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12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27	BOBBY WARREN; ANDY LAMBACH; JONATHON WILLIAMS; MICHAEL SAMUELSON; TRACY MILLER; TONA PETERSEN; CAROL BETH THOMPSON; CHRISTA STEVENS, Plaintiffs, vs. CITY OF CHICO; CITY OF CHICO POLICE DEPARTMENT, Defendants.	DEFENDANTS' NOTICE OF MOTION AND MOTION FOR RELIEF FROM A FINAL JUDGMENT OR ORDER PURSUANT TO FRCP RULE 60(b)(5) AND 60(b)(6); MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATIONS OF MARK SORENSEN, ERIK GUSTAFSON, STEVE STANDRIDGE, SGT. PAUL RATTO, AMBER ABNEY-BASS, AND JOHN LAM [Request for Judicial Notice filed concurrently under separate cover] Hearing on Motion Date: October 30, 2024 Time: 10:00 a.m. Ctrm: 7 Judge: Hon. Morrison C. England, Jr. Complaint Filed: April 11, 2021 Case Closed: January 14, 2022

TO THE HON. MORRISON C. ENGLAND, JR. AND TO ALL PARTIES AND THEIR COUNSEL:

PLEASE TAKE NOTICE THAT on October 30, 2024, at 10:00 a.m., or as soon thereafter as counsel may be heard by the above-entitled Court, located at 501 I Street, Sacramento, CA 95814, in Courtroom 7, before Senior United States District Judge Morrison C. England, Jr., Defendants CITY OF CHICO and CITY OF CHICO POLICE DEPARTMENT (collectively, "Defendants") will and hereby do move the Court, pursuant to FRCP Rule 60(b)(5) and 60(b)(6), for relief from the Stipulated Order re Settlement, Dismissal and Continuing Jurisdiction entered on January 14, 2022, which incorporates and approves the Settlement Agreement in *Warren, et al. v. City of Chico, et al.*, Case No. 2:21-cv-00640-MCE-DMC (hereinafter "Settlement Agreement").

This motion is brought on the following grounds:

- (1) the Ninth Circuit's decision in *Martin v. Boise*, which formed the principal basis for this Court's issuance of the TRO and Preliminary Injunction, which in turn led directly to the Settlement Agreement, was overruled by the U.S. Supreme Court on June 28, 2024 in *Grants Pass v. Johnson*;
- (2) the Settlement Agreement's preconditions to the City's enforcement of its ordinances prohibiting camping on public property are no longer required under the Supreme Court's ruling in *Grants Pass v. Johnson*;
- (3) the Settlement Agreement's preconditions to the City's enforcement of its camping ordinances have proven to be completely unworkable and ineffective;
- (4) the notice procedures contained in the Settlement Agreement are so lengthy and cumbersome that they effectively prevent the City from taking timely enforcement action to preserve and protect public property, private property and the health and safety of homeless people living in encampments, as well as the general public;
- (5) the impediments to the City's enforcement of its camping ordinances have resulted in the degradation of the City's public spaces through the accumulation of garbage, human waste, pet droppings, fires, water contamination and the spoliation of the City's parklands, trails and waterways;

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

By this motion, made pursuant to FRCP Rule 60(b)(5) and (b)(6), the City of Chico and the City's Police Department ("the City") seek relief from the Stipulated Order re Settlement, Dismissal and Continuing Jurisdiction entered on January 14, 2022. (ECF No. 153.)

As this Court will recall, that Order reflected an attempt by the City, the Plaintiffs and this Court to address the pervasive problem of homelessness in Chico, while allowing the City to fulfill its responsibility to maintain public health and safety throughout the community at large. Much good has since been accomplished under the terms of the Order.

However, much has changed during the two and a half years since the Stipulated Order was entered: The City's approach to the homelessness issue has changed; millions of dollars in public funds have been spent to construct and operate hundreds of additional shelter spaces; the applicable law governing the City's camping ordinances has changed; and the unsheltered population in the City has substantially decreased in size.

It has also become clear that the cumbersome notice and enforcement procedures in the Settlement Agreement incorporated in the Stipulated Order are unworkable in practical application.

It is for this reason that the City seeks relief from the Stipulated Order under FRCP Rule 60(b)(5) and (b)(6), which allow the Court to grant relief from a final judgment or order "on just terms" if "the judgment has been satisfied, released, or discharged," or "it is based on an earlier judgment that has been reversed or vacated," or "applying it prospectively is no longer equitable" (Rule 60(b)(5)) or for "any other reason that justifies relief." (Rule 60(b)(6)).

For the reasons set forth below, the City respectfully submits that its request for relief meets all the foregoing grounds, but most particularly the grounds that:

(1) the judgment that led directly to the imposition of the TRO and the Preliminary Injunction against the City (*Martin v. Boise*), which compelled the City to enter into the Stipulated

1	Order, was overruled by the Supreme Court in the Grants Pass decision (FRCP Rule
2	60(b)(5)); and that
3	(2) applying the Stipulated Order's injunctive provisions prospectively is no longer equitable in
4	light of all the changed circumstances described below. (FRCP Rule 60(b)(5).)
5	For starters, the City has done its part under the Settlement Agreement (hereinafter, the
6	"Agreement"). Indeed, the City has gone above and beyond what the Agreement required: Whereas the
7	City was obligated to build only 50 tiny homes, called "Pallet Shelters," the City constructed 177
8	Pallet Shelters , with two beds in each. (ECF No. 153-1, 6:19-26; Declaration of Mark Sorensen, ¶¶ 6,
9	7.) The Pallet Shelters can accommodate 354 people . All of the Shelters contain:
10	A privacy lock on each entrance door and all windows
11	• A continuous source of electricity
12	• At least one interior lighting fixture
13	Electrical heating and air conditioning equipment
14	At least one smoke and carbon monoxide alarm
15	At least one GFCI-protected electrical outlet.
16	(Sorensen Decl., ¶ 7.)
17	The Pallet Shelters are organized in pod communities of approximately 50 Pallet Shelters per
18	pod, with each pod separated from the other pods by space or actual barriers to facilitate the feeling of
19	smaller communities within the site. (<i>Ibid.</i> , ¶ 8.) Certain pods are designated as being for certain
20	populations of homeless persons. (Id.)
21	Each pod has:
22	Potable water stations
23	• Toilets (at least 3 for every 50 occupants)
24	• Handwashing stations (at least 2 for every 50 occupants)
25	Shower/Bathing facilities
26	Hot running water
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1	$(Id., \P 9.)$
2	The City also provides, for every occupant:
3	Three meals, plus snacks, every day
4	Kitchen areas with microwaves for preparing food
5	Laundry services that allow each occupant to do at least one load of laundry per week
6	Covered receptacles for garbage and kitchen waste, which are emptied regularly
7	Hospitality tents and common areas, consisting of at least one 30 by 60-foot shade
8	tent, with tables and seating under the shade tent
9	Private meeting space for meeting with Service Providers
10	Bike parking for each occupant to store one bike and one bike trailer
11	• Pet run area for each occupant to safely and securely exercise a reasonable number of
12	pets
13	Personal property storage
14	Outdoor lighting to allow occupants to safely travel throughout the Pallet Shelter
15	Housing Site at any time of day or night
16	Designated Smoking Area
17	$(Id., \P 10.)$
18	Occupants of the Pallet Shelter are <u>not</u> required to share a Shelter with another person, but when a
19	Pallet Shelter has two beds, an occupant may choose to share the Shelter with a spouse, partner, family
20	member and/or friend who is also a homeless person. An occupant may also share a Pallet Shelter with a
21	caregiver if the occupant requires a live-in caregiver due to a disability. (<i>Id.</i> , ¶ 12.)
22	And yet, even with all of the foregoing amenities, there is an average of 28 Pallet Shelters
23	available, but unoccupied, every night. ($Id.$, ¶ 16.) Indeed, as of the filing of this Motion, there are a
24	total of 57 available and unoccupied beds in City-operated or City-affiliated shelters, which does not
25	include other shelters in Chico, such as Sabbath House or the Renewal Center, both of which offer
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27	
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shelter, meals and many other amenities to the homeless. (Id., ¶ 43; Declaration of Amber Abney-Bass, ¶¶ 9-13.)

Moreover, in addition to the 177 Pallet Shelters, shelter for the homeless is available at the **Torres Community Shelter**, which is a low-barrier shelter funded by the City that can serve up to 160 individuals nightly. Individuals seeking shelter must be over the age of 18, and not be a registered sex offender or arsonist. The Shelter is open 24 hours a day, 7 days a week, and provides breakfast, lunch and dinner. Other amenities include toiletries, showers, clothing, vouchers to Independent Living Services, laundry, telephone message services and a mail receiving address. Supportive services provided include case management to homeless persons in an effort to help them obtain permanent employment and housing, and secure necessary benefits. (Sorensen Decl., ¶ 14.)

There is an average of 39 beds available, but unused, every night at the Torres Shelter. (*Id.*, ¶ 17.)

Indeed, according to the City's records, there has never been a single night since the Pallet Shelter opened in April 2022 when all of the available shelter beds operated by or in conjunction with the City were fully occupied. (Id., \P 44.)

The City also operates an **Alternative Camping Site** and maintains two additional sites, if needed, located on the northwest and southeast corners of Eaton Road and Cohasset Road, to be used by homeless individuals deemed by the City's Outreach and Engagement staff to be ineligible for the Pallet Shelter or the Torres Shelter. The original Alternative Camping Site accommodates 50 individuals, the second site accommodates 24 people and the third site accommodates 25 people.

In 2022, the City established an Outreach and Engagement Team ("O&E Team") in cooperation with a local non-profit organization. The O&E Team consists of staff trained to conduct individualized assessments and placement of homeless individuals in appropriate shelters and social services, as well as City public works staff who clean up unsafe conditions threatening the public health and safety. (Abney-Bass Decl., ¶ 6.) Since its formation, the O&E Team has conducted 603 individual assessments of homeless persons with the goal of offering adequate emergency shelter as an alternative

to their current living conditions. Eligible shelter referrals include the Torres Community Shelter, the Pallet Shelter, or the Alternative Site. (Id., \P 8.)

The City has modified its applicable ordinances and has invested, and continues to invest, a significant amount of its budget in addressing the needs of its homeless population and the handling of their personal property. (Sorensen Decl., ¶¶ 22-27; Declaration of Erik Gustafson, ¶ 16.)

In view of the foregoing, it can no longer be credibly claimed, in August 2024, that people who continue to camp on Chico's sidewalks, pathways, bike lanes and in its parks do so because they have no other place to go. The simple fact is that some people refuse to use available shelter, even when it is safe, clean, free and offered with a wide range of amenities, including free meals. (Ratto Decl., ¶ 16; Abney-Bass Decl., ¶¶ 15-18.)

The problem is obviously not unique to Chico. Indeed, Governor Newsom has recognized that this is a statewide issue and has demanded that cities take steps to clean up their streets and sidewalks or face the loss of state funds to which they would otherwise be entitled:

WHEREAS it is imperative to act with urgency to address dangerous encampments, which subject unsheltered individuals living in them to extreme weather, fires, predatory and criminal activity, and widespread substance use, harming their health, safety, and well-being, and which also threaten the safety and viability of nearby businesses and neighborhoods and undermine the cleanliness and usability of parks, water supplies, and other public resources; and ...

WHEREAS in June 2024 the Supreme Court overturned Ninth Circuit Court of Appeals precedent that restricted the government's authority to enforce laws regulating encampments, recognizing that jurisdictions may tailor their enforcement practices to reflect policy-driven approaches to addressing homelessness; ...

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1) Agencies and departments subject to my authority shall adopt policies, generally consistent with California Department of Transportation's

Maintenance Policy Directive 1001-R1, to address encampments on state property, including through partnerships with other state and local agencies, and shall prioritize efforts to address encampments consistent with such policy. Such policies shall include the following:

- a. Whenever feasible, site assessment in advance of removal operations to determine whether an encampment poses an imminent threat to life, health, safety or infrastructure such that exigent circumstances require immediate removal of the encampment.
- b. Where exigent circumstances exist, as much advance notice to vacate as reasonable under the circumstances.
- c. Where no exigent circumstances exist, posting of a notice to vacate at the site at least 48 hours prior to initiating removal.
- d. Contacting of service providers to request outreach services for persons experiencing homelessness at the encampment.
- e. Collection, labeling, and storage for at least 60 days of personal property collected at the removal site that is not a health or safety hazard.
- 2) ...
- 3) Local governments are encouraged to adopt policies consistent with this Order and to use all available resources and infrastructure, including resources provided by the State's historic investments in housing and intervention programs where appropriate and available, to take action with the urgency this crisis demands to humanely remove encampments from public spaces, prioritizing those encampments that most threaten the life, health, and safety of those in and around them.

