UNITED	STATES	DISTE	RICT	COURT
CENTRAL	DISTRIC	T OF	CAL	IFORNIA
(WESTERN	DIVISIO	N - I	OS Z	ANGELES

HEARING RE INJUNCTIVE RELIEF

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

APPEARANCES: SEE PAGE 2

Court Reporter: Recorded; CourtSmart

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U.S. Department of Justice

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202-514-3374

Also present: CHELSEA BLACK

KELLY FARRELL
RANDY JOHNSON
ROB MERCHANT
JONATHAN SANDLER
STEVEN SHORTLAND

STEVE SOBOROFF

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 1
              THE COURT: Absolutely. In fact, if he'd like to
 2
    join us or she, whoever, by Zoom it's more than welcome. And,
    Cody, why don't you make your appearance. Good to have you
 3
    back with us.
 4
 5
              MR. KNAPP: Cody Knapp for the Government, Your
 6
    Honor, thank you.
 7
              THE COURT: Ms. Black?
              MS. BLACK: Chelsea Black, VA.
 9
              THE COURT: And then, Rob, it's good to have you back
10
    with us.
11
              MR. SHORTLAND:
                             Steven Shortland, Agency counsel.
12
              THE COURT: I'm sorry, I couldn't hear you.
13
              MR. MERCHANT: Robert Merchant, Department of
14
    Veterans Affairs.
15
              THE COURT: And then, counsel, turn on your
16
    microphone because we couldn't hear.
17
              MR. SHORTLAND: Steven Shortland, agency counsel.
18
              THE COURT: Okay. Thank you very much.
19
              MR. SANDLER: Jonathan Sandler, Your Honor,
20
    Brentwood.
21
              THE COURT: Okay. Now is UCLA here also? They don't
22
    have to be here but I don't know where this goes today, so
23
    they're always invited and I hope that they're here on each
24
    occasion.
25
              I'm going to turn this over to you folks, to give me
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we're not wasting time.

Your rebuttal and surrebuttal to the

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 1
              THE COURT:
                          Why?
 2
              MR. KNAPP: -- you know -- because we want to give
    Your Honor --
 3
                          In other words -- just a moment.
 4
              THE COURT:
 5
              This is coming out of the order that I expected.
    if I believe this is an emergency and you've represented to me
 6
 7
    that you can have this procurement done, then why am I granting
 8
    an administrative stay?
 9
              MR. KNAPP: Because, Your Honor, that is the first
10
    harm that we expect to accrue to the agency that would be
11
    irreparable and, you know --
12
                          But, Cody, then what you're really saying
              THE COURT:
13
    is that you don't want the modulars to go forward. I mean,
14
    that's really the end result of all of this and that is that,
15
    Judge, we don't even want to put up the money for the modulars
16
    and your papers thus far, and I don't want to get into this
17
    argument is, because we have produced 32 temporary units and
18
    what I'm going to call a domiciliary situation. And you've
19
    stated in your papers that you're short of money. Correct?
20
              MR. KNAPP: I think that's among the statements we've
21
    made.
22
              THE COURT: No, let's be specific. I want to be very
2.3
    blunt and direct now.
24
              MR. KNAPP:
                          Yep.
25
              THE COURT:
                           You don't have the money.
```

as the VA is under an obligation under threat of contempt to execute a procurement contract that would obligate funds that would create future liabilities for the agency that it views that as an irreparable harm, that even if we were to succeed in our appeal, that that would not be able to be undone.

And we need some comfort from the Court, you know, the Court has previously said it would work with us on the compliance state for the execution --

THE COURT: No, you said you'd work with the Court in terms of getting up the hundred modulars. It's quite the opposite. I thought you initially took a very humane position that at least we could get a hundred people off the street. I thought we had that kind of at least working relationship. To minimally get a hundred veterans off the street.

And hearing this argument that you don't have funding or that you're telling the Court, and generally the American public that 32 domiciliary units with your cash reserves in place, I really question this. And I really question why it's not the opposite, why you're not working with the Court to get these hundred people off the street. That doesn't hurt you in terms of an appeal, Cody.

MR. KNAPP: Judge --

THE COURT: It doesn't hurt you in terms of any other expenditures if we move beyond a hundred. It doesn't hurt you with long term supportive housing. You're actually able to do

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some quite humane, get a hundred veterans off the street quickly. So I'm afraid the process and procedure and the fact that you really don't want the federal court involved, and that's the bottom line, and we're going to go right back to <a href="Valentini">Valentini</a> unless the court's involved, because quite frankly we're going to have an opinion from a court with no teeth to it.
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We're going to go right back to <u>Valentini</u> and when we turn that back to the VA, what happened, Cody? A ten year lease which tied up the property, that's why you've got a one year limitation. I don't care quite frankly if the VA negotiates, in fact, I would encourage you to negotiate. I would probably modify this opinion and give you that power. I just care that you can't tie up this property for ten years on these sweetheart leases quite frankly. Because then, your position to begin with, Cody, was we in the VA don't have property, but you completely ignored Brentwood and you completely ignored UCLA.

So if I allow you then to go back to a ten year lease, you're able to come back and say, Judge, look at these ten year leases. In addition, it's astounding to me how you can negotiate a ten year lease in 2016 at 1 percent cost of living, inflation, look at that lease, Cody, who made that deal?

Now, Brad wants to give you -- Brad, come on up to

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13
1
    the lectern, you can speak for goodness sakes. Give him some
 2
    help here. Why don't you work with me and get that -- and why
 3
    don't you work with counsel over here and get these hundred
 4
    modulars up right now, I mean just for the goodness of
 5
    veterans?
 6
              MR. KNAPP: So I do want to be clear, Your Honor.
 7
                          I want to be clear with you too.
              THE COURT:
                         We are --
              MR. KNAPP:
 9
              THE COURT:
                          Why can't you do that?
10
              MR. KNAPP:
                         We are working with plaintiff's counsel
11
    and their experts, we are working with the Court, but that is
12
    all subject to an order of the Court requiring the construction
13
    of permanent supportive housing, the placement of temporary
14
    supportive housing on the campus, all of which is the subject
15
    of our pending appeal --
16
              THE COURT: And we know you've got the money, Cody,
17
    even if your papers say $30 million which is much too high
18
    quite frankly to fund these hundred modulars.
19
              MR. KNAPP: And I think at bottom, Your Honor,
20
    because I understand we're going to have argument on the stay
21
    motion itself, so we're getting into --
22
              THE COURT:
                         Sure.
23
              MR. KNAPP: -- all of those issues now.
24
              The one thing that I wanted to raise with the Court
```

today is the need for the administrative stay that we've asked

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1
    for or something like that that gives us assurance that as that
 2
    process plays out, and as we wait for the Court to reach a
 3
    ruling, which we do want to give the Court the opportunity to
    rule --
 4
 5
                          Which then stalls these modular homes for
    another period of time, plus procedure over quite frankly
 6
 7
    substance again.
                          And I do appreciate the Court's --
              MR. KNAPP:
 9
              THE COURT:
                          And that's not for the principal benefit
10
    of the veterans. That's supposed to be my guiding standard and
11
    I don't see that coming from the VA.
              MR. KNAPP: And I do appreciate the Court's
12
13
    perspective on these issues, I really do.
14
              THE COURT: And I appreciate yours also, Cody.
15
    don't mean to be as blunt, but I really do mean to be blunt.
16
    This is harmful, Cody. This is not the legacy I think your
17
    agency wants to write, is it? That a hundred -- you can't
18
    break the iceberg with a hundred modulars and you're claiming
19
    you don't have money. Is that really the legacy of this VA?
20
    Now, Brad, go up and help him, talk to him, and you can speak
21
    if you want to and tell me about your legacy.
22
              What I think is, really, let's be blunt, what you're
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I'm asking you to keep your word and

