              Yes.
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              MR. SILBERFELD:
                          And I'd really like to hear from the
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              THE COURT:
 5
    folks, Paul Chau out there and Mr. Soboroff, et cetera, where
    we're at. And then we can work over the lunch hour, you know,
 6
 7
    down in the cafeteria or whatever, we'll get time but a
 8
    decision's going to have to be made by the Court today,
    otherwise I've got you flying back and forth.
10
              Okay. That means also we need to be on the phone
11
    with D.C., because you have to talk to somebody.
                                                       So maybe --
12
    I'm wrong, maybe I should -- I don't know if you do or not,
13
    Brad, but here, I can do it two ways. You can start with this
14
    agreement now for a couple of hours, and I can unfortunately
15
    we'll delay Mr. Soboroff's presentation and Paul Chau, they're
16
    here.
17
              Or I can hear that now, your preference, counsel.
18
    I'd like to get this resolved frankly and maybe we just have to
19
    wait for the modular home folks to wait, maybe we just have --
20
              MR. SILBERFELD: I think this is the priority --
21
                          -- but I prefer not to.
              THE COURT:
22
              MR. SILBERFELD: -- candidly. And --
23
              THE COURT:
                          This --
24
              MR. SILBERFELD: -- I'm more than happy --
```

Yeah.

THE COURT:

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MR. SILBERFELD: -- to have the Court --
 1
 2
              THE COURT: I do too, if it's agreeable with you,
    otherwise I don't know if we're going ahead with modular homes
 3
    or to what extent other than broad injunctive relief, part of
 4
 5
    an order that would take me four or five days to write, okay.
              Okay. My apologies to you, Mr. Soboroff.
 6
 7
    Mr. Johnson, go home if you want to, go to the beach, come
 8
    back, whatever you want to. Paul Chau also, but we're going to
    get to you today, but I don't know how we potentially proceed
10
    forward, you know, holistically without getting this resolved.
11
    So we're in recess for a couple of hours. Thank you.
              MR. MCCORMICK: Your Honor, on behalf on the
12
13
    intervenor Bridgeland --
14
              THE COURT: Oh, no, stick around. We're going to get
15
    to you today and talk to you.
16
              MR. MCCORMICK: Okay.
17
              THE COURT: Thank you for being present. I love your
18
    enthusiasm.
19
              MR. MCCORMICK: Thank you, Your Honor.
20
         (Recessed at 9:43 a.m.; reconvened at 1:21 p.m.)
21
              THE COURT: All right. Counsel, then we're going to
22
    go on the record. I want to make certain all parties are
23
    present.
24
              MR. ROSENBERG: My colleague Mr. Knapp had to leave,
25
    but I'm still here.
```

THE COURT: All right. Well, we're on the record.

And Brentwood school and plaintiff's veterans have engaged in numerous settlement discussions over the last few weeks. The Court has conducted several hearings regarding the use of the 22.6 acres of veterans' land presently occupied by Brentwood School.

The VA was also a party to these discussions. The veterans and Brentwood School have reached an agreement as to a settlement with the VA objecting to two specific terms as follows.

First, the VA has objected to a provision requiring periodic reports and oversight by the Court and monitor, and second, the VA has objected to continued jurisdiction of the Court necessary for implementation of the terms of the settlement.

As a result of defendant VA declining to accept these two provisions, veterans and Brentwood School have entered into a new settlement agreement without participation of defendant VA.

The Court finds that this settlement agreement meets the standard of principally benefitting veterans. The (indisc.) issue in the settlement agreement and the accompanying and attached documents belongs to the United States and was and is kept for the benefit of veterans who served in the United States military as deeded in the 1888 --

as deeded in 1888 to the federal government by Arcadia Bandini de Baker.

This settlement agreement and releases made and entered in connection with the class action lawsuit entitled Jeffrey Powers, et al versus Denis Richard McDonough in his official capacity as Secretary of Veterans Affairs, filed in the United States District Court for the Central District of California and assigned Case No. 22-08357, class action.

The parties to the settlement agreement are Jeffrey Powers, Joseph Fields, Lavon Johnson, National Veterans

Foundation, Joshua Robert Petitt, Deavin Sessom and Laurieann
Wright in their representative capacities on behalf of the certified class and individually and the Brentwood School.

Collectively herein, plaintiffs and the Brentwood

School are at times referred to herein individually as a party
and collectively as the parties. While the United States

Department of Veterans Affairs was invited to be part of this
settlement agreement, the VA has chosen to object. The VA was
substantially in agreement with an earlier provision of this
settlement agreement, other than the sections addressed and
addressing the Court's continued jurisdiction and the VA scope
of appeal as it relates to Brentwood School.

This settlement agreement is contingent upon the Court, as referenced below, entering an order that the VA and Brentwood School enter into a form of enhanced facilities use

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MR. SILBERFELD: Right.
                                  There are two minor edits to
the form of permanent injunction that were pointed out by
Brentwood School which I've agreed to.
          THE COURT:
                    Well, when we start going through that,
why don't you correct that when we get there.
          MR. SILBERFELD: May I stop you at that point?
          THE COURT:
                     Yeah.
          MR. SILBERFELD: Thank you.
          THE COURT:
                     Absolutely. So let me turn to the VA.
And I've noted the two specific objections you had that we had.
          MR. ROSENBERG:
                          Thank you, Your Honor, Brad Rosenberg
from the Department of Justice on behalf of the United States.
          The Court has summarized some of the Government's
objections to the settlement agreement, but I want to be clear
about a few specific additional objections and concerns that
the Government has so the Court has a complete record.
          As a threshold matter, the Government objects to the
imposition of a remedy, such as the permanent injunction over
the Government's objections, as is contemplated by the
settlement agreement and any injunctive relief that the Court
might enter pursuant to that settlement agreement.
          And that goes back to our position in this litigation
generally that we do not think that any relief that the Court
has entered is necessary or appropriate.
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I also want to take a moment to highlight the first,

at least what I believe is the first recital paragraph in the current version of the settlement agreement, which notes that the Department of Veterans Affairs was invited to be part of a settlement agreement and has chosen to object.

And then that recital goes on to note that VA was substantially in agreement with an earlier version of the settlement agreement other than sections addressed in the Court's continuing jurisdiction and the VA scope of appeal as it relates to the Brentwood School.

Now, those are the two issues that I highlighted earlier today as being the Government's most substantial objections to the settlement agreement. But as I noted this morning, there were actually three other objections that the Government had and I'll get to those in just a moment.

But because the Government is not participating in the settlement agreement, I also now have to interpose an objection to any and all characterizations in the settlement agreement that are inconsistent with the litigating position that the United States has taken in this case.

And so obviously the settlement agreement through some of the whereas clauses or some of the characterizations of the Court's -- of the evidence presented at trial or the Court's decision are inconsistent with the arguments that we've made, and so we would preserve our objections and do not agree with those characterizations.