Executive Order N-1-24 issued by California Governor Gavin Newsom, July 25, 2024 (bolding added; attached as Exhibit A to the City's Request for Judicial Notice).

In more recent statements, the Governor has threatened to redirect state funds away from local agencies that do not act expeditiously in response to his Executive Order quoted above.

The City is prepared to comply with the Governor's directives, but what is lacking is any way to induce or, if necessary, to compel, individuals who, for a variety of reasons and excuses, simply will not use any of the available shelters and instead *choose* to camp on public property where it is not permitted. Most attorneys are diligent and follow the rules, but for those who aren't, the court can resort to sanctions to compel compliance. Most drivers are careful and conscientious, but for those

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who aren't, there are fines and license suspensions to compel compliance with traffic laws.

Unfortunately, under the Settlement Agreement in this case, the City simply has no practical, effective way to clear encampments from public spaces in a timely way and no means to prevent the reestablishment of the encampment by the same individuals, even when there is a surplus of unused shelter spaces available.

As this Court presciently noted in its Memorandum and Order Imposing Preliminary Injunction filed on July 8, 2021, at footnote 4:

As straight-forward as the Martin analysis plays out in application of the law to the facts of this case, the Court understands the practical ramifications for the community are much more complex. **Indeed, the** concerns raised in the dissent from the denial of rehearing en banc appear to have come to fruition in Chico. See id. 920 F.3d at 594 ("Such a holding leaves cities with a Hobson's choice: They must either undertake an overwhelming financial responsibility to provide housing for or count the number of homeless individuals within their jurisdiction every night, or abandon enforcement of a host of laws regulating public health and safety."); id. at 596 ("I fear that the panel's decision will prohibit local governments from fulfilling their duty to enforce an array of public health and safety laws. Halting enforcement of such laws will potentially wreak havoc on our communities. As we have already begun to witness, our neighborhoods will soon feature '[t]ents ... equipped with mini refrigerators, cupboards, televisions, and heaters, [that] vie with pedestrian traffic' and 'human waste appearing on sidewalks and at local playgrounds."') (footnotes and citations omitted). The impact on local governments was a foregone conclusion under Martin.

(ECF No. 110, 6:22-28; bolding added.)

As this Court noted, the concerns raised in the dissent from the denial of rehearing en banc in *Martin* v. *Boise* have indeed "come to fruition in Chico."

However, in light of the tremendous efforts and expense the City has expended in addressing the needs of its homeless population since the Settlement Agreement was adopted, the Supreme Court's reversal of the *Martin* decision, the reduction in the number and sizes of the encampments in Chico, and the unworkability of the enforcement provisions contained in the Settlement Agreement,

the City now seeks relief from the Agreement and the Order into which it is incorporated. (ECF Nos. 153, 153-1.)

The City emphasizes that it does **not** intend to walk away from its commitments under the Order or to jettison the very substantial financial and social investment it has already made to address the homelessness issue, nor does it seek an order allowing it to do so.

Instead, the City seeks *limited relief* that would allow all City pre-enforcement and enforcement of Anti-Camping Ordinances and Regulations in accordance with local, state, and federal laws, including the *Grants Pass* decision.

The City has communicated to Plaintiffs' counsel and to the community at large that the City will commit to the following:

- Continue funding and operating the Pallet Shelter (subject to reasonable site rules)
 through at least the end of the Settlement Agreement term in early 2027, at which time
 the then-sitting City Council may determine (with public input) the future of the Pallet
 Shelter; and
- Continue to maintain one (1) alternate site at a location of the City's choosing (subject to reasonable site rules) until at least the end of the 2024 calendar year.

II. MEET AND CONFER EFFORTS

Before filing this motion, the Chico City Attorney engaged in good faith negotiations with Plaintiffs' counsel regarding the unworkability of the enforcement provisions of the Settlement Agreement and the consequent need to either fashion a new agreement or eliminate numerous restrictions on the City's ability to enforce its anti-camping ordinances. The last written response from Plaintiffs' counsel was received by the City's counsel on July 22, 2024. Those meet and confer discussions did not result in a resolution of the City's concerns. (Declaration of John Lam, ¶¶ 3-11.)

III. RETENTION OF JURISDICTION AND FRCP RULE 60(b)(5) and (6)

Although dismissed on January 14, 2022, this Court retained jurisdiction for a period of five years. (ECF No. 153 [Stipulated Order re: Settlement, Dismissal, and Continuing Jurisdiction], ¶ 3.)

Accordingly, this motion for relief from the Stipulated Order seeks relief from the Settlement Agreement incorporated into that Order, pursuant to FRCP Rule 60(b)(5) and (b)(6), which state as follows:

(b) **GROUNDS FOR RELIEF FROM A FINAL JUDGMENT, ORDER, OR PROCEEDING.** On motion and just terms, the court may relieve a party or its legal representative from a final judgment, order, or proceeding for the following reasons:

. . .

- (5) the judgment has been satisfied, released, or discharged; it is based on an earlier judgment that has been reversed or vacated; or applying it prospectively is no longer equitable; or
- (6) any other reason that justifies relief.

Even though the lack of an efficacious enforcement mechanism in the Settlement Agreement has been a serious problem from the outset, it was only after the Supreme Court's decision in *City of Grants Pass v. Johnson*, 603 U.S. __ (June 28, 2024) that an opportunity for the City to seek relief from the Stipulated Order arose. That is, of course, because *Grants Pass* overruled the Ninth Circuit's decision in *Martin v. Boise*, 920 F. 3d 584 (2019), in which that court had ruled that the Eighth Amendment's Cruel and Unusual Punishments Clause barred Boise from enforcing its public-camping ordinance against homeless individuals who lacked "access to alternative shelter." *Id.*, at 615. The Ninth Circuit found that such "access" was lacking whenever "there is a greater number of homeless individuals in a jurisdiction than the number of available beds in shelters." *Id.*, at 617.

Martin provided the legal foundation for the Plaintiffs' Eighth Amendment claims in this case and upon which the TRO and the Preliminary Injunction were principally based. As this Court stated in its July 8, 2021 Memorandum and Order issuing the Preliminary Injunction:

This Circuit has previously held that ordinances such as [Chico's anticamping ordinances] are not enforceable, unless there is enough practically available shelter within the City for all unhoused individuals. Martin v. City of Boise, 920 F.3d 584, 617 (2019) (holding "that 'so long as there is a greater number of homeless individuals in [a jurisdiction] than the number of available beds [in shelters],' the jurisdiction cannot prosecute homeless individuals for 'involuntarily sitting, lying, and sleeping in public.'")

(quoting <u>Jones v. City of Los Angeles</u>, 444 F.3d 1118, 1138 (9th Cir. 2006)).

...

Since Chico's ordinances prohibit homeless persons from resting on all public property and there is not enough practically-available shelter within the City, Plaintiffs have shown a likelihood of success under Martin, such that the City cannot resort to arresting people or imposing criminal penalties like fines on homeless persons in violation.

(ECF No. 110, 4:10-17; 6:7-11.)

IV. THE LENGTHY, CUMBERSOME PROCESS OF NOTICING THE SPECIFIC ENCAMPMENT SITE TO BE CLEARED, COUNTING THE OCCUPANTS, ASSESSING EACH INDIVIDUAL'S SUITABILITY AND WILLINGNESS TO ENTER A PARTICULAR SHELTER, AND RESOLVING PLAINTIFFS' OBJECTIONS PRIOR TO CLEANING UP HAZARDOUS ENCAMPMENTS, WITHOUT ANY MEANS TO PREVENT THE SAME ENCAMPMENT FROM POPPING UP AGAIN NEARBY HAS LED TO A FRUITLESS "WHACK-A-MOLE" SITUATION

Under the Settlement Agreement, the City is limited to clearing only three (3) enforcement areas at once, no matter how many encampments may exist on public property at any given time. (ECF No. 153-1, 12:5-17:11.) There are or have usually been more than three homeless encampments on public property in various locations throughout the City simultaneously. (Ratto Decl., ¶ 12.)

Therefore, the restrictions contained in the Settlement Agreement require the Target Team officers to coordinate with the members of the City's O&E Team of local non-profit social service workers and homeless shelter staff, as well as the City's Public Works staff, to determine which three of the several simultaneously existing homeless encampments are the most hazardous and/or filthy and therefore most urgently in need of being cleared. (*Ibid.*) This triage process requires discussion and agreement between numerous individuals representing different agencies, followed by the coordination of schedules and resources. (*Id.*)

After that has been accomplished, the City must engage in a seventeen (17) day process of counting, noticing, evaluating, and assessing each homeless individual residing in each of the three

encampments selected for cleanup. (ECF No. 153-1, 12:5-17:11; Ratto Decl., ¶ 13; Sorensen Decl., ¶ 39.) That process consists of:

- counting the number of homeless individuals residing in the enforcement area,
- confirming that there are sufficient available and unoccupied shelter beds at the Pallet Shelter and Torres Shelter as of that date,
- providing notice to every homeless individual then residing in the enforcement area,
- providing notice of the number and location of available shelter spaces available at that time,
- providing notice to Plaintiffs' counsel at Legal Services of Northern California,
- conducting an individualized assessment and evaluation of every homeless individual
 residing in the enforcement area to determine if any of the available shelter spaces are
 "appropriate" for each person, and
- offering each homeless person shelter in a space appropriate for each individual. (*Ibid.*)

Thereafter, the seventeen (17) day enforcement process can be delayed if the City receives objections from Plaintiffs' counsel at Legal Services of Northern California ("LSNC"). (Ratto Decl., ¶ 13; Sorensen Decl., ¶¶ 39-40.) Indeed, most enforcement actions are delayed beyond the 17-day period due to a number of factors, including objections by LSNC, limitations on City staff, or the lack of equipment needed to clean up the encampment. (Ratto Decl., ¶ 13; Sorensen Decl., ¶¶ 39-42.)

Of very great importance is the fact that, even after a particular encampment has been cleared, the Settlement Agreement provides no prohibition or sanction for those who refuse the shelter space offered to them and then move right back to the public space that was just cleared or immediately adjacent to that space to re-establish the encampment that was just cleared. (ECF No. 153-1; Ratto Decl., ¶¶ 10-11, 14; Sorensen Decl., ¶¶ 36-38.)

For this reason, despite the City's expenditure of millions of dollars and its ongoing efforts to address the problems associated with homeless encampments, a sort of "cat and mouse" or "whack-a-mole" game has taken hold in the City in which those individuals who are unwilling to accept the

City's offers of public shelter move to another nearby location just outside the immediate enforcement area, which can be as little as several feet away, setting up a new encampment within hours. This cycle repeats itself over and over, without any lasting resolution. (Ratto Decl., ¶¶ 10-11, 14; Sorensen Decl., ¶¶ 36-38.)

As an example of the repetitive, cyclical nature of the current situation, the following locations have been cleared by the City multiple times since the Settlement Agreement became effective:

- (a) Little Chico Creek has been cleared of homeless encampments at least four (4) times, including on July 18, 2022, November 29, 2022, October 26, 2023, and again very recently on July 25, 2024;
- (b) Bidwell Park has been cleared of homeless encampments at least four (4) times, on March 20, 2023, February 23, 2024, May 23, 2024, and then again on July 25, 2024;
- (c) The bike path north of East 20th Street leading to the Teichert Ponds has been cleared at least twice, first on January 2, 2024 and again a little over a month later, on February 23, 2024;
- (d) The Triangle Property near Pine and Cypress Streets has been cleared at least twice, on November 29, 2022 and June 24, 2024;
- (e) City Plaza has been cleared at least twice, on May 23, 2022 and April 8, 2024;
- (f) The area commonly known as Lost Park has been cleared at least twice, on May 23, 2022 and May 2, 2024;
- (g) The area commonly known as Annie's Glen has been cleared at least twice, on May 23, 2022 and July 25, 2024;
- (h) The area along Martin Luther King Jr. Parkway near 20th Street has been cleared at least twice, on February 16, 2023 and April 4, 2024;
- (i) The Comanche Creek Greenway has been cleared at least twice, on July 18, 2022 and again on May 28, 2024; and
- (j) The Humboldt Neighborhood near Windchime Park has been cleared at least twice, once

on October 26, 2022 and then again a month later, on November 29, 2022. (Ratto Decl., ¶¶ 10-11, 14.)