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1
              MR. KNAPP:
                         -- of at least ten days --
 2
              THE COURT:
                          No, just a moment. Who in the
    Government? You see, you hide behind DOJ or the VA as a label,
 3
    as a bureaucracy with great credibility, but we never get a
 4
 5
    name, do we? We never get a visit from McDonough, we never get
    who the DOJ is making these decisions, is it Merrick Garland,
 6
 7
    is it at his level? We just hide behind we, the Government, we
 8
    the bureaucracy, we never have anybody responsible for these
 9
    decisions. Quite frankly that's the problem.
10
              Okay. Now, I'm asking you to go back and consider,
11
    I'm not going to make a ruling on that today. I'm going to ask
12
    you to make a phone call to whoever is making this decision.
13
    I'm asking you to procure this for a hundred veterans out of
14
              I'm asking you not to have any further delay at
    the rain.
15
    least for these hundred and that doesn't hurt you, Cody, on
16
    your appeal or your emergency writ with the other 650 temporary
17
    or 1,800. I think that's the legacy that the VA should write.
    Okay?
18
19
              All right. Now have a seat. I think we've had our
20
    say with each other. Now, counsel.
21
              MR. SILBERFELD: Your Honor, I think what we ought to
22
    take up next is the ex parte application for an emergency
23
    order. I can tell the Court essentially what's already in the
24
    very brief papers that we filed.
```

Yeah, this is order No. 3?

But purposes of this application, what the Somas civil engineer people told us was that they need to go on the property and do ground penetrating radar to figure out what's underneath the asphalt.

THE COURT: Uh-huh.

MR. SILBERFELD: They may also depending upon what they find from the radar, which by the way is not destructive of anything, they may also have to do potholing. They would repair the potholes, in order again to find out what's in the way of the placement of some of the utility connections that are contemplated for the hundred units.

We had the site visit on the 28th. I learned about this request on the 29th. I wrote to Ms. Black on the 31st, which was -- I guess that's just a week ago now. And I asked Ms. Black because I think she was traveling or somebody was out, I said please get back to me by Monday, the 4th as to whether or not VA will allow access, will allow the civil engineers to come on the property for purposes of figuring out what's beneath the surface.

I got a response Monday afternoon from Mr. Rosenberg and the answer was no, we're not going to allow you access. We had a meet and confer call about this two days ago on Tuesday. I explained in that call why this was important and why this was necessary.

Fundamentally the reason for this work is because

without it, the contractors are actually going to place these housing units and make the connections, will only do the work on a time and materials basis, which is effectively an openended contract and no one wants that with a subcontractor.

What we want is we want a fixed price contract and the contractors are saying to us we won't do that unless we know what's below the surface. So the meet and confer that we called that we had on Tuesday ended with no change of position. I filed the ex parte application on Wednesday. My declaration that's filed in support of it basically says what I just recited to the Court. And we're here today because the hundred units that we've all at least our side has wanted with the Court to have placed by February 1 that will not happen, if we don't have access to the property.

We're not asking the VA to pay for anything. I'm fronting the cost of the whole thing. But we need access and if we don't have access, this entire exercise, this entire project of getting a hundred units put out there stops. And so that's what the emergency order is asking for.

THE COURT: I want to hear from Mr. Johnson and Mr. Soboroff. I want to hear from Ms. Black or from Brad because I know, Brad, in your papers you said you didn't have time to respond but you respond in court, so.

All right. So now what's occurring out there, I want to hear once again -- and by the way, before you open, remember

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1  I took 5 off the list of the four paved parking lots because
2  you both stipulated.
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3 MR. SOBOROFF: Right.

THE COURT: Quite frankly the only reason 4-A is involved, which you object to on the south campus is because 5 is off the board. If 5 was on the board, I don't know that I would be looking at 4-A right now because you've got the hospital going in. And I'm not too certain I agree with you, but you both stipulated to it because it was near the domiciliary.

To me that seems silly, because somebody can walk out of the domiciliary, just two blocks and go up to the new housing being built, let alone one block. But that was your choice. That's why you're with 4-A right now and we may never have gotten to 4-A at least at this time if 5 was on the board. And you still have south campus intact, so that was all of your choice.

MR. SOBOROFF: Judge, Doctor -- Steve Soboroff, expert witness for the plaintiffs for the veterans here with Randy Johnson and Kelly Farrell from Gensler.

The reason that 5 came back in is Dr. Sharon (ph) told us that he thought that there could be a way to integrate 5 and bring the site back and not have to go to 4-A and so we put it back in and it was a technical mental health possibility and we thought we should put it back on.

THE COURT: Okay.

MR. SOBOROFF: So, Judge Carter, during the next few minutes we will present to the Court our completed homework assignment from last week.

The prioritization of the permanent supportive housing and temporary supportive housing locations and give utility, soils and site prep updates. Importantly we're also present a realistic plan to create room for the housing goals by removing specific non-historical under-used buildings that are in horrible condition.

In took dozens of folks from some of this region's top experts in all facets of safe site preparation to do this.

I want to take this opportunity to thank them all for dropping other work to prioritize the vets.

Many meetings, Zooms, calls, and site visits. We want to acknowledge the cooperation of the VA, which Roman already did in bringing their site folks to the October 28th site meeting that began at the parking lot adjacent to UCLA baseball stadium.

Before I turn this over to Randy and Kelly and many of our bus to yes team members, I want to say that many of our bus to yes team members have kids who've overheard a lot of our calls, this has been going on 20 hours a day for -- you give tough homework assignments, Judge.

Here's a letter from an 8-year old son of one of

please present our completed homework assignment.

Stand over here. You've got temporary, permanent, demolition. All right.

MR. JOHNSON: Initially, Judge, I think we're going to answer your direct question was related to the ground penetrating radar and what we need to do on those sites.

So we're trying to eliminate as many variables as possible so we can get a clean bid based on some preliminary sketches that Somas is doing. Typically you would do a full set of improvement plans, you know, for this which takes months and months and months.

So what they're doing is they know where the points of connections are and they're basically drawing, you know, lines with depths to it and specifying pipe sizes that we're going to need down there. There needs to be separation between potable water, and you know, sewage lines and everything. So we're trying to do it the right way.

We were told that once we get going, it takes approximately 70 working days and that's not including Saturdays, not including overtime, but it's -- you know, we need to get going.

And so in order to eliminate some of the variables, you know, for the subcontractors to give a decent bid we need to do the ground penetrating radar. All that is, it looks like a lawnmower, you know, that they run over the sites and it feeds the information as to what type of potential piping is

So the work itself I may be repeating myself since I

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 1
    forgot what I said, but it's approximately 70 working days per
 2
           So you could have four crews go in concurrently if you
    were to choose to do the Magenta B, then you go to site 7, you
 3
    come back down to 4-A and then you go over to 5. That would --
 4
 5
    and that would buy you approximately 156 units --
 6
              THE COURT: Okay.
 7
              MR. JOHNSON: -- if you did all four.
              THE COURT:
                         Okay.
 9
              MR. JOHNSON: If you eliminated 4-A, you know, from
10
    that initially, then 106.
11
              THE COURT: And I'm going to leave that to the two of
12
    you to rediscuss. My preference, not waiving any of your
13
    rights, but remember I only went to 4-A because you took 5 off
14
    the board.
15
              MR. JOHNSON: Yeah, and we can chat about that later.
16
    There -- we're -- I think we're in sync with the first two
17
    sites, we're just not in sync afterwards.
18
              All right. So the ground penetrating radar looks
19
    like a lawnmower and the lawnmower just goes up and down the
20
    site. It's not going to be damaging any property. All of
21
    these people doing the work, would all be insured to begin with
22
    and it had the requisite liability insurance that the VA would
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The potholing is going to be something where you're actually -- where you have some issues, you're going to be

2.3

24

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need.

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further potholing in there, bringing up samples, so you can see
exactly what's there.

So all you're trying to do with all of this is
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So all you're trying to do with all of this is eliminate variables. So that the contractor doesn't come back later and say gee, we weren't aware that we hit this, this and this and because of that, you know, it's going to cost you double, you know, some craziness like that.

Does that answer your question, Judge, as to why we need to get going on it?

**THE COURT:** Yes.

MR. JOHNSON: Okay. Would you like to hear the results of the homework assignment as far as the presentation?

THE COURT: Yes.

MR. JOHNSON: Okay. All right. So we asked the VA to share with us this schedule, which has been in court many times showing the location not only of the 233 units that have been complete, but in addition to that, the 400 units that under design or under construction right now, and then the final 400 that would take you up to 1,216 units.

So we said okay, we color coded each one of those --

THE COURT: Uh-huh.

MR. JOHNSON: -- you know, on this map so that you could see what's been done, what's in construction and what is scheduled to be done. So that's what the -- that map does.

Then if we were to go just a little to the next page,

all right and this one, it's -- can we make this a little
bigger on the site plan so they can kind of see it?

Okav. All right. So for this work, we worked

Okay. All right. So for this work, we worked with Johnson Fain. Bill Fain has been working on the master plan for -- since the 2016 plan. They're familiar with a lot of these sites. And we've identified five different -- six different, seven different sites here and we've tried to put a priority to it.

So site 1 would be the first priority, site 2 would be the next priority, and the reason this is done is to answer Your Honor's request of where are the other 1,800 units, where could they potentially go.

So the first site that we have is a north -- in the north campus. It is located where the four existing buildings, you've got the two residential domiciliaries, then you've got the two administrative buildings there. And so that request, what we did is we said, if you keep the two domicilaries and you don't do anything with it, that 15 acre parcel becomes roughly 12 acres and then what could you do on the rest. If you did adaptive reuse for the two administrative office buildings what type of unit count and density could you get there.

So we calculated that on the next page and we did two different options there. The first option we came up with roughly 600 units that we could on that acreage and those are -

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30
1
    - Your Honor, those are four story buildings because the other
 2
    building are all four story.
              That would bring -- so that would be 600 units. And
 3
 4
    then if you took the position that the two buildings that are
 5
    there right now in the -- for the admin, if those were to be --
              THE COURT: You know, I need you to point so I'm
 6
    certain.
 7
 8
              MR. JOHNSON: Okay.
 9
              THE COURT: Why don't you come up here and just take
10
    this or point on the Elmo so we all know without any doubt what
11
    you're referring to.
12
         (Pause - parties conferring)
13
              MR. JOHNSON: These are all permanent supportive
14
              Your Honor, can you see those four?
    housing.
15
              THE COURT: Yes.
16
              MR. JOHNSON: So the two westerly are the
17
    domicilaries.
18
              THE COURT: Give me the number on it so I have a
19
    record though, no reviewing Court is going to know what
    you're --
20
21
              MR. JOHNSON: Okay. So 212 -- excuse me.
                                                          214 -- is
22
    that 17?
23
              MS. FARRELL: 214, 217 of --
24
              MR. JOHNSON: Yeah. Can you -- Your Honor, can you
25
    see those two?
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31
 1
              UNIDENTIFIED: You can blow that up them.
 2
              MR. SOBOROFF: No, there are three there, there's
    215 --
 3
 4
              MR. JOHNSON:
                            14, 17.
 5
              THE COURT: Now no reviewing Court is going to know
 6
    what you're referring to, you've thrown out four numbers now
 7
    so.
 8
              MR. JOHNSON: 214 and 217 are the domicilaries.
 9
              THE COURT: Okay.
              MR. JOHNSON: And then 215 and 218 -- 215 is the
10
11
    community living center. 218 is the admin building.
12
              THE COURT: Okay.
13
              MR. JOHNSON: And then 301 is the AFGU Union, do you
14
    see 301 in there?
15
              THE COURT:
                         Yes.
16
              MR. JOHNSON: Okay. So all we said was, if you do
17
    adaptive reuse and you put four new buildings up, you could do
18
    approximately 600 units of permanent supportive housing
19
    units --
20
              THE COURT: And point --
21
              MR. JOHNSON: -- within those 12 acres.
22
              THE COURT: And point to those buildings or locations
23
    for the 600 units.
24
              MR. JOHNSON: All right. So draw -- we're going to
25
    have to draw L's.
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33
1
    is so hard to read, I would go right back to what you had
    before, because it's clear and it has the buildings marked.
 2
 3
         (Pause)
              THE COURT: All right. Folks, which are our
 4
 5
    domiciliary buildings for my record?
 6
              MR. JOHNSON: The domiciliary, Your Honor, the 214
 7
    and 217.
              THE COURT: Is that correct, Rob?
 8
 9
              MR. MERCHANT: Yes, Your Honor, that's correct.
10
              THE COURT: Okay. Let's make this easy. All right.
11
    Would you circle then 214 and 217 in some way, some form and
12
    maybe we need another exhibit up there to start clean.
13
    Buildings 215 and 218 are retrofitted with a hundred DUs each.
14
              So in some -- where's my 215 and 218? Now, are they
15
    to be retrofitted or would your recommendation that those two
16
    buildings be torn down? Now, remember last time Rob said we
17
    already have a master plan. Rob, can you help me? Were these
18
    buildings, 215 and 218 to be retrofitted or torn down?
19
              MR. MERCHANT: Under our current master plan, Your
20
    Honor, these buildings are to remain in place.
21
              THE COURT: Remain in place. So retrofitted.
22
              MR. MERCHANT: With their current functions.
23
              THE COURT: Refurbished, big word, okay. Now, do you
24
    disagree with that?
```

