

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
(WESTERN DIVISION - LOS ANGELES)

LA ALLIANCE FOR HUMAN RIGHTS, )	CASE NO: 2:20-CV-02291-DOC-KESx
ET AL., )	
	CIVIL
Plaintiffs, )	
	Los Angeles, California
vs. )	
	Monday, March 18, 2024
CITY OF LOS ANGELES, ET AL., )	(10:54 a.m. to 11:35 a.m.)
	(11:59 a.m. to 12:09 p.m.)
Defendants. )	( 5:21 p.m. to 5:38 p.m.)

HEARING RE:

MOTION TO ENFORCE THE SETTLEMENT AGREEMENT  
AND FOR SANCTIONS [DKT.NO.668]

BEFORE THE HONORABLE DAVID O. CARTER,  
UNITED STATES DISTRICT JUDGE

APPEARANCES: SEE PAGE 2

Court Reporter: Recorded; CourtSmart

Courtroom Deputy: Karlen Dubon

Transcribed by: Exceptional Reporting Services, Inc.  
P.O. Box 8365  
Corpus Christi, TX 78468  
361 949-2988

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

**APPEARANCES:**

**For Plaintiffs:** ELIZABETH A. MITCHELL, ESQ.  
MATTHEW D. UMHOFER, ESQ.  
Umhofer Mitchell & King  
767 S. Alameda Street, Suite 270  
Los Angeles, CA 90021  
213-394-7979

**For Defendants:** SCOTT D. MARCUS, ESQ.  
Los Angeles City Attorney's Office  
200 N. Main St.  
7th Floor, Room 675  
Los Angeles, CA 90012  
213-978-7558

JENNIFER M. HASHMALL, ESQ.  
Miller Barondess  
2121 Avenue of the Stars  
Suite 2600  
Los Angeles, CA 90067  
310-552-4400

**For Proposed Intervenor:** STEPHEN YAGMAN, ESQ.  
Yagman & Reichmann  
333 Washington Boulevard  
Venice Beach, CA 90292  
310-452-3200

**For Intervenor:** SHAYLA R. MYERS, ESQ.  
Legal Aid Foundation of LA  
7000 S. Broadway  
Los Angeles, CA 90003  
213-640-3983

1 Los Angeles, California; Monday, March 18, 2024; 10:54 a.m.

2 --oOo--

3 **THE COURT:** We're going to go on the record at this  
4 point. I certainly know each of you. Your appearances,  
5 please, on behalf of the Plaintiffs to begin with.

6 **MR. UMHOFFER:** Good morning, Your Honor. Matthew  
7 Umhofer and Elizabeth Mitchell on behalf of the LA Alliance.

8 **THE COURT:** Proposed intervenor.

9 **MR. YAGMAN:** Good morning. Stephen Yagman on behalf  
10 of the proposed intervenor. And my assistant, Alexander.

11 **THE COURT:** City.

12 **MR. MARCUS:** Good morning, Your Honor. Scott Marcus  
13 on behalf of the City of Los Angeles.

14 **THE COURT:** And the County.

15 **MS. HASHMALL:** Good morning, Your Honor. Mira  
16 Hashmall for the County of Los Angeles.

17 **THE COURT:** And the present intervenors.

18 **MS. MYERS:** Good morning, Your Honor. Shayla Myers  
19 on behalf of the intervenors.

20 **THE COURT:** All right. There have been a number of  
21 representations to me made by Judge Birotte and the special  
22 master. But we need to create a record. And in that regard we  
23 need transparency.

24 And I think that this can have a very good ending  
25 with what I'm hearing. But I'm not certain that I've got a

1 record, and I'm not willing to take that input from each of you  
2 separately.

3 I know that you've talked to the special master, to  
4 Judge Birotte separately on occasion. But I need each of you  
5 to hear with clarity what the other side's saying today.

6 So I'm going to start with either the alliance, the  
7 City, but you two are particularly involved. And I don't care  
8 who starts with the representations.

9 And then, Mayor, if you wouldn't mind, I -- maybe we  
10 can just enter into a transparent conversation if we've got  
11 questions. Okay. All right. So where are we with this case?

12 **MS. MITCHELL:** Thank you, Your Honor. So --

13 **THE COURT:** Have a seat.

14 **MS. MITCHELL:** Yeah.

15 **THE COURT:** Or go to the lectern so we can hear.

16 **MS. MITCHELL:** Would you like me to go have a seat or  
17 go to the lectern?

18 **THE COURT:** Just as long as I can hear, I don't care  
19 where you are.

20 **MS. MITCHELL:** Okay, thank you, Your Honor.

21 So we have been talking, we've been exchanging  
22 directions for the audit that the City has agreed to pay for.  
23 And so I think we are close. I think we agree on more than we  
24 disagree.

25 There are some disagreements about scope.

1           And so I think the most productive way to move  
2 forward, Your Honor, especially because it has been represented  
3 to us the Court doesn't feel that the record is sufficient,  
4 which is part of why we're here, we do have Daniel Conway and  
5 Paul Webster here today in case testimony was needed.

6           But I think a better way forward would be for us to  
7 supplement the record with more sufficient stipulated facts.

8           And we can have two weeks and cross-brief the  
9 sanctions issue, and that should give us sufficient time to  
10 hammer out the agreement on the audit, or at least identify the  
11 areas where we disagree.

12           And then we can submit that to the Court for  
13 resolution, Your Honor.

14           **THE COURT:** What other representations? I'm not  
15 quite certain where we're at.

16           **MS. MITCHELL:** We are here today to resolve the very  
17 serious accountability issues that the L.A. Alliance has  
18 identified and has been concerned with.

19           Now, we do feel like there has been forward progress  
20 since the motion was filed. But certainly there still needs to  
21 be further resolution, Your Honor.

22           And so we agree with the audit. We appreciate the  
23 City's willingness to pay for that audit, the outside,  
24 independent, third-party audit.

25           We have had the opportunity to present our views on

1 the scope of what is appropriate for the audit, and that is  
2 still in discussion as we have been exchanging redlines over  
3 the weekend, Your Honor.

4           However, the issue of sanctions for consequences for  
5 the City's bad behavior over the last year is still on the  
6 table, and the L.A. Alliance still feels there is --  
7 accountability is worthless without consequences, Your Honor.

8           And for 14 months there was no accountability and no  
9 consequences. And it got to be too much. And so we moved  
10 forward with this motion for sanctions against the City of Los  
11 Angeles for the bad faith conduct.

12           Now, I recognize that the City has now turned a  
13 corner and things are moving a very positive direction.

14           And it doesn't change the fact that for the last year  
15 there has been no accountability on these issues and there has  
16 been no forward progress on those specific issues, which is why  
17 we brought the motion for sanctions in the first place, because  
18 of the City's, from the Alliance's perspective, bad faith  
19 conduct in making agreements and not following through with  
20 those.

21           So we still believe the issue for sanctions needs to  
22 be on the table, and we would like an additional two weeks to  
23 brief that --

24           **THE COURT:** Okay.

25           **MS. MITCHELL:** -- issue.

1           **THE COURT:** Mr. Marcus.

2           **MR. MARCUS:** Thank you, Your Honor. Scott Marcus for  
3 the City of Los Angeles.