Regarding specific objections, the Government, at the very beginning of the settlement agreement, has objected to the characterization of what is now VA's West Los Angeles Campus as anything other than the property of the United States. And I think that I've referred to that previously that this land was donated to the United States and is currently the property of the United States as confirmed by Congress I believe in 1958.

And that's important, because I want to note that the Government does not agree with any characterization that it has a fiduciary duty to veterans as this settlement agreement appears to contemplate.

THE COURT: Right.

MR. ROSENBERG: I'll also object, and I think this is something that all parties have said that they agree to in concept, but any revenue from the Brentwood School should go into VA's lease revenue fund to ensure that the money stays on the West LA Campus.

And to be clear, for that to be legally correct, and for that to comply with the requirements of the Leasing Act, the document that ultimately would have to be executed by Brentwood and VA has to be a lease, and that's pursuant to Section 2(b)(2) of the Leasing Act.

And I'm concerned that the version of the settlement agreement that I've seen and all versions of it refer to what will ultimately be executed as an agreement, a real property

agreement, a sharing agreement, none of those terms are contemplated by the Leasing Act. And just for clarity sake, we think it would be clearer if all documents refer to what will ultimately be executed as a lease if the goal is to ensure that the settlement complies with the requirements of the Leasing Act and to make sure that all revenues that Brentwood would provide would be considered lease revenues under the Leasing Act.

Now, I understand that the agreement that ultimately would be negotiated pursuant to the settlement agreement and the injunction that plaintiffs have invited the Court to enter would be a lease, but we think that for consistency sake if the goal is to ensure that the revenue stays in the West LA Campus, then all terms of the settlement agreement should refer to that agreement ultimately as a lease.

In paragraph 2.3 of the settlement agreement, or at least the version of the settlement that I have, which I believe is the current and operative draft, it refers to the purpose of settlement payments, which again, should be lease revenue payments, is to provide temporary and permanent housing, temporary and permanent supportive housing.

Two points on that, number one, you know, it needs to be leased to ensure that -- well, three points. Needs to be a lease to ensure that the funds go into the lease revenue fund.

Number two it's unclear whether those revenues can

only be used for the procurement of housing, or whether they can also be used, for example, for infrastructure upgrades that are necessary in order to be able to place or construct temporary housing at a given site location.

My understanding is that plaintiffs are amenable to a description that is -- that would capture revenue upgrades if they're directly related to the procurement or construction of temporary housing. But right now, there's an ambiguity in the settlement agreement as to whether or not it can be used for that purpose, or whether it can only be used for the construction or procurement of housing.

But also in that paragraph, I just want to note that VA's position is that money in the lease revenue fund, while it can be used for the construction or procurement of temporary housing, it cannot be used for the construction of permanent supportive housing.

THE COURT: Okav.

MR. ROSENBERG: That's what I have at this time.

I'll note that we've obviously, this has been moving very quickly, so we reserve the right to make other objections but at this point we do object to the entry of the settlement agreement for the reasons I've stated.

THE COURT: Okay. Any further comments?

UNIDENTIFIED: Nothing.

THE COURT: If there are nits or some change as I

read through the documents or different portions thereof, just call those to our attention on behalf of Brentwood so -- or Brentwood School. So, Mr. Miller, if you want to come up and carefully track this along with the chair and the plaintiffs.

And I think the gravamen of this and the Court's reading, although I will incorporate the entire document begins in the request for proposed permanent injunction former Brentwood Schools' leased grounds and I think it's most appropriate to begin reading from page 7 into the record at line 1.

After consideration of all the pleadings and papers, the arguments of counsel, and the evidence admitted at trial, and the Court having issued its findings of fact and conclusions of law, and the Court having conducted supplemental hearings on September 25th, 26th, October 2nd, October 4th, October 7th, October 8th and October 11th, the Court finds and orders that there's no just reason for delay as to Veterans Administration and its affiliated individual defendants in the entry of a permanent injunction and the entry of judgment thereon regarding the former Brentwood School leased grounds only.

And judgment on the permanent injunction as to the former Brentwood School leased ground shall be entered as part of the final judgment in this action as to all other parties and claims.

The Court has jurisdiction over the subject matter of this action and over the parties. No notice is required to be given to any person or class of persons as a matter of law to - or procedure to permit the entry of this permanent injunction.

This action presents more than one claim for relief and involves multiple parties. This permanent injunction affects fewer than all of the claims and fewer than all of the parties. Based on the foregoing findings and conclusions, there's no just reason for delaying the entry and implementation of the permanent injunction with respect to Brentwood School, and this permanent injunction may be entered separately from the final judgment to be entered as to all other parties and claims.

Further, good cause appearing therefore, Veterans

Administration and its affiliated individual defendants and all

employees, agents, and other persons acting in concert with

them are hereby mandated and joined and prohibited as follows.

First, with respect to any payments made pursuant to the Brentwood School settlement agreement, all such payments shall be received in or transferred without deduction or offset to the VA lease revenue fund. With the sole purpose of directing the settlement payments under the Brentwood School settlement agreement to the VA lease revenue fund, to ensure that the sole and exclusive purpose of, and use of these funds

by VA, is to provide temporary supportive housing and permanent supportive housing and related to community services to veterans on the West LA campus.

Any use of the settlement funds, other than for the purposes enumerated in this paragraph are specifically prohibited, unless otherwise ordered by the Court. The settlement proceeds so deposited shall only be used and applied to the cost associated with in the first instance, temporary supportive housing, and if funds remain thereafter, to permit - I'm sorry, to permanent supportive housing on the West LA campus.

Second, as part of the Court's continuing jurisdiction over this matter generally and over the implementation of the settlement terms in the settlement agreement, the Court shall regularly and periodically review VA's compliance with the terms of this injunction and the settlement agreement.

The VA's compliance with the Court's post-trial opinion and any and all emergency orders issued subsequent to the Court's post-trial opinion, the Court may, at its election, direct the court monitor to periodically evaluate the scope and extent of VA's compliance with the settlement terms and the settlement agreement and report its findings to the Court.

The Court may, at its election, hold hearings and order the presence of witnesses to testify as needed with

respect to any matters that relates to the implementation of the settlement terms in this settlement agreement.

VA is ordered to comply with all such orders to produce witnesses without the necessity of any formal process, to cooperate fully with the court monitor and to attend such meetings as the Court may order on three business days' notice. And I'm also going to add a reasonableness factor in there, in case holidays, et cetera, obviously and inconvenience to a particular witness, especially if we ever run into an apex problem.

Third, that the VA is ordered to negotiate with and enter into an enhanced use facility sharing agreement, a lease agreement, the real property agreement sometimes referred to as a lease with Brentwood School and the form to be agreed upon by those parties and approved by the Court consistent with the Brentwood School settlement agreement, with input of plaintiffs in the class, by and through their counsel, the terms of such agreement being one year and subject to renewing one year terms on the same contractual agreement, except as set forth therein and herein.

Fourth, Veterans Administration and its affiliated individual defendants and their successors shall accept in kind consideration from Brentwood School, in accordance with the Brentwood School settlement agreement and apply it consistent with the terms of the Brentwood School settlement agreement and

to principally benefit veterans and their families.