Your Honor, just to be clear, under

MR. MERCHANT:

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37
 1
              MR. JOHNSON: It does, because they are four stories.
 2
              THE COURT: Now, are there present building four
    stories?
 3
              MR. JOHNSON:
 4
                            Yes.
 5
              THE COURT: Rob, are they four stories?
              MR. MERCHANT: That's correct, Your Honor.
 6
 7
              THE COURT: Okay. Let's just say hypothetically 400,
 8
    point to site number 2.
 9
              MR. JOHNSON: Okay.
10
              THE COURT: On site number 2 we have, for the record,
    84 -- well, we have building 415, 414, 413. Are those
11
12
    buildings occupied at the present time, Rob?
13
              MR. MERCHANT: Yes, Your Honor, this is our research
14
    complex where we conduct all of our research activities,
15
    including our wet labs.
16
              THE COURT: So would those research buildings need to
17
    remain in your opinion on the master plan or would they be
18
    moved to the hospital and the new tower?
19
              MR. MERCHANT: So currently we are working to replace
20
    these buildings --
21
              THE COURT:
                          I see.
22
              MR. MERCHANT: -- with a new consolidated research
23
    facility that would be located on the south campus, adjacent to
24
    the hospital building.
25
              THE COURT:
                          Okay.
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MR. MERCHANT: The current plan has been scoped from an estimated 250,000 square foot facility to 120,000 square foot facility so that we can get the costs down to something that's affordable.

The plan has been that when that new facility opens, we would vacate these buildings. They would be then turned over for development as housing. That's in the current version of the master plan and these units are contemplated within the 1,600 but above the 1,200 line.

**THE COURT:** 1,200, okay.

MR. MERCHANT: They're in that delta between 1,200 and 1,600.

THE COURT: I want to repeat that back to you so you know what I'm absorbing. Although the research entities at the present time eventually we hope to move that to the south campus --

MR. MERCHANT: That's correct.

THE COURT: -- in some form. And it would be critical that we sequence these in so that we don't disturb the research facility presently in place and, Judge, you shouldn't be giving any kind of direction literally, but if you did, you certainly wouldn't want to give any direction concerning these sites because we could sequence them in before 2030. Because we start our construction in 2025 on the hospital, on the tower, and so if the plaintiffs have a judgment from the Court

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of 1,800, you know, permanent supportive housing, we could keep
these for the present time, we could sequence them into the
hospital, eventually we'd plan these for housing anyway.
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MR. MERCHANT: That is the current plan. And just a couple of clarifications. The construction of the hospital is dependent on an appropriation from Congress --

THE COURT: Right.

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MR. MERCHANT: -- which is in the budget for this year, but which we do not have yet. And the development of the new research building is still in that development phase.

THE COURT: Still, I know.

12 MR. MERCHANT: We finished the requirements on the rescoped building.

THE COURT: And overall I understand so you know that I understand is you'd like to keep the south campus in what I'm going to call a medical modulam, for want of a better word.

MR. MERCHANT: That's correct.

THE COURT: And that's why I was a little surprised frankly that all of you folks took 5 off my list, because that then forced me back into 4-A. If I had my preference, I'd go right back to 5 and I would delay 4-A quite frankly trying to see where we end up and if that's a necessity. Okay? And it may not be, it depends upon what happens to the stadium with UCLA eventually and it depends upon certainly parcel 9, all right, Brentwood, wake up back there, parcel 9 because that's

1 | another four acres and it depends upon Barrington Plaza.

In other words, you may have the ability to get there
and keeping south campus pristine, but if you folks on both
sides keep telling me you don't have property, then you leave
me no option except to start looking for property and that's
obviously going to be Brentwood parcel 9 by the baseball field

MR. SOBOROFF: That was our homework and that's what we're answering to.

THE COURT: No, you're doing great so far. Now --

MR. SOBOROFF: But on the specific --

and UCLA stadium. Okay? All right.

12 **THE COURT:** -- we can have a disagreement, but how many units are we going to be able to put into what -- are

14 | these going to be torn down?

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MR. JOHNSON: No, this is -- you can keep 214, 17, 18, 15 and easily get 400 units on that site.

THE COURT: Yeah, but are these going to be torn down and rebuilt or are these going to be rehabbed?

MR. JOHNSON: The -- you could keep it in place period, the domicilaries and the other two buildings.

THE COURT: Now I'm going to say it again so I understand it. I want you to look at -- if you quit moving that around, I'd appreciate it. And if you bring that back, now stop. If you go to 415, 414, 413, simple answer, your thought, are these some of the buildings that you initially

thought that everything there was three stories, but I was just

25

research, a lot of UCLA research, why not move them there and get it done faster?

THE COURT: I continually wish that UCLA was here.

Because this conversation could go no place with these thoughts and ideas and what I'm worried about is, that UCLA will believe that suddenly in May or June or July, if in fact, there's not an acceptable agreement between the VA, UCLA and the veterans that they'll find on July 4th that field cordoned off again and they'll come to me with an emergency writ saying, Judge, that's not fair.

