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18	Attorneys for Plaintiffs LA Forward Institute, Sylvia Aroth Kathleen L. Coates, and Gary Williams					
19	SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT					
20	LA FORWARD INSTITUTE, a non-profit	Case No. 24STCV17156				
21	organization; SYLVIA AROTH, an individual; KATHLEEN L. COATES, an individual; and	COMPLANTE FOR INTENCENTE				
22   23	GARY WILLIAMS, an individual,  Plaintiffs,	COMPLAINT FOR INJUNCTIVE AND DECLARATORY RELIEF				
24	V.					
25	CITY OF LOS ANGELES; LOS ANGELES					
26	CITY COUNCIL; LOS ANGELES HOUSING DEPARTMENT; LOS ANGELES					
27	DEPARTMENT OF TRANSPORTATION; and DOES 1 through 100, inclusive,					
28	Defendants.					
- 1	I .					

Plaintiffs LA FORWARD INSTITUTE, a 501(c)(3) organization, SYLVIA AROTH, KATHLEEN L. COATES, and GARY WILLIAMS, by and through their attorneys Public Counsel, Western Center on Law & Poverty, and Strumwasser & Woocher LLP, hereby complain and allege against Defendants CITY OF LOS ANGELES, LOS ANGELES CITY COUNCIL, LOS ANGELES HOUSING DEPARTMENT (LAHD), and LOS ANGELES DEPARTMENT OF TRANSPORTATION (LADOT) (collectively, "Defendants" or the "City"), and each of them, as follows:

# **INTRODUCTION**

- 1. This case challenges the ongoing efforts of elected officials in the City of Los Angeles (LA) to intentionally obstruct the development of a large affordable and permanent supportive housing project for chronically homeless¹ and low-income people on City-owned land in the affluent Westside community of Venice, known as the Venice Dell Community ("Venice Dell" or the "Project"). By blocking the construction of much-needed housing for vulnerable populations in LA's City Council District 11, Defendants City of Los Angeles, Los Angeles City Council (the "City Council"), Los Angeles Housing Department (LAHD), and Los Angeles Department of Transportation (LADOT) (together, "Defendants" or the "City") are engaged in housing discrimination under California's Fair Employment and Housing Act (FEHA).
- 2. While Mayor Karen Bass and the City Council have publicly supported and adopted policies to expedite housing solutions citywide to address the City's devastating housing and homelessness crisis, as demanded by LA voters, some of the same elected officials are now covertly thwarting those efforts. Since taking office in 2023, Councilmember Traci Park and City Attorney Hydee Feldstein Soto, acting on animus against the Project and the chronically homeless, disabled, and Black and Brown Angelenos it would house, have pursued a number of backdoor strategies to thwart and obstruct Venice Dell. These efforts not only undermine the City's own stated policies, but they violate state law.

<sup>&</sup>lt;sup>1</sup> The term "chronically homeless" is defined by the U.S. Department of Housing and Urban Development as any person with a disability who has been homeless for 12 months or more in the last three years.

- 3. Venice Dell is a fully entitled, 100% affordable housing and permanent supportive housing development to be constructed on a City-owned site currently used as a surface parking lot located at 200 North Venice Boulevard, Venice, California 90291, in City Council District 11. The Project has been in the works since 2016, when the City first identified the parking lot as a potential site for housing, as part of a policy to prioritize the development of affordable housing on City-owned land. Once complete, the Project will provide 68 supportive units for individuals and families experiencing chronic homelessness and 68 affordable units for low-income households and artists, along with supportive services and ground floor commercial space. It also proposes to replace all the parking spaces currently at the lot.
- 4. Between 2017 and 2022, Venice Community Housing and Hollywood Community Housing Corporation, the Project's nonprofit affordable housing developers (together, the "Developers"), conducted substantial community outreach and the City considered the Project at 18 public meetings, at most of which public comment was heard, received and considered. After all these public meetings and review, the City and Developers executed a Disposition and Development Agreement ("DDA") on June 30, 2022.
- 5. Since Councilmember Park and the City Attorney took office in 2023, progress on Venice Dell has, however, grinded to a halt, despite the best efforts of the Developers to finalize and execute the Project's remaining approvals. After years of collaboration between City agencies and the Developers, the sudden standstill is attributable not to routine bureaucratic snags, but to the intentional efforts of Councilmember Park and the City Attorney—both vocal opponents of the Project—to squash the Project. Most alarmingly, Councilmember Park and the City Attorney seek to defeat the Project not by democratic means in the City Council, but to use their offices to tie the Project up in red tape outside of public view. Since 2023, the City Attorney has been using her role as the attorney for the City to not only stop City departments from signing off on the remaining necessary approvals for the Project, but to prevent City staff from communicating with the Developers on Project details. Most recently, even after two court decisions upheld the official approvals of the Project against NIMBY<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> The term "NIMBY" is an acronym for "Not In My Backyard," and is defined by Merriam-Webster dictionary as "opposition to the locating of something undesirable (such as a prison or

challenges, the City reversed course, with staff telling the Developers in a private meeting that the Project must be completely redesigned. This proposal would not only delay the construction of desperately needed housing on the Westside by unwinding all of the Project's existing entitlements, but, astonishingly, would also reduce the number of affordable and permanent supportive housing units at Venice Dell. This delay would likely kill the project altogether, as it jeopardizes funding and ultimately will make the Project too expensive to build.

- 6. Rather than expediting the construction of housing, the City is rapidly moving backward. City officials, including the Mayor, have granted Councilmember Park de facto veto power over a fully-entitled Project, ceding power to a well-resourced, predominantly White minority that does not want the chronically homeless housed in their wealthy Venice neighborhood. These opponents, many of whom supported the elections of Councilmember Park and the City Attorney, have made discriminatory statements on the public record, complaining about how the Project will change the "character" of the neighborhood and endanger the community. These statements exhibited thinly-veiled racism and outright animus against people with disabilities. Reversing course on the construction of housing in response to such animus is exactly the sort of rank housing discrimination that FEHA prohibits.
- 7. By capitulating to the animus of this well-resourced opposition, the City's obstruction and delay of Venice Dell have made housing unavailable in a manner that discriminates—in both intent and impact—against persons of color and persons with disabilities under FEHA and the California Constitution's guarantee of equal protection. The obstruction of the Project is also consistent with a history of official and de facto discriminatory housing practices that have resulted in Los Angeles being, by the City's own assessment, extremely racially and socioeconomically segregated. Allowing this obstruction to continue has a chilling effect on affordable housing development in areas of LA where there is vocal and well-resourced opposition like in Venice. The City's actions to halt Venice Dell entrench existing patterns of segregation in the City, sending the message that affluent Council Districts are not required to participate in solving our housing and

incinerator) in one's neighborhood." It is colloquially used to describe those who oppose real estate and infrastructure developments in their neighborhoods.

homelessness crisis.

- 8. This is not the first time that legal action has been required to change the City's practices and culture regarding affordable housing approvals. Before 2018, the City had a practice of requiring a Letter of Acknowledgement from Councilmembers before low-income housing could be built in their respective districts, creating in effect a "pocket veto" system. In 2018, a community group sued the City over the illegal and unconstitutional practice, resulting in swift action by the California Legislature to pass a ban on pocket vetoes for affordable housing receiving state funding. (Alliance of Californians for Community Empowerment (ACCE Action) v. City of Los Angeles (Super. Ct., Los Angeles County, 2018, No. BS174427).)
- 9. Despite the City's cessation of the formal Letter of Acknowledgement policy, the City is currently engaged in a policy or practice that allows a single Councilmember—who, not coincidentally, represents a wealthy, predominantly White Council District—and the City Attorney to obstruct the construction of sorely needed affordable housing in a wealthy area of the City in defiance of the City Council. This policy or practice makes it less likely that affordable housing and permanent supportive housing will be constructed in wealthy, White areas of the City like Council District 11, where well-resourced populations can organize to oppose the housing of chronically homeless and low-income Angelenos in their own "backyards." This de facto Councilmember veto system over affordable and permanent supportive housing allows wealthy Council Districts to decline to participate in the solutions to our most urgent housing and homelessness crisis. This practice violates FEHA, state statutes prohibiting discrimination against affordable housing, the Los Angeles City Charter, the Los Angeles City Administrative Code, and the California Constitution.
- 10. Plaintiffs have demanded without success that the City cease to obstruct and delay Venice Dell. Plaintiffs now turn to this Court to enjoin the City from any further delays and to order the City to take all affirmative steps to allow Venice Dell to be constructed, operated, and maintained as permanent supportive and affordable housing as set forth in the DDA; and to enjoin the City, its officers, employees, agents, successors, and all other persons in active concert or participation with it, from obstructing the development of City Council-approved supportive and affordable housing in a manner that discriminates against persons of color and persons with disabilities.

# 

## **PARTIES**

#### **PLAINTIFFS**

- 11. Plaintiff LA Forward Institute is a 501(c)(3) non-profit entity whose mission is to make local government accessible and to advance accountability through civic education, leadership development, and coalition building. It is dedicated to a vision of Los Angeles County as a fair, flourishing region where public institutions ensure that all people can live in dignity and reach their fullest potential as human beings. It advances racial and economic justice across a wide range of issues including housing, climate, transportation, unarmed crisis response, and good government.
- 12. LA Forward Institute's organizational mission has been frustrated by Defendants' actions to obstruct development of affordable and supportive housing. Strengthening housing justice and the creation of new affordable housing, especially in middle- and upper-class neighborhoods like those on LA's Westside, has been important to LA Forward Institute's mission since it began operating in 2016. Since its founding, it has participated in efforts to incentivize the development of affordable housing near public transit.
- 13. As some examples of its work in advocating for affordable housing, LA Forward Institute, along with its 501(c)(4) arm, has:
  - a. Engaged community members and submitted comments around increasing housing;
  - b. Organized its members into regional groups, including on the Westside of Los Angeles, to speak out in favor of affordable housing at neighborhood council meetings, both as to specific projects and to try to engage neighborhood councils to identify sites for affordable housing in their neighborhoods;
  - c. Organized its members to speak out in favor of affordable and bridge housing at various public hearings and through contacting city officials;
  - d. Organized its members to comment on the update of the Westside community plans in support of more affordable housing;
  - e. Organized the launch of the Westside field campaign for Yes on ULA in Venice in August 2022;
  - f. Hosted two canvasses of voters in favor of Measure ULA in Venice in October 2022,