4           The City has both briefed and, at the last hearing,  
5 made records with respect to the sanctions. And I agree that  
6 we can do further briefing to resolve that issue.

7           I think taking the Court's suggestion from last week  
8 of the audit, that is I think the primary focus.

9           We did exchange a scope of work over the weekend. We  
10 do agree on more than we disagree.

11           Really the only issue is the breadth of the audit.  
12 The City was very focused on the Court's suggestion on the  
13 service providers and LASA. What is it the City is getting for  
14 the money that it is paying? And that's the scope of the audit  
15 that the City was proposing.

16           The Alliance wants that to be a little bit broader.  
17 We're concerned that broadening the audit might cause it to  
18 take longer. And we're looking for this information sooner  
19 rather than later.

20           But that's really the only I would say disagreement  
21 at this point. Otherwise, we're largely in step with what we  
22 think the scope of the audit to be paid for by the City.

23           **THE COURT:** Mr. Yagman.

24           **MR. YAGMAN:** I have nothing to say about any of that.

25           **THE COURT:** Okay. Ms. Myer.

1           **MS. MYERS:** Yes, Your Honor. We were invited by  
2 Special Master Martinez to provide feedback. And we  
3 anticipated based on the last discussion that we would be  
4 included in the conversation about what the audit would entail.  
5 We have yet again been excluded by the Plaintiffs and the City  
6 in that audit.

7           I understand this audit is not included in the  
8 settlement agreement. And we think this audit is in the  
9 Court's purview. So I'm very, very concerned.

10           I think it is highly likely that the intervenors in  
11 this case who represent folks who are unhoused would have a  
12 different perspective about what is relevant in terms of the --

13           **THE COURT:** The scope.

14           **MS. MYERS:** -- service provision than the business  
15 community as represented by the L.A. Alliance.

16           So this is the first that we are hearing, Your Honor,  
17 redlines have been exchanged. I'm a little bit shocked and I'm  
18 a little bit surprised.

19           And I would also note that we did not speak to Judge  
20 Birotte or Special Master Martinez this morning. So, yeah,  
21 it's just another example I think of a lack of transparency --

22           **THE COURT:** Okay.

23           **MS. MYERS:** -- and the relationship between the City  
24 and the L.A. Alliance on these issues.

25           **THE COURT:** Mayor, you and I and Mr. Kerkorian, first



1 of all, let me represent have an excellent ability to  
2 communicate. And I really appreciate that.

3 And this requires flexibility on the Court's part  
4 because as an elected official, that landscape is constantly  
5 changing for you, making real time decisions.

6 And when a court issues an opinion, our opinion then  
7 stands for ten or 15 years until that issue becomes before us  
8 again. And you as a City are frozen by often times Federal  
9 Court opinions. You need more flexibility, and the Court  
10 recognizes that.

11 Second, I commented that I think that there has been  
12 a real break in the inertia. I want you to hear that  
13 personally from the bench. Somehow this corner has turned, how  
14 much I don't know yet. But it's turned. And I want the  
15 counsel present to hear that also.

16 But I'm going to ask some questions and ask why this  
17 cannot be achieved. And I don't want you to respond, Mayor,  
18 until you talk to counsel or Paul Kerkorian.

19 First, I don't want to go into two-week recess  
20 concerning the parameters of the audit. The easiest way to  
21 lose inertia and this weekend you've spent is to either appoint  
22 a committee to study it or get a two to three-week continuance.

23 So if you're not close, I need to know that. Now,  
24 hold on, no, I'm -- this is me, I'm talking now. Don't  
25 interrupt me.

1 I want to know what your disagreements are. What are  
2 your disagreements concerning the audit? Tell me on the  
3 record. Let's get some transparency.

4 **MR. MARCUS:** Yes, Your Honor. As I indicated, the --  
5 from the City's perspective, the only real dispute is whether  
6 the audit should stay focused on what the Court indicated last  
7 week, what the City gets for the money it pays to service  
8 providers and LASA, or whether it should also include other  
9 spending by the City that does have effect on and provide some  
10 services to addressing homelessness.

11 The one example being emergency services performed by  
12 the fire departments, things like that.

13 **THE COURT:** Now, the intervenors in their briefing  
14 call into question 4118 and that this audit would pertain to  
15 the effectiveness or non-effectiveness.

16 The Plaintiffs are concerned about fire response, for  
17 instance.

18 You'd like a narrower audit as your -- in your  
19 papers, you said it would be quicker and we could modify that.  
20 How are we going to resolve that? In other words, I don't see  
21 that a two-week continuance resolves that.

22 I think a continuous session resolves that, and I  
23 know very shortly because you did stipulate literally over the  
24 lunch hour to all set of facts concerning the sanctions issue.

25 So, first of all, I'm not willing to go into a two-

1 week continuance. I think we would be in continuous session.  
2 We've got all of the decision makers here or available by phone  
3 because you've got a city to run, for goodness sakes. But  
4 we're in continuous session until I know.

5 So if you want to meet at 5:00 o'clock at Petrie Hall  
6 (phonetic), fine. If you want to meet at 9:00 o'clock tonight,  
7 fine. You two discuss that.

8 But we're never going out of session until we get  
9 down to what that is because the mayor's declared an emergency,  
10 we treat it like an emergency. And it's not an emergency going  
11 away.

12 **MS. MARTINEZ:** Your Honor, is it possible that I can  
13 share Ms. Myers and her letter to the Court? We have yet to  
14 share the letters between the City and the Alliance with  
15 Ms. Myers and vice versa.

16 **THE COURT:** I thought --

17 **MS. MARTINEZ:** I wanted to get permission, wanting to  
18 make sure that that's okay with them as well.

19 **THE COURT:** Is that acceptable?

20 **MS. MYERS:** Of course, Your Honor. We would be happy  
21 to file it on the record. And --

22 **THE COURT:** I --

23 **MS. MYERS:** -- we would just ask that we get to see  
24 the L.A. Alliance and City's positions, or that they say on the  
25 record now, Your Honor, what they're agreeing to; because at

1 this point we have no idea of what they think the scope of the  
2 audit should be.

3 **THE COURT:** I agree. And I don't want to come back  
4 to the scope in two weeks. We're in continuous session until  
5 we get to the scope and how broad that is.

6 And one thing I'd caution each of you, I know you  
7 want an audit that takes into account, for instance, the  
8 results concerning fire. And I know that you want to get  
9 involved in 4118. But those are policy decisions by the City.

10 And I would prefer that that audit -- it's just a  
11 preference that that audit be quicker. And if we can get that  
12 audit with the basic programs involved, then I think you can go  
13 forward from that point with the data and come back to the  
14 Court and say we have a agreement to modify it.

15 But I'm a little afraid that this audit gets tied up  
16 in minutia and back and forth, and I'm not willing to take that  
17 time. So that's my first preference. And it depends upon  
18 whether we go forward.

19 My second is this. If we have an audit, it takes  
20 some time. And in 2021, we had a hearing over a day in length,  
21 or most of a day.

22 And we were able I think to show that it's arguable  
23 that there was absolutely no accounting and no transparency for  
24 at least \$600 million that flowed through this -- the City.

25 And I've constantly asked why from this point going

1 forward can't we have in two weeks an agreement between the  
2 City and you as the Plaintiffs that all invoices have to have  
3 supporting documentation concerning what was performed? And  
4 why are we waiting for an audit to do that?