Since the opening of the Pallet Shelters, the Torres Center and the Alternative Sites, many previously homeless people now have, and are using, safe shelters in Chico. (Sorensen Decl., ¶¶ 7, 42-43.) However, there remains a hard core of individuals who resolutely refuse to avail themselves of any of the available shelters and do all they can to avoid the assessment and placement process. (Abney-Bass Decl., ¶¶ 15-18; Ratto Decl., ¶ 16.) After the Settlement Agreement became effective, the percentage of homeless people in Chico's encampments who refuse to accept offers of available shelter at the Pallet Shelter or the Torres Shelter has increased sharply. (*Id.*)

So, notwithstanding the fact that the City has spent \$\frac{\\$12,991,027}\$ since the Order became effective in January 2022 to address its homelessness issue, the City's plazas, parks, bike paths, creeks, etc. remain cluttered with tents, tarps, sleeping bags and all manner of paraphernalia belonging to a relatively small population of people who affirmatively refuse to enter one of the several available shelters. (Sorensen Decl., \$\quanteright\{ 26.}\) After the *Grants Pass* decision, the City would not be constrained in the enforcement of its anti-camping ordinances, but for the Stipulated Order. In light of the truly Herculean efforts and substantial expenditures the City has made and continues to make—\$6,000,000 per year in operating costs (Sorensen Decl., \$\quanterigon\{ 27}\)—it is fundamentally inequitable for the City and its residents to remain constrained *prospectively* by an injunction that is no longer necessary, effective or supported by current circumstances or the applicable law.

V. THE DANGERS AND DAMAGES THAT HAVE ARISEN AS A DIRECT RESULT OF THE CITY'S INABILITY TO TAKE TIMELY ACTION TO CLEAR ILLEGAL ENCAMPMENTS

A. Illegal and Uncontrolled Fires

After the Camp Fire destroyed Paradise in 2018 and the Park Fire that burst out in Chico's Bidwell Park on July 24, 2024, quickly becoming one of the largest wildfires in California history, it is common knowledge that fire is an ever-present danger in Chico. Indeed, one of the most serious dangers to public safety in Chico are illegal, uncontrolled fires.

Homeless encampments pose a high risk of fire to the City's greenways, parks, open spaces, bridges, electrical systems, infrastructure, and residential, commercial and other structures for a variety of reasons. (Declaration of Steve Standridge, \P 3.) <u>First</u>, individuals living in homeless encampments frequently use open fires for cooking, heating, and light. These fires are often poorly monitored or completely unattended, improperly contained, incompletely extinguished, or located near flammable materials, including volatile vegetation, wooden bridges, and other combustible (or vulnerable) structures. (*Ibid.*) Numerous uncontrolled and significant fires have originated in homeless encampments in Chico. (*Id.*) <u>Second</u>, residents at encampments frequently tap into electrical wiring using makeshift connections and overloaded power strips that have led to numerous electrical fires. (*Id.*) <u>Third</u>, encampments often have a significant accumulation of flammable materials, including tents, plastic tarps, blankets, personal belongings, trash and general debris, which can rapidly fuel and intensify fires in and around the encampments. (*Id.*) <u>Fourth</u>, the crowded and cluttered nature of encampments, along with their often remote or hidden locations, frequently impedes Fire Department access, making it difficult to respond quickly to emergencies and conduct firefighting operations effectively and safely. (*Id.*)

Moreover, fires in homeless encampments pose a significant risk to the individuals living there. (Standridge Decl., \P 4.) The lack of proper fire safety measures, smoke alarms, adequate tools for fire suppression, personnel, equipment, and apparatus, makes it challenging to alert residents and control fires before they spread. (*Ibid.*) Encampment fires in Chico have often spread to nearby structures, vegetation, and other areas, putting the surrounding community at serious risk. (*Id.*)

An area of particular concern for the City is the Lindo Channel. (Standridge Decl., ¶ 5.) Lindo Channel is a seasonal waterway that serves as a flood control channel. It runs through built out and urbanized areas of the City and also carries water during periods of heavy rain. (*Ibid.*) However, during the summer and other dry periods, Lindo Channel has a considerable amount of volatile vegetation within the channel and along its banks. (*Id.*) These conditions make Lindo Channel a popular location for homeless encampments because of its close proximity to commercial centers. (*Id.*)

The encampments located in Lindo Channel are largely hidden from public view but are surrounded by thick and receptive fuel sources that make it difficult for Fire Department personnel to access when responding to fires in the Channel. (*Id.*) Moreover, Lindo Channel is surrounded by homes. Homeless encampments in Lindo Channel pose a significant fire threat to the surrounding residential and commercial area. (*Id.*) There have been several fires that originated in Lindo Channel homeless encampments within the past 6 years. (*Id.*)

On June 2, 2022, at or near 1505 Springfield Drive, near Teichert Ponds, the Fire Department responded to a vegetation fire with explosions heard that originated in a large homeless encampment. The fire was suppressed and held from spreading to nearby residential and commercial properties. (*Id.*, ¶ 6.)

On July 12, 2022, at or about 898 Chestnut St., the Fire Department responded to a homeless encampment fire that involved multiple aerosol can explosions, a number of propane tanks, large piles of abandoned plastic, cardboard, and paper material and general debris. (Id., \P 7.)

On January 5, 2024, the Fire Department responded to a fire at Cohasset and East Eaton Roads that originated in a homeless encampment. Fire Department personnel extinguished the fire and found a male transient who had sustained 3rd degree burns to his back, buttocks, legs, and arms. (Id., \P 8.)

On January 9, 2024, the Fire Department responded to a fire at Cohasset Road and Mangrove Avenue, which was caused by a transient cooking in a shopping cart under a bridge. (Id., ¶ 9.)

On April 29, 2024, the Fire Department responded to a fire at a commercial building located at 650 Rio Lindo Avenue. The Fire Department's investigation determined that the fire was caused by a faulty 110-volt electrical plug illegally added to a 60-amp breaker panel located on the exterior of the building in an attempt to steal electricity. The Fire Department's investigation concluded that the fire was probably caused by transients living in a nearby encampment. (Id., ¶ 10.)

On May 27, 2024, at 650 Mangrove Avenue, the Fire Department responded to a fire at a commercial structure. It was determined that a transient from a nearby encampment was actively

igniting flammable materials and throwing them into an opening in the exterior of the commercial building created for roof drainage downspouts. (Id., ¶ 11.)

On June 4, 2024, the Fire Department extinguished a fire at a homeless encampment located under the Cohasset Road Bridge over the Sycamore Creek. The fire originated as a rubbish fire at the camp and caused significant damage to the underside of the bridge. (*Id.*, ¶ 12.) That recent fire cost the City at least \$166,490 to repair the damage to the bridge, not including the City's emergency personnel response costs, cleanup, and engineering time. (Sorensen Decl., ¶ 33.)

In 2022, the Chico Fire Department identified 39 (confirmed) and 6 (suspected) homeless/transient-caused fires. (Standridge Decl., ¶ 13.) In 2023, the Fire Department identified 17 (confirmed) and 10 (suspected) homeless/transient-caused fires. (*Id.*) To date in 2024, the Fire Department has identified 21 (confirmed) and 7 (suspected) homeless/transient-caused fires. (*Id.*)

B. Criminal Activity

In addition to fires, Chico's homeless encampments spawn a continuing flow of criminal activity. (Sorensen Decl., ¶ 31.)

- On August 1, 2021, just under four months after the City was enjoined from enforcing its anticamping ordinances, one homeless person stabbed another homeless person in the heart at the Comanche Creek Greenway, resulting in the victim's death. (*Ibid.*)
- In January 2022, a homeless person attacked an elderly man while he was taking out his trash, causing a broken hip and abrasions. (*Id.*)
- On June 29, 2022, a homeless man was arrested for evading law enforcement personnel after shooting into a vehicle. (*Id.*)
- On July 26, 2022, two homeless persons robbed another homeless person at gunpoint and were found to be in possession of fentanyl and heroin when caught. (*Id.*)
- On August 9, 2022, a homeless man threatened customers in a store and broke a police officer's nose before being arrested. (*Id.*)

- On January 12, 2023, two homeless men started fighting outside City Place, one being arrested for assault with a deadly weapon and the other for violation of probation and public intoxication. (*Id.*)
- On February 3, 2023, two occupants of the Torres Shelter engaged in a fight, one being arrested for a parole violation stemming from his beating of a 91-year-old man to death. (*Id.*)
- On February 21, 2023, Chico police arrested a homeless resident of an encampment who had three outstanding felony warrants, who fought with the officers and attempted to stab one officer. (Id.)
- In March 2022, a homeless man was arrested after being found in possession of a stolen phone and attempting to flee. (*Id.*)
- On April 13, 2022, firefighters had to extinguish a fire that caused millions of dollars in damages to a railroad; the origin of the fire was determined to be a homeless person's warming fire. (Id.)
- On June 4, 2022, Chico police discovered a deceased homeless person in a tent in the Lindo Channel waterway. (Id.)
- In October 2022, police arrested an individual selling drugs at a homeless encampment who was in possession of two grams of fentanyl and had three outstanding arrest warrants from another county. (Id.)
- On July 14, 2023, seven or eight pit bulls escaped from a homeless encampment and attacked a man and a woman nearby, causing severe injuries to the man. (*Id.*)

C. Serious Threats to Public Health and Safety

In 2022, the City cleared and disposed of approximately **539 tons of trash and debris** from homeless encampments located on public property. (Declaration of Erik Gustafson, ¶ 8.) In 2023, the City cleared and disposed of approximately **612 tons of trash and debris** from homeless encampments located on public property. (*Ibid.*, \P 9.) In 2024 through the date of this Declaration, the

City has cleared and disposed of **approximately 171 tons of trash and debris** located on public property. (Id., ¶ 10.)

Cleaning up large homeless encampments is a complex and challenging process, often revealing a wide range of items and materials such as the following: discarded or abandoned personal belongings, including sleeping bags, tents, tarps, makeshift shelters, mattresses, and pillows; household items; construction materials; trash and debris; human waste consisting of improvised toilets, buckets, or areas used to collect human waste; drug paraphernalia consisting of hypodermic needles, pipes, bongs, torches, jet lighters, and other items associated with drug use; hazardous materials consisting of containers with unknown chemicals, possibly used for cooking drugs or other hazardous activities; and stolen property including bicycles, shopping carts, and tools. (*Id.*, ¶ 11.)

Moreover, homeless encampments have significant environmental impacts, endangering the health of the homeless individuals residing in the encampments and also the public generally. (*Id.*, ¶ 12.) For example, human waste, chemicals, and drug paraphernalia are a threat to the public health, safety, and welfare. Homeless encampments cause considerable damage to vegetation, trampling of plants, cutting of trees, and other damage to the natural environment. Moreover, homeless encampments pollute water sources such as nearby creeks, rivers, or lakes with trash, debris, chemicals, and human waste. (*Id.*)

Cleaning up these encampments requires a coordinated effort by the O&E Team and the expenditure of substantial City resources and staff time. (Id., ¶ 14.) Each cleanup operation involves extensive planning and execution, often spanning several days or weeks, depending on the size and scope of the encampment. (Id.) Before any cleanup operation begins, staff must conduct an initial assessment of the encampment. This includes identifying the number of individuals residing in the encampment, the area covered, the volume of waste, and any potential health and safety hazards. The actual cleanup involves removing personal belongings, trash, hazardous materials, and waste. Specialized equipment, including trucks, dumpsters, and protective gear, is required. (Id.)

In 2022, the City utilized approximately 3,134.5 hours of City worker time to clean up homeless encampments. In 2023, the City utilized approximately 3,376 hours of City worker hours on the cleanup of homeless encampments in the City. In 2024 through the date of this Declaration, the City has utilized approximately 1,660 hours of City worker hours on the cleanup of homeless encampments. (Id., ¶ 15.)

The frequent fires, criminal activities and cleanup operations associated with homeless encampments place a great strain on the City's financial and personnel resources, and divert services from the community at large. (Standridge Decl., ¶ 14; Gustafson Decl., ¶ 17; Ratto Decl., ¶¶ 10, 11, 14, 18; Sorensen Decl., ¶¶ 32, 34.) A great many of these serious risks and problems could be prevented if the City were able to move in a timely way to clear hazardous encampments, as the law now allows every other city in the United States to do.

VI. THE CITY'S REVISED PRACTICES REGARDING THE PERSONAL PROPERTY OF HOMELESS PERSONS

In its July 8, 2021 Memorandum and Order Imposing Preliminary Injunction, the Court expressed concern regarding the City's handling of the personal property of individuals living in homeless encampments being cleared. (ECF No. 110, 3:25-28.)

In response to the Court's concerns, the City Council amended the Municipal Code to set forth a clear statutory protocol for handling, cataloging, storing and providing notice of the location and procedure for retrieving items collected by the City during encampment cleanups. (Gustafson Decl., ¶ 16 [quoting the complete text of Municipal Code § 9.20.055 "Property removal"].)