along with eight in other parts of the Westside; and

- g. Organized two constituent meetings for Council District 11 residents with Councilmember Traci Park and her staff in May and June 2023 where Venice Dell and other housing issues were discussed.
- More recently, LA Forward Institute hosted a teach-in about the stalling of the Venice Dell Project on August 14, 2023; facilitated community member outreach to the Mayor expressing disapproval of stalling of the Venice Dell Project and asking her to publicly support the Project; spoke at a press conference outside City Hall about the stalling of the Venice Dell Project on September 13, 2023; and has organized frequent Westside gatherings where community members have discussed how to take action on pressing issues with an emphasis on housing and homelessness.
- 14. Through these activities, LA Forward Institute has devoted significant time and resources to increasing affordable and supportive housing throughout the City of Los Angeles. As alleged herein, LA Forward Institute brings suit under FEHA, as the City's current policies regarding low-income and homelessness housing are a significant barrier to its efforts to increase affordable and supportive housing in LA, and, thus, LA Forward Institute has been injured and will continue to be injured by those policies in the future. As a result of the City's efforts to obstruct supportive and affordable housing development in LA, LA Forward Institute also continues to divert its finite resources towards assisting community members facing eviction and homelessness.
- 15. Plaintiff Kathleen L. Coates is a 60-year-old resident of the City of Los Angeles. Ms. Coates and her partner, a 50-year-old African-American man, became unhoused in 2023, when they became unable to afford the monthly rent of their previous apartment in Mar Vista. They currently live in a motor home, which they often park in and around Venice.
- 16. Ms. Coates has a mental health condition that substantially impacts major life activities, including working. Her partner receives Social Security Disability Insurance (SSDI). Ms. Coates and her partner desire to live in supportive housing in Venice, so that they can both be close to where they work and where they receive medical care. Since becoming unhoused in 2023, Ms. Coates has been unable to find stable affordable or supportive housing in Venice or its vicinity. Ms. Coates has been injured and will continue to be injured by the City's efforts to obstruct and delay the construction of

the Project's supportive and affordable housing, as Ms. Coates and her partner are chronically homeless, and would gladly live in supportive housing at Venice Dell if offered a residence there.

- 17. Plaintiff Kathleen L. Coates also brings suit as a taxpayer within the meaning of Code of Civil Procedure section 526a in that she lives within the City of Los Angeles and has paid sales taxes to the City of Los Angeles within one year prior to the commencement of this action.
- 18. Plaintiff Sylvia Aroth is an individual who has lived in Venice for over 50 years. She is a current homeowner in Venice who recognizes the need for affordable housing in Venice and supports the construction of Venice Dell. Ms. Aroth brings suit as a taxpayer within the meaning of Code of Civil Procedure section 526a in that she lives within the City of Los Angeles and has paid property tax, business license fees, and sales taxes to the City of Los Angeles within one year prior to the commencement of this action.
- 19. Plaintiff Gary Williams is Professor of Law and Johnnie L. Cochran, Jr. Chair in Civil Rights at Loyola Law School. Professor Williams grew up in Venice and only left to attend Stanford Law School. Two of his sisters still live in the ever-shrinking African-American neighborhood within Venice. Professor Williams brings suit as a taxpayer within the meaning of Code of Civil Procedure section 526a in that he works within the City of Los Angeles and has paid sales taxes to the City of Los Angeles within one year prior to the commencement of this action.

## CITY DEFENDANTS

- 20. Defendant City of Los Angeles is a charter city and municipal corporation organized under the laws of the State of California. The City is a legal entity with the capacity to sue and be sued.
- 21. Defendant Los Angeles City Council is the legislative body of the City and is responsible for carrying out the Constitution and laws of the State of California, and conforming the ordinances, regulations, policies, and actions of the City to the requirements of state law.
- 22. Defendant Los Angeles Housing Department (LAHD) is the department of the City government responsible for the production, preservation, and protection of affordable housing in the City of Los Angeles.
  - 23. Defendant Los Angeles Department of Transportation (LADOT) is the department of

the City government responsible for transportation planning, project delivery, and operations in the City of Los Angeles. In this capacity, LADOT is the current operator of the City-owned parking lot which the City has designated for affordable housing. Under the terms of the DDA, LADOT is responsible for entering into a separate agreement with the Developers or their affiliate to construct a public parking structure at the Project site.

24. Plaintiffs are unaware of the true names and capacities of Defendants Does 1 through 100, inclusive, and they are therefore sued by such fictitious names pursuant to Code of Civil Procedure section 474. Plaintiffs allege on information and belief that each such fictitiously named Defendant is responsible or liable in some manner for the events and happenings referred to herein, and Plaintiffs will seek leave to amend this Complaint to allege their true names and capacities after the same have been ascertained.

# JURISDICTION AND VENUE

- 25. This Court has jurisdiction to hear the subject matter of this complaint. This Court also has jurisdiction over each Defendant, which are all government entities in Los Angeles County, as the acts and omissions alleged herein occurred in California.
- 26. Venue is proper in this Court pursuant to Code of Civil Procedure section 394 because all the violations of law alleged herein occurred and are occurring in Los Angeles County.

#### **FACTUAL ALLEGATIONS**

# The Dire and Worsening Homelessness Crisis in the City of Los Angeles

- 27. A recent major study found that more than 171,000 people experience homelessness daily in California. (Kushel, M., Moore, T., et al., *Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness*, UCSF Benioff Homelessness and Housing Initiative (2023).) The state is home to 12 percent of the nation's population, 30 percent of the nation's homeless population, and half the nation's unsheltered population.
- 28. The 2024 Greater Los Angeles Homeless Count (the "2024 Homeless Count") identified over 45,000 people experiencing homelessness in the City of LA in 2024—29,275 unsheltered and 15,977 sheltered. 18,936 individuals—or 42%—are considered chronically homeless.

<sup>3</sup> (*See* Los Angeles Homeless Services Authority, 2024 Greater Los Angeles Homeless Count – City of LA Data Summary (data as of May 17, 2024), available at <a href="https://www.lahsa.org/documents?id=8152-city-of-los-angeles-hc2024-data-summary.">https://www.lahsa.org/documents?id=8152-city-of-los-angeles-hc2024-data-summary.</a>)

- 29. While the City's unsheltered population declined by 10.4% from 2023 to 2024, its sheltered population—those living in housing unstable situations such as emergency shelters—has increased by 17.7%. These trends indicate that the City has successfully been moving unhoused people off the streets and into interim shelter, but not moving them into permanent housing or out of homelessness fast enough.
- 30. Housing unaffordability and economic factors are a key driver of homelessness. According to the Los Angeles Homeless Services Authority (LAHSA), 54% of people who became homeless in the last year cited economic hardship as one of the main reasons they lost their home. Unaffordable rents are also a key driver of homelessness. LAHSA's 2024 Homeless Count identified a deficit of nearly 500,000 affordable homes according to the California Housing Partnership, and that there were 33% fewer multi-family housing permits in January and February 2024 compared to the same period in 2023. (LAHSA, 2024 Greater Los Angeles Homeless Count Results (Long Version) (June 28, 2024), p. 29, available at <a href="https://www.lahsa.org/documents?id=8164-2024-greater-los-angeles-homeless-count-results-long-version-.pdf">https://www.lahsa.org/documents?id=8164-2024-greater-los-angeles-homeless-count-results-long-version-.pdf</a>.) A key takeaway for LAHSA was that "we must keep building" to keep making progress. (*Id.* at p. 38.)
- 31. Homelessness is an issue in every one of the 15 Council Districts in the City. Table 1 below contains the most recent raw homeless count data for the City by area of the City. (See LAHSA, 2024 Greater Los Angeles Homeless Count Raw Data Totals (June 28, 2024), available at <a href="https://www.lahsa.org/hc24-raw-totals">https://www.lahsa.org/hc24-raw-totals</a>.)

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<sup>&</sup>lt;sup>3</sup> Except where otherwise noted, data cited herein from the 2024 Homeless Count estimates the number and demographic characteristics of the homeless population on a single night in January 2024.

<u>Table 1: 2024 Homeless Count – City of Los Angeles</u><sup>4</sup>

Council District	Actual Persons Counted (Sheltered + Unsheltered)	Sheltered	Unsheltered	Improvised Dwellings <sup>5</sup> Counted
1	1353	711	642	1145
2	864	504	360	710
3	698	456	242	401
4	598	432	166	200
5	607	262	345	421
6	1846	1554	292	683
7	497	346	151	624
8	1986	1583	403	1156
9	2590	1943	647	1209
10	751	338	363	578
11	849	303	546	930
12	135	48	87	404
13	1541	1132	409	833
14	4448	2826	1622	2321
15	776	399	377	1102

32. The City's crisis is driven primarily by a lack of affordable housing. In 2023, California had only 24 units of housing available and affordable for every 100 extremely low-income households. (Kushel, et al., *Toward a New Understanding: The California Statewide Study of People Experiencing Homelessness, UCSF Benioff Homelessness and Housing Initiative* (2023), p. 83.) The Kushel study's lead policy recommendation to alleviate the crisis is to "[i]ncrease access to housing affordable to extremely low income households." Because of its deficit of affordable housing, the City is legally obligated to plan for 456,643 housing units in the 2021-2029 Housing Element cycle, including 184,721 lower income units. (Los Angeles City Planning, Housing Element Update, available at <a href="https://planning.lacity.gov/node/133011">https://planning.lacity.gov/node/133011</a>.)

33. In addition to the need for more affordable housing, permanent supportive housing is

<sup>&</sup>lt;sup>4</sup> According to LAHSA, the raw data presented in Table 1 reflect actual counts of the persons and improvised dwellings and have not been adjusted by a multiplier to estimate the persons living in the counted dwellings. These actual counts of persons and improvised dwellings include data collected by volunteers the night of the Homeless Count along with data collected by special outreach teams who canvass hard-to-reach and/or dangerous areas. Sheltered counts in Table 1 do not include clients sheltered with vouchers or in programs with confidential addresses.

<sup>&</sup>lt;sup>5</sup> Improvised dwellings includes cars, vans, RVs, tents, and makeshift shelters.

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Chronically homeless individuals in particular benefit significantly when provided with supportive housing. Since the 1970s, supportive housing has been identified as a key component for ending homelessness for the chronically homeless—which the U.S. Department of Housing & Urban Development (HUD) defines to include any person with a disability who has been homeless for 12 months or more in the last three years. Supportive housing combines permanent shelter with services, which may include mental and physical health services, drug and alcohol treatment, and education and job training. When properly implemented, supportive housing results in chronically homeless residents becoming permanently sheltered and provides residents with opportunities to better access healthcare resources and pursue their educational or career goals. Participants in supportive housing programs access housing faster and are more likely to remain stably housed. (See Gulcur et al., Housing, Hospitalization, and Cost Outcomes for Homeless Individuals with Psychiatric Disabilities Participating in Continuum of Care and Housing First Programs, 13 J. of Community & Appl. Social Psychology 176 (2003); Tsemberis & Eisenberg, Pathways to Housing: Supported Housing for Street-Dwelling Homeless Individuals with Psychiatric Disabilities, 51 Psychiatric Services 487 (2000).)