5 Second, that that's public, that we have a public  
6 website -- and I think the mayor's in agreement with that -- so  
7 that this transparency takes place.

8 And, third, you seem to have focused on Inside Safe.  
9 I made the statement that Inside Safe may turn out to be a very  
10 well-document program. I don't know.

11 I'm focusing on the case before me, L.A. Alliance.  
12 And I want to see the documents and invoices that support the  
13 amount spent on the L.A. Alliance agreement.

14 And I also want to see the documents on the road  
15 agreement. You may have them, you may not. That may be  
16 embarrassing to the City. It may be that you've got the  
17 documents.

18 But this isn't solely Inside Safe. In fact, I didn't  
19 raise Inside Safe. I am particularly interested in L.A.  
20 Alliance. Where are these -- or L.A. settlement. Where are  
21 these invoices? What was expended?

22 And so I'm going to give you three Ps that I wrote  
23 down this weekend. Just give me a moment. Yeah.

24 Generally speaking, the Court would hope that there  
25 are proper invoices. The Court would hope that these are to

1 the proper people. The Court would hope that this is for the  
2 proper purpose, and that this is on a public website. It's as  
3 simple as that.

4 And these invoices that I think on the spot audit --  
5 and, Mayor, you don't know this but a spot audit was conducted  
6 long before your term.

7 There's no transparency or accountability for \$600  
8 million. I think you as the mayor have a unique opportunity,  
9 along with Paul Kerkorian, to be the first to step up in terms  
10 of transparency.

11 And now I'm going to read to you from the State for a  
12 moment. Elaine Howle was our auditor on the State level. She  
13 released a scathing report from the State. And I'm literally  
14 going to read to it and then check my veracity by going back to  
15 that report.

16 At least nine state agencies administers --  
17 administer and oversee 41 different programs that provide  
18 funding to mitigate homelessness, yet no single entity oversees  
19 the State's efforts or is responsible for developing a  
20 statewide strategic plan.

21 "The state continues to lack a comprehensive  
22 understanding of its spending to address homelessness, the  
23 specific services the programs provide, or the individuals who  
24 receive those services."

25 So when I was reading this report for the second or

1 third time, I'm writing a note to myself, are we making the  
2 proper payments to the proper people in the proper amounts for  
3 services, shelter, or housing?

4 Or what's our administrative cost with some of the  
5 providers that might be let's say overstaffed hypothetically  
6 virtue -- in relation to the services being delivered to the  
7 streets on behalf of the counsel and the mayor.

8 She goes on to say, California has spent \$13 million.  
9 Now, this is in 2021.

10 And could you put up (inaudible) the front page of my  
11 -- it's the document that is attached.

12 **(Judge/Ms. Speaker confer.)**

13 And I underestimated, Mayor, what I'm about to show  
14 you. And check my figures, okay. You've got a whole city.  
15 I've got -- she says in 2021, \$13 billion have already been  
16 expended by 2021.

17 Michelle, I underestimated. Would you read what the  
18 legislature says was -- has been expended?

19 **MS. MARTINEZ:** Yes, Your Honor.

20 **THE COURT:** Loud. Just in 2018, 2019.

21 **MS. MARTINEZ:** Yes. Governor Gavin Newsom's  
22 leadership allocating 20.6 billion towards housing and  
23 homelessness since 2018, 2019, according to the legislative  
24 analyst office.

25 **THE COURT:** So on this slide I put in 13 billion, and

1 I underestimated.

2           And then Gavin had promised another 12 billion. So  
3 I've consistently said about \$25 billion in homeless funds.  
4 It's much more.

5           If you take those figures of 20 billion, you add on  
6 just the 13 million. Let's take Proposition One with another  
7 six million. Let's take H money that's flowing in about 350  
8 million. Let's take Triple H money. We're well over \$30  
9 million.

10           So in continuing to reading from Ms. Howle's report,  
11 which is apparently in the dustbin, California has spent 13  
12 billion in just the last three years on the massive homeless  
13 problem. The auditor said the approach to dealing with  
14 homelessness is so fragmented and incomplete, it actually  
15 hinders efforts at getting people into housing.

16           The auditor goes on to state and finds that this lack  
17 of coordination between agencies accounts for no  
18 accountability.

19           Unlike some other states, no single entity in  
20 California oversees efforts to address homelessness or is  
21 responsible for developing a statewide strategic plan. Now,  
22 this is still at the State level.

23           The State does not track the funding it provides to  
24 combat homelessness, what could be perhaps the biggest problem  
25 of all.



1           There's no single state entity that  
2 comprehensively -- just a moment, I want to make sure -- tracks  
3 the sources of funding, the intended uses, or related  
4 expenditures of these programs, nor does the State track how  
5 much funding is available to spend towards addressing the  
6 homelessness issue statewide.

7           She goes on to state recommendations that have been  
8 ignored. If the State is not tracking, which I now believe  
9 isn't \$25 billion but more than \$30 billion, then where does  
10 the accountability lie?

11           Now, Mayor, and Chairman of the Council, perhaps if  
12 the governor was here he might hypothetically say, I need to  
13 continue to fight this homeless issue and I'm going to give  
14 money.

15           But I hypothetically am not getting accounting back  
16 from the City or the counties in the State, so the governor  
17 might be hypothetically in a political box because he doesn't  
18 want the cities or counties to turn around and criticize him  
19 for not supplying money. But by the same token, he has no  
20 barometer coming back.

21           You have a chance as the president of the counsel.  
22 And, Mayor Bass, you have this chance as the mayor to be the  
23 first entity in this State that steps up with transparency.  
24 And if you do, I commend you.

25           All right, now hold on. Continue to separate out an

1 audit that goes backwards with homeless, the freeway -- I call  
2 freeway but highway agreement, and L.A. Alliance. Those are my  
3 critical focus.

4           Inside Safe, that was brought up at the last hearing.

5           This audit has to pertain to all three programs, but  
6 specifically it has to obtain (sic) to the L.A. Alliance  
7 agreement.

8           And if we're embarrassed by no records from the  
9 providers, let's find that out going forward, which is why I'm  
10 suggesting to you that there's an immediate agreement that in  
11 two weeks all invoices submitted to the City have the  
12 underlying data of what these folks performed so that you as  
13 the mayor and you as the council president can measure what  
14 you're obtaining in terms of services or intermediate housing  
15 or long-term housing; because none of us can make a decision.

16           All right, the second thing I would hope for. Give  
17 me a moment. This is on the public website.

18           The best auditor will be the public. And there will  
19 be an interest in which provider is actually providing  
20 something meaningful and which provider is submitting this  
21 underlying data to justify these invoices because right now,  
22 Mayor, in the spot audit of 2018 -- and I won't name the  
23 agencies involved, lack of embarrassment -- they didn't have  
24 any records.

25           And we showed last time when you weren't here that

1 the City wasn't requiring any records, that those records sat  
2 with the provider.

3 So if I go all the way back to 2018, I'm going to  
4 hear probably an excuse, well, Judge, we weren't required to  
5 keep these records over three years, like an income tax return,  
6 and it'd be an absolutely waste.