Well right now, I've given them the courtesy because they've doubled the rent and you've stated from the plaintiffs, that you can't use it before July 4th to use that park. I'm afraid that's going to put everybody into a lulling position and the message is going to be, don't worry, it's off the board temporarily so we're not down to serious negotiations on both sides.

Now let's stop there for a moment. It could work very easily this way. One of my problems with UCLA, and you can convey it to them, is I was worried about tearing down a stadium. When Brad made his opening statement, he said, Judge Carter, it's going to cost the VA money that we don't have if we have to deconstruct, and those weren't your exact word, deconstruct, but tear down the stadium.

So I've constantly been worried about using money to

1 tear down something, rather than using money that the VA -- to 2 build something. Well, wait a minute. Look at that aerial diagram over there. It's minimal cost to turn down the back 3 wall of the UCLA stadium, go out and look at it. It costs 4 5 money to tear down the concrete. What happens if the back wall was torn down which would then open up over 7 acres, it would 6 7 be contiguous to Magenta B, it would be contiguous to parcel 7, 8 you could put modular homes there because it's already flat. 9 All you've got to do is bulldoze the mound and it runs together 10 with all of the utilities we're trying to get in at the present 11 time with Magenta B and parcel 7 and it creates a continual 12 flow of modular homes. 13 MR. JOHNSON: That's part of this presentation. 14 THE COURT: Now hold on. This is -- I haven't heard 15 the rest of it. So I've been thinking if we ever get to the 16 point that this stadium, you know, is the next option and then 17 how are we not wasting money? And it may be that the back wall 18 comes down, but there's no deconstruction of the cement because 19 it takes a lot of money, you've already got a flat surface, 20 you've got 7 acres, you've got the utilities on both sides from 21 Magenta B and parcel 7. Why not knock down that back wall and 22 give us 7 more acres? 23 Now, we haven't even talked about that one yet and I 24 don't want them walking into a trap. We've got 4, 4 and a half 25 acres, it was Skip, remember, walked and said a couple of

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1
    things, Judge, why do we -- we want to preserve the core, I
 2
    think we're all in agreement with that. But depending upon
 3
    what counsel says in a few moments from Brentwood, they could
    be right on the block. They're going to have a tough choice to
 4
 5
    make in a moment.
 6
              Eventually there's a good chance they're going to
 7
    lose parcel 9. I don't know when, but there's a good chance.
 8
    There's a good chance they're going to lose that baseball
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    field. When, I don't know, but if the VA maintains the
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    position that we don't have enough or we can't build enough,
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    then we're not ignoring Brentwood and we're not ignoring UCLA.
12
              I'd like to preserve the facilities, but unless we
13
    reach an agreement, back on the line. We'll know in a few
14
    moments from Brentwood what they want to do.
15
              Okay. Now, you keep going, Mr. Johnson.
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              MR. JOHNSON: Okay. So now we're to the point --
17
              THE COURT: Site 3.
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              MR. JOHNSON: What's that?
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              THE COURT: That's Barrington Plaza, right?
20
              MR. JOHNSON: Site 3, correct.
21
              THE COURT: Barrington Park.
22
              MR. JOHNSON: Barrington Park it's all of it, other
23
    than the north parking lot.
24
              THE COURT: All right. Now, before you use all of it
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there's a post office, in other words, I'm the devil's

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47 1 advocate, just assume --2 MR. JOHNSON: Right. THE COURT: -- that I'm naïve, you're educating me, 3 but I'm going to push back and say, well, why are we destroying 4 5 a parking lot which gives us a setback just to the south of the 6 post office. In other words, we have two parking lots, don't 7 we? MR. JOHNSON: Right. 9 THE COURT: That parking lot is about an acre and a 10 half. So once again we're into a deconstruction or whatever of 11 that parking lot. But if we have that parking lot and it provides all of the parking that we need for whatever we're 12 13 going to build. And I love dogs but that dog park is too 14 large. An acre and a half for dogs, no. Human beings are just 15 as important if not more so. 16 So this dog park is ridiculously large, just go walk 17 through it. We can get a half-acre or an acre back from that 18 dog park. We can give you the rest of -- get rid of those two 19 baseball diamonds that are not used by the way, and by the way, 20 if you don't believe me, just go out there and sit around on a 21 Saturday or Sunday for a couple of hours. Folks, those are not 22 being used. And number two, you couldn't use them if you 23 wanted to without breaking your leg, they're full of holes. 24 So if we left that parking lot, if we just cut it off 25 right about here, see it? And we took the Barrington Plaza,

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    point.
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              THE COURT: Well, 400, 800, and 750. We're almost
    there. We're 1,550. Just a moment, 400 on site 1, add -- oh,
 3
    no, you're absolutely right, add 800 if we go four stories now,
 4
 5
    four stories, add on site 3 750, my math, you're right, 1,950
 6
    we're done.
 7
              MR. JOHNSON: We're done.
              THE COURT: In fact we're over.
 9
              MR. JOHNSON: That's right.
10
              THE COURT: Well, now let's rate the parade of
11
    horribles here comes Barbara and she says we've got methane.
    So let's take a look at our circles, where that's chart. And
12
13
    those circles indicate methane, okay. That's one parade of
14
    horrible. We need to get some monitors out there on Barrington
15
    Park and look at it right away.
16
              MR. JOHNSON: Yeah, that's not -- it doesn't mean you
17
    can't develop it forever --
18
              THE COURT: No, but I don't want --
19
              MR. JOHNSON: -- it just means you've got to
20
    mitigate.
21
              THE COURT: Well why don't you get some monitors in
22
    there now so we don't have the problem before we ever start
    that we ran into with 401?
23
24
              MR. JOHNSON: I think, Chelsea, you have done
25
    something to that effect, haven't you?
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1 | county sending you a letter.
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in.

- MS. BLACK: So the post closure plan will ultimately once approved allow us from what we understand to do further new construction in those -- you know, within the property within that thousand feet.
  - I do want to clarify that the northern portion of the Barrington Park is outside of the thousand feet, so I think we've identified it as area E.
- 9 THE COURT: No, Chelsea, it cuts halfway through.

  10 Could one of you -- could one of the law clerks or somebody

  11 bring this chart down? I have to do this from memory, but take

  12 a look, bring it over closer so she can see it.

One of these circles cuts right through that park.

- Okay. That's what I'm worried about, that we get a last moment, you know, letter after we've put this kind of effort
- 17 MS. BLACK: Correct. The northern parking lot is
  18 outside of the thousand feet.
- THE COURT: Exactly. The northern parking lot is fine.
- 21 MS. BLACK: That's fine. The other areas are still incumbered by the landfill issue.
- 23 **THE COURT:** I just want to talk about that southern 24 area of the park, with the two baseball fields on it.
- MS. BLACK: Uh-huh.

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Now, I want you to look at these circles again and just really a simple question, I just want to know what has to be done so we get no push back from the county. And you know, you may sequence this in in 2029, do you see what I mean? It may get sequenced in earlier. I mean, that's eventually going to be your choice. How do we get a guarantee that we don't run into those problems that you faced, Chelsea, when you took the stand? MS. BLACK: Ultimately again with the post closure land use plan, once we submit that to the county, which we anticipate doing by December of 2025 --THE COURT: Okay. MS. BLACK: -- that plan will be with ALA for review and approval. And that should satisfy their concerns and allow us to continue construction within the yellow and continue on with new construction. THE COURT: Okay. Fair enough. Subject to their approval. MS. BLACK: THE COURT: And you'd be -- and you might be relatively confident then going forward, if you have the funding, if you have the appropriation, and sequencing this in in the future, whatever years those were. MS. BLACK: We hope to again satisfy the ALA, the county, to continue construction under our current master plan --

THE COURT: Okay. Fair enough.

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MS. BLACK: -- for those areas that are affected.

3 THE COURT: Okay. Let's take the next one then, site

4 | 4, I want to come right back to the Jackie Robinson Stadium

5 | because this doesn't make sense to me and I'm going to push

6 back on you. Bring that up. I want to see it.

All right. Could somebody put up some kind of picture from all of our exhibits on the Elmo of Jackie Robinson Stadium or a portion thereof, and if not, I've got some here.

MR. SOBOROFF: Are you talking about the site lay out, Judge, with the temporary units?

12 **THE COURT:** Oh, I don't -- here. Karlen, would you 13 give this to them.

Yeah, just put it up on the Elmo for us, Karlen, thank you.

Now you can work off of this diagram or you can work off what I'm going to put up. And I want the -- I want you folks to continually invite UCLA to be here. I don't want to have a discussion, I don't want to reach any decision, but you represented to me that we were going to use this stadium until after July 5th or July 4th. So I've got a wasting asset.

