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UNITED STATES DISTRICT COURT	
CENTRAL DISTRICT OF CALIFORNIA - WESTERN DIVISION	
LA ALLIANCE FOR HUMAN RIGHTS, et al.,	) Case No. LA CV 20-02291-DOC (KESx)
Plaintiffs,	) Los Angeles, California
vs.	) Monday, November 14, 2022
CITY OF LOS ANGELES, et al.,	) (9:03 a.m. to 9:48 a.m.)
Defendants.	)

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TRANSCRIPT OF PRESENTATION OF FINAL SETTLEMENT AGREEMENT  
BEFORE THE HONORABLE DAVID O. CARTER  
UNITED STATES DISTRICT JUDGE

Appearances:	See next page.
Court Reporter:	Courtsmart
Courtroom Deputy:	Karlen Dubon
Transcribed by:	Jordan Keilty Echo Reporting, Inc. 9711 Cactus Street, Suite B Lakeside, California 92040 (858) 453-7590

Proceedings recorded by electronic sound recording;  
transcript produced by transcription service.

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1 Los Angeles, California; Monday, November 14, 2022 9:03 a.m.

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3 (Call to Order)

4 THE COURT: All right. We're on the record in the  
5 matter of First Alliance versus the County.

6 And, Counsel, if you'd be kind enough to make your  
7 appearances and, first, good morning to each of you.

8 MR. MARCUS: Go ahead.

9 MS. MITCHELL: Good morning, your Honor.  
10 Elizabeth Mitchell on behalf of Plaintiffs. My co-counsel,  
11 Matt Umhofer, is at another hearing. He will be here  
12 shortly.

13 THE COURT: I'd like to wait for him. How soon?

14 MS. MITCHELL: It's -- he's in a hearing right  
15 now. I don't know. We can -- I think he -- he asked me to  
16 go ahead and proceed without him.

17 THE COURT: Okay. Fine.

18 Counsel on behalf of the City then?

19 MR. MARCUS: Scott Marcus on behalf of the City of  
20 Los Angeles.

21 THE COURT: And on behalf of the County?

22 MR. MILLER: Good morning, your Honor. Skip  
23 Miller and Mira Hashmall for the County.

24 THE COURT: Thank you. Good morning.

25 Have a seat please, and thank you for your

1 courtesy.

2 Ms. Myers, on behalf of the Intervenors.

3 MS. MYERS: Shayla Myers on behalf of the  
4 Intervenors. Thank you.

5 THE COURT: All right. Thank you very much,  
6 Counsel.

7 There's a tentative settlement before the Court.  
8 I'm welcome to hear any input beginning with any of the  
9 parties.

10 MR. MILLER: I'll start, your Honor, if that's all  
11 right. Thank you, your Honor. I guess the first thing I'd  
12 -- I'd ask the Court is there any particular concern or  
13 question the Court may have?

14 THE COURT: I'd like to listen to the parties  
15 first.

16 MR. MILLER: Okay. I'll -- I'll be relatively  
17 brief. No objections. This was thoroughly negotiated over  
18 a long period of time. It's a very substantial settlement.  
19 The -- to me, the most important component -- there are  
20 several components which pretty much speak for themselves,  
21 but the most important thing is following the City's  
22 settlement and the provision therein to build I think it's  
23 around 14,000 new beds, we engaged, re-engaged, continue to  
24 engage with the City because our services at the County are  
25 critical to building those beds. In other words, these two

1 settlements really go hand in glove, and that's a major  
2 component. It's something that we're stepping up to do.  
3 We're going to fund a suite of wraparound services for the  
4 14,000 new interim beds and shelter. The services will  
5 include public assistance, welfare, mental health, substance  
6 use disorder, advocacy benefits. It's all spelled out in  
7 the agreement.

8           So, we're -- we're happy to do that. That's what  
9 we do. That's what the County does, and we're stepping up.

10           And then the other terms are also equally, you  
11 know, close, if not equally significant. We're providing  
12 access to -- directly to City homeless people for high-  
13 acuity beds. We're providing 400 new mental health  
14 substance use -- substance use disorder beds. We're  
15 increasing the number of multi-disciplinary and home teams.  
16 We're furthering our partnership to find land to build  
17 shelter on. And, so, it's a very substantial, heavily  
18 negotiated deal.