# Approval of Ballot Measures to Build Supportive and Affordable Housing

- 34. To address the growing crisis of homelessness, voters have adopted Proposition HHH, Measure H, and Measure ULA to facilitate the generation of local funding for the development of supportive housing and affordable housing. There will also be at least one additional voter-initiated measure on the ballot in November 2024 to raise additional revenue for affordable housing in the County.
- 35. On November 8, 2016, City of Los Angeles voters approved Proposition HHH, authorizing \$1.2 billion in general obligation bonds to build 10,000 units of supportive and affordable housing. The ballot initiative passed by a wide margin, with 77 percent of voters voting in favor.
- 36. Proposition HHH was proposed to generate local funding for the development of shelter, permanent supportive housing and affordable housing for low-income persons and those who are homeless or at risk of becoming homeless. As of May 2024, Proposition HHH funded 8,669 units of permanent supportive housing. (See LAHD, Proposition HHH Progress Dashboard (June 27, 2024),

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available at https://housing2.lacity.org/housing/hhh-progress-dashboard.) Along with federal, state, and county funded programs, the City's permanent supportive housing pipeline is 12,012 units.

- 37. In March 2017, 69 percent of Los Angeles County voters approved a second ballot measure, Measure H, to increase the county sales tax to fund services to address homelessness. Measure H was proposed to "adopt a retail transactions and use tax ordinance for the specific purpose of preventing and combatting homelessness within Los Angeles County." (Measure H § 4.73.030.) Measure H was intended to prevent homelessness for families and individuals, to provide subsidized housing to homeless disabled individuals, and to promote the development of affordable housing for homeless families and individuals. (*Id.*)
- 38. In November 2022, LA City voters passed Measure ULA with nearly 60 percent of the vote. The Measure enacted a 4 percent tax on properties sold or transferred for more than \$5 million and a 5.5 percent tax on properties sold or transferred for more than \$10 million, and it established the House LA Fund within the city treasury to collect tax revenue and allocate funds to homelessness prevention programs and affordable housing development.
- 39. According to the Los Angeles Office of Finance, Measure ULA has generated \$312,238,763 to date to support all of the House LA programs, 70 percent of which will be allocated to housing production programs per the measure. (Los Angeles Office of Finance, Real Property Transfer Tax and Measure ULA FAQ [providing link for ULA Monthly Transactions], available at https://finance.lacity.gov/faq/measure-ula.)

# **Mayor Karen Bass' Emergency Declarations**

- 40. To address the City's homelessness crisis, almost immediately after being elected, the Mayor of Los Angeles, Karen Bass, issued a Declaration of Local Emergency on December 12, 2022 that the "impacts of a lack of housing warrant and necessitate that I declare the existence of a local emergency." The Declaration, among other things, directed all City agencies, in coordination with the City Council, to take steps to provide "[r]egulatory relief from other jurisdictions and within Los Angeles City agencies to create flexibility to address the crisis." The very next day, the City Council adopted the Declaration.
  - Pursuant to the Declaration, Mayor Bass issued Executive Directive 1, entitled 41.

"Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types" on December 16, 2022. Executive Directive 1 directed all City departments to develop plans to provide a ministerial, streamlined review process for any application that proposes a 100 percent affordable housing development project.<sup>6</sup>

- 42. At a press conference where she announced the executive order, Mayor Bass stated: "Everyone knows that time is money. Over the last year, I can't recount the number of times I have talked to people who try to build affordable housing and they talk about the reason why it cost so much is because of the length of time it takes."
- 43. On February 10, 2023, Mayor Bass also issued Executive Directive 3, entitled "Emergency Use of Viable City-Owned Property" to "maximize the use of City-owned property for temporary and permanent housing." The Directive requires that the Mayor be provided within 20 days an inventory of unused and underutilized city property that could be used for temporary or permanent housing with on-site services; that a formal assessment of each site follow; that based on the assessment, the Mayor's Office designates what type of housing should be built on which locations; and that City departments prioritize temporary and permanent housing with on-site services and eliminate unnecessary reviews, paperwork and red tape. On March 28, 2024, the Mayor expanded ED3. The updated directive accelerates the building of permanent and interim housing on publicly owned land that is owned by the Housing Authority of the City of Los Angeles, Metro and the Los Angeles Community College District, in addition to land owned by the City of Los Angeles.
- 44. Consistent with these aspirations, the City's 2021-2029 Housing Element identifies policies to "[a]llocate citywide housing targets across Community Plan areas in a way that seeks to address patterns of racial and economic segregation" (Los Angeles City Planning, 2021-2029 Housing Element, p. 246, available at <a href="https://planning.lacity.gov/plans-policies/housing-element">https://planning.lacity.gov/plans-policies/housing-element</a> [Policy 1.1.6]), "[p]rioritize the development of new Affordable Housing in all communities, particularly those that currently have fewer Affordable units" (*id.* at p. 248 [Policy 1.3.2]), and "[p]rioritize the

<sup>&</sup>lt;sup>6</sup> Executive Directive 1 has been revised, most recently on July 1, 2024. The third revised Executive Directive 1 is available at <a href="https://planning.lacity.gov/odocument/4bdff0d5-a458-4bcc-a8c5-451e4af45ea7/ED1">https://planning.lacity.gov/odocument/4bdff0d5-a458-4bcc-a8c5-451e4af45ea7/ED1</a> revised memo 3.pdf.

development of Affordable Housing on public land" (*id.* at p. 247 [Policy 1.2.10]). To do this, the City committed to "[i]dentify publicly owned housing opportunity sites and issue [Requests for Proposals] to develop the sites by 2023" and "[r]ezone PF (Public Facility) zoned land to allow affordable housing by-right by 2024." (*Id.* at p. 269.)

# **The Venice Dell Community Project**

45. Previously, on February 10, 2016, then-Mayor Eric Garcetti approved the City of Los Angeles's Comprehensive Homeless Strategy. Strategy 7d of the Comprehensive Homeless Strategy "Using Public Land for Affordable and Homeless Housing," states:

Due to the pace at which housing units are created in the City and the sheer quantity of homeless individuals who need housing it is not feasible to find immediate long-term housing solutions for all, or even most of the homeless in the City without additional resources or options. In order to hasten the pace at which additional housing opportunities are developed, it is necessary to consider use of existing City properties, including unimproved lots and those with facilities that are either surplus or underused that could be developed for affordable housing and/or housing for the homeless.

(City of Los Angeles, *Comprehensive Homeless Strategy* (Feb. 9, 2016), available at <a href="https://clkrep.lacity.org/onlinedocs/2015/15-1138-s1\_misc\_03-21-2016.pdf">https://clkrep.lacity.org/onlinedocs/2015/15-1138-s1\_misc\_03-21-2016.pdf</a>.)<sup>7</sup>

- 46. Shortly after the plan was released, the City Administrative Officer (CAO) launched the Affordable Housing Opportunity Sites Initiative to identify City-owned sites for affordable housing. Since 2016, the LAHD and the CAO have collaborated on the Land Development and Affordable Housing Opportunity Sites Initiative by developing common processes and regulations. In general, the CAO is responsible for identifying and evaluating City-owned sites for development, and the LAHD is responsible for selecting developers and negotiating disposition development agreements.
- 47. Following an April 13, 2016, motion from then-Councilmember Mike Bonin, the City Council adopted a May 11, 2016, Transportation Committee report instructing the Department of Transportation and the Office of the City Administrator, with the assistance of the Housing Department, to prepare a Request for Proposals for an affordable housing project to serve unhoused

<sup>&</sup>lt;sup>7</sup> Subsequently, in December 2019, the City Council adopted a motion that restricts development of housing on City-owned land to 100% affordable housing, unless it is determined by the City Council that an increased number of affordable units can be achieved through a different business model. (*See* Los Angeles City Council File (hereinafter, "Council File") No. 19-1362.)

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people at the city-owned parking lot at 200 North Venice Boulevard, located in City Council District 11. The report acknowledged, "[i]n Venice, with the skyrocketing costs of real estate, using publiclyowned property may be one of the only ways affordable housing can be built." Among other things, the Council's May 24, 2016, action directed that the Requests for Proposals (RFPs) must include requirements that any project be consistent with the Venice Coastal Zone Specific Plan, be compatible with the existing neighborhood, increase public access to parking, and involve significant community outreach up to and during the entitlement process. (Council File No. 15-1138-S9.)

48. In July 2016, the CAO released the RFP for the site at 200 North Venice Boulevard, with the purpose of maximizing the use of the City-owned parking lot for the development of affordable housing. (See below at Figure 2.) The property is located between two one-way streets— North Venice Boulevard and South Venice Boulevard—and is bounded by Dell Avenue and South Pacific Avenue. It is located within walking distance of Venice's beaches and canals, near local and regional public transit opportunities, and with a surrounding area that is a mix of commercial, retail, and residential uses. In addition to a parking lot, the City-owned project site consists of a four-unit multi-family residential building.



Figure 1: A picture of the City-owned parking lot at which Venice Dell has been proposed, as of June 2024.

49. In December 2016, the CAO recommended the selection of Venice Community Housing (VCH) and Hollywood Community Housing Corporation (HCHC) (together, the

"Developers"), after reviewing and scoring their joint application.

50. The Developers have proposed to build a 104,140-square foot, mixed use, 100-percent affordable project consisting of 140 units, including 68 permanent supportive housing units, 34 low-income units, 34 live-work units, 4 manager units, supportive services, and commercial space. (See below at Figure 2.) The Project includes a public on-site parking garage that would provide 196 replacement parking spaces, since the 196 surface parking spaces currently operated by LADOT would be eliminated to make way for development.



Figure 2: A rendering of Venice Dell by the architectural firm Eric Owen Moss.

- 51. The Project will also provide social services and support for its tenants, including assistance with employment and educational pursuits and on-site therapeutic and community groups for housing support and stability, mental health support, harm reduction and recovery.
- 52. In December 2016, the City Council and the Mayor approved their selection and authorized LAHD to execute an Exclusive Negotiation Agreement with the Developers. (Council File No. 16-0600S145.) On January 12, 2017, LAHD entered into the Exclusive Negotiation Agreement with the Developers and they provided a \$50,000 good faith, non-refundable site control fee. (*Id.*)
- 53. Between 2017 and 2022, the Project was considered at 18 public meetings, including two meetings before the City Planning Commission, two joint public hearings with the Deputy Advisory Agency, five meetings before the City Council Planning and Land Use Management Committee, three meetings before the City Council Homelessness and Poverty Committee, one meeting before the City Council Housing Committee, and five meetings before the full City Council.

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At many of these meetings, the Project was the subject of departmental reviews and reports, and public comment was heard, received, and considered.