I know that from your perspective it's grossly undervalued at \$600,000. But when I was looking at this last evening this didn't make sense to me because it says a new four story building wrapped around the outfield of Jackie Robinson

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1
    Stadium. I'm hoping that the VA works with us on this and I'm
 2
    hoping for a hundred some modular unit on Magenta B and you can
    point to it, no, no -- okay, good. Point to Magenta B so we
 3
    all see Magenta B, it's the parking lot. Point to it.
 4
 5
                   Move your finger. It's the gray area.
 6
              MR. SOBOROFF: You're talking about this area?
 7
                          No. The parking lot right near Barranca
              THE COURT:
 8
    Field, point to it.
 9
              MR. SOBOROFF: This is -- that's site B.
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              THE COURT:
                         Yeah, okay. There we go. This whole
11
    area. My apologies.
12
              MR. SOBOROFF: Yes, sir.
13
              THE COURT: All right. Now hold on. We can work
14
    together. I want to assume for the moment and plan for the
    worst that you -- all of you between the VA and UCLA cannot
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16
    reach an agreement.
17
              I've been consistently worried about expending money
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    to tear down things, let me repeat that like a broken record,
19
    because when Brad came in his first opening statement was,
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    Judge, with UCLA, it's going to cost the VA too much money to
21
    tear down an existing structure.
22
              So I've been thinking about that for weeks about why
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    I would spend money and what I'm going to call concrete, but
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    there's absolutely no reason not to tear down that back fence.
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That is a minimal cost.

There is no reason if you can't reach an agreement that come July 4th, subject to all the emergency writs that are going to go up there, that we're not tied together site 7 and site B because we already know subject to ground radar, you've already told me we've got excellent sewage, we've got excellent lighting, it's all in place, then why aren't we taking advantage, without tearing down concrete because it's too costly, and if housing is our best use of this land, why are we not knocking down that back fence and moving right into that stadium and putting modular housing in there just to match the modular housing on site 7 and Barranca Field?

MR. SOBOROFF: That's a definite option.

THE COURT: Because we've already got modular housing going in. What you're telling me is if you could build four stories around the stadium. Now, let's just say UCLA came back to us for a moment. Let's just say UCLA said, you know what, Judge, and veterans and VA, we like the idea of veterans housing, we're going to put in veteran housing, we're going to help you financially over here at UCLA because UCLA is short of housing anyway, they say they've got thousands of veterans over at UCLA that they're trying to help, maybe.

What happens if they came back and gave the VA some money because they needed housing anyway, then that might be an option on the board if they wanted to save their stadium, going four stories high and then you're telling me on site number 4

This is assuming the worst, let's assume you can't reach an agreement.

MR. JOHNSON: 150 units.

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THE COURT: Okay. Now hold on. We've got 106 approximately plus 150, we now have 256 modular units which we're going to call temporary for a moment to help the VA purchase, because they were able to purchase tiny homes, and

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you've already given me in site number 1, 2 and 3, 1,950 permanent homes.
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In other words, what I'm saying, Rob, to you is we may never even have to get near the south campus. But if you take away 5 from me, you've left me no place to go except 4-A because I'm trying to get the paved parking lots first.

And if you continue to maintain the position that you don't have enough land in the opening statement which you weren't part of, frankly that's ridiculous. We've got plenty of land out there.

We're almost done. We haven't even talked about 5, 224 and 222, we haven't even talked about 6, 220. And we haven't even talked about 1.9. We've got plenty of land, folks. In other words, all of you could have it your own way, you never need to touch south campus possibly. I just have to move from 3 to 4 and not tie you in.

And number two, I was a little surprised, I saw your judgment that said 750 with adamancy. I've made a record a number of times, although it's not in the judgment that it should be up to 750. The 1,800 I'm adamant about concerning permanent supportive housing, you take that up on appeal.

UNIDENTIFIED: Yeah.

THE COURT: But with 750 I've been very clear to all of you folks that I was willing to work sequentially with you and that's why I was surprised by the papers, Brad, that you

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1
    wrote saying 750. I see that technically in the judgment.
 2
    That was not intended, it was to be up to 750. I looked back
    through the transcript and I've said that a number of times.
 3
    Okay?
 4
              All right. So we're almost done, we've got the land.
 5
 6
              MR. JOHNSON: Your Honor, the one site that I would
 7
    point you to that is adjacent to Brentwood Glen where you --
 8
    and that is ripe for temporary housing.
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              THE COURT:
                          Point it to me, point it out.
10
              Well, yeah. Point it to me.
11
              UNIDENTIFIED:
                             Site 8, Your Honor.
12
              MR. SOBOROFF: We're basically -- it's all 7-A and 8.
              THE COURT: Site 8?
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14
                            7-A and 8, yes, there you go.
              MR. JOHNSON:
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              THE COURT: Well, in other words, you've got all the
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    flexibility in the world. Let's just say that we were actually
17
    going to 750, what I'm trying to do is tie in the temporary
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    housing in one contiguous place. Now, I'm hoping UCLA settles,
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    I'm hoping that the veterans accept something, I'm hoping that
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    whatever, but if not, what I've given is, I've given UCLA
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    enough time now so that they can't complain that this was a
22
    surprise, that the Judge suddenly cordoned it off which is
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    unfair from their perspective. They've doubled the rent in the
24
    meantime, which I recognize is too little from your
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perspective, and I'm not finding that that's adequate, or

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1 principally for the benefit of the veterans.

They have to have a contingency plan at some point because after the prior case, they were up on appeal so they must have been planning to move to LMU or some place. They've got Palos Verdes out there, in other words, there's no surprise coming July 4th.

And all I'm saying is, that I don't want anybody to argue surprise and for that, I order that the back wall of that stadium be torn down because that's the most logical economic place to go and we're able to tie in modular housing that sweeps apart from Magenta B up to that stadium without destroying and using up the funding, tearing down concrete, right over to parcel 7. And I've got 256 units there already. For goodness sakes, folks, that may be enough, maybe we've over calculated on the 750. Maybe we never get there with some flexibility.

But one thing I'm adamant about, you've got to give me that hundred units, okay. And I'm going to ask you to go back and make a phone call to that decision-maker, otherwise I think Brad's right, we're going to find yourselves in a position potentially if they deny your administrative request and when you don't obey on the 13th, and we'll see you in a contempt hearing. I'm not threatening you. I just don't want to get there, but that's a real possibility.

Okay. So I expect that this is going to get funded

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    penetrating radar. What you don't know if I have a
 2
    receivership over all the facilities and site plan. We put on
 3
    $350 million, we've been horizontal drilling, we've even had to
 4
    worry about Japanese deceased and marines that we've had to
 5
    care for, okay. So I'm a little aware of what you're talking
 6
    about.
 7
              Ground penetrating radar, no problem. It is simple.
    You don't even have to violate the integrity of this.
 8
    do we get Somas out there?
10
              MR. JOHNSON: Well, Somas we put a call into Dave
11
    Curtis, we can do that right now.
12
              THE COURT: Well, tell him to get out there.
13
              All right. Now, Brad, object to it. Make your
14
    record, come up and object so we get this right away.
15
              MR. SOBOROFF: Do you want to hear from Dr. Sharon on
16
    number 5 or no?
17
              THE COURT: Yeah, let me talk to Dr. Sharon for just
18
    a moment. Brad, my apologies.
19
              Dr. Sharon, there's another thing I'm concerned
20
    about, about your testimony that I really took to heart. One
21
    of the things I don't think that we're recognizing as the VA
22
    has argued, look, our numbers are decreasing. What they
2.3
    haven't stated is the suicide rate is going up.
24
              So as the VA's argued on one time, your numbers are
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going down, I'm going to posit to you, that our suicide rate is

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1 going up dramatically and it could be argued that that's

2 because we're leaving our most vulnerable on the street without

3 housing.

The second thing is, when a combat vet goes to see a psychologist or a psychiatrist, typically they spend at least, the kids in my platoon, they spend -- unfortunately I carry this toolbox with me, they go to a professional for a half an hour or 45 minutes two or maybe luckily three times a week, but let's say twice a week. Don't get me wrong, that's excellent treatment, thank you. Thank you.

But the real way veterans heal is talking to veterans. It's in a community, because you see veterans cure themselves because they will talk about their combat experiences when they won't tell their wives, they won't tell their children, they won't tell their grandchildren, but they will say to another veteran, my God, I had to do this in combat and the other veteran says, hey, I had to do something like it, they're not alone.

And when you create communities of veterans, the best healing process is when they can get together and talk to each other because that can be 24/7 or a living arrangement. Now, that doesn't degenerate from a psychiatrist or a psychologist, but I think, Dr. Sharon, that there's been a huge issue with society believing that professionals who simply give medicine for half an hour or some prescription is curing this problem,

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1 the other half of that is getting veterans together. And
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2 | that's why they cling to communities. That's why they have the

3 American Legion, Veterans of Foreign Wars, that's why you have

4 all these associations.

