

Sent via email only to: JLam@agclawfirm.com

July 16, 2024

John W. Lam, City Attorney
City of Chico
Alvarez-Glasman & Colvin
13181 Crossroads Pkwy North
Suite 400 - West Tower
City of Industry, CA 91746

Re: Warren, et al. v. City of Chico, et al., 2:21-cv-00640-MCE-DMC

Dear Mr. Lam:

We received your July 15, 2024, letter in which the City demands Plaintiffs agree to dissolve the Settlement Agreement in *Warren v. Chico* (“Settlement Agreement”) and replace it with a new agreement based on the *City of Grants Pass v. Johnson* decision (“*Grants Pass*”). Your letter also insists that Plaintiffs respond by 5 p.m. on July 16 and states the City will “seek judicial relief pursuant to Rule 60 of the Federal Rules of Civil Procedure” if Plaintiffs do not agree.

As an initial matter, we cannot respond to the City’s demand within one business day, just as the City could not do so if we placed such a demand on you and your clients. We must review the City’s proposal with Plaintiffs, most of whom are unhoused, and it takes time for us to reach them. Further, *Grants Pass* has been on appeal since the initiation of the *Warren* lawsuit and the Supreme Court decision itself came out over two weeks before we received your letter. Your demand to respond in one business day is arbitrary and unreasonable.

While we strongly disagree with your contention that *Grants Pass* warrants massive changes to the Settlement Agreement, we can and do agree to engage in a good faith discussion of the City’s proposed changes to the settlement agreement pursuant to the Settlement’s Dispute Resolution process in Paragraph 16 and the Stipulated Order Re: Settlement, Dismissal, and Continuing Jurisdiction. ECF 153 at p. 4 and ECF 153-1 at p. 21.

Your letter and your July 15 email to the court make clear that the City does not intend to follow the Settlement Agreement’s dispute resolution process. Yet you offer no legal authority or argument for this position. If the City has a dispute regarding “implementation, enforcement and/or modification of this Agreement,” the City is required to engage in the dispute resolution process under Paragraph 16 of the Settlement Agreement. ECF 153 at p. 4 and ECF 153-1 at p. 22. This process grants Magistrate Judge Delaney sole jurisdiction and authority to oversee such a demand. ECF 153 at p. 4 and ECF 153 at p. 4. The City must first “attempt to meet and confer informally” with Plaintiffs regarding their demand to modify the enforcement procedures in the

Settlement Agreement. ECF 153-1 at p. 22. If the Parties are unable to resolve the City's proposal informally, then at that point the City may request an informal conference with Judge Delaney, followed by a motion if the issue is not resolved. *Id.* Prior to our call on Monday morning, you told us you were not initiating the dispute resolution.

To begin the dispute resolution process, the City should send us the details of its proposed revised settlement agreement so that we have sufficient information and understanding to discuss with our clients. At this point, we have a mere three sentences in which you assert are the terms of the City's new proposed settlement agreement.

The Settlement Agreement was the result of seven months of good faith negotiations between the Parties from July 2021 to January 2022, while all sides were aware of the pending appeals in *Grants Pass*. The Agreement resulted in the dismissal of this case on January 14, 2022, before any discovery and before any of the claims in Plaintiffs' First Amended Complaint, including the multiple claims *not* based on the Eighth Amendment, could be fully litigated. We have found no legal authority, and you have provided none, to support the City's assertion that the *Grants Pass* decision, alone, allows it to void the existing agreement and write a new one. If you have any legal authority to support your decision, we invite you to share it with us so that we may have a good faith discussion of the City's proposal.

Your letter also states that these demands are necessary because "the Settlement Agreement's procedures prevent the City from responding quickly to protect those living in the encampments and the greater community at large while allowing homeless encampments to unsafely relocate in nearby locations—a process that repeats over and over without addressing the underlying issues." Your letter does not, however, provide any facts to support these vague and conclusory statements. As you know, the number and size of encampments has decreased significantly post-settlement, and the Parties were successfully using the dispute resolution process in Paragraph 16 of the Settlement Agreement to address issues with implementation. The process was working as the Parties intended. As a result of negotiations dating back to September 2023, it appeared just last month that both sides were about to reach an Implementation Agreement to address the City's concerns stated in your letter regarding people relocating, improve the process for entering the Genesis Pallet Shelter Site, and improve the health and safety conditions at the Alternate Site at Eaton Road and Cohasset Road. Unfortunately, the City now plans to walk away from our agreement. On behalf of our clients, Legal Services of Northern California remains open to meeting and conferring regarding the Implementation Agreement.

We ask that you confirm by July 19th that the City will engage in the dispute resolution process to discuss its proposed modifications to the Settlement Agreement. If we do not hear from you by that time, we will assume the City does not intend to follow this process and we will notify the Court of the City's violation of the Settlement Agreement.

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In the meantime, we will continue to take all reasonable action to communicate your demands to our clients and then provide you with a response when we have been able to fully assess it and discuss it with our clients. We invite the City to continue the process we had almost resolved to enter into an Implementation Agreement that would benefit both Parties and all members of the community.

Sincerely,

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