VII. THIS COURT HAS THE EQUITABLE DISCRETION TO GRANT THE CITY THE LIMITED RELIEF IT SEEKS ON "JUST TERMS"

A motion for relief from a judgment under Rule 60(b) is addressed to the discretion of the court. Savarese v. Edrick Transfer & Storage, Inc., 513 F.2d 140, 146 (9th Cir. 1975. By its terms, the Rule is remedial in nature and relief from a judgment or order is to be administered upon equitable principles. Di Vito v. Fidelity & Deposit Co. of Md., 361 F.2d 936, 939 (7th Cir. 1966).

Moreover, in light of the remedial nature of the Rule, relief is to be liberally granted:

"Rule 60(b) is remedial in nature and therefore must be liberally applied

(e.g., Butner v. Neustadter (9th Cir. 1963) 324 F.2d 783, 786; 7 J. Moore, Fed. Prac., ¶ 60.10[7], [9]; ¶ 60.18[8])."

Schwab v. Bullock's Inc., 508 F.2d 353, 355 (9th Cir. 1974).

Reviewing the case law, Wright & Miller concurs. 11 Wright & Miller, Federal Practice & Procedure § 2857 (2024). Rule 60 must be given a liberal construction. *Patapoff v. Vollstedt's Inc.*, 267 F.2d 863, 865 (9th Cir. 1959).

Further, because relief from a judgment is to be granted on "just terms," the Court has the discretion to impose conditions it deems fit, with the moving party then having the choice either of complying with the conditions or allowing the judgment to stand. 11 Wright & Miller, Federal Practice & Procedure § 2857 (2024).

Applying these fundamental principles to the Order entered on January 14, 2022 (ECF No. 153), for all the reasons explained in this Motion, it is no longer equitable for the injunctive relief contained in that Order to be applied prospectively to the City for the next two and a half years. More specifically, it is no longer equitable that the City's ability to protect and preserve the public and health and safety, not to mention the quality of life in the City, be stymied by an unworkable, bureaucratic, overly complicated process before it can take even the most basic steps to clear out dangerous, unsanitary encampments on public property. It is relief from that failed process that the City seeks pursuant to the last grounds stated in Rule 60(b)(5), which has particular applicability to injunctions:

This is based on the historic power of a court of equity to modify its decree in the light of changed circumstances.

As Justice Cardozo said in *United States v. Swift & Company*: We are not doubtful of the power of a court of equity to modify an injunction in adaptation to changed conditions, though it was entered by consent. * * * Power to modify the decree was reserved by its very terms, and so from the beginning went hand in hand with its restraints. If the reservation had been omitted, power there still would be by force of principles inherent in the jurisdiction of the chancery. A continuing decree of injunction directed to

events to come is subject always to adaptation as events may shape the need.

Wright & Miller, Federal Practice & Procedure § 2886 (2024), quoting United States v. Swift & Company, 286 U.S. 106 (1932).

On this motion, the City seeks only very limited relief and only of a prospective nature: That is, to be entitled to enforce its anti-camping regulations in accordance with local, state and Federal law. This relief should be granted under the last clause of Rule 60(b)(5).

Unlike many of the cases decided under Rule 60(b), there was no mistake or default that led to the entry of the judgment from which the City seeks limited relief. Instead, this Court applied the law applicable in the Ninth Circuit in 2021, but that law, grounded in *Martin v. Boise* and its analysis of the Eighth Amendment, has now been overturned. It would be fundamentally unfair for the City to struggle along for another two and a half years under the terms of a Preliminary Injunction whose legal underpinnings were so soundly swept away two months ago by the *Grants Pass* decision. Relief should also be granted based on the second ground set forth in Rule 60(b)(5), that the Order was based on an earlier judgment that has been reversed or vacated.

Finally, the City seeks relief under Rule 60(b)(6), "for any other reason that justifies relief." In *Adams v. Merrill Lynch Pierce Fenner & Smith*, 888 F.2d 696 (10th Cir. 1989), the District Court ruled that the U.S. Supreme Court's decision in a different case had changed the relevant case law to such an extent that it created an extraordinary situation and so warranted relief from the judgment in the *Adams* case under Rule 60(b)(6). That decision was affirmed by the 10th on appeal.

VIII. THIS COURT WILL CONTINUE TO RETAIN JURISDICTION UNTIL JANUARY 2027 TO ADDRESS ANY FUTURE ISSUES

The City does not seek to alter the term of the Order pursuant to which this Court retains jurisdiction over this matter and the parties until January 2027.

DATED: August 31, 2024 Respectfully submitted, Stephen T. Owens Eric G. Salbert Christy M. Garcia **ALVÁREZ-GLASMAN & COLVIN** /s/ Stephen T. Owens Attorneys for Defendants
CITY OF CHICO and CITY OF CHICO POLICE DEPARTMENT

DECLARATION OF MARK SORENSEN

I, Mark Sorensen, declare as follows:

- 1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.
- 2. I am the City Manager of the City of Chico (the "City"). I have held that position since July 2022. Before that, I was a member of the Chico City Council from December 2010 to December 2018. Throughout the length of my service on the City Council, I was a member of the Finance Committee; I was the Chair of the Finance Committee from 2012 to 2014 and from 2016 to 2018. I served as Mayor from 2014 to 2016 and as Vice-Mayor from 2013-2014. Before my election to the City Council, I was a member of the Planning Commission for two years. As such, I have been actively engaged in the governance of the City of Chico for 12 ½ years.
- 3. As City Manager, I am the chief executive officer of the City and the head of the administrative branch of the City government. Pursuant to Section 701 of the City Charter, "The city manager shall be responsible to the council for the administration of all units of the city government under the city manager's jurisdiction and for carrying out policies adopted by the council. The city manager shall be charged with the preservation of the public peace, welfare, health, the safety of persons and property, the enforcement of law and the development and utilization of the city's resources."
- 4. As City Manager, I am responsible for preparing the City's budget annually and for its administration after its adoption by the City Council under Section 701(B) of the City Charter. As such, I am directly involved in the daily oversight and management of the City's financial operations, including budgeting, financial planning, resource allocation, and expenditures. This direct involvement ensures that I am fully aware of the financial status, challenges, and opportunities facing the City.
- 5. By virtue of my position and responsibilities, I have been deeply involved in the City's implementation of the terms of the *Warren v. Chico* Settlement Agreement signed in January 2022 (the "Settlement Agreement"). The City has never admitted any wrongdoing in its

enforcement of its ordinances restricting camping on public property or in the Settlement Agreement. However, in view of the legal precedent created by the Ninth Circuit's decision in *Martin v. Boise*, the preliminary injunction imposed on the City in the *Warren* case following the *Martin* decision, and the ongoing costs of the *Warren* litigation, the City Council believed there was no realistic alternative to the Settlement Agreement.

- 6. Since the Settlement Agreement was signed, the City has endeavored, in the utmost good faith, to uphold and fulfill its obligations under the Agreement.
- 7. Specifically, the City constructed 177 tiny homes, with two beds in each home, with a capacity of 354 people, at 2280 Dr. Martin Luther King Jr. Parkway, Chico (now called "Genesis", formerly known and commonly referred to as the "Pallet Shelter"). The **Pallet Shelter** is located on a City-owned site and is surrounded by perimeter fencings. The homes range in size up to 64 square feet and each of them contains:
 - A privacy lock on each entrance door and all windows
 - A continuous source of electricity
 - At least one interior lighting fixture
 - Electrical heating and air conditioning equipment
 - At least one smoke and carbon monoxide alarm
 - At least one GFCI-protected electrical outlet.
- 8. The Pallet Shelters are organized in pod communities of approximately 50 Shelters per pod, with each pod separated from the other pods by space or actual barriers to facilitate the feeling of smaller communities within the site. Certain pods are designated as being for certain populations of homeless persons.
 - 9. Each pod has:
 - Potable water stations
 - **Toilets** (at least 3 for every 50 occupants)
 - Handwashing stations (at least 2 for every 50 occupants)
 - Shower/Bathing facilities
 - Hot running water

- 13. Occupants of the Pallet Shelter site are <u>not</u> required to attend any religious services or meetings or enroll in any classes.
- 14. In addition to the Pallet Shelter, the City is home to the privately-run **Torres Community Shelter**, located at 101 Silver Dollar Way, Chico, near Costco. The Torres Shelter is a low-barrier shelter that serves up to 160 individuals nightly. Individuals seeking shelter must be over the age of 18, and not be a registered sex offender or arsonist. The Shelter is open 24 hours a day, 7 days a week, and provides free breakfasts, lunches and dinners. Other amenities include toiletries, showers, clothing vouchers, laundry, telephone message services and a mail receiving address. Supportive services provided include case management to guests in an effort to help them to obtain necessary benefits and secure permanent employment and housing.
- 15. Pursuant to Section 10.b of the Settlement Agreement, the City is required to notify Plaintiffs' counsel that the number of available Pallet Shelters and beds available at the Torres Shelter is equal or greater than the number of homeless persons living in any homeless encampment on public property that the City wishes to clear.
- 16. The average number of available Pallet Shelters based on all enforcement notices (28 notices) sent to Plaintiff's counsel since the effective date of the Settlement Agreement to the date of this of Declaration is an average of 28 Pallet Shelters.
- 17. The average number of available but unused beds at the Torres Shelter based on all enforcement notices (28 notices) sent to Plaintiffs' counsel since the effective date of the Settlement Agreement is 39 beds per night.
- 18. The City also operates one (1) Alternative Camping Site and maintains two (2) additional sites, if needed, located on the northwest and southeast corners of Eaton Road and Cohasset Road to be utilized by homeless individuals deemed by the City's Outreach and Engagement staff to be ineligible for the Pallet Shelter or the Torres Shelter. The original Alternative Camping Site accommodates 50 individuals, the second site accommodates 24 people, and the third site accommodates 25 people.
- 19. Pursuant to the Settlement Agreement, the City may direct homeless persons to relocate from public properties to the Pallet Shelter, Torres Shelter or Alternative Camping Sites.

However, there are other homeless shelters in Chico that the City has been unable to incorporate into the Settlement Agreement, including, but not limited to, the Sabbath House and the Renewal Center.

- 20. In 2022, the City created an Outreach & Engagement Team ("O&E Team") consisting of staff of local non-profit organizations, City public works staff, and City law enforcement officers. O&E Team members are trained to conduct individual assessments, place homeless individuals in appropriate shelters, refer individuals to appropriate social services, and clean up encampments. The O&E Team is accompanied by law enforcement officers during these assessments in accordance with the Settlement Agreement which allows their presence in the general location but requires that they remain far enough away to ensure privacy.
- 21. Since its establishment, the O&E Team has assessed 602 homeless individuals, providing referrals to either the Pallet Shelter, the Torres Shelter, or the City's Alternative Camping Sites.
- 22. To relocate the BMX race track at what is now the Pallet Shelter, and to prepare the land for creation of the Pallet Shelter, the City spent \$166,178 from its General Fund and \$536,956 of its American Rescue Plan Act ("ARPA") fund. Butte County provided the City with \$1.7 million for the acquisition and installation of 177 shelter units using ARPA funding. Thereafter, the City's initial setup costs for the Pallet Shelter included a further \$1,085,107 from its ARPA fund, \$175,384 from its General Fund, and \$152,925 from its Community Development Block Grant CARES Act funds. In addition, the City's initial setup costs for its Alternative Sites amounted to \$53,801, paid from the City's General Fund.
- 23. Some of the foregoing setup costs included: \$655,773 for electrical work; \$409,210 for grading; \$174,129 for soil treatment; \$60,140 for security cameras; \$39,150 for site design; \$36,680 for modular buildings (not shelter units), furniture and painting; \$27,000 to connect to the sewer system; \$24,827 for Pacific Gas & Electric costs; \$22,000 for fencing; \$11,867 for storage units; and \$1,500 for shade tenting. The City also spent \$791,561 to set up and operate the resting site located at the municipal airport that was shut down shortly after the *Warren* litigation commenced.