19           And, your Honor, I want to say it's in addition to  
20 everything else the County's doing. This settlement of this  
21 lawsuit is -- is important. It's a milestone. It's an  
22 indicia of cooperation between these two entities, the City  
23 and the County. But we're continuing with everything else.  
24 We're continuing with the -- the shelter. We're continuing  
25 with the Measure H and all the other things that are outside

1 of this lawsuit. None of that is being abated. And any --  
2 or affected in any way, shape, or form.

3           So, that's an overview of the settlement itself.  
4 As far as the agreement provides for specific milestones,  
5 which we have every intention of meeting. The County meets  
6 its obligations. We're going to report quarterly to the  
7 Court. There's a mechanism for enforcement, which I don't  
8 think will ever be necessary, but it's -- it's spelled out  
9 in there, and I'm sure if there's any issue, that the  
10 Plaintiffs will utilize that enforcement mechanism. And  
11 this Court has continuing jurisdiction for purposes of  
12 enforcement over a period of five years.

13           So, on that basis, your Honor, I would submit that  
14 the -- the settlement is -- it's good. It's good for --  
15 it's good for homeless people. It's better than spending  
16 money on litigation, okay, which is a major driver of that.  
17 And we would ask that the Court approval the dismissal. We  
18 have to get the Court's approval of the dismissal because an  
19 answer was filed, and under the Rule -- under -- under Rule  
20 41, once an answer's filed, the Court has to grant approval.  
21 I don't think there's any basis to deny the approval. I  
22 mean, the only basis would be if there's prejudice to the  
23 Defendant, like if we had a summary judgment motion pending  
24 or something like that and the Plaintiff tried to sneak in a  
25 -- a dismissal.

1           We have a consensual settlement agreement. So,  
2 there -- there shouldn't be any issue at all about that.  
3 So, on that basis, your Honor, I would submit it subject to  
4 any questions or concerns the Court may have.

5           THE COURT: Mr. Miller, thank you very much.

6           MS. MITCHELL: Thank you.

7           THE COURT: On behalf of the City, any comments?

8           MR. MARCUS: Thank you, your Honor. Scott Marcus  
9 for the City. It's interesting. The Court may remember  
10 when the City and the Plaintiffs reached a resolution, the  
11 County voiced strong objections to our settlement, and Mr.  
12 Miller stood up in court here trying to convince you not to  
13 grant the order of dismissal at that time.

14           The City is happy to see, however, that the County  
15 has stepped up with this settlement agreement. We are happy  
16 to see that the County is committing to providing the  
17 necessary services to deal with the homeless issue in a --  
18 in a manner enforceable by this Court. So, the City has no  
19 objections.

20           THE COURT: All right. Thank you very much.

21           Ms. Myers on behalf of the Intervenors, do you  
22 have any comments?

23           MS. MYERS: Your Honor, as we said in our  
24 statement of nonobjection, we don't object to the substance  
25 of the settlement agreement at all. We think that to the

1 extent that the County is providing services, that's  
2 incredibly important, and we -- I do just want to make just  
3 a quick reference to the games that the City and the County  
4 and the Plaintiffs seem to be playing with what the Court is  
5 actually entering in this instance.

6           As Mr. Marcus pointed out, as did Mr. Miller, the  
7 City, the County and the Plaintiffs are asking for the Court  
8 to keep continuing jurisdiction to enforce the settlement  
9 agreement. That is effectively a consent decree, and,  
10 therefore, the standard for approving a consent decree is  
11 what applies here.

12           We do not object, though, to any of the substance  
13 of it, just with the ways in which the parties are  
14 attempting to frame what's going on in the court today. So,  
15 thank you.

16           THE COURT: Thank you, Ms. Myers.

17           And counsel on behalf of the Plaintiff?

18           MS. MITCHELL: Thank you and good morning, your  
19 Honor.

20           THE COURT: Good morning.

21           MS. MITCHELL: This -- this settlement was reached  
22 after months and really years of negotiation. It -- it  
23 really is a triangular agreement. We had the Plaintiff/City  
24 agreement earlier. We had -- this is now the  
25 Plaintiff/County agreement, and the City and the County have



1 their own separate agreement which largely tracks what we're  
2 doing here today.

3           There -- there is no doubt in Plaintiffs' mind  
4 that the County can and should do more. But, given the  
5 significant concessions that have been made, the cooperation  
6 between the City and the County that we have not seen in the  
7 past, which is largely addressed by this agreement and given  
8 the necessity of the -- the supportive services here to  
9 support the City agreement and the projects that are being  
10 built, we believe that this is a very good deal.