7 But there's no waste in terms of our L.A. Alliance  
8 agreement, which you weren't a part of.

9 There's no disagreement or should be concerning the  
10 roadway agreement which you weren't a part of.

11 And Inside Safe, you may have very good records, I  
12 don't know.

13 But those all three have to be subject to an audit.

14 But, folks, I really mean this. There is absolutely  
15 no reason that in two weeks all invoices that requested for  
16 payment for the City don't have substantiation.

17 Now, would you put up the slide for LASA for a  
18 moment?

19 I anticipate this argument. Judge, in two weeks  
20 quietly I get a phone call or Judge Birotte does, and the  
21 conversation goes this way. Judge, all this money flows  
22 through LASA. We are the City, hope to get through this  
23 information.

24 But I would suggest to you is might be like punching  
25 the Pillsbury Doughboy. As you punch on the City's behalf, the

1 arm flies up and the finger-pointing starts and we're back in  
2 this convoluted system of trifurcation between City  
3 responsibility, County responsibility, and LASA responsibility.

4 And just an opinion which has no proof, but my guess  
5 that one of the motivations for LASA being formed was the past  
6 bickering between the City and the County. And, Mayor, that's  
7 when you've been instrumental and stepped up and tried to stop  
8 that bickering.

9 But LASA in a sense acted as a shield for the City  
10 and the County not having responsibility.

11 So right now, in 2023, we have a budget of \$845.4  
12 million; \$726.2 million is going to the service providers.

13 Now, remember, I'm up all night getting these  
14 figures. If I'm wrong, call me on this. Tell me, judge  
15 Carter, you're wrong.

16 Can Dr. Adams come over and if you're agreeable to  
17 this on behalf of the City, this transparency in terms of these  
18 invoices going forward so we're not waiting, I don't want your  
19 representation and I believe you would make the representation  
20 through Judge Birotte that you've talked to Dr. Adams, and  
21 she's promised you that she will undertake this because she's  
22 not on the record.

23 So while I might trust you, I need a record. And I'm  
24 going to ask humbly if somebody can call Dr. Adams. She can  
25 appear by phone, she's not inconvenienced.

1 But I'd like to hear today what her position is  
2 because you as the City are going through LASA. And 11.8  
3 percent of your general budget goes into LASA; 80 percent of  
4 that money comes over from the County's side. But it's not  
5 really County money, it's HUD money, State money as the COC.

6 So while the County acts like it's their money, it's  
7 not. It's passthrough money. This money to LASA comes out of  
8 your budget. And it's hurtful, it's harmful.

9 So who's going to call Dr. Adams and ask her to come  
10 over?

11 (No audible response.)

12 Because I want her position. And I don't later on  
13 want the City in that position of, well, I heard from  
14 Dr. Adams. Can you call her?

15 **MS. SPEAKER:** Yes.

16 **THE COURT:** And tell her I'll be here at midnight, no  
17 problem.

18 All right, the third thing is, these MOUs that we're  
19 reaching on the freeway agreement -- and Paul and I've talked  
20 about that -- they were supposed to take two weeks. That's not  
21 your responsibility.

22 But it went over to the City attorney and it took  
23 four months. We're not at 14 months with the First Alliance  
24 agreement.

25 We're at 16 months with no MAU (sic) with -- we've

1 got to work out some system, whether it's 30 days or 60 days,  
2 that the MOU has to follow in close proximity to all of us  
3 reaching an agreement. I leave that to your negotiation.

4           Lastly, I stated to you that I'm worried about the  
5 sanctions. I agree to some degree with you, Ms. Myers, that if  
6 the Court was to impose sanctions and impose the \$12 million  
7 that Mr. Yagman has argued for, the \$6.4 million that L.A.  
8 Alliance is requesting, that that's taking money from the  
9 homeless when we need that money on the front side.

10           You need to be compensated for this time. You're a  
11 small law firm. You've probably given up all future business  
12 with the City. Most of the large law firms are never going to  
13 enter into this because in good faith, they're intertwined with  
14 the City.

15           And I told Mayor Bass -- well, never mind.

16           You're paying a tremendous price in terms of bringing  
17 this, even though people are arguing that you're only business-  
18 oriented, etcetera.

19           This wouldn't be before the Court but for you  
20 bringing it.

21           Now, I can't sustain you in the future, nor do I  
22 choose to with -- because Downtown Alliance is your client.

23           But as far as compensation's concerned, you're richly  
24 (phonetic) entitled to some compensation.

25           And what I'm debating is if you're going to submit

1 that issue to me, but the two of you are going to reach a  
2 compromise on that; because my findings concerning whether you  
3 were misled or whether this was bad faith are critical to that  
4 for this reason.

5 Ms. Marcus, are you willing to stipulate to the ninth  
6 paragraph in the declaration by Liz Mitchell, in Document 664-  
7 2, page three?

8 And that paragraph, to remind everybody, reads as  
9 follows. With the City in clear violation of the agreement and  
10 subsequent promises made, Daniel Conway, Paul Webster and I met  
11 with the City, Scott Marcus, David Michaelson, and Mercedes  
12 Marquez about the City's violation of the agreement, during  
13 which Ms. Marquez confessed -- now, that's a word of art, okay?  
14 It could be stated and should be stated.

15 But confessed that the City never hired, preferred  
16 service outreach providers for encampment reduction in each  
17 district, have not had each district accessed, and has instead  
18 done nothing towards these commitments.

19 And yet the stipulation that you've submitted to me,  
20 you could certainly argue that there's a breach of the  
21 agreement.

22 You can argue on March 15th that all these things  
23 were promised to you and that you may have been misled.

24 But if I was to make a determination -- and this is  
25 going up to the circuit, I need to protect my record so that

1 I'm not overturned, and I need to know what was said in that  
2 room because this is probably going to the circuit, unless all  
3 of you stipulate you -- way out of the circuit.

4 So if something is promised to you and nothing is  
5 intentionally done, you may have an argument for bad faith.

6 But I don't know because none of you have stipulated  
7 to paragraph nine yet. And I doubt that the Cit's going to be  
8 in a position to stipulate to it.

9 So if you two are going to delay the sanctions but  
10 you can't reach some agreement in the future going forward,  
11 then I've got to proceed.

12 And you put me in a box of calling witnesses, which I  
13 don't think any of us quite frankly want to do, because at  
14 least according to L.A. First, Ms. Marquez does not want to be  
15 anybody's scapegoat.

16 And she wrote that it was not the mayor's office but  
17 a different city office, that of the City administrator officer  
18 who managed the outreach contractor during a hiring that didn't  
19 come to fruition.

20 I hope we don't have to go there, frankly. But I've  
21 got to have a record, and the Court will protect itself on  
22 appeal. So I'm forcing you to do it, then we're calling  
23 witnesses.

24 All right, I'm almost done.

25 Mayor, I ask you to consider -- because I think that



1 you may be the leader that we're searching for. If you after a  
2 recess and talking to Scott Marcus, your counsel, are willing  
3 and able to make the statement that from this point forward --  
4 in two weeks or a reasonable period of time, but all invoices  
5 submitted and paid by the City have the underlying documents so  
6 you can see and all of us can see and make good value  
7 judgments.

8 I know you're going to run into an eventual problem  
9 no matter what your charm is, frankly, with LASA. And I'm not  
10 going to get stonewalled by that. I need Dr. Adams to make the  
11 same statement or to tell the public that she's not willing to  
12 be transparent.