- 24. The initial estimates of the annual operating costs of the Pallet Shelter were: \$6,000 for potable water; \$155,280 for restroom rentals; \$338,830 for laundry/shower services; \$25,428 for waste disposal; \$216,000 for security services; \$76,000 for lighting and utilities; \$2,980 for pest control; and \$9.55 per person each day for food. However, the actual costs for the 2023 calendar year ended up being: \$422,490 for staffing; \$4,242,306 for contract services including food, laundry, showers and site operation; and \$26,072 for utilities.
- 25. From January 1, 2022, through July 31, 2024, the City's actual expenditures for the operations of the Pallet Shelter and Alternative Sites were: \$6,137,356 for contracted services; \$1,105,958 for salaries; \$460,681 for utilities; \$120,571 for materials and supplies, and \$506,721 for other expenses.
- 26. Stated differently, the City's total General Fund expenditures since the effective date of the Settlement Agreement in January 2022 through July 31, 2024 were \$8,331,287. Adding the initial setup costs from paragraph 23 above to the operating costs paid through July 31, 2024, yields a total in capital expenditures and operating costs amounting to \$12,991,027 from all funding sources.
- 27. In addition to the capital investment and operating costs of the Pallet Shelter, the Torres Center and the Alternative Sites, the City spends at least \$6,000,000 per year for personnel costs associated with pre- and post-enforcement compliance requirements. These costs include massive costs associated with conducting homeless counts, individualized assessments, noticing, equipment, labor, disposal costs for homeless encampment cleanup, property storage, and staff time for key City departments such as the Police Department, Fire Department, Public Works, City Administration, and the City Attorney's Office in connection with pre- and post-enforcement compliance and dispute resolution proceedings that arise during the implementation of the Settlement Agreement.
- 28. The substantial public funds diverted to compliance with the Settlement Agreement come at a significant opportunity cost to the City, as those funds cannot be used for other vital public services and programs, such as childcare facilities, permanent affordable housing, health care, economic development, water, sewer, and broadband infrastructure, adding police and fire

personnel, the construction and repair of public streets and roads, restoration of Bidwell Park that was devastated by the recent Park Fire, and other public works infrastructure. Presently, the City has several important projects to which it would like to allocate more funding. For example, many of the roads in the City require costly repairs, but cannot be fully remediated due to the extent of the problem and the cost of such maintenance work. In fact, each of the following capital improvement projects relate to improving vehicular traffic because related infrastructure is in need of maintenance: 2024 Road Rehabilitation, 2024 Pavement Preservation, 2025 Road Rehabilitation, 2025 Pavement Preservation, Bruce Road Reconstruction, Downtown Chico Complete Streets, Eaton/SR-99 Roundabout (Southbound), Esplanade Corridor Safety and Accessibility Improvements, Guynn Avenue Bridge Replacement, Hegan Lane Congestion Relief, North Cedar Street Rehabilitation, North Esplanade Reconstruction, Notre Dame Boulevard Bridge, P-18 Sewer Trunkline, Pomona Avenue Bridge Replacement, Salem Street Bridge Replacement, and SR-99 Corridor Bikeway Facility (Phase 5).

29. In addition, the Chico Police Department is significantly below the national average for police offers per 1,000 residents. The Police Department currently stands at 109 funded Police Officer/Park Ranger positions, resulting in a ratio of 1.1 officer per 1,000 residents, which is significantly less than the state and national averages of 2.3 officers per 1,000 residents. If the funds currently being diverted to implement the Settlement Agreement were available, the City would be able to increase the number of fully funded Police Officer/Park Ranger positions, which would reduce response times, increase patrols, and improve the overall coverage throughout the City. Additional funding would result in more resources for officer training, improvements in equipment and technology, and improvement of facilities and law enforcement infrastructure that would better serve the community.

30. The remaining homeless encampments throughout the City constitute serious threats to public health and safety. Since January 2022, the Department of Public Works has removed more than 2.64 million pounds of trash, countless syringes and cleaned up human waste from homeless encampments located on public property. In the year 2022 alone, the City cleared and disposed of 539 tons of trash and debris from homeless encampments located on public property.

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In the year 2023, the City cleared and disposed of 612 tons of trash and debris from homeless encampments located on public property. In 2024 through the date of this Declaration, the City cleared and disposed of approximately 171 tons of trash and debris located on public property.

31. Homeless encampments are also associated with criminal behavior. On August 1, 2021, just under four months after the City was enjoined from enforcing its anti-camping ordinances, one homeless person stabbed another homeless person in the heart at the Comanche Creek Greenway, resulting in the victim's death. In January 2022, a homeless person attacked an elderly man while he was taking out his trash, causing a broken hip and abrasions. On June 29, 2022, a homeless man was arrested for evading law enforcement personnel after shooting into a vehicle. On July 26, 2022, two homeless persons robbed another homeless person at gunpoint and were found to be in possession of fentanyl and heroin when caught. On August 9, 2022, a homeless man threatened customers in a store and broke a police officer's nose before being arrested. On January 12, 2023, two homeless men started fighting outside City Place, one being arrested for assault with a deadly weapon and the other for violation of probation and public intoxication. On February 3, 2023, two occupants of the Torres Shelter engaged in a fight, one being arrested for a parole violation stemming from his beating of a 91-year-old man to death. On February 21, 2023, Chico police arrested a homeless man who had three outstanding felony warrants, who fought with the officers and attempted to stab one officer. In March 2022, a homeless man was arrested after being found in possession of a stolen phone and attempting to flee. On April 13, 2022, firefighters had to extinguish a fire that caused millions of dollars in damages to a railroad; the origin of the fire was determined to be a homeless person's warming fire. On June 4, 2022, Chico police discovered a deceased homeless person in a tent in the Lindo Channel waterway. In October 2022, police arrested an individual selling drugs at a homeless encampment who was in possession of two grams of fentanyl and had three outstanding arrest warrants from another county. On July 14, 2023, seven or eight pit bulls escaped from a homeless encampment and attacked a man and a woman nearby, causing severe injuries to the man.

32. The criminal incidents originating in homeless encampments strain the Police Department's resources and challenge its ability to effectively maintain public safety across the

entire community by diverting our City's limited police resources away from other public safety needs, adversely impacting police response times and the overall effectiveness of Police Department services.

- 33. On May 4, 2022, firefighters extinguished a vegetation fire cause by homeless persons who had built a campfire. In June 2022, a homeless person lit a candle in their tent in Teichert Ponds which resulted in the ignition of multiple propane tanks that burned the homeless encampment. Another three homeless persons' tents were destroyed by fire on July 11, 2022. On September 21, 2023, firefighters had to put out a fire that started in a homeless encampment in southern Chico and approached Highway 99, a main arterial thoroughfare. On June 4, 2024, the Fire Department extinguished a fire at a homeless encampment located under the Cohasset Road Bridge over Sycamore Creek. The fire damaged the underside of the Cohasset Road Bridge, costing the City at least \$166,490 to repair the fire damage. This amount does not include the City's emergency personnel response costs, clean-up, and engineering time.
- 34. Fires originating at homeless encampments in the City place a strain on our Fire Department's resources, diverting attention and Fire Department personnel away from other critical public safety needs. Moreover, these incidents often require an immediate and substantial response because they frequently occur in remote areas or areas surrounded by vegetation, consuming time, equipment, and personnel that could be utilized for broader community protection. This ongoing demand not only endangers those within the encampments but also impacts the overall safety of the community, as resources are stretched thin and response times are impaired.
- 35. Homeless encampments have also adversely impacted Downtown Chico. Despite the Settlement Agreement, numerous homeless encampments have sprung up in Downtown Chico and been cleared by the City's Outreach & Engagement Team, only for the encampments to move to other nearby areas in Downtown Chico.
- 36. For example, on July 20, 2023, the City gave notice of its intention to clear the homeless encampment located at the northeastern half of Depot Park in Downtown Chico. Depot Park is a rectangular-shaped neighborhood park adjacent to the Chico Amtrak Station and Depot

Park Museum, the southwestern portion of which could not be cleared because the park was being occupied by more homeless persons than the Settlement Agreement permits the City to move. The City ended up clearing 24.155 tons of rubbish and trash from the northeastern half of Depot Park. On August 14, 2023, the City noticed the southwestern portion of Depot Park for cleanup and clearance. However, the City's efforts were significantly disrupted. During the City's cleanup of the second half of Depot Park, many homeless persons moved their tents and tarps to the sidewalk on the perimeter of the urban park at the instruction of their legal counsel. This caused the homeless to be confused as to whether they could refuse offers of shelter and stay on the sidewalk at the park or were required to leave the park altogether. Further, those homeless persons jeopardized their own safety by remaining in an area where the City was operating heavy equipment to move a large amount of garbage and debris. By the time the City was able to clean the entirety of the park, it had cleared 28.77 tons of rubbish.

- 37. Recognizing that many homeless persons were simply moving to different public properties rather than accept the City's offers of available shelter, the City began recording the movements of homeless persons in subsequent cleanup operations. On November 20, 2023, the City noticed a cleanup operation for a section of the bike path between East Avenue and Burnap Avenue. Expecting that many of those homeless individuals would ignore efforts to conduct the individualized assessments required by the Settlement Agreement and offers of shelter, and would instead move to a northern section of the same bike path, the City video recorded the fact that no individuals were camping along the northern section on December 4, 2023, prior to the conclusion of that cleanup. By the end of the operation, the City had cleared 5.92 tons of rubbish and debris. Thereafter, the City recorded whether any individuals remained along the bike path and found that at least six homeless persons from the southern section of bike path had simply moved their encampment to the northern section of bike path between Burnap Avenue and Eaton Road, necessitating an additional cleanup operation despite the fact that all six individuals had already had the opportunity to be assessed and offered shelter, but had refused to participate.
- 38. Each time the City needs to address public health and safety issues such as attempting to provide for those who avoid the benefits of shelter or relocate persons away from fire-prone

areas, it is currently required to follow the procedures in the Settlement Agreement necessitating the City wait seventeen (17) days before sheltering individuals and cleaning the public property they were at. Further, Plaintiffs' counsel may object to a cleanup operation within the first seven (7) days of receiving notice of such action, which progresses to a further seven-day (7-day) notice to homeless persons at an area noticed for clearing, followed by a seventy-two-hour (72-hour) notice to the same homeless persons. For example, Plaintiffs' counsel objected in July 2022 that the City should not be permitted to proceed with a cleanup operation at Comanche Creek, a greenway that was then-occupied by approximately one hundred and seven (107) homeless persons immediately adjacent to propane company Coast Gas, on the basis that homeless persons should be permitted to choose which shelter to enter despite that the Settlement Agreement contains no such provision. Moreover, residing at any shelter away from a propane business is likely safer than living outside and creating campfires next to such a flammable substance.

- 39. In August 2022, Plaintiffs' counsel also objected to the City's cleanup operation at Little Chico Creek, arguing that the creek should not constitute one "public property" because it ran through a public park where the concentration of homeless persons was higher than elsewhere along the creek. Despite that the City has never run out of shelter space during a cleanup operation, the City's efforts along Little Chico Creek were broken into multiple operations over the course of several months. Plaintiffs' counsel next objected to the City taking any action unless it were required to complete the interactive process associated with any reasonable accommodation request a homeless person might make *before ever entering the shelter the homeless person might want to complain about*; ultimately, the City was not required to resolve all such requests before a homeless person entered shelter.
- 40. On November 30, 2022, the City notified Plaintiffs' counsel that it would be conducting a cleanup operation in the waterway known as Lindo Channel and requested expedited enforcement due to forecasted rain that could threaten the welfare of the homeless persons living in the channel. Plaintiffs' counsel refused to agree to an immediate operation unless the City offered shelter without being able to clear the location despite the fact that the City counted nineteen homeless individuals in Lindo Channel and there were thirty-seven (37)

open Pallet Shelter units and twenty-five (25) available beds at the Torres Shelter.

- 41. In January 2023, Plaintiffs' counsel objected to the City's clearing of the waterway known as Teichert Ponds on the basis that the City might not have enough shelter for all homeless persons at that location. However, the City had counted thirty-four (34) people living in the area, twenty-nine (29) open Pallet Shelter units, and twenty-two (22) beds available at the Torres Shelter. The City needed to clear Teichert Ponds at that time because of heavy rainfall threatening the safety of the very homeless persons living there, yet this cleanup operation was divided into two efforts. Unfortunately, the above objections unreasonably and significantly delayed the City's efforts to house homeless persons and clean public properties.
- 42. My office keeps a daily count of the available shelter beds in the City; the figures are published each day on the City's website at https://chico.ca.us/City-Services/Housing--Homelessness/Shelter-Bed-Availability/index.html, along with the phone number and address of each shelter location.
- 43. As of today's date, August 30, 2024, the following shelter spaces are available and unoccupied in the City of Chico:
 - Genesis (Pallet Shelter), located at 2280 Dr Martin Luther King Jr Pkwy: 27
 pallet shelters available;
 - Torres Shelter, located at 101 Silver Dollar Way: 27 open beds;
 - Jesus Center, located at 2255 Fair Street: Women's shelter—1 open bed;
 Men's shelter—1 open bed;
- Jesus Center Renewal Center South, 2218 Fair Street: 1 open bed for Seniors
 Thus, today there are 57 available and unoccupied shelter beds in the City.
- 44. According to the City's records, there has never been a single day since the Pallet Shelter opened in April 2022 when all of the available shelter beds operated by or in conjunction with the City were fully occupied.