5 Now, Brad.

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MR. ROSENBERG: This being an administrative matter,

I see that there's nobody at the CourtSmart terminal, I just

want to make sure that's still running.

THE COURT: Oh, bless you, Brad. No, go over and sit, I don't trust it one bit. Yeah. It's called the federal courts coming back, thank you, Brad, I appreciate it.

Okay. Now, Dr. Sharon, you can disagree with me but I'll tell you what I know I'm right about that and I could almost take judicial notice that veterans have to live in a community to heal.

DR. SHARON: Yes, Your Honor. I spent a good part of my career developing what in the military community would call Battle Buddy Programs, testified to the House Veteran Affairs Committee on two matters, homelessness and suicide. And my primary recommendation was to expand peer services. So I'm with you entirely.

As I said when I testified, and I would say this about temporary settings, we can't just having housing projects --

25 **THE COURT:** Right.

DR. SHARON: -- we have to have communities. That community involves, of course, interplay between individuals, but it also has to require that there are certain assets in that community, amenities, services, environments for people to recreate and relax.

And I would hope that when we contemplate putting a significant number of veterans in a temporary setting that we incorporate principles of community.

that I took that you were speaking about. Anybody with any military background knows, quite frankly, could take judicial notice of it. These communities need to be formed, because the healing process can't just be a half hour a week or programs with the VA or any other mental professional for a small period of time. That's the beginning of the process, including medication sometimes.

DR. SHARON: Yeah, I would agree and I'm a psychiatrist, but I'm also a big time supporter of non-clinical health and human services which are critical.

THE COURT: Yeah, yeah.

And, folks, that's why the American Legion exists, the Vietnam veterans, the DAV, it's more than just association in terms of name or getting together to have a beer, it's real catharsis for those veterans sharing those experiences that are so unique to them that this quite frankly the civilian world

just doesn't see.

And that's why you need this housing out there on the campus, but Rob, I'm like not to interfere with south -- with your vision of the south campus. I'm trying to get there. But if you keep -- not you, Rob. But if you keep telling me you don't have land, then you're putting me in a box, okay, because then I'm going to go find that land and then it's going to come to south campus or Brentwood or whatever, okay or UCLA.

Now, I wish UCLA was here. I'm not meaning to frighten them, but this is right back on the Board and I don't want to hear on July 5th that they didn't have notice or that they were surprised. They've been given a great amount of grace to start finding other facilities or start getting down to the bargaining table.

And what I'm worried about is everybody in the bureaucracy will wake up in April some time and start serious negotiation and come to me in July and say -- this is a big surprise, Judge, you've now ordered the back wall of the UCLA stadium knocked down and modulars.

So I'm not saying it's going to happen, I'm hoping that we reach some kind of veterans housing, maybe four stories, maybe you can preserve these structures, but it has to be something consequential, because this land is the only value quite frankly. Okay?

Now, Dr. Sharon, eventually we need you. We need you

68 1 in much more of a role than your capacity of testimony. 2 need Dr. Braverman quite frankly if we were cooperative. Right 3 now, we're not cooperative. We're still in the appeal stage and -- all right. Anything else you'd like to say? 4 5 DR. SHARON: Just a quick comment. First on follow 6 up to the issue of Battle Buddies and the importance of vet to 7 vet engagement, on the initial master plan in 2016 which I 8 worked on for over a year, there was a recommendation to use building 264, I would say possibly 33 as a peer center or a 10 Battle Buddy headquarters. 11 THE COURT: Say that again a little bit slower. 12 DR. SHARON: My fault. What I was trying to relay is 13 that in the original 2016 master plan, which I worked on for 14 over a year when Bob McDonald was engaged, we had recommended 15 that there be a headquarters, a Battle Buddy or peer 16 headquarters on the campus and building 264 and also building 17 33 which is one of the originals were recommended as possible 18 sites.

I did want to make a comment about 5, which is what I believe was suggested that brought me up here. I -- there was an agreement I believe clinically from the VA and the plaintiff side about the fact that 5 could be problematic based on its location.

24 **THE COURT:** Right.

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25 DR. SHARON: And at that time there was at least

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temporarily there was expressed interest in using 4-A. And I
understand that that has shifted. And what I would say about 5
is that if 5 were integrated into the clinical array of the
domiciliary then it would make sense. I think trying to
isolate it as an island of temporary housing would be difficult
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So if 5 were used for temporary and it was integrated into some of the services at the dom or U, and I believe the VA has suggested that some of that inventory in the dom could be used as temporary housing. I think that makes sense.

**THE COURT:** Okay.

and I would say a mistake.

DR. SHARON: Did you follow me, Your Honor?

THE COURT: Yeah. No, I'm just absorbing for a

14 moment.

There's always talk since we're kind off track for a moment, there's also talk of this connective tissue, this township. And that to me has been all over the place. No matter what, I need to get housing either temporary or permanent first, and that doesn't mean I have to ignore the township, but the idea that it was put out of having a separate master plan, so we're not delaying this housing and all these machinations and meetings, and that would be anchored by the chapel, you've got the theatre, in other words, you've almost got a neat triangle.

So, Mr. Johnson, Mr. Soboroff, if we took that

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triangle of the theatre and the chapel, are we taking away any
of the proposed housing you have in this exhibit?
          MR. JOHNSON: No, what you're --
                     I can't hear you and I have CourtSmart.
          THE COURT:
          MR. JOHNSON:
                        Sorry.
          THE COURT: Now ultimately this is all the VA's
position, you control this in a sense, you control the
sequencing, et cetera, I've just made an order by 2030 of the
1,800. It's your decision how you sequence that in. My only
adamancy is I need a hundred veterans off the street as of
yesterday and that I'm going to hang pretty tough with you on.
          MR. SOBOROFF: Judge, Randy will go into the detail
but the answer to your question is no. And --
                     Then why don't we clear this up --
          THE COURT:
          MR. SOBOROFF: But it hasn't been a homework
assignment for us to take a hard look at that, although we
have.
                     Well, why don't we just get rid of that
          THE COURT:
area hypothetically for the time being, no decision, but that
could potentially be our township area, however that's
developed and get on with the rest of the project because that
doesn't interfere --
          MR. SOBOROFF: In finding land, Judge, the -- can you
point out the road, the double road with the big median in it?
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Yeah, yeah, take it all the way around, well

1 Number two, I want it absolutely clear why this one 2 year is in effect. After the prior case, not this group of ethical good people in front of me, but somebody went back and 3 constructed a ten year lease at a 1 percent inflation rate. 4 5 need a year to sort out what we really need and don't need and that's why I don't care, in fact, I'll modify the order if you 6 7 want to, if your position is you can't negotiate, not negotiate 8 with me with Brentwood, I'm happy to have you take a shot at I'm happy to have you negotiate this. And do better 10 than what Brentwood's proposed or what UCLA is proposing. I'll 11 give all that power back to you. 12 But what I won't budge on right now is having a one 13 year limitation because you went right -- not you, I'm sorry, 14 the VA went right back historically and put out a ten year 15 lease which means now all of that property is off the board and 16 we couldn't even consider UCLA, we couldn't consider Brentwood, 17 that's ridiculous with 32 acres out there. 18 Now, let me talk to Brentwood. You want to 19 intervene. 20 MR. SANDLER: Yes, Your Honor. 21 THE COURT: Why? 22 MR. SANDLER: A couple of reasons, Your Honor. 23 Number one, it's always been contemplated as part of the 24 settlement agreement -- excuse me. 25 Jonathan Sandler, Your Honor, for Brentwood.

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    couple of reasons to intervene, Your Honor. Number one it was
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    always contemplated as part of the settlement agreement which
    the Court has preliminarily approved and is subject to the
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    final fairness hearing next week, that in order for Brentwood
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    to maintain its position for appeal, if the settlement
    agreement does not go through that Brentwood would intervene
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    and file a notice of appeal.
              THE COURT: I've never agreed to that.
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 9
              MR. SANDLER:
                            The settlement agreement called it a
10
    protective appeal.
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              THE COURT:
                          I've never agreed to that.
12
    the record where I've ever stated that.
13
              MR. SANDLER: I'll have to review the record when the
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    Court --
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              THE COURT: Review the record.
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              MR. SANDLER: -- did go through the settlement
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    agreement in detail.
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              THE COURT: No, please do so.
              MR. SANDLER: I will, Your Honor.
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              Secondly, Your Honor, the filing of the motion to
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    stay by the VA jeopardizes or potentially jeopardizes the
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    settlement agreement. The settlement agreement, Your Honor --
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    excuse me, the motion to stay has -- extends to the Court's
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    orders but for the order voiding the lease.
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In other words, Your Honor, if the Court was to grant

injunctive hearing. We have a settlement in principle that will allow Brentwood to enter into a lease with the VA that will continue on.