Fifth, the Brentwood School shall have the continuing right subject to other terms set forth herein in the Brentwood School settlement agreement to use the lower softball field, also known as MacArthur Field; however, VA is entitled to revoke Brentwood School's right to access and the use of MacArthur Field subject to 45 days written notice.

Once the 45 days expire Brentwood School will have no further obligations with respect to MacArthur Field, as otherwise required under the lease, such as maintenance as of the grounds, the facilities, the infrastructure, paying for any utilities, et cetera. That parcel will be treated as if it was never within the agreement to be entered, but will not alter the base rental fee set forth herein, and in the lease.

Sixth, the Brentwood School shall have the continuing right subject to other terms set forth herein to use the upper baseball and soccer field known as Parcel 9. However, VA is entitled to revoke Brentwood School's right to access Parcel 9 on an 180 days' notice but not earlier than July 1st, 2025.

Once the 180 days expire, Brentwood School will have no further obligations with respect to maintenance as to the grounds, the facilities, the infrastructure, paying for any utilities, et cetera. That parcel will be treated as if it was never within the agreement to be entered.

Seventh, the VA shall use its best efforts to use

other parcels of land in the form of these grounds for any veteran related purposes before giving notice to Brentwood School of its intention to cancel, further use by Brentwood School of the MacArthur Field, Parcel 9, the entry off of Barrington, the swimming pool area, the pavilion, the track and football fields and the tennis courts are designated as areas of last resort, often referred to and referred to in this document as core facilities.

The VA can only revoke access and use to the core facilities if it is determined by either the Court or the Court appointed monitor that those parcels are necessary to be used for the development of either short term or long housing of disabled veterans and/or their families.

The VA shall have the right to revoke access and use of the core facilities upon 365 days written notice, which must occur on or before August 15th of any year in which the revocation is intended to be effective.

For example, notice must be given at least one year in advance of the following school year. Once the 365 days expire, Brentwood School will have no further obligations with respect to maintenance as to the grounds, the facilities, the infrastructure, paying for any utilities, et cetera, and those parcels will be treated as if they were never within the agreement to be entered. Brentwood School will be invited to be and entitled to be part of any discussions for development

now.

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              MR. SILBERFELD: All right. And we'll -- we've sent
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    a Word copy to Ally and we'll fix these in the final before the
 3
    Court --
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              THE COURT:
                          Okay.
 5
              MR. SILBERFELD: -- signs.
              At page 2, line 24, there's a whereas clause that
 6
 7
    currently reads, Brentwood School has agreed to a form of
 8
    injunctive relief.
 9
              THE COURT: Just a moment. Page 2 --
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              MR. SILBERFELD: Line 24.
11
              THE COURT: -- line 24. My line reads as Brentwood
12
    School is not a party to the class action.
13
              MR. SILBERFELD: Okay.
14
                         Karlen, would you -- I'm going to give
              THE COURT:
15
    you my copy and I don't want to see yours. I want you to see
16
    mine.
17
              Look at the bottom. Go to page 2, you're on page 2.
18
              Yeah, counsel, what's happened is if you turn to the
19
    next page you'll see at the bottom page 2, and that's causing a
20
    confusion.
21
              MR. SILBERFELD: Oh, so sorry.
22
              THE COURT:
                          See, you're really referring to --
23
              MR. SILBERFELD: The back of page 1.
24
              THE COURT: -- the back of page 1. All right.
25
    we're --
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the proposed permanent injunction.

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              Specifically I would highlight that the Government
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    objects to the entry of the proposed permanent injunction.
    It -- you know, we recognize that the Court has issued its
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    findings of fact and conclusions of law and post-trial opinion,
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 5
    but the Government continues to disagree with the Court's
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    conclusions, including its legal conclusions as they flow to
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    the issues that are being considered in this order.
              So we object to the entry of the injunction,
 8
 9
    substantively.
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              THE COURT:
                           Okay.
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              MR. ROSENBERG: I did also want to briefly discuss
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    the compliance paragraph, which is paragraph 2 of the
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    injunction itself. And if you could just give me --
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              THE COURT: I'm going to turn to the final judgment
15
    and permanent injunction in just a moment.
16
              MR. ROSENBERG: Understood, understood.
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              THE COURT: All right.
18
                              But before we get to that, I'm still
              MR. ROSENBERG:
19
    discussing the proposed permanent injunction as to the
20
    Brentwood School. And --
21
              THE COURT:
                          On what page again?
22
              MR. ROSENBERG: I'm trying to find it right now, so
23
    I'm asking for the Court's indulgence --
24
              THE COURT:
                          Certainly.
25
              MR. ROSENBERG:
                               -- for just one moment.
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This would be on page 8, paragraph 2, lines 13 through 26. This is the compliance provision.

If there's one thing that I've learned being in the court for the past year, it is that the Court is more than capable of making its views known and of ordering compliance with its orders.

And the Government, I believe, has consistently complied with all of the orders that the Court has entered and has promptly appeared at every hearing that the Court has scheduled.

The language in this paragraph sweeps far beyond the subject matter of this permanent injunction. The injunctive relief the plaintiffs are proposing relates to the Brentwood School. And yet, the language that they would have this Court enter would require VA's compliance with terms of the injunction and the settlement agreement, the Court's post-trial opinion, and any and all emergency orders issued subsequent to the Court's post-trial opinion and that can reasonably be read into include orders that the Court has not yet issued.

For starters, that language is unnecessary because the United States Government will, of course, make every effort to comply with any injunction that the Court may issue, absent the ability to obtain relief.

It's also improper because when the Court issues an injunction it should be narrowly tailored to address the

- specific harm that the injunction is designed to remedy. And the provisions in this paragraph do -- are not narrowly
- 3 tailored to address any particular harm and certainly no harm
- 4 as it relates to the Brentwood School. And so we believe that
- 5 the inclusion of this language would be a legal error for this
- 6 Court.

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- It also requires witnesses to testify, which I've highlighted earlier without regard to the physical location of those witnesses or their level of seniority, or their relevance to a particular issue being decided. It simply presumes that they would be necessary and that is sweeping relief that is unmoored from the relatively narrow issues that this injunction
 - It has language that requires VA to cooperate fully.

 I'm not sure what that means. I think that again, as the

 United States we will of course comply with all of the Court's orders, but to put that into language into the injunction is improper.
 - And finally, we appreciate the Court's acknowledgement that it will be reasonable in ordering any hearings in this matter, but we would submit that three business days' notice is insufficient and should not be memorialized in the injunction itself.
- 24 **THE COURT:** Okay. Thank you.
- MR. ROSENBERG: Thank you.

otherwise purports to address.

THE COURT: Counsel, response?

MR. SILBERFELD: Nothing further, Your Honor.

THE COURT: All right. I think those objections have

4 been noted.

Concerning the final judgment and permanent injunction requested, I'm going to turn to that document, counsel. And this document I believe needs to be memorialized, so as I go through this document if there are nits, et cetera, that anybody catches, please call it to the Court's attention.