- 54. During this five-year period, the Developers worked diligently with the City's cooperation to successfully move the Project through the entitlements process. In July 2021, the City Planning Commission determined the Project was statutorily exempt from the California Environmental Quality Act (CEQA). In December 2021, the City Council approved entitlements for the Project, including a finding of a CEQA exemption, vesting a tentative tract map, coastal development permit, site plan review, Mello Act compliance, project permit compliance, General Plan amendment, zone change, height district change, and special plan amendment. In April 2022, LAHD recommended that the City Council execute the DDA with VCH and HCHC. In May 2022, the CAO requested authority to execute the DDA. All of the entitlements heard in December 2021 were reheard in June 2022 for a technical issue, and on June 24, 2022, the City Council issued the approvals necessary for the DDA to be signed.
- 55. The Project was selected for funding in the City's Affordable Housing Managed Pipeline, which the City created to streamline and oversee the various federal, state, and local funding streams for affordable housing development administered by the City. On June 29, 2022, LAHD issued a funding award to the Project for \$6.3 million.
- 56. On June 30, 2022, the Developers executed the DDA with LAHD, as authorized by the City Council.

# Then-Candidates Traci Park and Hydee Feldstein Soto Oppose the Project, **Echoing Animus from a Vocal Minority of Local Residents**

57. For many years, a small but vocal group of Venice residents has expressed animus for the Project and its anticipated residents. For example, the President of the Venice Stakeholders Association wrote in an op-ed: "Finally, as we have seen with other permanent supportive facilities, many of the tenants arrive in the grip of addiction or mental illness and continue their noxious and, on occasion, violent behavior. . . . Concentrating 90 chronically homeless individuals in this one location is a recipe for disaster for this neighborhood." (Ryavec, Homeless Strategy Misses the Mark, The Argonaut, May 5, 2016.) The same Association submitted a public comment to the City Council

stating: "Other homeless serving facilities in Venice have a long history of being an extreme burden to nearby residents . . . . [W]e conclude that this project will place an unacceptable burden on residents and thus should be sited elsewhere." (Council File No. 15-1138-S9, Public Comment, May 11, 2016 by Mark Ryavec.)

- 58. Public opposition to the Project frequently reflected prejudice and bias against unhoused and low-income people. Opponents repeatedly decried that the Project would "destroy the character of the neighborhood." (Council File No. 22-0496, Public Comment, June 14, 2022, by individual; see also *id.*, Public Comment, June 8, 2022, by individual [stating that the Project will "irrevocably change the character of our neighborhood"]; *id.*, Public Comment, June 8, 2022, by individual [stating Project will "ruin our neighborhood" and requesting city "end this bight [*sic*] on our peaceful Abbott Kinney paradise."].)
- 59. Even though opponents did not frame their statements in terms of race, their concern for the neighborhood "character" reflects coded race-based discrimination—particularly when considering that the City's homeless and low-income populations are disproportionately comprised of people of color. Opponents made little effort to hide their prejudice against the people who would be eligible for housing at Venice Dell: "None of these extremely mentally ill or drug addicted or violent people who have taken over our streets, will be helped or leave these streets. It is not easy to qualify for low income housing and the people living on the streets here will not qualify. Instead you will bring more low income people changing the neighborhood . . . You will just turn [Venice] back into a low income neighborhood and people who do pay taxes to pay for their services will be the ones leaving." (*Id.*, Public Comment, June 6, 2022, by individual.) Another person wrote, "All day and night I am confronted by homeless persons acting in bizarre and obscene manners, defecating in the streets as well as urinating." (*Id.*)
- 60. Public comments also targeted persons with disabilities. (See, e.g., Council File No. 21-0829-S1, Public Comment/Letter, Nov. 30, 2021, by the Channel Law Group [complaining that our "gateway to the beach" will become a "mental institution for half of the residents"]; *id.*, Public Comment, Oct. 22, 2020 by individual [stating that "ugly brutalist bunker" will bring "an influx of yet more mentally ill people to our little community"]; *id.*, Public Comment, Oct. 21, 2020 by individual

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[stating that a "large permanent supportive housing project for 'mentally ill' and drug addicted people is not safe within our residential community"].) Opponents' opposition to the Project also contained negative stereotypes about homeless individuals: "Given their current lifestyles and personal habits, how can you put them in housing and expect them to maintain civilized behavior." (Council File No. 21-0829, Public Comment, May 26, 2021, by individual.) For example, opponents frequently invoked fears of violence wrought by their potential new neighbors. (See, e.g., Council File No. 21-0829-S1, Public Comment, June 6, 2022, by individual [stating that Venice Dell would "pos[e] health and safety risks to nearby homeowners" by "providing housing to persons with no sobriety to alcohol or drugs"]; id., Public Comment, Jan. 13, 2021, by individual ["Many of our homeless are mentally ill and present a danger to the local residents."]; Council File No. 21-0829, Oct. 15, 2021, by individual [stating that the Project will "create a crime haven that will be extremely unsafe after dark & possible a no go area at night"].

- 61. One commenter asserted that the City should ignore the will of the City Council and instead empower the local Councilmember to have the final decision on the Project: "I don't care how the Council FEELS about the homeless issue. I am appealing to your rational minds and your duty to Venice, and the logic of giving the new CD11 councilperson the final say in what happens here." (Council File No. 21-0829-S1, Public Comment, May 30, 2022, by individual.)
- 62. Then-candidate Traci Park's opposition to the Project was central to her campaign to replace Mike Bonin as Council District 11's representative on the City Council. At a candidate forum in April 2022, Park made no secret of her intent to block the Project by whatever means necessary: "I will squash this on day one. Not only did the VNC vote it down, over 1,000 community members have objected to this, it violates the Venice Local Plan, it violates CEQA, it violates the Coastal Act, it's a waste of money, it's wrong for the community, it's a no go, it's done." (Rosin, Changing the Conversation on the Venice Median with the CD11 Candidates, Westside Current (May 15, 2022), available at https://www.westsidecurrent.com/opinion/changing-the-conversation-on-the-venicemedian-with-the-cd11-candidates/article 88eaee04-d4bd-11ec-9034-87451743471d.html.)
- 63. In expressing her opposition to the Project, Park echoed the language used by neighborhood opponents, evoking animus against the homeless and disabled populations that would be

eligible for housing at Venice Dell. Her May 25, 2022 opposition letter to the City Council utilized the refrain of the neighborhood opponents—that the Project would "forever change the character of the historic Venice Canal Community." (Council File No. 22-0496, May 25, 2022.) Her campaign also released a video in which she described the Project using language that reflected the animus of the neighborhood opponents. In a subsequent comment to the Westside Current, Park added: "As this project will forever change the look and character of the historic Venice canal community, I urge the Council to defer any action until after the new Mayor and CD11 Councilmember take office in January 2023 in order to bring new vision, collaboration, and leadership to resolution of the outstanding issues." (Rosin, *supra*, Westside Current.) Park was elected to office in November 2022, with campaign backing from the organized opposition to the Project, including Chuck Rosin of Venice Vision and the Coalition for Safe Coastal Development, and other prominent NIMBYs.

- 64. Los Angeles City Attorney Hydee Feldstein Soto was also an outspoken opponent of the Project while she was a candidate. On May 25, 2022, she took the position in public comment before the City Council's Homelessness and Poverty Committee that Venice Dell not be accelerated because outgoing Councilmember Mike Bonin, who was a Project proponent, was "on his way out the door" and for other purported procedural reasons. (Council File No. 22-0496, May 25, 2022.) She also earned the financial backing of the same NIMBYs who supported Park's campaign, including Chuck Rosin.
- 65. Although a minority of Venice residents vocally opposed the Project, a large number supported Venice Dell. Over 2,000 community members from across the City submitted letters of support for the Project. In May 2023, 75 prominent community members, including Ms. Aroth, signed on to a letter to Mayor Bass in support of Venice Dell. In addition, 252 community members sent support letters to the Mayor using a link that LA Forward created. The Project's supporters noted the limited supply of affordable and permanent supportive housing in Venice and the City's coastal zones, and the need to ensure *every* council district has permanent supportive housing opportunities so that homeless Angelenos can continue living in the neighborhoods where they have existing social support. (*Id.*)
  - 66. In addition, the Developers conducted substantial community engagement over three

and a half years, from December 2016 to January 2020, reaching thousands of people to inform them about the Project and engaging hundreds of people in substantive discussion and feedback sessions. These efforts included creating an email list with over 700 subscribers, sending dozens of updates to that list, sending regular updates to a separate list with over 2,500 contacts, regularly updating a Project website, holding large community meetings with public testimony that were well publicized, holding design workshops with the community, conducting smaller meetings in homes and local venues, conducting door-to-door outreach about the Project, and creating other written materials, updated and expanded regularly, about the Project.

67. With widespread support and alignment with city policy, the City Council continued to move forward with approvals of the Project despite the opposition of the vocal group of Venice residents described above, executing the DDA on June 30, 2022.

# The City Stops Work on the Project at the Direction of the City Attorney

- 68. For several months after executing the DDA, the Developers and the City worked cooperatively and met regularly to move the Project forward. The DDA contemplates that the Developers and the City will meet several terms and conditions before executing a ground lease with the approval of the City Council.
- 69. Beginning in February 2023, however, after years of working with the Developers to advance the Project and shortly after Councilmember Park and the City Attorney took office, the City abruptly cancelled monthly all-hands meetings between key City staff and the Developers, and began to undertake actions that have intentionally created delay and obstructed the Project's progress. On information and belief, the City has taken these actions—which contradict and undermine the DDA and the other official approvals of the Project by the City—to intentionally impede the Project, in deference to the opinions and desires of a vocal minority, as represented by Councilmember Park and City Attorney Feldstein Soto. The City's discriminatory treatment of the Project is obstructing the Developers' ability to satisfy terms and conditions precedent that would allow the City Council to approve the Project and the Developers to execute a ground lease with the City. The actions detailed below jeopardize the Project's ability to apply for or adequately compete for necessary public funding, as well as seriously risk unlawfully unwinding the Project's entitlements and other City Council

approvals.

- 70. By March 2023, City staff stopped responding to Developer emails related to the parking structure at Venice Dell, for which an executed agreement with the City remained outstanding.
- 71. In April 2023, the Developers were informed by City staff, including within the City's Bureau of Engineering and the Mayor's office, that they had been instructed to cease any and all contact regarding the Project and to direct all communication through the City Attorney's Office until further notice. City staff referred the Developers to Chief Assistant City Attorney John Heath for any further communications related to the Project. Despite their repeated requests for a meeting, Mr. Heath never agreed to a meeting with the Developers and never provided them with any explanation for the work stoppage.
- 72. Meanwhile, the City never informed the public that it was stopping work on the Project. To date, the City has not provided the Developers or the public with the legal basis for the work stoppage.
- 73. In August 2023, mayoral staff directed city staff to resume communication with the Developers. Nevertheless, on information and belief, LAHD and LADOT remain instructed to delay or obstruct the Project by senior City staff or officials, and to date, the City has not approved applications or contracts necessary to move the Project forward. On information and belief, the City is engaged in a policy or practice of delaying and obstructing the Project in response to instruction given by Councilmember Park, Mayor Bass, and/or the City Attorney. Since August 2023, the City has not taken *any* actions to affirmatively advance the Project, despite regular attempts by the Developers to resume cooperation.
- 74. As a result of this work stoppage, four necessary prerequisites to breaking ground on the Project have been indefinitely delayed:

# Prerequisite No. 1 - Obstruction of the Ellis Act Application Process

75. LAHD staff have refused to process an application to initiate relocation assistance for the four existing households at the Project site and remove the units from the rental market in order to build Venice Dell (the "Ellis Act Application"), which the Developers first prepared and submitted to the City in January 2023.