13 And I don't want that coming through you or putting  
14 your reputation on the line. That's not fair to you.

15 I want this all to be worked out at least in those  
16 three homeless programs that I mentioned.

17 But specifically you came here with L.A. Alliance,  
18 and I think we're doing that. And I think we're growing that,  
19 and I think we're growing the freeway agreement also.

20 And if we don't have the records, just tell me and  
21 tell the public that we don't have them and let's move on.

22 But if we do, then let's see who has the records and  
23 what they did for this money.

24 Now, I'm going to leave with one -- I want to tell  
25 you the most inspirational thing that's happened to me, besides

1 all of you being present.

2           Want to take you down to skid row yesterday. Yeah.  
3 And put up, first of all, some depressing things before we take  
4 a recess. And then we'll come back and help me with -- I'm  
5 just going to go through some slides.

6           We've got a problem with children, which drove me  
7 down was Kevin and a lot of the community calling and saying --  
8 Kevin, how you doing -- calling and saying, we've got a lot of  
9 kids down here, Judge. They're coming in from Texas, they're  
10 coming in on buses.

11           Mayor, you've got overwhelming issues to deal with.  
12 You really have my compliments.

13           Put this thing up. No, don't start with me. Start  
14 with somebody -- no, go up to the top, go up to the top. Okay.

15           Here are kids on skid row. Go down there, you'll see  
16 some buses dropping them off.

17           But you'll also see some kids now back on skid row  
18 after the City had done a good job getting the children off of  
19 skid row. Thank you.

20           Let's go to the next one.

21           If this doesn't break your heart, this little gal was  
22 latching onto my leg. She's either found Santa Claus or  
23 somebody, but she's not letting go, okay.

24           Well, she's not from Texas, folks. She's from right  
25 here.

1 Next one.

2 Now, you can talk to the community. But when I'm  
3 asking, how's LASA doing, the Community points out to me, well,  
4 there goes a LASA car. I said, what are they doing?

5 Kevin, you can give the testimony -- not right now,  
6 no, not now. Basically everybody breaks out in laughter and  
7 says they're not stopping, they're doing nothing. It's all  
8 coming from the community.

9 Go to the next one.

10 I think you can harness this energy in me. I really  
11 believe.

12 So this is part of the community, NGO. Next one.

13 McCann's involved in this, different folks. Next  
14 one.

15 Here are your kids. Next one.

16 Inspirational. In the parking lot of Catch 21 after  
17 we got there, what, 6:00 or 6:30, Kevin? I forget.

18 About to leave. And I want to give a shout out to  
19 the Boyle Heights Boys and Girls Club. You should be immensely  
20 proud of your city.

21 Four or five kids arrive, and young people, young  
22 adults let's say. And they've got bags. What are you doing?  
23 Well, we've got like a thousand sandwiches that we put together  
24 in the Boys and Girls Club and at the church up in Boyle  
25 Heights and to Salesian. And here are your wonderful young

1 people of the future. America's in good hands.

2 Flip the next slide.

3 And they're going to go out to the street. And  
4 afterwards they're going to gather in a circle and ask what did  
5 you learn. And this is what they said. And this has to make  
6 you feel good.

7 Kids went around and said: hope, love, and how  
8 fortunate they are after seeing skid row.

9 Let's go to the next one. No, go back.

10 There's a bullet casing nearby.

11 Next one.

12 This is the circle of goodness afterwards.

13 Next one.

14 And these are your kids. If that doesn't make you  
15 feel proud as a mayor I don't know what does. If someone you  
16 can harness this church, public, witness, I represent to you  
17 that it's probably not our government agencies that are doing  
18 so well as these wonderful people out in the streets who are  
19 delivering the product.

20 Now, that isn't to slam LASA. It's just where's the  
21 \$745 million going? You make that judgment call.

22 All right. When can Dr. Adams be here?

23 **MR. MARCUS:** Your Honor, I think she can be available  
24 by phone in the next 15 minutes.

25 **THE COURT:** Okay. We'll take a ten-minute recess,

1 get her on the phone, and we'll see if she'll make the  
2 representation or not. Okay.

3 And, Mayor, why don't you talk to Scott Marcus.

4 Michelle, anything else that you've thought of?

5 (No audible response.)

6 Judge Birotte, anything else?

7 (No audible response.)

8 Okay. Why don't you have a conversation? Because  
9 minimally I'm hoping that we get that transparency immediately  
10 in terms of our invoices.

11 **MR. SPEAKER:** Thank you, Your Honor.

12 **(Recess taken from 11:35 a.m. to 11:59 a.m.)**

13 **(In progress)**

14 **THE COURT:** ... session.

15 And Dr. Adams, are you on the phone?

16 **THE CLERK:** Not yet.

17 **THE COURT:** Okay. I want her on the phone listening  
18 so she's fully aware of what's occurring.

19 Dr. Adams, are you on the phone?

20 **DR. ADAMS:** I am, sir.

21 **THE COURT:** Just a moment. I want to raise the  
22 volume so we can hear you.

23 **DR. ADAMS:** Okay.

24 **THE COURT:** Now I can hear you. How are you?

25 **DR. ADAMS:** I'm fine, sir. How are you?

1           **THE COURT:** I'm fine. Thank you.

2           So Dr. Adams is on the phone. Dr. Adams, before I  
3 ask you any questions, Mayor Bass is here, the president of the  
4 Council's here, and I'd like to hear what their positions are  
5 concerning some questions I've asked so I've got a record of  
6 what their position is. And one involves the audit and it  
7 involves much more than Inside Safe, it involves also the, they  
8 call it the Roadway agreement, I call it the Freeway agreement,  
9 and the case that originally came before this Court, which was  
10 the LA Alliance agreement.

11           And so Mayor Bass, what are your thoughts on this  
12 matter and what can you represent that you're comfortable with?

13           **MAYOR BASS:** Thank you, Judge.

14           I believe this is responsive to your request. The  
15 City will ensure that within two weeks on an ongoing forward  
16 basis the City will provide supporting documentation for  
17 invoices and make them publicly available. These will be  
18 invoices for the Alliance agreement, the Roadmap agreement, and  
19 Inside Safe.

20           **THE COURT:** Got the first mayor, the first city  
21 that's undertaken that transparency.

22           **MAYOR BASS:** Thank you.

23           **(Applause)**

24           **THE COURT:** Yeah, thank you.

25           Dr. Adams, first of all, I know the approximate

1 ledger from 2022/2023 was \$845.4 million, give or take, and of  
2 that, \$726.2 million went through service providers. What I've  
3 been asking, besides an audit that we've discussed, is that  
4 these invoices would hopefully have the supporting  
5 documentation that show what our providers are providing or  
6 allegedly providing. And, frankly, the public should be able  
7 to see what the administrative costs are versus the services or  
8 shelter or housing that's being delivered to the streets.

9           You're responsible for much of the provider money.  
10 Are you willing or able to make the statement that within two  
11 weeks, or if you need a little longer, I just don't know your  
12 organization, but within two weeks that you would require -- or  
13 I'm sorry, at least send notice to all of your providers that  
14 you're requiring the underlying documentation for the work or  
15 alleged work that they've performed?