It's a final judgment of permanent injunction and other relief requested. Plaintiffs in this case are Joseph Fields, Lavon Johnson, National Veterans Foundation, Joshua Robert Petitt, Jeffrey Powers, Deavin Sessom, Laurieann Wright.

They bring claims on behalf of a certified class consisting of all homeless veterans with serious mental illness or traumatic brain injuries, who reside in Los Angeles County and homeless veterans who have been or remain unhoused or at risk of being unhoused, a subclass consisting of all members whose income, including veteran disability benefits exceeds 50 percent of the area median income.

Plaintiff's operative amended complaint was filed on March 15th, 2023. And on April 5th, 2024 complainant and intervention Bridgeland Resources LLC filed its operative complaint and intervention for declaratory relief against plaintiffs.

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The Court certified the class and subclass on May 3rd, 2024. On July 14th, 2024, the Court granted partial summary judgment in favor of plaintiffs. The Court conducted a bench trial that began on August 6th, 2024 and concluded on August 30th, 2024.

On September 6th, 2024 the Court filed its post-trial opinion, findings of fact and conclusions of law. Consistent with the Court's prior opinions and order including its post-trial opinion, this final judgment resolves all claims pursuant to Federal Rule of Civil Procedure 58.

It is ordered and adjudged and decreed for the reasons set forth in the Court's prior opinions and orders including its post-trial opinion that judgment be entered in favor of plaintiffs and the certified class and subclass on the first through third causes of action against defendants Denis Richard McDonough in his official capacity, Secretary of Veterans Affairs, Robert Merchant in his official capacity, Director of VA, Greater Los Angeles Healthcare System, Keith Harris in his official capacity, Senior Executive Homelessness Agent, VA Greater Los Angeles Healthcare System and Adrianne Todman in her official capacity, Acting Secretary of Housing and Urban Development, that judgment be entered in favor of plaintiffs and the certified class and subclass on the fourth and sixth causes of action against defendants McDonough, Merchant, Harris in their official capacities and that judgment

be entered in favor of defendants McDonough, Merchant, and Harris in their official capacities on the fifth cause of action.

The Court also enters judgment for plaintiffs in the certified class and subclass on the seventh cause of action against defendants McDonough, Merchant and Harris in their official capacities regarding only the Safety Park lease and for defendants McDonough, Merchant and Harris in their official capacities on the seventh cause of action in all other respects.

And finally, the Court enters judgment for plaintiffs in the certified class and subclass against Bridgeland on their first cause of action contained in Bridgeland's complaint and intervention.

It's further ordered, adjudged and decreed that defendants Richard -- Denis Richard McDonough in his official capacity, Secretary of Veterans Affairs, Robert Merchant, in his official capacity, Director of VA Greater Los Angeles Healthcare System and Keith Harris in his official capacity, Senior Executive Homelessness Agent, VA Greater Los Angeles Healthcare System and defendant Adrianne Todman in her official capacity, Secretary, Department of Housing and Urban Development violated Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Section 794 and the respective successors are hereby permanently enjoined and prohibited from engaging in

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    conduct consistent with the terms of paragraph 251,
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    subparagraph C, D, E, F, G, I, J, K, L, M, which has been
    corrected and O of the Court's post-trial opinion. All other
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    subparagraphs of paragraph 251 are formally entered by the
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    Court as part of the judgment as to defendants McDonough,
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    Merchant and Harris.
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              It's further ordered, adjudged and decreed that based
    upon the foregoing and the Court's further hearing on
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    injunctive relief that occurred on September 25th, 2024,
    September 26th, 2024, October 2nd, 2024, October 4th, 2024,
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    October 7th, 2024, October 8th, 2024, and October 11th, 2024
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    that the following orders are entered as part of this judgment.
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              First, the UCLA order, ECF No. 309; second, the
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    Safety Park order, ECF No. 310; third, the Bridgeland order,
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    ECF No. 311; fourth, the emergency order No. 1, ECF No. 341;
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    fifth, the emergency order No. 2, ECF No. 342, and the VA
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    injunction.
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              It's further ordered and adjudged and decreed that
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    based on the foregoing and the Court's further hearings on
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    injunctive relief regarding Brentwood School, the settlement
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    agreement between plaintiff's class and non-party Brentwood
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    School is set for preliminary hearing approval on, and now let
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    me discuss that with all parties.
24
              It's my understanding that these funds cannot be
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transferred, pursuant to your agreement, from Brentwood School

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Just a moment.

That'd be a

Okay.

THE COURT:

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- 1 until VA completes the construction of permanent supportive
- 2 housing identified in the Court's post-trial opinion, whichever
- 3 | is later for the purpose of enforcing this final judgment and
- 4 permanent injunction.
- 5 It's further ordered, adjudged and decreed that the
- 6 deadline for any of the parties to move for an award of
- 7 | attorney's fees and costs shall be 30 days after the expiration
- 8 of the time for any appeal or petitioned for writ of certiorari
- 9 to be filed. And if an appeal or petition for writ of
- 10 certiorari is filed until 30 days after the disposition of any
- 11 appeal or petition for a writ of certiorari.
- 12 Now, counsel, are there any nits or corrections to
- 13 | that?
- MR. SILBERFELD: The only one would be to add the ECF
- No. for the VA injunction, which we don't quite have yet.
- 16 **THE COURT:** All right.
- 17 MR. SILBERFELD: But we'll do that and once again
- 18 | we'll provide a clean copy for the Court's signature.
- 19 **THE COURT:** For those clean copies, counsel, you
- 20 can -- I'm sorry.
- 21 MR. ROSENBERG: I did have some objections for the
- 22 Court.
- 23 **THE COURT:** Please. Why don't you made those on the
- 24 record.
- MR. ROSENBERG: Okay. Brad Rosenberg from the

Department of Justice on behalf of the United States.

As a threshold matter, the Government wants to make clear and I think it is already clear that it disagrees with the Court's post-trial decision, findings of fact and conclusions of law, and therefore, the Government disagrees with and objects to all of the relief that the Court has ordered, either through the post-trial opinion, findings of fact or conclusions of law, or as to the final judgment.

We have, however, worked with plaintiff's counsel to try to come up with a form of final judgment that we believe captures what the Court intended in its post-trial opinion, as well as the subsequent orders that the Court has issued.

And we were able to resolve most of our differences regarding our interpretation of the Court's order. There are, however, three substantive differences of opinion and that is reflected in a filing that plaintiffs made this afternoon containing the federal defendants' version of the final judgment.

And I just want to highlight those for the Court because those three areas of difference are material and, you know, we believe that our interpretation with our filing actually captures what the Court intended, with the understanding that, of course, the Court ultimately knows what it intended. And again, we submitted that without prejudice to our ability to object to and we are objecting to the substance

of it, of the entry of relief.

So the first difference of opinion appears on page 2, the first paragraph and these are documents, just for the record, I believe it's ECF 354-1 is plaintiff's version and 355-1 is the defendants' version.