1	I declare under penalty of perjury under the laws of the State of California that the
2	foregoing is true and correct.
3	Executed on this 30th day of August 2024, at Chico, California.
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5	Mark Sorensen
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I. Erik Gustafson, declare as follows:

1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.

DECLARATION OF ERIK GUSTAFSON

- 2. I am the Director of Public Works Operations & Maintenance Department and I have served in that capacity for 9 years overseeing critical public works divisions within the City of Chico such as the Wastewater Treatment Facility, Right-of-Way & Street Cleaning Maintenance, Parks & Open Spaces, Street Trees & Public Plantings, Traffic Safety, Underground, Fleet Services, Building & Facilities Maintenance, Airport, and Outreach and Engagement / Encampment Clean-Up ("O&E Team").
- 3. I am responsible for overseeing the cleanup and maintenance of public spaces, including areas where homeless encampments have been set up. I have been in this position since 2015 and have direct oversight of staff involved in these cleanup efforts.
- 4. The Right-of-Way & Street Cleaning Maintenance Division is responsible for maintaining City streets, alleys, shoulders, storm drains, curb/gutters, and sidewalks and is further responsible for street sweeping, removing roadway hazards and debris, abating weeds in the City rights-of-ways, maintaining bike paths, and maintaining storm water collection systems.
- 5. The Parks & Open Spaces Division is responsible for operating and maintaining Bidwell Park (Sycamore Pool, Cedar Grove, One Mile and Five Mile Recreation Areas, and Middle and Upper Park), Depot Park, Lindo Channel, Teichert Ponds, greenways and preserves, which includes a total of approximately 6,400 acres.
- 6. The Building and Facilities Maintenance Division is responsible for operating and maintaining over 33 municipal buildings and facilities containing well over 400,000 square feet of usable indoor space, including landscaping and public parking structures. Facilities include the Municipal Services Center, Old Municipal Building, City Council Chambers, Fire Station Nos. 1 through 5, Fire Training Center, Police facilities, Animal Shelter, historic Chico Depot, Stansbury House, City Plaza, and Children's Playground.

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generally. For example, human waste, chemicals, and drug paraphernalia are a threat to the

public health, safety, and welfare. Homeless encampments cause considerable damage to vegetation, trampling plants, cutting of trees, and cause other damage to the natural environment. Moreover, homeless encampments pollute water sources such as nearby creeks, rivers, or lakes contaminated with trash, debris, chemicals, and human waste.

- 13. In 2022, the City recovered 50 stolen shopping carts from homeless encampments. In 2023, the City recovered 315 shopping carts from homeless encampments. In 2024 through the date of this Declaration, the City has recovered 69 stolen shopping carts from homeless encampments.
- 14. Cleaning up these encampments requires a coordinated effort by the O&E Team and the expenditure of substantial City resources and staff time. Each cleanup operation involves extensive planning and execution, often spanning several days or weeks, depending on the size and scope of the encampment. Before any cleanup operation begins, staff must conduct an initial assessment of the encampment. This includes identifying the number of individuals residing in the encampment, the area covered, the volume of waste, and any potential health and safety hazards. The actual cleanup involves removing personal belongings, trash, hazardous materials, and waste. Specialized equipment, including trucks, dumpsters, and protective gear, is required.
- 15. In 2022, the City utilized approximately 3,134.5 hours of City worker time to clean-up homeless encampments in the City. In 2023, the City utilized approximately 3,376 hours of City worker hours on the cleanup of homeless encampments in the City. In 2024 through the date of this Declaration, the City has utilized approximately 1,660 hours of City worker hours on the cleanup of homeless encampments in the City.
- 16. After an encampment has been cleared, the personal property that is not, or cannot be, taken away by the occupants of the encampment, as well as any personal property that is not claimed by any of the current occupants, is handled as required under the terms of the Settlement Agreement and consistent with Ordinance No. 2567, which was adopted by the City Council on September 7, 2021, amending the Chico Municipal Code to add section 9.20.055 as follows:

9.20.055 Property removal.

1	City employees as designated by the City Manager may remove personal property unlawfully stored or found on public property as outlined in Section
2	9.20.050 as follows:
3 II	A. Written notice shall be posted at the location whereupon any personal property, including camp facilities and camp paraphernalia, is unlawfully
4	stored. Such written notice shall advise of the violation of Section 9.20.050
5	and provide warning that property not removed within twenty-four (24) hours shall be deemed abandoned and subject to removal and possible destruction.
6	B. City Personnel may remove any personal property unlawfully stored or
7	remaining on public property after the posting period has expired. City personnel shall offer the person claiming ownership of the personal property,
8	if any, a shelter space, as defined by Section 9.20.020.
9	C. Personal property which poses an imminent threat to public health or safety, is contraband or which is evidence of a crime shall not be subject to
10	the above notice requirements and shall be removed immediately by City personnel or police and stored or destroyed according to the provisions
11	below.
12	D. At the time of removal of unlawfully stored or remaining personal property,
13	City personnel shall conspicuously post and date a notice either at the exact location from which the personal property was removed or at another nearby
14	location giving the following information:
15	1. A general description of the personal property removed;
16	2. The date and approximate time the personal property was removed;
17	3. A statement that the personal property has been stored in violation of Section 9.20.050;
18	4. The address where removed personal property will be located, including a telephone number and the internet website of the city through
19	which a person may receive information as to impounded personal property;
20	5. A statement that impounded personal property may be discarded if not claimed within ninety days after impoundment.
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22	E. Following removal of unlawfully stored or remaining personal property, City personnel shall do the following:
23	1. Maintain an inventory identifying the personal property, where the
24	personal property is approximately located, and a reasonable estimate of value for such personal property;
25	2. Place the removed personal property in containers labeled in a manner facilitating identification by City personnel and owner and which
26	reasonably protect such property from damage and theft;
27	3. Store removed personal property in an area designated by City for a period of 90 days.
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1	I declare under penalty of perjury under the laws of the State of California that the
2	foregoing is true and correct.
3	Executed on this 30th day of August 2024, at Reno, Nevada.
4	Erik Gustafson Erik Gustafson (Aug 30, 2024 12:38 PDT)
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DECLARATION OF STEVE STANDRIDGE

I, Steve Standridge, declare as follows:

- 1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.
- 2. I am the Fire Chief of the City of Chico Fire Department ("Fire Department"). I have held this position since 2018 and have been Fire Department for 6 years. As Fire Chief, I am responsible for overseeing all fire prevention, fire suppression, and emergency response activities within the City of Chico. My duties include ensuring the safety of the public and the effective functioning of the Fire Department.
- 3. Based on my experience and observations, homeless encampments pose a high risk of fire to the City's greenways, parks, open spaces, bridges, electrical systems infrastructure, and residential, commercial and other structures for a variety of reasons. First, individuals living in homeless encampments frequently use open fires for cooking, heating, and light. These fires are often poorly monitored or unattended to, properly contained, incompletely extinguished, or located near flammable materials (including volatile vegetation, wooden bridges, and other combustible (or vulnerable) structures), which has caused numerous uncontrolled and significant fires. Second, residents at encampments tap into electrical wiring using makeshift connections and overloaded power strips that have led to electrical fires. Third, encampments often have a significant accumulation of flammable materials, including tents, plastic tarps, blankets, personal belongings, trash and general debris, which can rapidly fuel and intensify fires in and around encampments. Fourth, the crowded and cluttered nature of encampments, along with their often remote or hidden locations, frequently impedes Fire Department access, making it difficult to respond quickly to emergencies and conduct firefighting operations effectively and safely.
- 4. Fires in homeless encampments pose a significant risk to the individuals living there. The lack of proper fire safety measures, smoke alarms, adequate access for fire suppression, personnel, equipment, and apparatus, which makes it challenging to alert residents and control fires before they spread. Encampment fires in Chico have often spread to nearby structures,

vegetation, and other areas, putting the surrounding community at serious risk.

- 5. An area of particular concern for the City is the Lindo Channel. Lindo Channel is a seasonal waterway that serves as a flood control channel. It runs through built out and urbanized areas of the City and also carries water during periods of heavy rain. However, during the summer and other dry periods, Lindo Channel has a considerable amount of volatile vegetation within the channel and along its banks. These conditions make Lindo Channel a popular location for homeless encampments because of its close proximity to commercial centers. The encampments located in Lindo Channel are largely hidden from public view, but are surrounded by thick and receptive fuel sources that make it difficult for Fire Department personnel to access when responding to fires in the Channel. Moreover, Lindo Channel is surrounded by homes and dried vegetation. Homeless encampments in Lindo Channel pose a significant fire threat to the surrounding residential and commercial area. There have been several fires that originated in Lindo Channel homeless encampments within the past 6 years.
- 6. On June 2, 2022, at or near 1505 Springfield Drive, Chico near Teichert Ponds, the Fire Department responded to a vegetation fire with explosions heard that originated in a large homeless encampment. The fire was suppressed and held from spreading to nearby residential and commercial properties.
- 7. On July 12, 2022, at or about 898 Chestnut St., Chico, the Fire Department responded to a homeless encampment fire that involved multiple aerosol can explosions, a number of propane tanks, large piles of abandoned plastic, cardboard, and paper material and general debris.
- 8. On January 5, 2024, the Fire Department responded to a fire at Cohasset Road and East Eaton Road, Chico, that originated in a transient encampment. Fire Department personnel extinguished the fire and found a male transient who had sustained 3rd degree burns to his back, buttocks, legs, and arms who was then transported to the hospital.

- 9. On January 9, 2024, the Fire Department responded to a fire at Cohasset Road and Mangrove Avenue, Chico, which was caused by a transient cooking in a shopping cart under a bridge.
- 10. On April 29, 2024, the Fire Department responded to a fire at a commercial building located at 650 Rio Lindo Avenue, Chico. The Fire Department's investigation determined that the fire was caused by a faulty 110 volt electrical plug illegally added to a 60-amp breaker panel located on the exterior of the building in an attempt to steal electricity. This Fire Department's investigation concluded that the fire was probably caused by transients living in a nearby encampment.
- 11. On May 27, 2024, at 650 Mangrove Avenue, Chico, the Fire Department responded to a fire at a commercial structure. It was determined that a transient from a nearby encampment was actively igniting flammable materials and throwing them into an opening in the exterior of the commercial building created for roof drainage downspouts.
- 12. On June 4, 2024, the Fire Department extinguished a fire at a homeless encampment located under the Cohasset Road Bridge over the Sycamore Creek. The fire originated as a rubbish fire at a transient camp located under the Cohasset Road Bridge that caused significant damage to the underside of the bridge.
- 13. In 2022, the Fire Department identified 39 (confirmed) and 6 (suspected) homeless/transient-caused fires. In 2023, the Fire Department identified 17 (confirmed) and 10 (suspected) homeless/transient-caused fires. To date in 2024, the Fire Department has identified 21 (confirmed) and 7 (suspected) homeless/transient-caused fires. These fires, and the continuing fire hazards and safety risks associated with homeless encampments in the City, pose a serious threat to both the encampment residents, the broader community, municipal infrastructure, and the City's parks and green spaces.
- 14. Responding to fires and medical emergencies in homeless encampments places a substantial burden on the Fire Department and other emergency services. These recurring encampment fires divert emergency resources from other critical incidents in the City. Fire trucks, equipment, and emergency personnel that are required to respond to encampment fires

are often diverted from attending to traffic accidents, medical emergencies, structure fires and other emergencies that occur in the City.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 30th day of August 2024, at Chico, California.

Steve Standridge

DECLARATION OF PAUL RATTO

I, Paul Ratto, declare as follows:

- 1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.
- 2. I have been employed by the City of Chico Police Department for over 20 years. I currently hold the rank of Sergeant in the Police Department.
- 3. Throughout the time referenced in this Declaration, I have supervised the Chico Police Department Target Team, which is the primary Police Department unit tasked with acting as the liaison between the Police Department and the homeless population in the City ("Target Team"). In that role, I have been responsible for the operations, management and oversight of the Target Team and the cleanup of homeless encampments within the City.
- 4. Target Team officers assist the City's Outreach and Engagement Team, which consists of local non-profit social service workers and homeless shelter staff, along with the City's Public Works staff ("O&E Team"). The O&E Team is trained to conduct individual assessments, connect homeless individuals with appropriate social services and shelters, and cleanup homeless encampments within the City.
- 5. The Target Team also provides the pre-enforcement notices required under the terms of the *Warren v. Chico* Settlement Agreement ("Settlement Agreement") and provides security for the O&E Team while it performs individualized assessments and homeless encampment cleanup.
- 6. Since the Settlement Agreement became effective, the City has completed no fewer than 28 cleanup actions of homeless encampments located on public property, including those in parks, bike paths, underpasses, and other City-owned properties. These were carried out under my supervision and with my participation.
- 7. Based on my experience and observations, homeless encampments and those who reside in them are exposed to higher incidences of criminal activity than the general population of the City as a whole. This includes, but is not limited to, drug use and distribution (including

much higher levels of contaminated needles, syringes, torches and jet lighters [for heating methamphetamine] and the like), assault, battery, rape, robbery, vandalism, and other forms of violence. The presence of these encampments correlates directly with an increase in crime in surrounding residential neighborhoods and commercial areas.