16           And the reason I ask that is, you may not have been  
17 present in 2021 but I think it was not only arguable but  
18 absolutely apparent that over \$600 million flowed through at  
19 least the City of Los Angeles, some of that substantially  
20 through LAHSA, with no supporting documentation. And in fact,  
21 on one occasion the invoice, which was quite a substantial sum,  
22 didn't even have the date on it, just a request for hundreds of  
23 thousands of dollars.

24           What's your position on behalf of LAHSA?

25           **DR. ADAMS:** Yes. We could meet those demands and

1 requests within two weeks to require our providers to have that  
2 underlying documentation.

3 **THE COURT:** Excellent. Yeah, excellent. The benefit  
4 is that you, the Mayor, the Council will now be able to make  
5 good decisions about which provider is providing based upon  
6 their goals for the City, their vision for the City, versus  
7 what apparently in the past has been no requirement of the  
8 provider to submit the underlying documents that justify their  
9 work.

10 If you want to do that and match the Mayor's  
11 representation, then once again I applaud you.

12 **DR. ADAMS:** Absolutely. One hundred percent  
13 committed to doing that.

14 **THE COURT:** All right. There's going to be an audit  
15 conducted that will-- the scope is still being shaped and that  
16 audit will include at least the homeless programs, the Roadmap  
17 agreement, the first Alliance agreement, and Inside Safe.  
18 Inside Safe is not technically your program, but monies may be  
19 flowing through LAHSA. I'm not sure yet.

20 To make certain that the City isn't undertaking that  
21 audit solely and making those representations and so this is  
22 effective, are you willing to undergo that same type of audit  
23 so the City is not in the position of being in, let's say,  
24 conflict with you if LAHSA ever claimed that they weren't  
25 willing to undergo this kind of audit? Are you willing to



1 undergo that kind of audit?

2           And by the way, I know the County's ordered an audit  
3 but, frankly, it's too narrow.

4           **DR. ADAMS:** Yes, we are.

5           **THE COURT:** Okay. That's it. That's it. That's it.

6           MOU's, subject to discussion, 30-60 days so we have  
7 more immediacy. I leave that to you to bargain with, so we'll  
8 recess in a moment. Is your position that you'd still like  
9 additional time to brief the sanctions issues or are you moving  
10 forward today?

11           **MS. MITCHELL:** I think additional time would be  
12 helpful, particularly to identify the factual issues which I  
13 think we have an agreement on and I think additional briefing  
14 is helpful.

15           **THE COURT:** I'll set that for April 4th then, the  
16 same day that the County's going to be coming in. I've already  
17 noticed that -- strike that. I've already stated April 4th,  
18 but I haven't put that out on the docket until we knew what  
19 occurred today. I'll docket that tomorrow. April 4th.

20           **MR. UMHOFFER:** Your Honor, you have our commitment to  
21 continue to work with the City to try to resolve that issue as  
22 well.

23           **THE COURT:** Now, here's our commitment, we're not  
24 going home. You can sleep, but we're now in continuous  
25 session. So Ms. Myers' participating, you're participating, we

1 need to know the scope of this audit and this isn't going to  
2 some back road for two weeks or three weeks with a last moment  
3 inconvenience of the weekend and all calls. So tell me when  
4 you want to meet? We can meet tomorrow at 9:00 o'clock, we can  
5 meet tonight at 9:00 o'clock at Patriot Hall.

6 **MS. MITCHELL:** Your Honor --

7 **THE COURT:** We're 24/7 now.

8 **MS. MITCHELL:** -- and I want to separate these two.

9 So regarding the sanctions, we do believe the two weeks are  
10 necessary. Regarding the audit, we think we can get that taken  
11 care of today.

12 **THE COURT:** Okay. You tell me. Today, tonight,  
13 whatever. Mayor, could you help me with Patriot Hall in  
14 case -- the Courts close down here at 6:00 o'clock --

15 **MS. MITCHELL:** Absolutely.

16 **MAYOR BASS:** Absolutely.

17 **THE COURT:** -- but if we need to go late tonight. I  
18 just want to see the parameters of this and I think we can  
19 accomplish this quickly for you, get back to you and the  
20 presidents for your input.

21 **MAYOR BASS:** Is it my understanding you want me to  
22 reserve space at Patriotic Hall?

23 **THE COURT:** Yeah, because I hear that they're going  
24 to get done today, but that might be tonight.

25 **MAYOR BASS:** Right.

1           **THE COURT:** So we're not leaving.

2           **MAYOR BASS:** Okay.

3           **THE COURT:** Okay.

4           **MAYOR BASS:** Absolutely.

5           **THE COURT:** Okay, so when do I reconvene? Do I  
6 reconvene here in court at 4:30, do I meet you at Patriot Hall  
7 at 9:00 o'clock? What?

8           **MS. MITCHELL:** Your Honor, if the Court can --

9           **THE COURT:** Tomorrow morning? Anything you want. I  
10 just want this continuous. We've got all the players now.  
11 This is not going back to the bureaucracy. We're going to get  
12 this done.

13           **MS. MITCHELL:** I think that we can reach an agreement  
14 by this afternoon, Your Honor. I think we're --

15           **THE COURT:** Give me a time.

16           **MS. MITCHELL:** I'm going to say 2:00, 2:00 p.m.

17           **THE COURT:** Mr. Marcus just has a scowl on his face.

18           **(Laughter)**

19           Why don't we do this, why don't we say 4:00 o'clock?

20           **MR. MARCUS:** Let's say 4:00 o'clock, Your Honor.

21           **THE COURT:** Let's say 4:00 o'clock. Okay?

22           **MR. MARCUS:** Yeah.

23           **THE COURT:** A.M. or p.m.?

24           **(Laughter)**

25           Just joking.

1           **MR. MARCUS:** Your choice.

2           **THE COURT:** Okay. Four o'clock, we'll reconvene --

3           **MS. MYERS:** Your Honor? Your Honor, can we just  
4 clarify. I understand that you have intended us to be included  
5 in that --

6           **THE COURT:** Yes.

7           **MS. MYERS:** -- conversation --

8           **THE COURT:** Yes. Yes.

9           **MS. MYERS:** -- but this is the first we've seen of  
10 this and they seems to be talking amongst themselves. I just  
11 wanted to be clear on the record that we'll be participating --

12           **THE COURT:** Absolutely.

13           **MS. MYERS:** -- and we need --

14           **THE COURT:** And here's the --

15           **MS. MYERS:** -- five minutes to read your statement.

16           **THE COURT:** And here's the debate I expect. I think  
17 that you really want to bear down on 4118 reading your  
18 document. I understand that. And you want to bear down on  
19 some of the fire issues and services. I understand that. But  
20 before you get there, I just need something to be accomplished  
21 with transparency quickly for the public on these invoices and  
22 I need an audit and we can go from there on the audit as long  
23 as we get an audit that we can make decisions about. And I  
24 don't want to get into these cross purposes of Line 32 on  
25 Page 15. Okay? So basic stay out of policy, get the

1 information on this audit and I'll see you at 4:00 o'clock.

2 All right.

3 **MS. MITCHELL:** Thank you, Your Honor. Understood.

4 **MAYOR BASS:** And the 4:00 o'clock is here?

5 **THE COURT:** Mayor -- oh by the way, Mayor and  
6 President, thank you very much.