And the difference of opinion concerns the definition of the class. And to summarize, plaintiff's class definition includes a phrase that in addition to, all homeless veterans with serious mental illness or traumatic brain injuries who reside in Los Angeles County and then they add the phrase and homeless veterans who have been or remain unhoused or are at risk of being unhoused.

That language does not appear in our version of the judgment because we do not believe that that is the class that the Court actually certified.

It has the effect, plaintiff's language has the effect of substantially expanding the class beyond individuals who have serious mental illness or traumatic brain injuries and we would think it would error for the Court to enter judgment along those lines.

Recall that plaintiffs' primary claims in this lawsuit are Rehabilitation Act claims by individuals who have medical conditions and who have alleged that they need permanent supportive housing in order to access their VA healthcare benefits.

Plaintiffs' class action definition expands the class beyond the scope of their Rehabilitation Act claims and we think therefore that definition is improper and that the class should be defined based on the class that plaintiffs requested at the class certification stage as reflected in the federal defendants' version of the proposed form of judgment.

The second difference between the parties occurs, and I'm looking at plaintiffs' version of the judgment, this is at ECF 354 of page 3, approximately lines 25 to 26, this is under the paragraph 2.

And to orient the Court a little bit, there are -different numbered paragraphs do different things in the
judgment. And paragraph 2 can be thought of as the injunctive
relief portion of the judgment.

And in the injunctive relief paragraph that plaintiffs have, they include defendant Adrianne Todman in her official capacity, it actually should be Acting Secretary of Housing and Urban Development.

And our version of the judgment excludes Ms. Todman from the injunctive relief that the Court has entered. And the reason that our version of the judgment excludes Ms. Todman from the relief, the injunctive relief that the Court is going to enter, is because none of that injunctive relief is relevant to HUD.

If the Court goes back and looks at paragraph 251 and

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1 the specific subparagraphs that are identified in the parties'
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2 respective forms of judgment, all of that injunctive relief

3 relates to VA and not the Department of Housing and Urban

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And so it'd be error for the Court to be issuing an injunction against an agency where the injunctive relief simply does not and should not apply.

The third difference -- hold on one minute, please.

The third difference is a little bit more in the weeds, but it concerns the individually identified subparagraphs of paragraph 251 and specifically plaintiff's version of the judgment includes paragraph M, which as the Court noted it has corrected with an errata.

THE COURT: Uh-huh.

 $\ensuremath{\mathsf{MR}}\xspace$. ROSENBERG: And the federal defendants' version does not include paragraph M.

Now, paragraph M, as corrected, says that for any permanent supportive housing unit on the WLA VA grounds built pursuant to this order, federal defendants shall employ the most efficient affordable and time sensitive financing of its housing projects. And as originally written, it said conventional financing and plaintiffs were correct to remove the reference to conventional financing, but the Government believes that's only one step in the right direction and that more needs to be done.

exactly --

68 1 THE COURT: Yeah. 2 MR. ROSENBERG: -- our concern --3 THE COURT: Yeah. MR. ROSENBERG: -- that we want to retain as much 4 5 flexibility as possible. 6 THE COURT: Absolutely, let's give the developers and 7 not narrow them, every opportunity to finance. Okay. Counsel, 8 your response? 9 MR. SILBERFELD: Yes, the only two responses very 10 quickly, Your Honor, with respect to the class definition that 11 counsel refers to that is found at page 2 of the judgment, that 12 language, and homeless veterans who have been or remain 13 unhoused or at risk of being unhoused, comes from the Court's 14 opinion --15 THE COURT: Right. 16 MR. SILBERFELD: -- at page 40, I think it's lines 1 17 and 2.18 THE COURT: Right. 19 MR. SILBERFELD: So I would ask that the Court keep 20 that language in. 21 With respect to Ms. Todman and her inclusion at page 22 3, there are a number of these injunctive relief proposals and 23 the Court's opinion that relate to HUD and how HUD conducts its 24 business relative to the local housing authorities, for 25 example. That's why she is an appropriate person to be

- 1 If the Court was wrong in its opinion and the Circuit reversed
- 2 | the Court as to Bridgeland, I wouldn't want the added expense
- 3 of you pouring cement literally down the drill well. Have you
- 4 | ceased the extraction of oil?
- 5 MR. MCCORMICK: My understanding is that is currently
- 6 | true today on a temporary basis. There's maintenance or work
- 7 that needs to be done on the well.
- THE COURT: Okay.
- 9 MR. MCCORMICK: So for that reason, oil extraction
- 10 has been ceased temporarily. Yes.
- 11 **THE COURT:** I think, then, I'm going to reword a
- 12 portion of the prior order and modify it because I'm going to
- 13 deny your stay in this matter. But instead of capping, I'm
- 14 going to simply substitute and make that you're to cease the
- 15 extraction of oil and give you a date certain. And that way
- 16 | you're not pouring cement down the well. But by the same
- 17 | token, it will give you a date that you're absolutely to cease
- 18 | the extraction of oil. And that way you have a date certain
- 19 and can get to the Circuit.
- 20 MR. MCCORMICK: And so I can make the record clear,
- 21 | both ceasing extraction and capping the well would cause
- 22 | irreparable harm to Bridgeland. And I think my co-counsel
- 23 explained a bit of this on the record on Tuesday.
- 24 **THE COURT:** Yeah. Yeah.
- 25 MR. MCCORMICK: So Bridgeland would continue to

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    object that ceasing extraction would be just as -- it would
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    cause just as much irreparable harm to Bridgeland. And if that
    is the Court's intention, I would orally request that that
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    order, a modified order that you described would be stayed
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    during the pendency of Bridgeland's appeal.
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              THE COURT: I'm going to deny your stay. All I'm
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    offering you is not to have the added expense of reinstituting
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    that well or reconstituting that well in the future by
    literally pouring cement, which is capping into that drill
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    site. But as far as the stay is concerned, you'll find that I
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    deny that. You'll get that on Tuesday. Okay.
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              MR. MCCORMICK: Understood. Thank you, Your Honor.
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              THE COURT: And I think in abundance of caution, just
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    in case there is a reversal by the Court, I don't wish to cause
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    you additional harm in capping, so I'm going to change that to
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    the extraction. Okay?
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              MR. MCCORMICK: Okay. So the Court will be modifying
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    the injunction against Bridgeland --
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              THE COURT: Yeah. Yeah.
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              MR. MCCORMICK: -- denying the pending motion for a
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    stay, and also denying a request to stay the modified
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    injunction that requires Bridgeland to cease production of oil;
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    is that correct?
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                         Well, no, that's getting confusing.
              THE COURT:
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What was unclear about what I just said?

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was very clear.

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   baseball field, which we don't -- you need to hear because we
   started out with double story. Now we're down to one story
   modular and that's taking more land. Okay?
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And I publicly want to thank the chairman of Brentwood School. You've been here each and every day representing the school and really come forward and been exemplary in trying to reach an agreement. I just want to publicly acknowledge you and thank you for your participation, as well as the veterans who've been here working with you.