THE COURT: Then why don't you just do the right thing, why doesn't Brentwood come forward, and I'm going to be blunt about this, and do what you should have long time ago with or without a settlement, why don't you open up this to the veterans till 2 o'clock in the afternoon, just like you bargained regardless? Why don't you put the \$3 million forward because quite frankly if you don't, then the Court is going to take some kind of action, okay, and you're right back in the playing field.

Now if you want that, so be it. I'm not telling you what action I'm going to take, but if you're moving backwards on this which I perceive you are, because I'm not hearing anything for the principal benefit of veterans, I'm hearing once again, for the benefit of Brentwood School. And I think you putting up \$3 million may be a small price to pay in this matter that the Court is willing to exceed to.

Now the box that I'm in is I'm ordering the VA to do this potentially and I understand that's potentially inconsistent, but I think it's a value that it does principally benefit, but if the VA can negotiate with you and get you to a higher position or a lower position I might consider that. But right now I don't see why I'm going to allow you to intervene

1 at this late stage.

2 MR. SANDLER: Your Honor, I want to make sure I'm 3 clear because I don't agree with what the Court just said.

4 Brentwood is not backing out of its settlement agreement.

5 Brentwood is not backtracking, Brentwood remains committed.

We --

THE COURT: Hypothetically let's assume that I deny your motion to intervene. Now what are you going to do? Go back and think about that and talk to your Board. You're right back in the playing field and you don't know what I'm going to do. I'm not sure yet what I'm going to do. But I'm going to do something.

And number two, it seems to me that \$3 million is money well spent and Brentwood taking the position of opening this up to the veterans immediately whether you have a settlement or not is just the right ethical and moral thing to do, just as the VA right and ethical and moral thing is to get a hundred of these modulars up.

MR. SANDLER: And we're making -- Brentwood is making those changes to the hours. They're staffing, they are hiring staff to do that, they are getting people trained to do that.

Your Honor, just Monday we hosted a very large significant stand down on campus. We are taking actions as if the settlement agreement is going to go through.

THE COURT: Time out. All appreciated, but the most

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    valuable thing that we have is about 30 some acres that
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    Brentwood possesses. As long as the VA says that they don't
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    have this property, now we find our situation looking at UCLA
    and Brentwood and everybody ignored that in the past. So this
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    is back on the table, it's your choice. If you want to come
    back into the floodlights, that's up to you, but you could
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    probably anticipate when you talk to your Board that there's a
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    good chance I'm going to deny this motion to intervene.
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              And in doing so, then you're going to make the choice
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    of what to do. So not a final ruling yet, because I want to
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    see what the position of the plaintiffs are in this matter and
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    the VA. So stay there for just a moment. Let's find out what
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    their position is, on behalf of the plaintiffs.
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              MR. SILBERFELD: Your Honor, we did not oppose the
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    motion to intervene for several reasons. One is that the
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    settlement agreement was integrated and interconnected with VA
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    entering into a new one year lease with --
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                          But they're opposing that.
              THE COURT:
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    doesn't want the Court involved and the VA doesn't want --
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              MR. SILBERFELD: Correct.
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              THE COURT: -- to be dictated to in terms of one
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    year.
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              MR. SILBERFELD: Correct. And if their stay motion
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    were to be granted either here or at the Circuit, the effect of
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be at least in limbo, if not destroyed because at the moment at least, since they are not appealing the voiding of the lease with Brentwood, and they're not seeking a stay of that, the effect would be that Brentwood would be basically trespassing because they don't have a new agreement, they don't know who to pay rent to on December 1, for example, and their settlement agreement to pay \$3 million within 60 days and \$2 million in a year is at least in jeopardy and all of this is not the doing of either Brentwood or the plaintiffs frankly, it's the doing of the VA who are refusing, as I understand it, to enter into a new one year lease consistent with the Court's judgment about this.

That is why this motion to intervene is made necessary and candidly and we're kind of anticipating one of the arguments we'll make in our brief on the motion to stay tomorrow candidly, there's no irreparable harm at all to the VA. There's irreparable harm to the plaintiffs who won't have housing if the stay is granted, and there's irreparable harm to Brentwood School and those facilities and the expectation that the school would have a one year term to continue its operations, keep the core, make the rest available, pay rent, pay the \$3 million, pay the \$2 million in a year, all of that is in jeopardy.

And so the irreparable harm if there is any to be talked about here is not irreparable to the VA, but irreparable

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harm to the plaintiffs, who will not have the housing and I do
want to return at some point to the ex parte application for
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- 3 the emergency order, but there will also be irreparable harm to
- 4 Brentwood, which is why we support their intervention. Because
- 5 I think ultimately they're going to take a position opposing
- 6 the stay motion as well.

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that apparently.

- THE COURT: Okay. Let's hear from the VA for just a
  moment. Okay. I've got an open mind on this, but I'm trying
  to anticipate and think through a whole bunch of options, so
  Brad, now it's your turn.
- 11 MR. ROSENBERG: Sure. The federal defendants do not oppose Brentwood's motion to intervene.
- 13 **THE COURT:** And let me hear that again.

Brentwood's motion to intervene.

- 14 MR. ROSENBERG: The federal defendants do not oppose
- 16 MR. SILBERFELD: If I could just observe one other
  17 things, Your Honor.

THE COURT: Does that mean then that the ultimate issue though is what will the VA take -- a position concerning the settlement. In other words, that's the ultimate issue because before the VA is opposed to the settlement with Brentwood. And my speculation is that they can't do any better in terms of bargaining, their position is that they can't bargain, which I disagree with, they can, and I need to clarify

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And number three, where I'm drawing the line is though that they can't enter into an initial lease of over one year and that would be interesting for the Circuit to look at because then we're tying up property for ten years, just like the prior case, Valentini. That means if we need that property we have to go back and break in this list and that's exactly what the VA did -- not you folks. Once again, I've got honest ethical counsel and witnesses here, I want that absolutely clear. We're right back after the Valentini case, put it on a ten year with a one year -- with a 1 percent inflation, what kind of sweetheart deal is that. That's extraordinarily bad and that's why I'm limiting you to one year because I want to sort out the property. It may be that you could have a longer lease in the future, but if your position is I don't have property then I need to have as much property available as possible and that's why this can't be more than a one year lease. MR. SILBERFELD: And my understanding of the VA position is and has been that I'm sorry to put it as bluntly as this, the VA does not want the Cour telling the VA what the terms and conditions of a lease are. THE COURT: Oh, I understand that. MR. SILBERFELD: They want that unfettered right.

And the Court does intend to have some

supervisorial position now.

MR. SILBERFELD: Right.

THE COURT: I'm not sure if I want to be as active as I've been in the future, but this demands some kind of supervision or we're right back to the <u>Valentini</u> case. Some judge ruled a nice order that was completely ignored, and also quite frankly and once again, no fault of the present counsel, absolutely enters into a conversation between two VA officials that I can't -- well, about how to keep veterans out of giving input and how to keep a FOIA request and then front UCLA quite frankly by calling them over to the athletic department and then UCLA, as high as the chancellor's office and the communications department decides to enter into this complicitly and make the announcement to shield the VA.

That has created so much distrust I would think on the plaintiffs' part, so there just has to be more open communication in the future and the Court needs to be there to assure that frankly, amongst other things.

And also in the final analysis, I think now the Court needs to find that this is principally for the benefit, if it is for the veterans, these ten year leases have to fall by the wayside until we know how much property we have. And it certainly isn't going to be the 1 percent inflation rate in the future.

MR. SILBERFELD: Your Honor, can I make one other

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about it then, keep --

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observation? It has to do with the difference between UCLA and
Brentwood, as it relates to their conduct in these proceedings
over the last 60 days?
          UCLA has never come forward to the plaintiffs.
realize they had an overture with the special monitor and we
have that deal in place, but they've never come forward and
made a significant settlement proposal that involves the use of
that land.
          Brentwood did and Brentwood has and those core
facilities that cost I think 20 or 30 or $50 million, I forget
which figure it is, the fields, the weight room, the pool, the
gymnasium, all of those facilities as the Court has found are
ready are things that the VA is never going to build, that
they're there for the use of veterans, albeit with hours, but I
think that is a difference that is worth nothing in terms of
the relative position of those parties.
          THE COURT: When will I get that briefing then from
      In other words --
          MR. SILBERFELD: On the motion to stay? Tomorrow.
          THE COURT: Okay. And concerning your position about
Brentwood intervening?
          MR. SILBERFELD: We had not planned to file anything.
We told Mr. Sandler that we do not oppose their intervention.
          THE COURT: All right. Let me go back and think
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regarding our position it is set forth in that e-mail in some detail.