7 **(Counsel thank the Court)**

8 **MAYOR BASS:** Thank you, Judge.

9 **(Proceeding recess at 12:09 p.m.; resumed at 5:21 p.m.)**

10 **THE COURT:** On the record, Counsel?

11 **(Counsel respond in the affirmative)**

12 All right, we're on the record. Counsel are present  
13 without making a reappearance.

14 Counsel?

15 **MS. MITCHELL:** Thank you, Your Honor.

16 Would the Court like me to, I'm sorry, make an  
17 appearance or to inform the Court about our current status?

18 **THE COURT:** I'd like to know what's happening.

19 **MS. MITCHELL:** So obviously we've been negotiating  
20 quite heavily.

21 **THE COURT:** You know, either have a seat next to the  
22 microphone or go to the lectern. Either one.

23 **MS. MITCHELL:** I'll do that.

24 **THE COURT:** Yeah --

25 **MS. MITCHELL:** Thank you, Your Honor.

1           **THE COURT:** -- just so we can absolutely hear.

2           **MS. MITCHELL:** So the parties have reached an  
3 agreement on the scope of the audit. There are some details  
4 about, for example, definitions of words and things that we  
5 think that a potential future auditor would benefit from having  
6 and that will be included in an addendum. But the scope of the  
7 audit has been agreed by both the City, the Alliance, and the  
8 Intervenors.

9           **THE COURT:** Okay.

10          **MS. MITCHELL:** They both, all three.

11          **THE COURT:** And I don't know yet what the addendum  
12 would entail. How long would that take and what do you need to  
13 do to complete that?

14          **MS. MITCHELL:** I think -- yeah, so the current plan  
15 is that we would work on some of the definitions that were  
16 included. Ms. Myers is going to be circulating that in a draft  
17 form today.

18          **THE COURT:** Okay.

19          **MS. MITCHELL:** The City and the Alliance will be  
20 taking a look at that and I think within 48 hours we can have a  
21 response.

22          **THE COURT:** So when do I need to reconvene or have  
23 this on the table so I have a tickler date, you know, so that  
24 we have date? And if it's acceptable, we probably won't  
25 reconvene. If it's not, then we need to have definite dates

1 from this point forward.

2           So why don't you two talk about that for a moment.  
3 And the next question, so I don't surprise you, is when, in  
4 your opinion, would you have recommended auditor or auditors to  
5 the Court? So discuss that for a moment. Just give me the  
6 dates.

7           **(Counsel confer)**

8           **THE COURT:** And while you're discussing that,  
9 Counsel, one of the things that the Court may or may not be  
10 concerned with is what is that auditors -- what do they look  
11 like? Are they former City employees, for instance, who have  
12 gone over to a auditing firm here in Los Angeles who might have  
13 past, you know, dealings in good faith with the City or County?  
14 Are they out of county hopefully? But maybe not. In other  
15 words, I want the least entanglement so I'm not in a position  
16 of refusing you. Okay? So really to discuss that and you  
17 don't have to decide that today, but that's kind of a  
18 bellwether mark.

19           Second --

20           **(To the Clerk):** Would you put up the following so we  
21 can discuss this, put up the stats?

22           We haven't been able to gather any statewide  
23 statistics that the State seems to be compiling.

24           **(Court confers with Clerk)**

25           We've been trying to gather statistics across the

1 state. I don't know that these are absolutely accurate, but we  
2 think that they're pretty accurate and the only statewide  
3 summation that we can find by major cities --

4 **(To the Clerk):** So flip to the next page. Flip to  
5 the next page.

6 I want to give these to you and I want you to  
7 challenge this at the next hearing in case there's inaccuracy  
8 on our part. But we're trying to get a five-year total out of  
9 all of these various counties and cities, et cetera, and if you  
10 want to challenge these figures, so be it. But we can't find  
11 anything that the State is putting out on a city-by-city basis  
12 in California, so once again we're concerned about a central  
13 authority.

14 Now, I'm not vouching for the quality of this. I'm  
15 not saying that these are shelter or housing or the right mix  
16 or making any representation, but we think that these are  
17 pretty accurate. Now --

18 **MS. MYERS:** Your Honor? Can I make a quick  
19 suggestion --

20 **THE COURT:** Sure.

21 **MS. MYERS:** -- for this data? Which is HUD Point-in-  
22 Time Count data and they're required to do it by HUD. We  
23 frequently turn to HUD and their reports to pull that data.

24 **THE COURT:** That's fine. Turn to them. But I'm not  
25 waiting. In other words, I'm going to put this out to you to



1 look at now and if you can get better data, that's what I'm  
2 saying, come back to us here with better data. But we've been  
3 combing through the last four or five years with the major  
4 cities, Oakland, Sacramento, San Francisco, by year, taking the  
5 data that they've been publishing each year.

6 **(To the Clerk):** And then flip back, go back, go  
7 backwards for a moment.

8 And what I'm asking you to do is look at this  
9 carefully and if this isn't correct, show me what's not correct  
10 about it so that we --

11 **(To the Clerk):** Next.

12 We can't find anything that the State's publishing by  
13 city. So we've done a lot of work in chambers on this. Okay?  
14 And I'm asking you to check these numbers and if you disagree  
15 by year, so be it. Now, we could be a percentage point off,  
16 but we don't think we're very far off with all the data that  
17 we've gone through.

18 Now, I'm sorry, back to you with the issue at hand.

19 **MS. MITCHELL:** Your Honor, so one, Mr. Webster, who  
20 was formerly with HUD, actually has a lot of that data he has  
21 been compiling for the last decade or so and we can circulate  
22 that --

23 **THE COURT:** Right.

24 **MS. MITCHELL:** -- with the Court and the counsel.

25 **THE COURT:** Well, I'm just asking you to put it

1 together.

2 **MS. MITCHELL:** Yes.

3 **THE COURT:** We've gone through every piece of data we  
4 can -- we've gone through a lot of data. I don't need more  
5 data. If you're challenging this, if it's higher or lower,  
6 just get back to me and say, you know, with Oakland in year  
7 2020 we disagree, it wasn't 2.60, and in 2023 they didn't go  
8 up -- I'm sorry, Riverside County, they didn't go up  
9 12.33 percent. What did they go up? So it gives you,  
10 Mr. Webster, all the time in the world, it gives HUD, you know,  
11 information over here.

12 But do you remember any place, Mr. Webster, where the  
13 State's publishing is?

14 **MR. WEBSTER:** Typically, the State and the  
15 municipalities rely on HUD Point-in-Time data --

16 **THE COURT:** Right.

17 **MR. WEBSTER:** -- for their continuums of care.

18 **THE COURT:** Yeah. And so if I go through each city I  
19 can find it, but I'm not getting any statewide readout of  
20 different cities. We can't find it. Can you?

21 **MR. WEBSTER:** No. I don't think it exists.

22 **THE COURT:** Do you know of any statewide readout, any  
23 centralized authority trying to put out this data?

24 **MS. MYERS:** Your Honor, I believe HUD would have that  
25 information.

1           **THE COURT:** I know HUD has it, but I'm not seeing  
2 any -- I'm not seeing San Bernardino on a piece of paper next  
3 to Riverside next to Ventura County next to San Diego. I'm not  
4 seeing a five-year trace. Nobody's putting this together to  
5 see whether we're going up or down hypothetically in different  
6 cities. I'm not seeing that from the State.

