

DECEMBER 16, 2021

CLOSED SESSION REPORT OF FINAL ACTION

Date of Meeting: *Thursday, December 16, 2021*

Litigation Negotiations

NAME OF ACTION:

County of Santa Clara, et al. v. Atlantic Richfield Co., et al.

Santa Clara County Superior Court Case No. 1-00-CV-788657

This matter is listed as **Item No. 1(b)** on the Closed Session Agenda:

The council authorized the following:

- 60% of the settlement funds, approximately \$14,000,000, will fund lead poisoning prevention services within the City (“the City Services Allocation”)
- 40% of the funds, approximately \$9,600,000, will fund lead poisoning prevention services within Alameda County but outside of the City;
- The City will receive 20% of the City Services Allocation now, \$4,797,184.58, to fund development of an Equity Based Lead Program;
- The remaining 40% of the City Services Allocation will continue to be held in trust by the County Treasurer subject to the City and the County agreeing on disbursement and programming of the balance;
- The County will receive 40% of the County Services Allocation now to continue its lead abatement work outside of Oakland; and
- The City Administrator will enter into a Memorandum of Understanding with the County setting out these terms.

This case arose out of incidents (lead paint poisoning) occurring in Oakland and across the state of California, and nationally.

FACTS/ISSUES:

Ten cities and counties, including the City of Oakland and the County of Alameda, brought this case in 2001 against companies that manufactured, distributed and promoted lead paint. The parties resolved the lawsuit via a settlement under which Defendants agreed to pay a total of \$305 million through various installments over the course of seven years.

In October 2019, the public entities entered into a Memorandum of Understanding to satisfy their obligations under various contingency fee agreements with outside counsel, and to allocate among the prosecuting jurisdictions the balance of the settlement funds.

Because the City of Oakland and the County of Alameda have overlapping jurisdiction, they received a single allocation of 10% of the balance of the settlement funds, \$23,985,922.92. The settlement funds are held in trust by the County Treasurer subject to the City and the County agreeing on disbursement and programming.

Motion Made by: **Councilmember Gallo**

Motion Seconded by **Vice Mayor Kaplan**

AYES: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas= 8

NOES: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=

ABSENT: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=

ABSTENTIONS: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=