# Prerequisite No. 2 - Obstruction of the Contract with LADOT on the Public Parking Structure

- 76. The City has also stopped work on a contract, including a project labor agreement, for the development of the Project's public parking, which the DDA stipulates will be separately documented by LADOT and the Developers. LADOT has refused to move forward on this contract and has not provided the Developers or the public with the legal basis for its refusal to engage in conversations with the Developers regarding the public parking garage, let alone enter into the contemplated contract.
- 77. At a July 3, 2024 meeting with LADOT, the Bureau of Engineering, LAHD, and CAO, Principal Transportation Engineer for LADOT's Bureau of Parking Management, Ken Husting, abruptly and with no notice, told the Developers that LADOT would be recommending a new approach for the Project, which would move all public parking to the west parcels and have no interaction with the housing units, which would all be on the east parcels. When pressed for the reason for this change, Ken Husting stated that "administrations had changed since the Project's approvals" and LADOT would be recommending that the Project be changed. On information and belief, this change would delay the Project by two more years as it would require a total redesign, would require all existing approvals and entitlements to be undone by the City Council, require new entitlements, and put new entitlements at risk of new legal challenge. This redesign would also reduce the number of affordable and supportive housing units.

# Prerequisite No. 3 - Interference with the Coastal Commission Process

- 78. The City has also interfered with the California Coastal Commission's ("Coastal Commission") review of the Project, notwithstanding the City Council's previous actions approving the Coastal Development Permit and Land Use Plan amendment that the City subsequently submitted to the Coastal Commission for review in July 2022.
- 79. In August 2023, the City Attorney told the Coastal Commission that she had significant concerns about, and was potentially directly opposed to, the Project's pending Coastal Development Permit and Land Use Plan amendment. The City subsequently withdrew and resubmitted the Land Use Plan amendment application associated with the Project (see Coastal Commission Record No. LCP-5-VEN-23-0037-1), which indefinitely extended the timeline to act on the application.

- 80. Immediately following the City's withdrawal and resubmission, on September 11, 2023, the Coastal Commission issued a Notice of Incomplete (NOI) for the Land Use Plan amendment, which requires the City's response. The City has no justifiable explanation for needing more than ten months to respond to the NOI, which merely seeks project clarifications. As part of the City's ongoing failure to respond to this NOI, the City has refused to comply with the Coastal Commission's request that either: (a) LADOT become a co-applicant and submit more information regarding the operation and management of the existing LADOT surface parking lot, as well as the proposed replacement parking garage, or (b) the City apply for an amendment to the Coastal Development Permit. By refusing to participate in the Coastal Commission's request for additional information related to the public parking garage, the City has effectively brought the Coastal Commission's process—as well as the development of Venice Dell—to a standstill.
- 81. In September 2023 the *Los Angeles Times* published an editorial describing the City's obstructionist action before the Coastal Commission as "ridiculous," noting:

[I]f the mayor cares about expediting housing projects and is concerned that not enough people have transitioned into permanent housing, as she has said publicly, then she needs to tell city officials to agree to take responsibility for the parking garages as they have been designed, resolve any other outstanding issues that the Coastal Commission staff has, and get this project the approval it needs. Let's not spend another year waiting.

- L.A. Times Editorial Board, *When Will L.A. Leaders Stop Getting in the Way of a Venice Homeless Housing Project?* L.A. Times (Sept. 13, 2023), available at https://www.latimes.com/opinion/story/2023-09-13/editorial-mayor-karen-bass-venice-dell-delayed.
- 82. The City has provided no information or updates to the Developers or the public with respect to issues pending before the Coastal Commission, nor a timeline to resolve them.

# Prerequisite No. 4 - Obstruction of the Ground Lease

83. The City has also refused to advance the drafting of a ground lease between the City and the Developers, which would then be taken to the City Council for approval. In March 2024, LAHD took the position that a ground lease would only be drafted after "project design changes are finalized," even though no such changes were under consideration. More recently, Chief Assistant City Attorney John Heath has pointed to the lack of progress on the drafting of a ground lease as a

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reason for why the Project has not advanced.

# The City Has Failed to Offer a Legally Justifiable Explanation for the Work Stoppage

- 84. The City's delays have caught the attention of the State Department of Housing and Community Development (HCD) Housing Accountability Unit, which sent a letter to LAHD on February 13, 2024, requesting a status update on the Project. (Letter from Shannon West, Hous. Accountability Unit Chief, Dep't of Hous. & Cmty. Dev., to Daniel Huynh, Assistant Gen. Manager, Los Angeles Hous. Dep't (Feb. 13, 2024), available at <a href="https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/HAU/losangeles-venicedell-hau-495-loi-02132024.pdf">https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/HAU/losangeles-venicedell-hau-495-loi-02132024.pdf</a>.) HCD reminded the City of its obligations under the State Housing Element Law, that Program 15 of the City's 6th Cycle Housing Element commits to facilitating the development of affordable housing on public land, and that the City had identified the Project as in the development pipeline for public land.
- 85. LAHD's March 13, 2024 response to the HCD inquiry confirms that the City has not taken any actions to affirmatively advance the Project since the work stoppage was ordered. The General Manager of LAHD, Ann Sewill, took the position that the City could not move forward with (i) processing the Ellis Act Application; (ii) updating its applications to the Coastal Commission; (iii) revising the contract with LADOT for the public parking structure; (iv) or drafting the ground lease, purportedly because of ongoing mediation regarding unspecified Project design changes between the parties to a litigation brought by opponents to the Project under CEQA and the Coastal Act—the opponents, on the one hand, and the Developers and the City, on the other. Two years after the City approved the Project design, this assertion was an abrupt change in position for the City.
- 86. The litigation referenced by LAHD was filed against the City in 2022 by the Coalition for Safe Coastal Development (CSCD), a coalition that includes the NIMBY group Venice Vision, the lead appellant in the unsuccessful administrative appeal of the City's approvals of the Project. Members of Venice Vision and CSCD were responsible for much of the race and disability-based animus expressed towards potential residents of the Project. (See above at ¶¶ 57-61.)
- 87. CSCD filed its first lawsuit on January 13, 2022, challenging the Project's approvals under the Mello Act and other laws. (See *Coalition for Safe Coastal Development v. City of Los*

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Angeles (Super. Ct. L.A. County, 2024, No. 22-51CP-00162, consolidated with No. 22-51CP-
03626).)8 On September 13, 2022, CSCD filed another lawsuit, challenging the City's approval of the
DDA. (See Coalition for Safe Coastal Development v. City of Los Angeles (Super. Ct. L.A. County,
2024, No. 22-STCP-03359.) Both petitions for writ of mandate were denied after trial, with the result
that the City's approvals of the Project, the DDA, and the various land use entitlements have now been
upheld by the courts. (See Decision Denying Petition for Writ of Mandate, Coalition for Safe Coastal
Development v. City of Los Angeles (Super Ct. L.A. County, May 21, 2024) (No. 22-STCP-00162);
Entry of Judgment, Coalition for Safe Coastal Development v. City of Los Angeles (Super. Ct. L.A.
County, July 3, 2024) (No. 22-STCP-03359) [lodging proposed final judgment following June 4, 2024
hearing at which petition for writ of mandate was denied].) CSCD has already agreed not to appeal the
judgment in the DDA lawsuit.

- 88. With the conclusion of the litigation, the City has no reason, pretextual or otherwise, to continue to delay or obstruct the Project, and its continuing efforts to do so are discriminatory and unlawful. Neither court opinion required the City or the Developers to make any changes to the Project; rather, the courts have validated that the Project's entitlements were properly approved. To date, there is no ongoing mediation and a single design change (removal of the mechanical lifts from the public parking garage) has been voluntarily submitted to the Coastal Commission and the City by the Developers.
  - 89. At present, the City has yet to demonstrate any good-faith effort to advance the Project.

    The Work Stoppage Is Discriminatory
- 90. Whatever explanations LAHD or the City Attorney's Office have offered for the Project's delays are belied by the obvious efforts of Councilmember Traci Park and City Attorney Feldstein Soto to fulfill their campaign promises to "squash" Venice Dell.
- 91. Once Councilmember Park was elected, the Developers tried to meet with her to discuss the Project. Councilmember Park's staff ignored requests for meetings, and the Project's supporters were forced to resort to asking her and her staff about Venice Dell in public forums. At one

<sup>&</sup>lt;sup>8</sup> Case No. 22-STCP-00162 was ultimately related to and consolidated with another case filed by CSCD against the City, which challenged its exemption from CEQA, Case No. 22-STCP-03626.

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such meeting with Council District 11 constituents, organized by Plaintiff LA Forward Institute in May 2023, when asked about Venice Dell, Councilmember Park stated that she opposed the Project, but otherwise refused to comment further, on the ground that Venice Dell was the subject of ongoing litigation. However, at a follow-up meeting in June 2023, Councilmember Park's housing deputy, Jeff Khau, stated that Councilmember Park wanted to change the Project, but since she knew she did not have the votes to stop the Project in the full City Council, her staff was recommending other options to satisfy her, such as cutting the Project's size in half.

- 92. On July 6, 2023, in response to a question during a radio interview, Mayor Karen Bass took the position that the Project could not advance in its current form without the support of Councilmember Park: "I'm familiar with [the Project] from the campaign and I will say it's one of those projects that's a very large project. It's going to have to be worked out with the city council member [(Traci Park)]. It is very, very controversial in Venice. Now, I'm a big believer, and I know the councilwoman is too, in understanding that housing needs to be built everywhere. Right now, the majority of the affordable housing is being built in South LA. It needs to be built citywide. She supports that but there's an evaluation that's going on right now about that specific project."
- 93. At a more recent event in May 2024, Mayor Bass was asked when she would publicly support Venice Dell and help expedite the Project. In response, Mayor Bass said she supported housing on the site, and while the previous councilmember supported the Project, the current one (Councilmember Park), does not. Mayor Bass stated that, because the Project is located in Council District 11, the Project's future is outside her control in her capacity as mayor and is instead in the hands of Councilmember Park.
- 94. With the above comments, Mayor Bass not only admits that the City has delayed and obstructed the Project at the behest of Councilmember Park, but she also abdicates her own responsibilities and undermines her commitments to expedite affordable housing projects by cutting through "red tape" bureaucracy to address the City's severe housing and homelessness crises, including her Executive Directive 1 and Executive Directive 3, as well as the City's 2021-2029 Housing Element. (See above at  $\P$ ¶ 40-43.)
  - 95. While Mayor Bass effectively maintains that her hands are tied, it is the City Attorney's

Office that has been responsible behind the scenes for directing the work stoppage that has caused progress on necessary prerequisites for Venice Dell's construction to grind to a halt. As alleged above, city staff were apparently instructed to refer any of the Developers' inquiries regarding the Project to Chief Assistant City Attorney John Heath, who successfully slow-walked their requests for meetings for months. The City Attorney's Office only lifted the "official" work stoppage in August 2023 after the L.A. Times Editorial Board asked whether Mayor Bass and the City Attorney were trying to sabotage the Project. (See The L.A. Times Editorial Board, *Are L.A. leaders trying to sabotage homeless housing in Venice?* (July 31, 2023).) A de facto work stoppage, however, has persisted.