I truly believe that this principally is going to benefit both parties. And I say that informally after having reached the agreement between the two of you. I don't think these facilities could ever be built by the VA, nor should they be if there's a public pool, a track, a weight room.

By the same token, these young people need to be able to use those facilities. And I think that now we've reached a point that I'm absolutely convinced that this does principally benefit the veterans, but it also allows your school to go forward. I think that's a good day for all of us. So thank you for your attendance.

All right, counsel, let's hear the presentation. Ι'd ask Mr. Miller to remain. Yeah. This is Mr. Soboroff. is Mr. Johnson.

MR. SOBOROFF: Judge, we've all worked on projects, legal cases, public policy issues that may have been bigger

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    than this, but we all agree that none of our clients have ever,
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    ever been as important as the veterans that are involved in
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    this case and in greater Los Angeles. And you are loud and
    clear about the importance of every veteran, as well as the
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    entire class and the need to get them off the streets and get
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    them off the streets quickly.
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              And you have said -- you have tasked us with looking
    at specific sites on the property, then looking closer at sites
    on the property, and then defining the first sites on the
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    property on which we could do an emergency, they're all an
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    emergency, an emergency 50 to 60 homes.
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              We have completed that task. We can do it within
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    your timeline. We're on the bus to yes, Judge, and we need
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    help. So my part of the presentation is about one more minute
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    and then I've got to head to Yom Kippur.
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              THE COURT:
                          Okay.
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              MR. SOBOROFF: But Randy and Kelly will complete the
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    presentation.
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              THE COURT: Oh, by the way, if I'm interfering with
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    that, I can recess at any time.
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              MR. SOBOROFF: Oh, it's just with me, but --
22
              THE COURT: Okay. Well, if anybody -- Yom Kippur, I
23
    mean, that's -- we're not interfering with religious --
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              MR. SOBOROFF: That's Koufax action.
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All right.

Okay.

THE COURT:

MR. SOBOROFF: Okay. And the presentation is done through a series of visual renderings, which should make it not only easy to understand, but exciting.

The sites that have been selected to do these 56 units are the parking lot of UCLA, which is Magenta B --

THE COURT: B. B.

MR. SOBOROFF: -- and 7. 7 may take some temporary approval of the columbarium because that is land that is a part of the columbarium 30-year master plan.

I'm going to turn it now over to Kelly. I'd like for Kelly to introduce herself. She's had a team of six or seven people. We've had calls every single day, every single night, middle of the night, to be able to put this together. We have talked to purveyors of units. We have a list of prospective manufacturers. But you said this is an emergency. They can't build them, Judge, fast enough.

So what we have found is a lot of these units, this specific unit, have been built and have been sold to RV dealers and that are in stock in different specific places around California, Arizona, and Nevada. And, you know, I wish we could have done this on Cyber Monday because we could have gotten a discount. But Kelly and her team have been calling everybody and saying, how many of these suckers can we get? And how many can you get here next Thursday?

THE COURT: Are these trailers or modular?

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    just a little slower. Okay?
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              MS. FARRELL: Okay. Is that better?
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              In that practice, we have a massive commitment to
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    solving the housing crisis. And we work in everything from
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    permanent supportive to affordable to market rate housing.
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              THE COURT: Okay. And you're with Gensler?
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              MS. FARRELL:
                            I'm with Gensler.
              THE COURT: Okay. I know of you.
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              MS. FARRELL:
                            That's good.
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              THE COURT: Yeah.
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              MS. FARRELL: If you could go to the front page.
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              THE COURT: Okay.
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              MS. FARRELL: When we started working with the team,
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    they let us know of the order to move at pace. And the
    question was, what can we do in 60 days? I'm missing
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    something. I don't have your glasses, Roman. What can we do
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    in 60 days? What can we do in 90 days?
              And so we looked at a series of manufactured and
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    modular homes and solutions. We've reached out to 40
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manufacturers to date. I have a team in L.A. who is calling, networking, seeing where we can end up in someone's queue and how we can deliver 50 homes. And that's what this list represents. And we're continuing to advance that list and to advance options.

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didn't have to wait in delay for manufacturing at a larger scale.

As we sit today, we identified over 26 available homes. Randy will take us through. We could have trucked in, set on site, tied down for seismic, and hooked up for utilities.

THE COURT: I'm going to repeat that back to you. 26 that you could have trucked in?

MS. FARRELL: 26. If we could pay for them today, we could purchase them off the open market. We've also talked to the manufacturers of these same homes, who are willing to make commitments to build them and to build more.

THE COURT: The only thing holding up may be either the VA's commitment to this or -- and getting this \$3 million over to the VA pursuant to this agreement.

So I'm going to be asking the VA eventually to step up and just fund this with the representation, hopefully, that the \$3 million is coming to them, which I think it will. But this may not cover all the costs. Okay. Counsel?

MS. FARRELL: Did you want to add? We'll go to the next slide.

We've pulled a lot of different images of what these homes may look like. And you can go to the next slide. We want them to look like homes. We also have been in discussions with LifeArc about their product, and we understand the need

1 for shelter.

We also really, frankly, admire this product because it puts someone at home for a period of time. It implies permanence even in a temporary setting.

THE COURT: I'm going to slow you down because there's been discussion before you got here, Kelly.

MS. FARRELL: Yeah.

THE COURT: First of all, I think Ms. Black and Roman and I kind of met informally for quite a while last week, and one of the things we got concerned about was initially a kitchen. And the reason for that is, one, was the increased expense. And number two, in getting the emergency in, we could be taking a whole cross-section of homeless from the most docile to the most violent.

We've already had a fire in the tiny sheds, and God forbid we don't want that to occur here. So this may not be perfect. In fact, in the future, there may be an agreement with families or whatever that we go to a modular that has a kitchen.

But right now, I think there was kind of an agreement between all of us that for this first 50, we weren't going to include a "kitchen" with -- in that microwave fine, sink fine, toilet, obviously, all of those things. But the one thing we were concerned about just to begin with was no expense for a kitchen. So that refrigerator.