11           I'm happy to address any other -- any other  
12 concerns that the Court has now or in the future.

13           THE COURT: All right. I want to thank you very  
14 much.

15           Any comments from any persons in the audience who  
16 are interested parties in this matter?

17           (No response.)

18           THE COURT: All right. Counsel, give me a -- a  
19 few moments, and I'll be back with possibly some questions  
20 that I think you can readily answer for me. The ELMO's  
21 working. So, if you have a copy of the settlement  
22 agreement, it might be easy to put that up when I ask these  
23 questions. Okay.

24           MR. MILLER: Judge, there is -- there is one other  
25 issue. That is the -- there's a -- we're going to need a

1 dismissal of one of the Plaintiffs, Gary Whitter.

2 THE COURT: Okay. Got that.

3 MR. MILLER: He's the guy who's in the wind.

4 THE COURT: Thank you.

5 MR. MILLER: Okay.

6 (Proceedings recessed briefly.)

7 THE COURT: Mr. Umhofer, is he -- in other words,  
8 I don't want to be discourteous, but he's more than welcome.  
9 If you need me to wait a few moments, I'm happy to.

10 Also, Carol Sabel, if she wanted -- or Sobel, if  
11 she wanted to be present or Brooke. Shayla?

12 MS. MYERS: I don't believe --

13 THE COURT: Okay. No problem. I'm happy to go  
14 forward, but I want to pay that courtesy to Brooke and Carol  
15 and Matt if he wants to be here. Okay.

16 (Pause.)

17 THE COURT: Okay. I represent to you I can't  
18 count the number of times that I have read both the initial  
19 City settlement agreement, reread it, as well as the initial  
20 City settlement agreement, reread it, as well as the  
21 tentative agreement between the two of you. So, bear with  
22 me.

23 It should not be the burden of private citizens to  
24 sue their local elected representatives as First Alliance  
25 has done in this case. Only in times of desperation, anger,

1 hopeless, do lawsuits strike or come forth such as this  
2 case, and this case has expanded from what I viewed  
3 initially as a downtown, Skid Row, geographical lawsuit that  
4 now is a citywide lawsuit and a countywide lawsuit. And,  
5 therefore, this Court's perspective has changed along the  
6 way.

7           If I were to believe it was born out of  
8 desperation and fury from decades of neglect -- it's a  
9 beautiful vibrant city, and it's been crying out for relief  
10 for citizens for a long time.

11           Somehow, even in the settlement discussions but  
12 long before, the homeless are spoken of as a separate group.  
13 Some say they are all addicted or all mentally ill or drug  
14 abusers or criminals, and others categorize homeless as the  
15 evicted, poor, beaten abused women, children living on our  
16 streets or huddled in cars, workers who cannot afford the  
17 City of Los Angeles. And the truth is that the homeless are  
18 all of us, and they and us cannot put them into these echo  
19 chambers of oneness.

20           I've watched the City and the County over the last  
21 two and a half years perform their duty and work well  
22 together occasionally when self-interest was the motivator.  
23 I've watched the clearing of routes to the Academy Awards a  
24 short distance from here, the homeless swept from the  
25 highways to the World Cup, and I have no doubts that this

1 City will clear, by force if necessary, for the Olympic  
2 Games in 2028. And I'd ask you to ask the question I've  
3 been asking myself is if these efforts can't -- are taking  
4 place, why aren't they taking place in these interim periods  
5 of time on behalf of the entire City instead of these  
6 specialized occasions. Massive budgets through public  
7 trusts were created, but the results have been  
8 disappointing. I have no criticism of the initial pioneers  
9 who at least tried. Better for them to have tried and  
10 fallen short than the fear and hopelessness that has brought  
11 forth the inertia that this Court witnessed.

12 I'm the first to admit that this Court has done  
13 unorthodox things that are rightfully subject to debate and  
14 criticism. The creation of a freeway overpass and underpass  
15 injunctive order, an injunctive order requiring and ordering  
16 sequenced shelter and mandates for women and children first  
17 in Skid Row, followed by the entire Row within 90 to 180  
18 days. I'm please, though, and now I want to turn the corner  
19 with you.