- 96. In October 2023, Mr. Heath responded to a letter from counsel for the Developers<sup>9</sup>, citing "the City's continuing concerns regarding the legality, feasibility, and processes of the Project." Mr. Heath attributed delay to the fact that the Developers had failed to reach necessary agreements with the City regarding the proposed public parking structure—despite the fact that the Developers had been working with City staff in the Bureau of Engineering since the execution of the DDA on plans for this structure, as contemplated by the DDA. Those conversations only ceased to progress when the City Attorney's office instructed City staff to route all communications through Mr. Heath and his office (see above at ¶ 71), and Mr. Heath subsequently ignored the Developers' requests for meetings to discuss his office's purported concerns *for months*.
- 97. While Mr. Heath was referencing "the City's continuing concerns regarding the legality" of the Project, his office was simultaneously defending the City's approvals of the Project in court. For example, Mr. Heath asserted that the public parking structure is subject to further environmental review; meanwhile, the City submitted its opposition brief in the CEQA challenge arguing that the Project—parking structures and all—are exempt from CEQA review. (See Respondent's Opposition to Petition for Writ of Mandate, dated Sept. 11, 2023, at pp. 9, 15-20, *Coalition for Safe Coastal Development v. City of Los Angeles*, (Super. Ct. L.A. County) (2024) No. 22-STCP-00162.)
  - 98. Despite the City's duty to uphold and defend the City's own approvals and exemptions

<sup>&</sup>lt;sup>9</sup> Counsel for the Developers had addressed their October 2, 2023, letter from the Developers to Mayor Bass and LAHD General Manager Sewill, but were instructed by Mr. Heath to direct "all future correspondence intended for the City in connection with the Project to my attention," indicating that, as a practical matter, the work stoppage was still in effect.

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for Venice Dell, actions from City officials since February 2023—including LAHD, LADOT, the Mayor's Office, and the City Attorney—constitute a dereliction of duty.

- 99. While homelessness is an issue in every one of the City's 15 Council Districts, the raw data from the 2024 Homeless Count shows an increase in both sheltered and unsheltered persons in Council District 11, from 201 to 303 sheltered persons and 460 to 546 unsheltered persons between 2023 and 2024, while citywide numbers have otherwise fallen. It is Councilmember Park's District— Council District 11—that lags far behind every other district in building affordable housing except Council District 12, which is the only district with a higher median income than Council District 11. Of the 9,353 units of affordable housing proposed under Executive Directive 1 across all 15 Council districts, only 82 units, or 0.88%, have been proposed in Council District 11. In addition, data from Inside Safe placements shows that unhoused people cleared from encampments in Council District 11 have been relocated to *other* Council districts – namely, Council Districts 1, 8, 10, which are lower income than Council District 11. This is no coincidence. The City's discriminatory practice of allowing Councilmember Park to hold affordable housing hostage, based on the animus of a vocal minority of constituents, is banishing unhoused people from the District while rendering housing unavailable for Council District 11's unhoused and low-income residents, who are disproportionately Black, brown, and disabled. It is no coincidence that this discriminatory practice serves the interests of a wealthy and White constituency. To allow such housing to be built in Council District 11 might "change the character of the neighborhood."
- Venice Dell would create 136 units of much-needed housing on the Westside for 100. Angelenos in the most precarious and vulnerable housing situations. 68 units would be deemed permanent supportive housing, open to any person experiencing chronic homelessness. The remaining 68 units would be deemed affordable housing, open to residents or individuals making below 60 percent Area Median Income. Unable to block politically popular housing via democratic vote in the City Council, Councilmember Park and her allies in the City have made it their mission to fulfill a discriminatorily motivated campaign promise behind closed doors.
- 101. The City's delay tactics jeopardize LAHD's funding award to the project, which expires January 31, 2025, and which would likely require the approval of the City Council in order to

be extended.

The Project Would Provide Much Needed Supportive and Affordable Housing in West LA, and Obstructing the Project Disproportionally Impacts People of Color and People With Disabilities

- 102. As acknowledged by the City, the high cost of housing in Los Angeles restricts access to housing for the City's lower-income households, which are disproportionately Black or African American ("Black"), and Hispanic or Latino ("Latino"). (City of Los Angeles, 2023-2028 Assessment of Fair Housing (hereinafter "LA Assessment of Fair Housing") (Jan. 2024), p. 4, available at <a href="https://drive.google.com/file/d/11ZrYuwgFkSP\_P5DR6YIF6c2NFXG5oOC1/view.">https://drive.google.com/file/d/11ZrYuwgFkSP\_P5DR6YIF6c2NFXG5oOC1/view.</a>)
- 103. While 55 percent of all Angelenos report at least one housing problem, members of protected classes—including persons with disabilities, Black, and Latino households—are at greater risk of experiencing housing problems. Black households, closely followed by Latino households, have the highest incidence of "cost burden," which means spending more than 30 percent of income on housing.
- 104. Black residents make up only 8.3 percent of LA's total population but comprise 13.5 percent of the City's low-income renter families and 39 percent of all publicly supported housing residents. (*Id.* at p. 153.) They are also disproportionately represented, at 16.3 percent, among LA's poorest families earning 30 percent or less of the Area Median Income (AMI).
- 105. The City's homeless population is also disproportionately comprised of people of color and individuals with disabilities. In 2024 Black individuals and families represented 35 percent of the City's homeless population. (*See* 2024 Homeless Count). Latinos, who represent 48 percent of the City's overall population, remain the largest ethnic group experiencing homelessness by population number. (*See* LA Citywide Demographic Profile.) Together, Black and Latino individuals now make up 77 percent of the City's homeless population. (2024 Homeless Count.) In addition, 25 percent of homeless individuals report having a serious mental illness, 20 percent report having a physical disability, and 8 percent report having a developmental disability. (*Id.*)
- 106. Because the City's current policy is blocking and delaying the development of supportive and affordable housing, for which people of color and people with disabilities disproportionately qualify, its efforts to obstruct the Project have a discriminatory disparate impact on

these protected classes of individuals.

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# The Venice Dell Project Would Disrupt Segregation Patterns in Los Angeles

107. By the City's own assessment, "Los Angeles is extremely segregated among ethnic and racial groups. . . . According to HUD's data, Los Angeles' segregation is high between Black or African American and white residents, and high between Hispanic or Latino and white residents." (LA Assessment of Fair Housing, *supra* at p. 3.) As a result of these racial segregation patterns, Black and Latino residents of Los Angeles are more likely to live in neighborhoods that lack access to community assets, such as healthcare, fresh food, education, reliable broadband/Wi-Fi, employment, proximity to jobs, and access to vehicles. (Id.) The City's segregated housing patterns are the legacy of decades of exclusionary zoning and land use policies that favored more expensive, single-family housing, while also impeding the development of affordable housing and limiting housing choice. Combined with the historical practices of redlining and racially restrictive covenants, these historical zoning policies contributed not only to the separation of immigrant and Black residents from white middle-and upper-income residents, but the inequitable distribution of City services and resources, as well as economic opportunity. (*Id.* at pp. 232-233.) The City's policies continue to contribute to these inequities—74 percent of the City remains zoned for single-family homes. An increase in zoning for single-family homes is associated with a decline in the percentage of Black and Latino residents. (Menendian, et al., Single Family Zoning in Greater Los Angeles, Othering & Belonging Institute (Mar. 2, 2022), available at https://belonging.berkeley.edu/single-family-zoning-greater-los-angeles.)

- 108. Over 50 years after the passage of the Fair Housing Act, the City's Black population remains concentrated in Downtown and South Los Angeles. (See LA Assessment of Fair Housing, *supra*, at p. 67 [Map 5], attached hereto as **Exhibit A**.) A smaller percentage of Black residents live on the Westside of Los Angeles, which is overwhelmingly white. While the City's Latino population is more evenly distributed throughout the City, the Westside is an exception, with census tracts containing less than 10 percent Latino residents concentrated in West LA. (See *id.* at p. 63.) Los Angeles is also segregated by disability. (See *id.* at p. 73.)
- 109. One measure of racial segregation is the "dissimilarity index," which indicates the degree to which racial and ethnic groups are evenly geographically distributed, on a scale of 0

(complete integration) to 100 (complete segregation). HUD considers values over 55 as high segregation. According to HUD, as of 2020, segregation in Los Angeles is high between Black and white residents (58.7) and between Latino and white residents (60.7).

- 110. The identification of "racially and ethnically concentrated areas of poverty" (R/ECAPs) in Los Angeles further illustrates racial segregation in the City. Census tracts that are considered R/ECAPs must meet two criteria: (1) have a majority non-white population of over 50 percent, and (2) have 40 percent or more of individuals living at or below the poverty line, or have three or more times the average tract poverty rate for the metropolitan/micropolitan areas, whichever is lower. R/ECAPs in the City tend to be located within or near Downtown and South Los Angeles.
- 111. By contrast, census tracts that are considered racially concentrated areas of affluence (RCAAs) have a population that is disproportionately white, affluent, and living without a disability. The City's RCAAs tend to be located on the Westside, where the City's white population is concentrated, in areas such as Brentwood, Pacific Palisades, Bel-Air, and certain parts of the San Fernando Valley. Persons with disabilities can be found in nearly every part of Los Angeles—except for West LA, where persons with disabilities are notably absent from most RCAA census tracts. (*Id.* at p. 73 & 74 [Map 9].)
- 112. Currently, the City's supply of supportive and affordable housing is disproportionately situated in segregated, low-income parts of the City, such as the R/ECAPs referenced above. A March 5, 2018 report from LAHD (formerly the Los Angeles Housing & Community Investment Department) to the City Council, which looked at the current and potential siting of permanent supportive housing, found that the majority of completed permanent supportive housing are in "high segregation and poverty resource area[s]" or "low resource area[s]" noting that "high segregation and poverty and low resource areas have been the prime investment locations for siting [permanent supportive housing] projects *for over a decade*."
- 113. Most publicly supported housing is also located near or within R/ECAPs. Conversely, areas designated as RCAAs typically have little to no publicly supported housing. The vast majority of the Westside is zoned for single-family residential homes. (Menendian, *supra*.)
  - 114. In 2022, only 15 percent of affordable housing units financed by the City were located

in Higher Opportunity Areas. (Los Angeles City Planning, Housing Element 2021-2029, Annual Progress Report (2022), p. 9, available at <a href="https://planning.lacity.gov/odocument/13ce399a-f29e-4c1c-b0e6-17ac66577700/LosAngeles2022\_Program\_124\_AFFH\_Status\_Update.pdf">https://planning.lacity.gov/odocument/13ce399a-f29e-4c1c-b0e6-17ac66577700/LosAngeles2022\_Program\_124\_AFFH\_Status\_Update.pdf</a>.)