- 1 | that that's not a requirement of the Court.
- 2 MS. FARRELL: And we could take the ranges out.
- 3 | They're temporary in nature.
- 4 **THE COURT:** Okay.
- 5 MS. FARRELL: They are exchangeable. The lines could
- 6 be capped, the range could come out, and you could still
- 7 deliver the rest of the unit.
- 8 THE COURT: Right. Okay, please continue. I'm sorry
- 9 for interrupting. But I just wanted to catch up to some of our
- 10 discussions.
- 11 MS. FARRELL: So the images that we have on the
- 12 | screen in front of all of you are some of the available units
- 13 | that we found in the market.
- 14 **THE COURT:** Okay.
- 15 MS. FARRELL: They also represent some of the units
- 16 | that manufacturers will put out. We've been putting together
- 17 diagrams to show villages, places where people can build
- 18 | community, places where they can build relationship and have
- 19 shelter.
- 20 If you go to the next slide. Here's a look for a few
- 21 | that we found online. We wanted to share that we weren't
- 22 | fabricating costs, but we were actually out finding solutions
- 23 that we could move now.
- Next slide, please. Some more of the interiors.
- 25 Again, that range is removable just like the range in my

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kitchen. Super simple to box it in and add a cabinet.
units that we've picked out, if you go to the next slide, they
have a small living room. They have a small bedroom.
          THE COURT: What's the -- Kelly, what's the square
footage on this?
         MS. FARRELL: This is about 397 square feet.
                                                      We
tried to keep them all under 400 square feet.
          THE COURT: Does this match -- the initial diagram I
saw, does this --
         MS. FARRELL: This is what's in the diagram.
                     So this is 395. Because eventually,
          THE COURT:
Ms. Black and I were talking to Paul Chow about 266 square
feet. Just because of cost et cetera, but this is about 400.
         MS. FARRELL: Yeah, and we're happy to continue to
seek pricing and show what that pricing can deliver.
          THE COURT: Where are they coming from?
         MS. FARRELL: We have found them in Petaluma, in
Riverside, all over California. We've gone as far east as the
Carolinas. We've also gone into Texas and Arizona, but we are
fixated on finding product that has HCD approval for the state
of California.
          THE COURT: Please continue. Thank you.
         MS. FARRELL:
                       Next slide. Just another plan,
similar, a more accessible unit. You can continue to the next
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Next slide, please.

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Rob might know.

So we wanted to kind of show the layouts. This is the detailed layout of the Magenta B lot. All of the units are accessible. The brown that you're seeing is a decking and it's got a ramp that runs adjacent to two units so that wheelchairs can easily access. THE COURT: Do me a favor. Slow down. Repeat that again to me. MS. FARRELL: Yeah. So the light brown that you see in the aerial rendering in front of the residences, in front of the cottages. There you go. Thank you. Has a ramp that goes down to grade so that these are wheelchair accessible. We've clustered them around open spaces. So it gives the vets a place to recreate and relax and form community outside of the unit. THE COURT: What's the present square footage in 209, for instance, if you know, or 208? Does anybody know or any of the veterans in the audience? If I went up to 209 again, 208 or 401, what's my square footage out there? I imagine it's less than 400 square feet, frankly, or larger. MR. SILBERFELD: I think it is less than 400, yeah. MR. JOHNSON: Which building? MR. SILBERFELD: 209. 205. MR. JOHNSON: I think --THE COURT: Well, Mr. Johnson, you wouldn't know.

Just approximately, Rob.

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the information today.

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         MR. REYNOLDS: There's definitely some studio units
that are less than the 400 square feet. There's also some one-
bedroom units that are --
          THE COURT: Yeah. These seem larger than what we're
getting out of 209, 208, 205.
         MR. REYNOLDS: These would be larger than some of the
units in there.
          THE COURT: Larger. Somebody's going to eventually
suggest that if we had kitchens in there, they might even look
like permanent, which is why Mr. Miller's here, because if we
ever got to Parcel 9, which is there, I'd want him to see this.
          Okay. How much? Like money?
         MR. JOHNSON: So --
          THE COURT: What's my range?
         MR. JOHNSON: So average price is about 94,000 --
          THE COURT: Okay.
         MR. JOHNSON: -- you know, for these that she
identified.
          THE COURT: With or without kitchen?
         MR. JOHNSON: And this is with the kitchen. And then
here's what you have to add to it. You have to add to it the
transportation to get it here. That's going to be 3 or 4,000 a
unit. You're then going to have to have the hookup charges for
this and the site development. Site development, we just got
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And we don't know where all the

24 MR. JOHNSON: What's the average, about 500?

25 MR. STRAIN: Yeah.

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	90
1	MS. FARRELL: Makes sense.
2	MR. JOHNSON: Yeah. So we're underneath that.
3	THE COURT: I'm unclear. Are you saying 500,000 per
4	unit?
5	MR. JOHNSON: 500,000 for the acre, for per acre.
6	THE COURT: Per acre.
7	MR. JOHNSON: Per acre.
8	THE COURT: And 111,000 per unit with hookup,
9	approximately.
10	MR. JOHNSON: Yes.
11	THE COURT: So let's take 50 times 111,000.
12	MR. JOHNSON: This site had
13	THE COURT: About.
14	MR. JOHNSON: What was it? One and a half acres?
15	MS. FARRELL: This site is 0.9 acres.
16	MR. JOHNSON: All right.
17	MR. FARRELL: That's in front of you, and that's 24
18	units.
19	MR. JOHNSON: Okay. So for that 24 units
20	THE COURT: No, no, just take 50. Just
21	MR. JOHNS: This is like seven, Judge.
22	THE COURT: Just to make this easy, let's assume we
23	have both, 7. Let's just take 50 times 111.
24	MR. JOHNSON: We'll make it easy. 0.9 plus the 1.5
25	is 2.4. 2.4 times 500,000 is a million two. A million two

MR. JOHNSON: Yes.

MS. BLACK: Yes, I think that's where we need to maybe hedge this as an estimate until we really see what that true cost is going to be. We really need to focus on the units and focus on the, you know, commodity version of it until we get some further site investigation.

THE COURT: I'm figuring around 8 million. I took

132 times 56, came out with 7,392,000, rounded it up to about

\$8 million.

Now, my question to all of you is, with the settlement between Brentwood School, Mr. Miller, and the veterans, your position is that the VA should be paying for this anyway.

MR. JOHNSON: Right.

THE COURT: And I'm wondering if we have to wait for any of this 3 million to come in or if there can't be an effort or a commitment or at least a discussion about the 8 million, you know, forthcoming from the VA to get this rolling. And I'm wondering how long the procurement process takes. You're the expert, Ms. Black, on that.

I'd have to sign an order, a limiting order, that would, as Brad said, take away, in a sense, competitive bidding. But we have competitive bidding going on, really, with the number of people we're negotiating with.

I'm willing to do that on a limited basis with 50 to

- 1 | 100 to get this going and have the Court sign off on that.
- 2 | Later on, I'd go back to the tried, traditional time-consuming
- 3 | methods that we've run into. But on an emergency basis, I'd
- 4 probably sign such an order, a procurement order, and protect
- 5 | the VA in terms of, you know, making this effort.
- 6 MR. ROSENBERG: That's already in emergency order
- 7 number one, Your Honor, the temporary suspension of the
- 8 procurement process.
- 9 THE COURT: Well, I want to make sure, Ms. Black --
- 10 | think about that because you're really my expert. I'm going to
- 11 | turn to you, Ms. Black, on many occasions and ask, you know,
- 12 | how is this working for the VA because of your expertise. So
- 13 okay, let's go back to it.
- So let's just assume we've got this rolling with
- 15 procurement. We're not waiting for that. The VA is going to
- 16 | commit \$8 million, and we don't have to wait for the \$3 million
- 17 | because we know it's coming from Brentwood School. That's part
- 18 of it. I can't believe we can't find \$5 million with this
- 19 amount of money floating around.
- Okay. Impressive.
- 21 MS. FARRELL: Well, we're running. So you know, we
- 22 understand the task. We understand the need. And so we're
- 23 | continuing to pull more solutions forward. We haven't stopped.
- 24 I'd say we're hitting our stride.
- 25 **THE COURT:** Okay. Now watch. We're going to play a

And so I was thinking at the time, this permanency is going to take long, no matter what Mr. Soboroff and Mr. Johnson say. I've got to have plumbing. Here, I can run my plumbing overland if I want to. I know I've got electricity out there because the baseball field's right there.