20 I'm pleased that the 6,000 shelters were created.  
21 You've represented to me those have been created. I've  
22 taken that at face value. I'm pleased that the City moved  
23 forward with the 12 to 14 thousand units, and I'd like that  
24 conveyed back to the City Attorney, Mr. Feuer.

25 But these injunctions and settlements, from this

1 Court's perspective, were just the beginning, and I'll be  
2 the first to tell you now I've always believed that they  
3 were inadequate. I have to share with you transparently  
4 that I thought it was irresponsible on my part, though, not  
5 to accept meaningful efforts by the City to try to turn that  
6 corner with your budget limitations and turn down the two to  
7 three billion dollars that was being represented to the  
8 Court that the City was going to spend. I thought it was  
9 irresponsible of the Court to turn from perfect and not  
10 accept the good in those efforts by the City.

11           And, so, I'm the first to tell you publically and  
12 privately that I have always believed that the City's  
13 settlement was inadequate to resolve the homeless problem in  
14 Los Angeles, but it was a meaningful genuine effort between  
15 First alliance and the City to move forward. And, so, I  
16 didn't want to turn down 12 to 14 thousand new units. I  
17 didn't want to turn down your two to three million dollars.  
18 But we all know that it's a mark on the way hopefully to  
19 even more that -- whether it's Rick Caruso or Karen Bass,  
20 whoever that next Mayor is, fulfills their campaign promises  
21 to move it forward in a much more substantial way than these  
22 settlements.

23           The settlement requested today would ask for the  
24 Court's blessing and signature and approval, and I watched  
25 the Youtube of your meeting at City Hall. And, first, there

1 was the statement made by politicians that there was \$750  
2 million that came from this settlement. I'd ask you to ask  
3 yourselves is that true, because in the same breath that  
4 there's \$750 million, \$500 million of that were already  
5 committed H funds. It wasn't new money. And, so, the  
6 calculation that I came out with was there was about \$256 to  
7 \$257 million by the County, which is substantial.

8           The second question that I'd ask you in terms of  
9 can we do better is that the shelter and housing  
10 architecturally in this divided bureaucracy and area of  
11 responsibility is the City's, but this is not completely  
12 accurate. When we're dealing with mental illness, when  
13 we're dealing with drug rehabilitation, when we're dealing  
14 with transitional youth and minors under our government  
15 agency care, then the responsibility is the County's. And  
16 six years ago when I started with Carol Sobel, who I truly  
17 wish was here today, and Brook Weitzman, I've constantly  
18 been quoted a figure that 40 percent of the homeless that  
19 you deal with on the streets, Judge, will be narcotics  
20 addicted, that needs rehab centers or will have mental  
21 illness or a combination of both. Now, as an aside, that  
22 doesn't account need for couples beds, dogs, caring,  
23 animals, et cetera, being a support group for the homeless,  
24 which has nothing to do right now with what I'm about to say  
25 to you about these 300 beds.

1           If it's estimated on the City's part, Scott, that  
2 12,000 people are coming in and we're going to achieve that  
3 goal working together, then 40 percent or take even a lower  
4 number of 12,000, and I'm taking the lowest number, hoping  
5 for 14,000, but taking the lowest number, it's about 4800  
6 people. I'm going to ask if 300 beds resolves that need for  
7 mental illness on our streets. I'm going to ask you to ask  
8 that question of yourselves and ask yourselves can we do  
9 better.

10           The second thing is what are we doing with the  
11 remaining 12,000 minus 42,000, which is about 30,000 people  
12 that we're leaving on the streets? They haven't been  
13 adequately serviced. Where does this agreement lead with  
14 300 promised beds, by the way, sequenced over two years, in  
15 terms of dealing with this tragedy on the streets and the  
16 spiraling death rate?

17           I want to applaud you, Skip, because I think  
18 you're right. The City and the County have a newfound  
19 spirit of working together. That's partially through your  
20 efforts.

21           But, with that breakthrough, we now have newly  
22 elected leaders, and none of us know if it's Karen Bass or  
23 Rick Caruso as we sit in court today. We have a brand new  
24 council in the sense that many members are returning, but  
25 many members -- it's like the Supreme Court. You change one

1 member, you change the entire court. Will these newly  
2 elected leaders feel confident in this document, this  
3 settlement created by an old administration? Are they going  
4 to feel comfortable being tied to a settlement agreement  
5 that they didn't have any part in? Because the political  
6 promises have raised from 15,000 units with Karen Bass to  
7 30,000 units with Rick Caruso. Who knows what reality is?  
8 It's ranged from declaring an emergency and, if you recall,  
9 the Court wrote in February of 2021 asking the City to  
10 declare an emergency. Both candidates now seem to be  
11 willing to finally declare an emergency. Those are  
12 incredibly important steps.