- an RCAA. (LA Assessment of Fair Housing, *supra*. at p. 62 [Map 1], attached hereto as **Exhibit B** [marking Census Tract 273902 with an asterix].) Census Tract 273902 is adjacent to two other RCAAs—Census Tracts 273600 and 274100—and is entirely surrounded by census tracts that are predominately white. (*Id.* at p. 64 [Map 2].) As alleged above at paragraph ¶ 100, the Project's Council District 11 lags behind all but one other council district in the construction of affordable housing under Executive Directive 1.
- 116. The City's policy of obstructing the Project is perpetuating the segregation of people of color, people with disabilities, and lower income households in Los Angeles by ensuring that supportive and affordable housing continues to be concentrated in already segregated, low-income parts of the City. The policy disparately impacts people of color and persons with disabilities, who would be eligible for housing at Venice Dell, by preventing them from living in a higher opportunity neighborhood of the City.

# **Declaratory and Injunctive Relief**

- 117. Defendants' expenditure of federal, state, county, or municipal funds to delay and obstruct the Project in contravention of the California Constitution as well as various provisions of the Government Code, Los Angeles City Charter and Administrative Code as challenged herein, is unlawful and thus constitutes an illegal and wasteful expenditure of taxpayer dollars.
- 118. There is an actual controversy between the Plaintiffs and Defendants concerning their respective rights and duties. Plaintiffs contend that Defendants' policies or practices violate FEHA, Government Code section 65008, subdivisions (b) and (d), Government Code section 8899.50, Los Angeles City Charter section 244, California Constitution, Article XI, section 7, City of Los Angeles Administrative Code, section 2.1, and Code of Civil Procedure section 526a, whereas Defendants are likely to contend in all respects to the contrary.
  - 119. Unless and until Defendants' unlawful policies and practices are declared unlawful or

enjoined by this Court, they will continue to cause great and irreparable injury to the Plaintiffs.

# FIRST CAUSE OF ACTION

(Fair Employment and Housing Act, Cal. Gov. Code, § 12955, et seq.) (Plaintiffs LA Forward Institute and Ms. Coates Against All Defendants)

- 120. Plaintiffs LA Forward Institute and Ms. Coates (the "FEHA Plaintiffs") incorporate by reference herein each and every allegation contained in the previous paragraphs.
- 121. The Fair Employment and Housing Act (Gov. Code, § 12955 et seq.) (FEHA) makes it unlawful for Defendants to "discriminate through public or private land use practices, decisions, and authorizations," because of protected characteristics, including "race, color, . . . disability, . . . national origin, source of income, or ancestry." (*Id.*, § 12955, subd. (l).) FEHA defines "source of income" to include money "paid to a housing owner or landlord on behalf of a tenant, including federal, state, or local public assistance, and federal, state, or local housing subsidies." (*Id.*, § 12955, subd. (p)(1).)
- 123. Discrimination under FEHA is intentional when "race, . . . source of income, [or] disability . . . is a motivating factor in committing a discriminatory housing practice *even though other factors may have also motivated the practice*." (*Id.*, § 12955.8, subd. (a), emphasis added.) A housing practice is also unlawful when it has the effect, regardless of intent, of unlawfully discriminating on the basis of "race, . . . source of income, [or] disability." (*Id.*, subd. (b).)
- 124. A practice has a discriminatory effect "where it actually or predictable results in a disparate impact on a group of individuals, or creates, increases, reinforces, or perpetuates segregated housing patterns, based on membership in a protected class...." (Cal. Code Regs., tit. 2, § 12060, subd. (a).) A public land use "that is proven . . . to create, reinforce, or perpetuate segregated housing patterns also is a violation of the [FEHA] independently of the extent to which it produces a disparate effect on protected classes." (Cal. Code Regs., tit. 2, § 12060, subd. (b).)
- 125. FEHA provides that it is unlawful for any person "to aid, abet, incite, compel, or coerce the doing of any of the acts or practices declared unlawful in this section, or to attempt to do so."

(Gov. Code, § 12955, subd. (g).)

- 126. Defendants' delay and obstruction of Venice Dell constitutes a practice, decision, and/or policy subject to FEHA. For Venice Dell, City officials have effectively granted Councilmember Park the power to stop or renegotiate the terms of the Project, even after the full City Council approved the Project and an executed DDA is in place. By allowing a single Councilmember to veto or renegotiate an approved housing project—without ever putting the Project to a vote of the City Council—and by publicly endorsing that power, Defendants are allowing a single councilmember to exercise a de facto individual Councilmember veto system, thereby imposing different requirements on housing that will disproportionately serve members of protected classes under FEHA.
- 127. Defendants' delay and obstruction of Venice Dell is motivated by discriminatory intent, made in response to the vocal opposition of neighborhood residents who exhibited virulent animus against persons of color, persons with disabilities, and persons receiving public housing assistance.
- 128. Defendants have committed unlawful housing practices with the purpose and effect of discriminating on the basis of race, disability, and source of income, including by perpetuating segregation in the City of Los Angeles, in violation of FEHA.
- 129. The FEHA Plaintiffs are aggrieved persons who have been, and continue to be injured, by Defendants' discriminatory housing practices. Defendants' discriminatory housing practices have injured LA Forward Institute by frustrating its organizational mission, and by requiring it to divert its resources to combat Defendants' unlawful housing practices. Defendants' discriminatory housing practices have injured Ms. Coates, who has been unable to find housing affordable to her and her partner in Venice or its environs. Ms. Coates feels vulnerable in her motor home but feels safer residing there than in a street encampment or temporary shelter. Ms. Coates desires to live in Venice, where she and her partner can access social services and other supports for their disabilities and would move into Venice Dell if given the opportunity. By virtue of Defendants' discriminatory housing practices, Ms. Coates and her partner are being deprived of supportive housing opportunities and excluded from residing in the predominantly white, affluent, and non-disabled community of Venice.

## **SECOND CAUSE OF ACTION**

(Violation of Article I, Section 7(a) of the California Constitution – Intentional Discrimination on the Basis of Race and Disability; Code of Civil Procedure section 526a) (Ms. Coates, Ms. Aroth, and Mr. Williams Against All Defendants)

- 130. Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams incorporate by reference herein each and every allegation contained in the previous paragraphs.
- 131. Article I, section 7(a) of the California Constitution provides that a person "may not be deprived of life, liberty, or property without due process or be denied equal protection of the laws."
- 132. A plaintiff alleging intentional discrimination need only show that discriminatory purpose was a "motivating factor" behind the challenged action; it need not be the "dominant" or "primary" consideration.
- 133. Ascertaining discriminatory purpose demands a sensitive inquiry into such circumstantial and direct evidence of intent as may be available. A non-exhaustive list of factors relevant to ascertaining discriminatory purpose includes (1) evidence of disparate impact, (2) the decision's historical background, (3) the sequence of events leading up to the decision, (4) the decisionmaker's departures from normal procedures or substantive conclusions, and (5) the decision's legislative or administrative history.
- obstructed the Project with the purpose of discriminating against people of color and people with disabilities, including people like Ms. Coates and her partner. Despite initially supporting and facilitating the Project, the City has reversed course to appease political opponents of the Project, who protest the housing of people of color and people with disabilities in their neighborhoods. Not only does obstruction of the Project have a disparate impact on people of color and people with disabilities—who disproportionately comprise the homeless and low-income populations who are eligible for supportive and affordable housing at the Project—but the City's abrupt reversal of its treatment of the Project is motivated by racial hostility and animus towards people with disabilities, as seen in the events leading up to the Work Stoppage.
- 135. Under Article I, Section 7(a) of the California Constitution, Defendants are required to ensure that people of color and people with disabilities receive the equal protection of the laws. This

requires Defendants to ensure that supportive and affordable housing for homeless and low-income individuals—who are disproportionately people of color, people with disabilities, and people receiving public housing assistance—is not treated differently than housing for other individuals, and that housing development decisions are not made on the basis of animus against the potential residents of supportive and affordable housing.

136. By delaying and obstructing the Project, Defendants have knowingly violated and continue to violate the equal protection rights, pursuant to Article I, Section 7(a) of the California Constitution, of the potential residents of Venice Dell, including Ms. Coates and her partner—homeless and low-income Angelenos, who are disproportionately people of color and people with disabilities.

### THIRD CAUSE OF ACTION

(Violation of Government Code section 65008(b); Code of Civil Procedure section 526a) (Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams Against All Defendants)

- 137. Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams incorporate by reference herein each and every allegation contained in the previous paragraphs.
- 138. Government Code section 65008, subdivision (b)(1) states that no city shall, "in the enactment or administration of ordinances pursuant to any law, including this title, prohibit or discriminate against any residential development or emergency shelter" because of the occupation, age, or a protected characteristic such as physical disability, mental disability, race, color, national origin, ancestry, or veteran status of the intended occupants of the residential development or emergency shelter or "because the development or shelter is intended for occupancy by persons and families of very low, low, or moderate income . . . ."
- 139. Defendants have violated these prohibitions by delaying and obstructing the Project while allowing other housing projects, typically in less affluent districts in the City, to continue to progress to completion. Defendants have stopped progress on the Project because of the stated animus that the councilmember, City Attorney, and some local residents have towards the intended occupants of the residential development, who are disproportionately people of color and people with physical or mental disabilities and because the development is intended for occupancy by persons and families of

very low, low, or moderate income or persons and families of middle income.

140. Additionally, Defendants' delay and obstruction of the Project prevents the construction of much-needed affordable housing in West LA, which has a disparate impact on people of color and people with physical or mental disabilities.