I'll also note the one additional concern that may not be fully captured by my e-mail is the potential for liability, particularly if we're dealing with potholing, and I'll ask the Court to recall the testimony from Dr. Braverman at trial, I believe when they were doing some digging for a new bridge home, they, you know, contacted some asbestos underground. And this is obviously a very old campus.

What's underneath these parking lots is, you know, a bit of mystery, that's why I think plaintiffs want to conduct this site analysis and the potholing and we're concerned about liability issues should, you know, something like power be knocked out to the north campus or should something be struck. But our position otherwise is set forth in my e-mail.

THE COURT: Brad, why are we going underground? In other words, we've got overhead utilities, electricity, we've got the ability to run sewer overground. Why are we going underground?

MR. ROSENBERG: I don't know whether we are or are not going underground. I think the question now is whether this survey is necessary. But also it's a question of what is the appropriate process by which the survey should take place. And as set forth in my e-mail, you know, any work that would be -- this is all -- overlaps with what would be contemplated

as part of a larger site survey and prep contract.

And so in some ways we think that the plaintiff's request is getting a little bit ahead of itself because this is work that VA, you know, ultimately would need to conduct and Ms. Black can correct me if I'm wrong, but she's nodded her head yes, this is work that VA would ultimately need to conduct in order to be able to prepare the sites for any temporary housing units that would be placed there.

Now, Mr. Silberfeld had said that this will be done on plaintiff's dime, you know, that's another concern that we have because this goes around VA's contracting process by effectively fronting some of this work ahead of when VA would otherwise be contracting for this work to be done.

What's unclear though is whether the Government would ultimately need to pay those costs if plaintiffs seek to recover those costs from the Government later in this litigation, because if that's the case, then it is effectively a workaround VA's procurement processes and that's another basis for us to object.

THE COURT: Okay.

MR. ROSENBERG: I don't have anything else on that issue, Your Honor. There was one issue that I did want to -- you know, there's actually two issues that I wanted to raise, now that I think about it.

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both sides.

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contracts for service disabled veteran owned small businesses
when there's a reasonable expectation that two or more of those
veteran owned small businesses will submit offers and award of
a contract that can be made at a fair and reasonable price.
And that's obviously a provision that benefits veterans.
          THE COURT: Sure. And balancing those two, veterans
are better served immediately a hundred modulars, than they are
with that competitive process and you'll have that properly in
the rest of the long term supportive housing and most of the
other modulars. But we need to get a hundred or so veterans
off the streets now.
          MR. ROSENBERG: Okay. The other -- the next
requirement is the Buy America Act, of 41 U.S.C. 83 which
restricts the purchase of non-domestic supplies and
construction materials --
          THE COURT: Good. Let's have some Americans
available and not dead so they can use that modular. Okay?
I'm not too worried about temporarily using Japanese steel or
American steel. Next, okay.
          MR. ROSENBERG: The next requirement are contractor
responsibility requirements set forth in FAR 9.104 which
identifies elements prospective contractors must meet to be
determined responsible and eligible for a contract award.
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THE COURT: We could if we all quit slow walking on

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MR. ROSENBERG: The next requirement is the Miller Act, 40 U.S.C. Section 31, also FAR 28, which is a mandatory construction requirement for contractors to submit performance and payment bonds for the protection of both the Government and suppliers. The next requirement the VA would normally comply with that it views this Court has having waived are federal and safety labor standards in FAR 22, which identifies various labor requirements, including wage determinations and safety standards for the protection of laborers. And finally the requirement for certified cost and pricing data in 10 U.S.C. Chapter 271, 41 U.S.C. 35 and FAR 15.403-4 which details the information required to assess the reasonableness of offered prices. Again, just for the record, these are all requirements the VA would normally comply with and that it feels strongly should be complied with, but understands that this Court has waived. THE COURT: Sure. With the emergency inclement weather and veterans suffering to this degree and balancing this, this is far more beneficial that we get these modulars up immediately. MR. ROSENBERG: Understood that the Court has made that determination.

Okay.

THE COURT:

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MR. ROSENBERG:
                          There's one last issue I do want to
raise and it actually does involve UCLA. And this Court's most
recent order at Docket No. 386 permitted UCLA to access its
baseball stadium. And it's an issue that we would like to
request a little bit of -- on which we'd like to request some
clarification.
          As I noted in our last hearing before the Court
entered the order, for any payments to remain on the West LA
campus, they must be payments that are rent, pursuant to a
lease, which then means that those payments would go into the
lease revenue fund --
          THE COURT: Uh-huh.
          MR. ROSENBERG: -- that is the fund that allows
for --
          THE COURT:
                      Sure.
         MR. ROSENBERG: -- grievance on the campus.
          The Court's emergency order refers to UCLA's
representation of a forthcoming payment of $600,000.
          THE COURT: Within 14 days of the order.
          MR. ROSENBERG: And we just want to make clear that
or would like the Court to make clear what the form of that
payment is because there is some ambiguity and if that payment
is not construed to be a rent payment under a lease going into
the lease revenue fund, then there is a risk that the money
instead would go to the Department of Treasury, which nobody in
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you.

judge has issued an order and nothing is forthcoming.

we're not going to end up in that position unless the Circuit decides to reverse me. All right.

## (Pause)

THE COURT: All right. So ordered and you can docket this number or this order, emergency order No. 3. Now having done that, how are we going to now accomplish this ground radar because by order of this Court you do have access to 4-A, 5, you have access to Magenta B and you have access at the present time to parcel 7.

MR. SILBERFELD: Thank you, Your Honor.

THE COURT: I don't think the Court needs to be any more intrusive at this time, I don't think that's needed. I think that would be overbroad and I think it would deflect from the emergency that we need to focus on.

Now, we're going to go out there and hopefully we won't be there till midnight, but I want these buildings opened up, okay. And I may be asking you some informal questions about the sewer line, because remember during the trial, once again with nothing to do with counsel or the present representatives of the VA, I was presented with a document with red lines all over it concerning sewers that weren't complete or that needed fixing until the Court part way through that testimony noted that 401 and MacArthur Field were actually coming to the forefront and those red lines indicated at that time that there was no sewer and no facilities.

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Now, the witness on the stand never told the Court that they were dealing, and I want you to hear this, that they were dealing with an old document of 2020 and 2021. Some people might think that's misleading, others might think that that's just negligent, but it would have left the Court in the -- or just unrecognized by the witness. But it would have left the Court then in the position of believing that the sewer lines weren't in and the electrical wasn't in. The Court spontaneously asked, well isn't 401 and MacArthur Field coming on line. And at that time, the witness said, Judge, these aren't up to date. Now that would've been disastrous for the Court to make a ruling based upon that document when nobody had represented to the Court how old that was and thank goodness we'd been out there, that's one of the benefits of being there and also hearing that over \$100 million of infrastructure was already in place.

What did we do with that \$100 million? Well, it went into those same areas. Do you have any current document that will supplant that document because that document was really misleading? And if you don't, just say you don't.

MS. BLACK: We've submitted the documents to the Court that are the most recent.

THE COURT: Okay. Put it up on the board for me.

No, you two get together now so we're not wasting time

Then we'll take next Wednesday

Okay.

THE COURT:

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    afternoon.
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              MR. SILBERFELD: Do we have a time for the hearings
    in the morning? I don't think the Court --
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              THE COURT: The earlier we start the better. I'd
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    like to start as early as possible --
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              MR. SILBERFELD: 8 a.m. is fine with us.
 7
              THE COURT: -- just so we can get out there. Can we
    say 8 o'clock?
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              MR. SILBERFELD: 8 a.m.
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              THE COURT: 8 a.m.?
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              MR. SILBERFELD: Yep.
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              THE COURT: Brad?
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              MR. ROSENBERG: Agreed.
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              THE COURT: Cody? All right. Counsel.
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              MR. SANDLER: Thank you, Your Honor, Jonathan Sandler
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    for Brentwood.
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              Your Honor, just to be clear, Brentwood does want the
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    fairness hearing to go forward on the 13th.
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              THE COURT: I'm sorry?
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              MR. SANDLER: We do want the fairness hearing to go
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    forward on the 13th --
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              THE COURT: Okay.
              MR. SANDLER: -- regardless of how the Court rules on
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    the motion to intervene.
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              THE COURT:
                          Okay. Well I may be making that ruling
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    on that day also. Let me -- in other words, I need to absorb a
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    lot of the documents you've been filing, you know, very
 3
    recently.
 4
              Okay. So then we're postponing this.
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              MR. SILBERFELD: Yes.
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               THE COURT: Well then wish all of you the best, we'll
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    see you on the 13th. Okay?
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              MR. SILBERFELD: Thank you, Your Honor.
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               THE COURT: Dr. Sharon, you might be present also on
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    the 13th.
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          (Proceedings concluded at 1:43 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 / Julian

November 8, 2024

Signed

Dated

TONI HUDSON, TRANSCRIBER