- 8. In October 2022, police arrested an individual selling drugs at a homeless encampment who was in possession of two grams of fentanyl and had three outstanding arrest warrants in another county. These encounters sometimes escalate into confrontational situations, posing a significant risk to the safety of both law enforcement officers and the individuals involved.
- 9. Based on my experience and observations, the high concentration of individuals living in close quarters within these encampments also leads to frequent disputes and conflicts among them. These disputes often escalate into violent altercations, resulting in calls for service that require immediate police intervention.
- 10. Despite our efforts, the cleanup of homeless encampments has become akin to playing a game of "whack-a-mole." Once the City clears one encampment, the individuals who are displaced and unwilling to accept the offers of public shelter offered by the Target Team often move to another nearby location just outside the immediate enforcement area, which can be as little as several feet away, setting up a new encampment within hours. This cycle repeats itself over and over, without any lasting resolution. Because the City's remedies are limited to those individuals who remain in the noticed enforcement area, once an individual moves just a few feet outside the boundaries of the enforcement area, the Settlement Agreement requires the City to restart the enforcement process from the beginning, thus frustrating the City's efforts to clear public property of homeless encampments.
- 11. As an example of the repetitive, cyclical nature of the current situation, the following locations have been cleared by the City multiple times since the Settlement Agreement became effective:
 - a) Little Chico Creek has been cleared of homeless encampments at least four (4) times, including on July 18, 2022, November 29, 2022, October 26, 2023, and again very recently on July 25, 2024;

- b) Bidwell Park has been cleared of homeless encampments at least four (4) times, on March 20, 2023, February 23, 2024, May 23, 2024, and then again on July 25, 2024;
- c) The bike path north of East 20th Street leading to the Teichert Ponds has been cleared at least twice, first on January 2, 2024 and again a little over a month later, on February 23, 2024;
- d) The Triangle Property near Pine and Cypress Streets has been cleared at least twice, on November 29, 2022 and June 24, 2024;
- e) City Plaza has been cleared at least twice, on May 23, 2022 and April 8, 2024;
- f) The area commonly known as Lost Park has been cleared at least twice, on May 23, 2022 and May 2, 2024;
- g) The area commonly known as Annie's Glen has been cleared at least twice, on May 23, 2022 and July 25, 2024;
- h) The area along Martin Luther King Jr. Parkway near 20th Street has been cleared at least twice, on February 16, 2023 and April 4, 2024;
- The Comanche Creek Greenway has been cleared at least twice, on July 18, 2022 and again on May 28, 2024; and
- j) The Humboldt Neighborhood near Windchime Park has been cleared at least twice, once on October 26, 2022 and then again a month later, on November 29, 2022.
- 12. Under the Settlement Agreement, the City is limited to clearing only three (3) enforcement areas at once, no matter how many encampments may exist on public property at any given time. In my experience, there are or have usually been more than three homeless encampments on public property in various locations throughout the City simultaneously. Therefore, the restriction contained in the Settlement Agreement requires the Target Team officers to coordinate with the members of the City's Outreach and Engagement Team of local non-profit social service workers and homeless shelter staff, as well as the City's Public Works staff, to determine which three of the several simultaneously existing homeless encampments

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are the most hazardous and/or filthy and therefore most urgently in need of being cleared. This triage process requires discussion and agreement between numerous individuals representing different agencies, followed by the coordination of schedules and resources.

- 13. After that has been accomplished, the City must engage in a seventeen (17) day process of counting, noticing, evaluating, and assessing each and every homeless individual then residing in each of the three encampments selected for cleanup. That process consists of:
 - counting the number of homeless individuals residing in the enforcement area,
 - confirming there are sufficient available and unoccupied shelter beds at the Pallet Shelter and Torres Shelter as of that date,
 - providing notice to each and every homeless individual then residing in the enforcement area,
 - providing notice to Plaintiffs' counsel at Legal Services of Northern California,
 - conducting an individualized assessment evaluation of each and every homeless
 individual residing in the enforcement area to determine if appropriate shelter
 space is available and "appropriate" for each person; and
 - offering each homeless person shelter in a shelter space appropriate for each individual homeless person.

The seventeen (17) day enforcement process can be delayed if the City receives objections from Plaintiffs' counsel at Legal Services of Northern California. In fact, most enforcement actions are delayed beyond the 17-day period due to a number of factors, including objections by Legal Services of Northern California, limitations on City staff, or the lack of equipment needed to clean up the encampment.

- 14. Of very great significance is the fact that, even after a particular encampment has been cleared, the Settlement Agreement provides no prohibition or sanction for those who refuse the shelter space offered to them and then move right back to the public space that was just cleared or immediately adjacent to that space, and re-establish the encampment that was just cleared.
 - 15. This repetitive cycle of cleanup and re-establishment of encampments has placed,

and continues to place, a substantial burden on the Chico Police Department in terms of the ineffectual utilization of personnel, equipment, and financial resources. It not only strains our resources but also creates anger and frustration among residents and businesses who a e impacted by the presence of these encampments, which render those areas of public property unusable by other citizens of the City.

- 16. Since the Settlement Agreement went into effect, the number of unsheltered individuals who refuse to accept offers of available shelter at the Pallet Shelter or the Torres Shelter has increased significantly. The number of individuals who reject offers of available social services has also increased significantly. The reasons cited for refusal to accept shelter and services include rules and regulations regarding conduct and behavior, restrictions on drug and alcohol use, and limitations on pet ownership.
- 17. The City's inability to permanently clear homeless encampments from public spaces has led to serious, ongoing public safety and health problems. These problems include increased calls and demands for police services related to disturbances in the encampments, violent criminal activity, illegal drug use and distribution, fires and fire hazards, damage and destruction of public property and parklands, obstructions of public bike paths, park trails, walkways and sidewalks, the accumulation of garbage, public defectaion and urination, and other unsafe and/or illegal activities in and around the encampments.
- 18. The substantial staff time required for encampment cleanups significantly impacts the City's law enforcement resources by diverting staff and equipment toward these cleanups, thereby reducing service levels in other areas of the City and resulting in increased overtime costs.
- 19. Based on my experience, a more comprehensive and sustainable approach is necessary to address the problems caused by homeless encampments populated by individuals who refuse the currently available shelter beds and other social services that we on the Target Team offer them. Otherwise, the City will remain locked into an unending game of "whack-amole," with no further progress toward a long-term solution. Now that the City has expended very substantial financial and human resources to provide additional available shelter, the City

should be permitted to enforce its laws prohibiting illegal camping in public spaces. Otherwise, the health and safety of the entire community, including the City's homeless population, will continue to be endangered by illegal, ungoverned encampments.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on this 30th day of August 2024, at Chico, California.

DECLARATION OF PAUL RATTO IN SUPPORT OF DEFENDANTS' MOTION UNDER FRCivP RULE 60(b)

DECLARATION OF AMBER ABNEY-BASS

I, Amber Abney-Bass, declare as follows:

- 1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.
- 2. I am the Executive Director of the Jesus Center, a non-profit organization based in the City of Chico since 1981 that operates shelters, provides transitional housing, and employment services to assist people on their path to independence, health, and wellness. I have been the Executive Director of the Jesus Center since January 1, 2022. Prior to that date, I served as the Assistant Director and Chief Operations Director of the Jesus Center. I began working at the Jesus Center in August 2014.
- 3. The Jesus Center is the largest operator of emergency shelter beds in the City of Chico, and also has a robust transitional housing program for participants to obtain housing after their time in shelter has ended.
- 4. The City of Chico contracts with the Jesus Center as the operator of the Genesis Emergency Housing Site, commonly referred to as the "Pallet Shelter", which is a 177-unit non-congregate emergency housing site with a capacity of 354 people. Genesis strives to meet the critical needs of those experiencing homelessness in our community and offers an alternative to people currently living outdoors in public spaces. Genesis opened on or about April 25, 2022.
- 5. Genesis is located on property owned by the City of Chico and includes perimeter fencing, handwashing stations, toilets, shade tents, waste receptacles, water service, a designated smoking area, secure bike storage, two pet runs, site lighting, and electrical service for climate controls in the 177 individual shelters. Other services include meals, showers, laundry, voluntary case management and benefits navigation through the Butte County Department of Employment and Social Services, and voluntary mental health services and crisis intervention through the Butte County Department of Behavioral Health. Weekly visits from an Ampla Health mobile unit and veterinary services are also provided. Recent infrastructure improvements include two additional sanitary (restroom/shower) units and asphalt paving of the driveway entrance.

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6. The Jesus Center and the City staff have developed and maintained an Outreach & Engagement team ("O&E Team") that connects with homeless individuals on a personal level and conducts an individualized assessment to determine an appropriate shelter offering based on the responses provided and the observations of the O&E Team. The O&E Team consists of Jesus Center staff trained to conduct individualized assessments and placement of homeless individuals in appropriate shelters and social services, as well as City public works staff who clean up unsafe conditions threatening the public health and safety. The O&E Team is accompanied by law enforcement personnel during each of these assessments in accordance with the Settlement Agreement that allows their presence in the general location while remaining far enough away to ensure privacy.

- 7. The O&E Team staff members who visit the homeless encampments and conduct the individualized interviews report directly to me after each visit and provide detailed reports to me on the results of each interview they conducted. I have personally participated in many of these visits and individualized assessments.
- 8. As of the date of this Declaration, the O&E Team has conducted 603 individual assessments of homeless persons with the goal of offering adequate emergency shelter as an alternative to their current living conditions. Eligible shelter referrals could include the Torres Community Shelter, Genesis (aka Pallet Shelter), or the Alternative Site.
- 9. The Jesus Center also operates the Sabbath House located at 2255 Fair Street, Chico. Sabbath House is owned and operated by the Jesus Center and has served the City of Chico for nearly 43 years. The Sabbath House is the only recovery focused, privately funded emergency shelter program in Chico, with a capacity of 34 men and 24 women and is open twenty-four hours a day, seven days a week.
- 10. The Sabbath House programs and services are designed to serve adults experiencing homelessness. Those seeking shelter are able to access the Jesus Center by self-referral, referral by law enforcement or clergy, or through local partnerships or community members. In addition to shelter, the program provides three daily meals, case management, daily life skills classes, vocational training opportunities, digital literacy classes, and on-site laundry and shower

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services. Through case management services, participants are able to receive resources, support or referrals to obtain housing, advance educational goals, or secure employment.

- 11. Additional programs include a Medical Respite program in partnership with Enloe Medical Center, and on-site counseling services provided by The Growing place, a local non-profit organization.
- 12. Religious adherence, practice, or participation are <u>not</u> required in order to receive any of the services the Sabbath House offers. All non-secular activities are truly optional for shelter participants. Due to its proximity to local schools, the Sabbath House is unable to shelter registered sex offenders. Out of an abundance of caution, arsonists are also excluded from obtaining services at the Sabbath House.
- 13. The Jesus Center also operates the Renewal Center, which is another shelter in the City of Chico located directly across the street from the Jesus Center at 2218 Fair Street, Chico. The Renewal Center is an \$18 million non-congregate emergency facility that opened in September 2023. The Renewal Center is a trauma-informed, low-barrier emergency shelter that is generally divided into a northern section for families and a southern section designed for seniors with a total of 100 shelter beds. In the southern section, the Renewal Center contains 15 private rooms with two beds and includes individual locking wardrobes to secure personal belongings and a table with two chairs. Of those 15 rooms, 12 are for seniors, 3 are for a recuperative care program in coordination with Enloe Health. This program provides shelter for those who enter Enloe Health experiencing homelessness in our community and provides an opportunity for safe healing and medication management. In the northern section, the Renewal Center has 14 shelter units for families which contain up to five beds in each unit. Each family unit contains its own in-unit kitchen, dining space and bathroom. The shelter has a large, shared community room with lounge chairs, private lounge spaces with access to computers, a television, two classrooms and access to an industrial kitchen area where cooking classes are held. Additionally, the Renewal Center contains a large medical clinic operated by Ampla Health with 10 examination rooms and an intake area. Through a partnership with First5 of Butte County, the Renewal Center also hosts a Family Resource Center that focuses on early literacy,

offers parenting resources and administers a Positive Parenting Program. Three meals a day are offered to Seniors in the shelter, while the family units have the facilities for guests to prepare their own meals. At intake, a local church provides a large grocery kit that includes fresh produce, meats, dairy and an abundance of other food items to help families settle in and provide for their children until additional resources can be secured. Supportive services provided include case management to guests in an effort to help them obtain permanent employment and housing, and secure necessary benefits.