## FOURTH CAUSE OF ACTION

(Violation of Government Code section 65008(d)(1); Code of Civil Procedure section 526a) (Ms. Coates, Ms. Aroth, and Mr. Williams Against All Defendants)

- 141. Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams incorporate by reference herein each and every allegation contained in the previous paragraphs.
- 142. Government Code section 65008, subdivision (d) prohibits any city from imposing different requirements on a residential development or emergency shelter that is subsidized, financed, insured, or otherwise assisted by the federal or state government or by a local public entity than those imposed on nonassisted developments. The prohibition explicitly extends to the denial or conditioning of a residential development or emergency shelter based in whole or in part on the fact that the development is subsidized, financed, insured, or otherwise assisted by the federal or state government or by a local public entity.
- 143. For Venice Dell, Mayor Karen Bass and City Attorney Hydee Feldstein Soto have publicly admitted that Councilmember Park has the power to stop or renegotiate the terms of the Project, even after the full City Council approved the Project and an executed DDA is in place.
- 144. This practice amounts to a de facto individual Councilmember veto system. By allowing a single Councilmember to veto or renegotiate an approved low-income housing project, and by publicly endorsing that power, the City is imposing different requirements on a residential development or emergency shelter that is subsidized, financed, insured, or otherwise assisted by the federal or state government or by a local public entity. The City's de facto individual Councilmember veto system has also allowed the City to deny or condition the Project's development based in part on the fact that the development is subsidized, financed, insured, or otherwise assisted.

#### FIFTH CAUSE OF ACTION

(Violation of Government Code section 8899.50; Code of Civil Procedure section 526a) (Ms. Coates, Ms. Aroth, and Mr. Williams Against All Defendants)

- 145. Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams incorporate by reference herein each and every allegation contained in the previous paragraphs.
- 146. In 2018, the Legislature enacted a statute requiring local governments to affirmatively further fair housing (AFFH). "The mandatory AFFH duty greatly increases the responsibilities on local governments in administering their land use and housing policies. . . . "[C]ompliance requires more than simply refraining from discrimination." (*Martinez v. City of Clovis* (2023) 90 Cal.App.5th 193, 283.)
- 147. Government Code section 8899.50, subdivision (b)(1), provides that "[a] public agency shall administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and take no action that is materially inconsistent with its obligation to affirmatively further fair housing." (Emphasis added.) Compliance with this AFFH provision is "a mandatory duty." (Gov. Code, § 8899.50, subd. (b)(2).)
- 148. The statute further defines "affirmatively furthering fair housing" as "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws." (*Id.* at § 8899.50, subd. (a)(1).)
- 149. By obstructing and delaying the Project, the City has taken an action that is materially inconsistent with its obligation to affirmatively further fair housing.
- 150. Compliance with AFFH "requires more than simply refraining from discrimination," but the City has not even cleared that low bar. As alleged above, the City has actively discriminated against the Project because it is intended for residents of low and moderate income and has

discriminated against individuals of color and those with disabilities in violation of FEHA and state Equal Protection principles. Because of these other legal violations, Defendants have failed to foster and maintain compliance with fair housing laws.

## SIXTH CAUSE OF ACTION

(Violation of Los Angeles City Charter, § 244; California Constitution, art. XI, § 7; City of Los Angeles Administrative Code, § 2.1; and Principles of Non-Delegation of Police and Municipal Powers; Code of Civil Procedure section 526a)

(Ms. Coates, Ms. Aroth, and Mr. Williams Against All Defendants)

- 151. Plaintiffs Ms. Coates, Ms. Aroth, and Mr. Williams by reference herein each and every allegation contained in the previous paragraphs.
- 152. Section 244 of the City Charter provides that, except as otherwise provided by the City Charter, action by the City Council "shall be taken by a majority vote of the entire membership of the Council."
- 153. Section 2.1 of the City of Los Angeles Administrative Code vests all legislative power of the City, except as otherwise provided in the Los Angeles City Charter, in the City Council and requires all legislative power to be exercised by ordinance, subject to the power of veto or approval by the Mayor as set forth in the Charter. Section 2.2 provides that the Council is the governing body of the City and section 2.7 states that two-thirds of the members of the Council constitute a quorum and that action by the Council shall be taken by a majority vote of the entire membership of the Council.
- 154. The Los Angeles City Charter and City of Los Angeles Administrative Code thereby prohibit the City from delegating the power to approve or deny a development project from the City Council to the City Attorney or an individual City Councilmember.
- 155. The de facto individual City Councilmember veto, which the City is currently using, with the assistance of the City Attorney, to delay and obstruct Venice Dell, unlawfully operates to delegate the legislative and executive power derived from the police power of the California Constitution, as set forth in Article XI, Section 7, from the City Council to the individual Councilmember of the Council District where the Project is proposed and to the City Attorney.
- 156. This delegation of authority is inconsistent with the City Charter and impermissibly limits the City Council's exercise of its police and municipal powers given to it by the California

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Constitution.

157. Defendants have knowingly violated and continue to violate the City Charter and Article I, Section 7(a); Article XI, Section 7 of the California Constitution; City of Los Angeles Administrative Code, section 2.1; and controlling non-delegation principles by continuing to rely on its de facto individual Councilmember veto system and by allowing the City Attorney to dictate whether City staff may continue to make progress on the Project.

# PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows, that:

- This Court declare that the City's policy of intentionally obstructing and delaying the Project is unlawful and in conflict with the FEHA; Government Code section 65008, subdivisions (b) and (d); Government Code section 8899.50; Los Angeles City Charter section 244; California Constitution, Article XI, section 7; City of Los Angeles Administrative Code, section 2.1; and California Code of Civil Procedure section 526a.
- 2. This Court declare that the City's policy of intentionally obstructing and delaying the Project is an illegal and wasteful expenditure of taxpayer dollars under Code of Civil Procedure section 526a:
- 3. This Court declare that the City's policy or practice of allowing the City Attorney and Councilmember Park to stop, delay, or renegotiate the Project that has already been approved by the City Council is unlawful and in conflict with Government Code section 65008, subdivisions (b) and (d); Los Angeles City Charter section 244; California Constitution, Article XI, section 7; and City of Los Angeles Administrative Code, § 2.1;
- This Court enjoin the City from any further delays and order the City to take all affirmative steps to allow Venice Dell to be constructed, operated, and maintained as permanent supportive and affordable housing as set forth in the DDA, including by, but not limited to, the following: that the City (i) immediately and efficiently work to process the Ellis Act Application for the four units on the Project's property; (ii) approve the Project's parking plans by date certain and enter into a separate Public Parking Agreement as necessary to construct the public parking structure on behalf of the City as set forth in the DDA; (iii) cooperate with the Coastal Commission's requests

related to the Project by date certain; and (iv) draft a ground lease with Developers for the Project site by date certain and agendize the ground lease before the City Council;

- 5. This Court enjoin the City, its officers, employees, agents, successors, and all other persons in active concert or participation with it, from obstructing the development of City Councilapproved supportive and affordable housing in a manner that discriminates against persons of color and persons with disabilities;
- 6. This Court order the City to take all affirmative steps to ensure its compliance with FEHA.
- 7. This Court award Plaintiffs costs and attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, Government Code section 12965, subdivision (c), and any other applicable provision of law; and
- 8. This Court grant Plaintiffs such other, different, or further relief as the Court may deem just and proper.

DATED: July 10, 2024 Respectfully Submitted,

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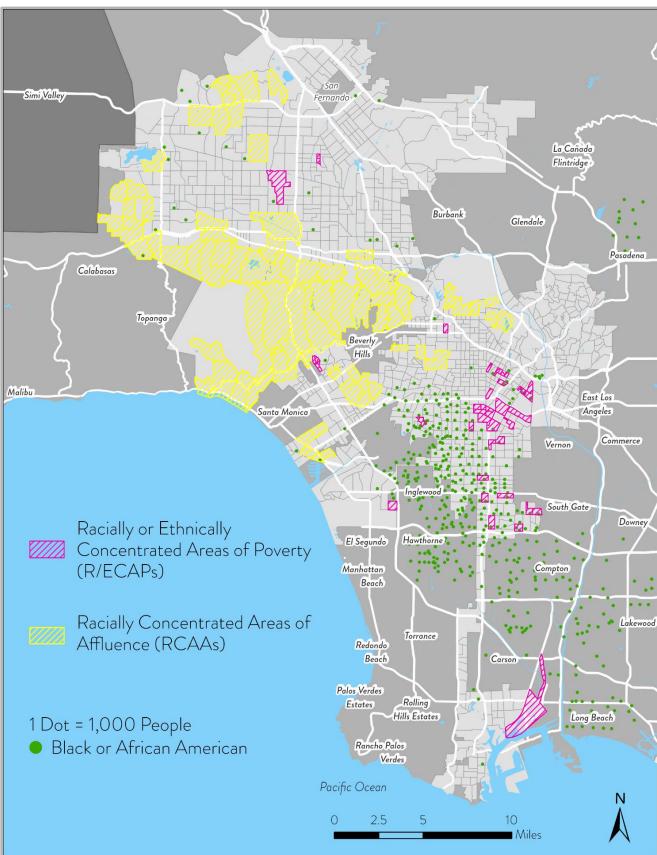
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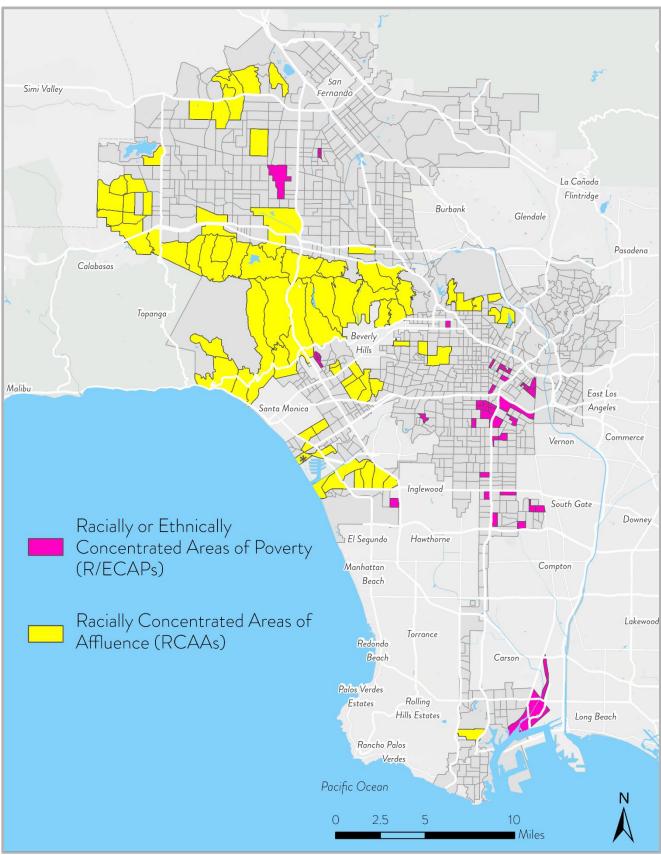
Attorneys for Plaintiffs LA Forward Institute, Sylvia Aroth, Kathleen L. Coates, and Gary Williams

# **EXHIBIT A**



MAP 5. BLACK OR AFRICAN AMERICAN POPULATION IN THE CITY OF LOS ANGELES AREA

# **EXHIBIT B**



#### MAP 1. R/ECAPS AND RCAAS IN THE CITY OF LOS ANGELES