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1 look at 9, which you can't see.

Because, see, now we've gone from two-story to one-story. And we've gone up to 400 square feet, which is a lot of square footage. So I need to balance that.

MS. FARRELL: Yes, in 90 days.

THE COURT: And maybe that's why we're starting with 50 in an emergency, but I'd like to get to 100 as quickly as I could and just stop for a moment and take a breath and see what we really need, how many folks we're getting in.

MS. FARRELL: So in our research and in our reach-out to manufacturers, we can increase that density with more lead time.

THE COURT: Okay.

MS. FARRELL: Because getting to 2 and 3 stories will take some serious manufacturing to deliver that to the site, and they'll need time to set up lines, to produce units, and to start bringing them down. So on our later parcels, increasing the density, no problem, but not 90 days.

THE COURT: Okay. I wouldn't ask the parties right now to get 100 in the same time period. I'm just looking for 50 or 60 in this time period. Then I'm trying to see what our outreach is, who we can get in, and if this is enticing enough to get the veterans in. Okay? Creating a good atmosphere for them. For goodness sakes, a golf course, a swimming pool, a weight room, track.

In other words, I don't have to look now at 1 and

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parking lot.

2, in theory. You don't know this, Kelly. They have solar on them, and it's dirt. It's going to take time to move.

MS. FARRELL: Yeah.

THE COURT: 4 has a bunch of trees on it. I'm going to now flip up to -- well, you can't see it at the top, but it's above the yellow B. It's about six acres up there.

There's a bunch of homeowners up there for the West L.A. group that are going to be concerned. And then there's a parcel 9, and there's Barrington.

You know, if we got to those, I'd love to see those hypothetically and have the folks consider in the future that those are long-term. So if we're building any place near a school, instead of temporary, you know, two years, four years from now, I'd like to see those really nice places. And if we're over there in Barrington at the park, I'd like to see us all consider those as long-term if we get there, nice places.

But I'd hate to put modulars if we don't have to, you know, or overspend.

MS. FARRELL: Correct.

THE COURT: And that really depends upon Ms. Black's input and the VA's input, et cetera, and the funding, et cetera. That's where I need to work with you.

Okay. Do you folks want to give us \$8 million?

Raise your hand. I'm just joking, but could somebody make a call? Because we've got 3 million coming in. I'm pretty

1 THE COURT: Okay.

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MR. MERCHANT: So we will have to get it. I would remind the Court and the parties that the \$8 million anticipated for construction is a starting point. The operational costs over time also have to be factored in.

THE COURT: Got it. That's why I don't want to overbuild. In other words, I'm worried about -- if I was to grant injunctive relief right now, I'd write up to 750, okay?

But I would term it that way. I'd say, up to 750. I wouldn't say the demand is 750. And I would try to sequence that so you have a budgetary cycle. And I'd want to make certain that we're not putting too many people in there, especially on a temporary basis.

So I don't mind and would applaud some of the staff being able to use these, but I'm building them for veterans right now, okay, on an emergency basis. I know we've got 5 million in that fund. I don't know, Brad, if that's -- I don't know the rules of the use of that fund. Can that be a potential source?

MR. MERCHANT: Of the lease revenue fund, Your Honor?

THE COURT: Yeah. Yeah.

MR. MERCHANT: Yes, it could be.

THE COURT: So we have 5 million for the fraudster.

We've got 3 million, you know, in good faith. I mean, we have

5 million right now, if we chose to, that we could put up.

1 We've got Skip, who's bringing forth 3 million. We've got our

2 | 8 million, plus -- now you've got infrastructure costs, et

3 cetera, okay?

It seems like a pretty small amount of money, whether the VA has a budget of 350 million or 307 -- I mean, billion or 307 or 407 that I found. So why can't we do this?

In other words, why can't we move forward on adding, for instance, so it's economical and you're out there shopping it, why can't we add 5 and why can't we add 4A?

10 MS. FARRELL: I defer to you. We're happy to design 11 it.

12 MR. JOHNSON: Good.

THE COURT: Well, I'm going to take a recess. Why don't you folks just go talk about it for a moment? Because right now, listen, I'm happy with 50 or 60, understood? That breaks the iceberg. It gets us working together. But if we could also get out there with 100, I would like to pause at that point or 150, something out there. But I would really encourage us to kind of mass order to get transportation coming in and then get out on the street and get these veterans in because they're enticed to live in a decent place with decent amenities and decent recreational facilities. Because Dr. Braverman, I think, Mr. Kuhn -- I think everyone said some folks are going to have to be enticed in. They're going to have to think it's better than where they are. Okay.

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date. In other words, it's just not going away for six months, et cetera. And I'd like to hear a plan on how you eventually, you know, move forward to get authorization if you choose.

I think everybody's guessing, but it sounds around $8
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million, but that's a guesstimate for the 56 units. If we move to lot 5 or 4A and we had another 56, we'd be, let's say, hypothetically doubled. But the gentleman needs to get authorization. But I do need an emergency and I would hope you'd forth come. I don't want to get in a situation where I'm ordering through injunctive relief that you're fighting me on to do this. I'd rather have you really consider that and come forward in good faith, okay, if you can.

What's our next date? In other words, it's not November.

MR. SILBERFELD: Next Friday.

THE COURT: Next Friday. Fair enough?

MR. SILBERFELD: Next Friday for preliminary approval for a report on trying to harden and sharpen the numbers for that first tranche of housing units.

THE COURT: That way, we're not coming in unnecessarily. So next Friday, one date, and we'll take that up in a path forward then in terms of hopefully approval for the funding to move forward, hopefully, not only with the 56, but I'd really like to double that and then see where we're at.

Lastly, I played a tape from CNN the other day, but I

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    reads into the transcript also, so we have that link.
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              Is there anything else today?
              MR. SILBERFELD: Nothing further today for the
 3
 4
    plaintiff, Your Honor.
 5
              THE COURT: Brad?
 6
              MR. ROSENBERG: Nothing from the government, Your
7
    Honor.
 8
              THE COURT: Folks, you good? Veterans, you okay?
 9
    Then have a good three-day weekend. Okay. Thank you very much
10
    for your appreciation.
11
              And Ms. Black, I look forward to working with you and
12
    Kelly and the group. Okay.
13
              MR. SILBERFELD: Thank you, Your Honor.
14
         (Proceedings concluded at 3:59 p.m.)
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CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

Low I Judan

October 12, 2024

Signed

Dated

TONI HUDSON, TRANSCRIBER