- 14. In February 2024, the Board of Directors of the Jesus Center voted unanimously to support the City by coordinating with Jesus Center staff to place homeless persons at the Renewal Center if agreed upon by Plaintiffs' counsel, Legal Services of Northern California.
- 15. Despite the efforts of the O&E Team and the amenities offered at Genesis and the Torres Shelter, many homeless individuals continue to decline available shelter options or simply refuse to participate in the assessment process altogether. After more than two years of efforts, it is estimated that as many as half of the homeless persons encountered at any given location designated for clearing have refused offers to enter any of the shelters in Chico.
- 16. Obtaining an accurate figure of the number of refusals is difficult because homeless persons refuse shelter in various ways. Some will cooperate with the O&E Team who are responsible for conducting assessments to determine the appropriate shelter for each homeless individual, but then fail to enter the shelter to which that individual was referred by the O&E Team. Other homeless people will affirmatively inform the O&E Team that they will not enter any shelter, whether they engage in an assessment or not. Other homeless persons leave the planned enforcement area as soon as they see O&E Team personnel entering the encampment area to conduct the assessments for shelter that are required under the Settlement Agreement.
- 17. The O&E Team currently encounters a much higher percentage of unsheltered individuals who were previously assessed and referred to a shelter than was the case before the Settlement Agreement was implemented. For example, when the O&E Team first began counting the number of previously assessed persons it encountered in an encampment designated to be cleared in February 2023, it counted four (4) out of thirty-six (36) people as having been

DECLARATION OF JOHN W. LAM

I, John Lam, declare as follows:

- 1. I am over the age of 18 years. The facts stated herein are personally known to me and, if called as a witness, I could and would testify competently to the truth of those facts based on my personal knowledge.
- 2. I am the City Attorney for the City of Chico (the "City"). I have held that position since October 17, 2023.
- 3. After the Supreme Court issued its decision in *City of Grants Pass v. Johnson*, 603 U.S. ____ (2024) ("*Grants Pass*") on Friday, June 28, 2024, the City Council held a Special Closed Session Council Meeting on Tuesday, July 9, at which the *Warren v. City of Chico* Settlement Agreement ("Settlement Agreement") was discussed.
- 4. On July 9, 2024, the City Council authorized me to communicate the City Council's commitment to the terms set forth in Paragraph 8 of this Declaration and those contained in my July 15th letter to LSNC referred to in Paragraph 11 of this Declaration. As of the date of this Declaration, the City Council has not rescinded this authority or the City Council's commitment thereto.
- 5. The next day, Wednesday, July 10, 2024, I contacted Plaintiffs' counsel in the *Warren* case and asked for a telephone call to discuss the Settlement Agreement. I was told that Plaintiffs' lead counsel, Cory Turner with Legal Services of Northern California ("LSNC"), was out of the office and would not be available until the following week.
- 6. On Monday, July 15, 2024 Mr. Turner and I conferred by Zoom. I informed him that, in view of the *Grants Pass* decision and the Supreme Court's rejection of the Ninth Circuit's decision in *Martin v. City of Boise*, 920 F. 3d 584 (2019) ("*Martin*"), the City was pausing its negotiations regarding the draft Implementation Agreement under the Settlement Agreement. I also informed Mr. Turner that the Settlement Agreement has been unworkable for the City in the same ways countless other cities in have experienced following the *Martin* decision, which have significantly constrained the City's ability to timely address public health and safety issues on public property. Moreover, the Settlement Agreement's underlying legal foundation is based on

Martin, which was resoundingly rejected by the Supreme Court in the Grants Pass decision.

- 7. I explained to Mr. Turner that, to more effectively protect the public's health, safety, and peaceful enjoyment of adjoining private properties, the City must be able to employ a multifaceted approach in addressing the homelessness issue and be able to exercise reasonable discretion to respond to these public health and safety issues. I further explained that 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.
- 8. For these reasons, the City proposed that the parties enter into a new agreement that would supersede the Settlement Agreement with the following commitments by the City:
 - 1. City agrees to continue funding and operating the Pallet Shelter (subject to reasonable site rules) through at least the end of the Settlement Agreement term, at which time the sitting City Council may determine (with public input) the future of the Pallet Shelter.
 - 2. City agrees to provide for one (1) alternate site at a location of the City's choosing (subject to reasonable site rules) until at least the end of the 2024 calendar year.
 - 3. All City pre-enforcement and enforcement of Anti-Camping Ordinances and Regulations shall be consistent with local, state, and federal laws, including the *Grants Pass* decision.
- 9. I explained that the terms of the City's proposed new agreement are consistent with the City's desire for a multi-faceted approach to addressing homelessness by committing to preserve the City-operated shelter sites, while eliminating the overly burdensome and unworkable *Martin* restrictions. The Settlement Agreement's underlying legal foundation is based on *Martin*, which was resoundingly rejected by the Supreme Court in the *Grants Pass* decision.
- 10. I further informed Mr. Turner that if the parties cannot enter into a new settlement agreement, the City would seek judicial relief pursuant to Rule 60 of the Federal Rules of Civil Procedure.
 - 11. I confirmed all of the foregoing discussion points in my July 15th letter to Mr. Turner,

a true and correct copy of which is attached as **Exhibit A**, which I sent to Mr. Turner shortly after our Zoom conference of July 16, 2024.

- 12. On July 16, 2024, I received Mr. Turner's response, in which he rejected the City's proposal and complained about not having sufficient time to consult with his clients. He stated that he and his colleagues would "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." A true and correct copy of Mr. Turner's July 16 letter is attached as **Exhibit B**.
- 13. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 30th day of August 2024, at Pasadena, California.

John W. Lam

EXHIBIT A



13181 Crossroads Parkway North Suite 400–West Tower City of Industry, CA 91746 Tel: 562.699.5500

Fax: 562.692.2244 www.agclawfirm.com

July 15, 2024

VIA EMAIL

Cory Turner
Special Assignment Attorney
LEGAL SERVICES OF NORTHERN CALIFORNIA
541 Normal Avenue
Chico, CA 95927
cturner@lsnc.net

Re: <u>Warren, et al. v. City of Chico, et al. | USDC Case #: 2:21-cv-00640-MCE-DMC</u>
Pause of Dispute Resolution Process Under Settlement Agreement and Post-*Grants Pass* Matters

Dear Mr. Turner:

This letter confirms the details of our telephone conversation this morning on July 15, 2024. Per our call, I informed Legal Services of Northern California ("LSNC") that the City of Chico ("City") is currently pausing its negotiations with respect to the draft Implementation Agreement under the *Warren v. Chico* Settlement Agreement ("Settlement Agreement") in light of the *Johnson v. City of Grants Pass* ("*Grants Pass*") decision. In addition, I also informed LSNC that the Settlement Agreement has been unworkable for the City in the same ways countless other cities in the Ninth Circuit have experienced following the *Boise v. Martin* decision and its progeny ("*Martin*"), which have significantly restrained the City's ability to timely address public health and safety issues on public property. The Settlement Agreement's underlying legal foundation is based on *Martin*, which was resoundingly rejected by the Supreme Court in the *Grants Pass* decision.

To more effectively protect the public's health, safety, and peaceful enjoyment of adjoining private properties, the City must be able to employ a multi-faceted approach in addressing the homeless issue and be further able to exercise reasonable discretion to respond to these public health and safety issues. However, 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.

For the above reasons, the City proposed that the parties enter into a new agreement that would supersede the Settlement Agreement with the following commitments from the City:

- 1. City agrees to continue funding and operating the Pallet Shelter (subject to responsible site rules and regulations as determined by the City) through at least the end of the Settlement Agreement term, at which time the sitting City Council may determine (with public input) the future of the Pallet Shelter.
- 2. City agrees to provide for one (1) alternate site at a location of the City's choosing

Cory Turner July 15, 2024 Page 2

(subject to reasonable site rules and regulations as determined by the City) until at least the end of the 2024 calendar year.

3. All City pre-enforcement and enforcement of Anti-Camping Ordinances and Regulations shall be consistent with local, state, and federal laws including the recent *Grants Pass* decision.

The terms of the new agreement are consistent with the City's desire for a multi-faceted approach to addressing homelessness by committing to preserve the City-operated shelter sites while eliminating the overly burdensome *Martin* considerations that have been rejected by the Supreme Court. I respectfully request that LSNC provide a response to me by 5:00 p.m. on Tuesday, July 16, 2024. If LSNC does not accept the City's offer to enter into a new agreement, the City will have no other choice but to seek judicial relief pursuant to Rule 60 of the Federal Rules of Civil Procedure.

Lastly, per our call, I will also notify Judge Delaney of the City's decision to pause the dispute resolution process while the City seeks judicial relief outside the Settlement Agreement.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Sincerely,

ALVAREZ-GLASMAN & COLVIN CITY ATTORNEY FOR THE CITY OF CHICO

John W. Lam City Attorney

cc: Mark Sorensen, City Manager, City of Chico Kate Wardrip, Managing Attorney, Legal Services of Northern California Matthew Bowen, Attorney, Legal Services of Northern California

EXHIBIT B



Sent via email only to: <u>JLam@agclawfirm.com</u>

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

Page 1 of 3



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.

P: 530.345.9491 F: 530.345.6913 www.lsnc.net Page 2 of 3



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,

Cory Turner Special Assignment Attorney Legal Services of Northern California Direct Line: (530) 592-4209

Fax: (530) 345-6913 Email: cturner@lsnc.net

cc: Eric G. Salbert, Deputy City Attorney, City of Chico

PROOF OF SERVICE UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF CALIFORNIA

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 13181 Crossroads Parkway North, Suite 400, City of Industry, CA 91746.

On August 31, 2024, I served the foregoing documents described as: **DEFENDANTS' NOTICE OF MOTION AND MOTION FOR RELIEF FROM JUDGMENT OR ORDER PURSUANT TO FRCivP RULE 60; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATIONS OF MARK SORENSEN, ERIK GUSTAFSON, STEVE STANDRIDGE, SGT. PAUL RATTO, AMBER ABNEY-BASS AND JOHN LAM**

on the interested parties in this action by serving true copies thereof as follows:

Stephen E. Goldberg
Legal Services of Northern California
Executive Office
517 12th Street
Sacramento, CA 95814
916-551-2181
916-551-2195 (fax)
sgoldberg@lsnc.net

Robert Louis Berry
R.L. Berry Law
448 W 2nd Avenue
Chico, CA 95926

15 | Chico, CA 95926 831-334-4066 ROB@RLBERRYLAW.COM

John Thomas H. Do
ACLU of Northern California
39 Drumm Street
San Francisco, CA 94111
415-621-2493
ido@aclunc.org

21 Walter P. McNeill
22 McNeill Law Offices
280 Hemsted Drive
23 Suite E
Redding, CA 96002
24 530-222-8992
530 222-8892 (fax)
25 waltmcn@aol.com

1	Cory Albert Turner
	Legal Services of Northern California 541 Normal Avenue
2	Chico, CA 97928
3	530-592-4209
4	<u>cturner@lsnc.net</u>
5	Sarah J. Steinheimer
	Legal Services of Northern California 517 12th Street
6	Sacramento, CA 95814
7	916-551-2103
8	916-551-2195 (fax)
	ssteinheimer@lsnc.net
9	Richard A. Rothschild
10	Western Center on Law and Poverty 3701 Wilshire Blvd.
11	Suite 208
	Los Angeles, CA 90010
12	213-487-7211 213-487-0242 (fax)
13	rrothschild@wclp.org
14	
	BY MAIL: I am readily familiar with the firm's business practice for collection and processing
15	of correspondence for mailing with the United States Postal Service. I know that the
16	correspondence is deposited with the United States Postal Service on the same day this declaration was executed in the ordinary course of business. I know that the envelope was sealed and, with
17	postage thereon fully prepaid, placed for collection and mailing on this date, following ordinary
18	business practices, in the United States mail at Los Angeles, CA.
	DV ELECTRONIC TRANSMISSION. Durguent to Col. Dulas of Count. Emangement mula 12. I
19	BY ELECTRONIC TRANSMISSION: Pursuant to Cal. Rules of Court, Emergency rule 12, I transmitted a PDF version of this document by electronic mail to the persons at the addresses
20	listed above using the e-mail address(es) indicated.
21	(<i>Federal</i>) I declare that I am employed in the office of a member of the bar of this court at whose
	direction the Service was made.
22	
23	Executed on August 31, 2024, at Hollywood, California.
24	
25	ISI Stephen T. Owens
	Stephen T. Owens
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