13           And a lot of these provisions in the agreement are  
14 aspirational. I know that they're taken in good faith. I'd  
15 like to turn that corner in terms of trust, but if they're  
16 aspirational, then I need to know that this new mayor is  
17 committed to going forward for four years and that this new  
18 council and that the board president, the chairperson,  
19 Hawley, is willing to go forward in four years because  
20 you're right, these are absolutely intertwined.

21           And, finally, I want to turn back to you, Scott.  
22 In the City settlement, there's accountability. You created  
23 a monitoring provision. It didn't leave the Court at the  
24 whim of not being able to check either the good faith  
25 accuracy or just the accuracy by having a monitor. They



1 gave me the confidence that I could spot check, et cetera,  
2 and know that those numbers were credible. I took that as a  
3 tremendous breakthrough in terms of the trust between us  
4 because there it seems that you were not only giving the  
5 Court the power to monitor but you were absolutely accepting  
6 accountability, and that's what I -- what I perceived for so  
7 long was missing in all of these aspirational promises that  
8 were being made to the public and to the Court. And,  
9 therefore, I was heartened by the provision of the  
10 monitoring. Here in the County agreement, I won't go  
11 further, but I'm just going to ask can't we do much better  
12 in terms of accountability if you look at provision number  
13 nine?

14           Now, Elizabeth, I want to turn to you for a  
15 moment. Look, it's not fair. If I turn down this  
16 agreement, you and your firm are grossly underpaid. Let me  
17 put that on the record . I won't go further with that, but  
18 you are grossly underpaid from moving from a downtown to a  
19 citywide lawsuit, and it cannot be your responsibility to  
20 take on future pro bono efforts that the County may be  
21 responsible for. So, I'm going to ask you this. I'm not  
22 prepared to endorse this agreement today. I really believe  
23 that we can do much better. I really believe that most of  
24 these provisions should have already been enacted, I mean,  
25 just immediately without a settlement agreement. I really

1 believe that the two of you are working together and should  
2 have been working together 30 years ago. So, maybe this  
3 lawsuit brought us to this point, but I want to look the  
4 mayor in the eye and the chairman and get some kind of --  
5 not through counsel, Skip, but no denigration at all, but  
6 some kind of, you know, good faith relationship where I know  
7 going forward I've got the present administration onboard  
8 with what they may perceive to be an outdated agreement that  
9 is not beneficial to the new administration and the City.  
10 In other words, we need to try and make this better if we  
11 can. And then if we can't, I'll be faced with a tough  
12 decision.

13           So, I'm not prepared to endorse this today. I'm  
14 going to suggest to you the following. I think that through  
15 December, we still have that transitional time with a new  
16 mayor, a new council, but the same board members as I  
17 understand it, subject to one. I understand there's a very  
18 close race out there. I have no comment politically, but  
19 change one member of the board, you'll potentially change  
20 the board.

21           I'd like to see those new administrations in place  
22 in January with their swearing-in ceremonies, et cetera.  
23 But I'd like to schedule this sometime the third week in  
24 January. I'd like to put this on hold. I'd like to see  
25 what the mayor's input is, the council's input is, what the

1 relationship is with the chair and with the board. And, so,  
2 my unwillingness to endorse this right now is simply this.  
3 I'd ask you to institute these measures in good faith, Skip,  
4 right now, for the benefit of the City.

5           And, number two, I'd like to schedule another  
6 meeting some place in the third week of January, but I'll  
7 look at the schedule for both the board and I'll look at the  
8 schedule for the council, and I'd like them to go through  
9 their ceremonial inductions and their administration to be  
10 in place.

11           All right. I have nothing further today except to  
12 thank all of you.

13           Michelle, do you have anything further?

14           (No response.)

15           THE COURT: All right. Then we're in recess.  
16 Thank you very much.

17           (Proceedings concluded.)

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

4  
5 /s/Jordan Keilty 11/17/2022  
6 Transcriber Date

7 FEDERALLY CERTIFIED TRANSCRIPT AUTHENTICATED BY:

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9 /s/L.L. Francisco  
10 L.L. Francisco, President  
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