7           **MR. WEBSTER:** I don't think you're going to find it  
8 from the State and that's why --

9           **THE COURT:** I don't either.

10          **MR. WEBSTER:** -- in my capacity as an independent  
11 contractor, I actually compiled that data over the last ten  
12 years --

13          **THE COURT:** Right.

14          **MR. WEBSTER:** -- for selective continuums of care  
15 that usually in the state of California match with the  
16 counties.

17          **THE COURT:** Right. And all I'm looking for is  
18 something that I can turn to in three or four pages to have a  
19 statewide scan. I may have left out a particular city, maybe  
20 San Jose or something. But I'm going to put this on the docket  
21 and if I'm wrong I want you to challenge me and correct me.  
22 And I've got a five-year running status or total going now. I  
23 can't find any other document.

24          **MS. MYERS:** Your Honor, HUD has the HUD Exchange,  
25 which is a data collection for HUD, includes 2007 to 2023

1 Point-in-Time --

2 **THE COURT:** Right.

3 **MS. MYERS:** -- estimates by state and by continuum of  
4 care. So --

5 **THE COURT:** Right.

6 **MS. MYERS:** -- that's how they'll do these counts.  
7 They're happy to share that with the Court.

8 **THE COURT:** Sure. And I just took the last five  
9 years, Shayla. In other words, I didn't go back to 2007,  
10 because I wanted to see -- I was concerned about where money  
11 was going across the state, let alone here. Los Angeles may be  
12 unique now in terms of stepping up with this transparency and  
13 maybe a first. I'm just wondering if that message might be  
14 picked up across the state with other providers in  
15 San Francisco and Riverside and if they get put, let's say,  
16 under the same scrutiny so that they start supplying underlying  
17 documentation. You know, because first to light, you've kind  
18 of set this in motion. Where are these documents? And Los  
19 Angeles is a pretty big fish, but what about San Jose,  
20 Sacramento, are they doing it and do they have a provider  
21 problem up there? That is not part of our lawsuit, but I would  
22 think that across the state we need these kinds of data.

23 So let's move on, okay? I'm going to put this on the  
24 docket. It's transparent. It's the last five years. If you  
25 want to add to it.

1           **MS. MITCHELL:** Thank you, Your Honor. So we have met  
2 and conferred. We believe that we can have a draft done --

3           **THE CLERK:** Would you speak into the mike please.

4           **MS. MITCHELL:** So we have conferred. We believe we  
5 can have a draft done by Thursday morning so we suggest we  
6 reconvene Friday morning, if that's convenient for the Court.  
7 Or we could reconvene only if we don't get the documents into  
8 the Court maybe by Thursday morning.

9           **THE COURT:** I always want to have a date.

10           **(To the Clerk):** So Karlen, what do we have Friday  
11 morning?

12                     Just let me check my other 300 cases.

13           **(Court confers with Clerk)**

14           **THE COURT:** Nine o'clock here in Los Angeles.

15           **MS. MYERS:** Your Honor, we did not confer about  
16 Friday. The Los Angeles Homeless Services Authority is holding  
17 a pretty significant hearing that day.

18           **THE COURT:** Thursday at 5:00 o'clock?

19           **MS. MYERS:** Sorry.

20           **THE COURT:** Thursday? Give you all day Friday, I  
21 mean all day Thursday, 5:00 o'clock?

22           **MS. MITCHELL:** Your Honor, I have childcare issues.

23           **THE COURT:** Okay.

24           **MS. MITCHELL:** I'd have to talk to my partner before  
25 I can do it.

1           **THE COURT:** 2:00 o'clock Thursday?

2           **MS. MITCHELL:** Two o'clock Thursday is fine.

3           **THE COURT:** Two o'clock okay?

4           **MS. HASHMALL:** Your Honor, could we do 3:00 o'clock?

5           **THE COURT:** Three o'clock?

6           **MS. MYERS:** Yeah, that's fine.

7           **THE COURT:** I think you've got childcare issues.

8           Yeah --

9           **MS. MITCHELL:** Right. I'm sorry, Your Honor. My  
10           husband's out this week.

11           **THE COURT:** Let's not hurt each other with family.  
12           Okay? Let's never do that. I'm not going to keep you tonight.  
13           We can get this done. But --

14           **MS. MARTINEZ:** We're here Wednesday, Judge.

15           **THE COURT:** Pardon me?

16           **MS. MARTINEZ:** Myself and Judge Birotte are here  
17           Wednesday.

18           **THE COURT:** Wednesday's great. Thursday's great.  
19           Just talk about it. You meet so I'm not arbitrarily picking a  
20           time. You've got family issues. I could be the bad judge of  
21           the year by telling you to come back at 8:00 o'clock tonight.  
22           Just go talk to each other, okay, and give me a time.

23                    But every date now has a tickler date. Every date we  
24           make an appearance and we get the data and we get the  
25           stipulations and if we have a problem let me know about it.

1 (Counsel confer)

2 MS. MITCHELL: Your Honor, can I step out and make a  
3 quick call?

4 THE COURT: Absolutely. And don't hurt your family.  
5 Okay? We've got Wednesday, Thursday, Friday. I'm going to  
6 change my schedule around to accommodate you.

7 (Counsel confer)

8 THE COURT: Don't change family commitments. Okay?

9 (Counsel confer)

10 MS. MITCHELL: Yes, Your Honor. So I think what we  
11 have agreed on is Friday afternoon, but I do have a question  
12 for the Court. If the parties submit the documentation and  
13 they are agreed documents, which we believe they will be, would  
14 we still be having a hearing on Friday afternoon?

15 THE COURT: I don't know because I need to look at  
16 those documents and when you put it into Friday you're not  
17 giving me a chance to look at those documents and get back to  
18 you.

19 MS. MITCHELL: Okay.

20 THE COURT: So you're kind of putting me in a box  
21 of -- is Wednesday possible?

22 MS. MARTINEZ: We can submit the document to the  
23 Court.

24 MS. MITCHELL: Yeah. Thank you, Your Honor. The  
25 intent would be to submit the document to the Court on

1 Thursday, so Thursday morning?

2 **THE COURT:** If it's to the Court Thursday morning, I  
3 have a chance to look at it --

4 **MS. MITCHELL:** Yes.

5 **THE COURT:** -- I may simply take you off calendar.

6 **MR. MARCUS:** That's our intent, yes.

7 **THE COURT:** Okay --

8 **MS. MITCHELL:** Yes.

9 **THE COURT:** -- I just need to look at it.

10 **MS. MITCHELL:** Correct.

11 **MR. MARCUS:** Yes. We're planning to get it to you on  
12 Thursday.

13 **THE COURT:** And I don't think you've stipulated that  
14 I have the final consent or the final say concerning the  
15 parameter of the document, but I think I do. I'd like to make  
16 certain it meets our needs.

17 And at some point I need that auditor and I'm giving  
18 you direction. I don't want a bunch of folks who were  
19 previously employed with the County and the City, someone  
20 leaving and going over to some local auditor. I want some  
21 independence here. And I don't know if that's in-county or out  
22 of -- in-city or out-of-city, but I'm giving you that direction  
23 so I don't, you know, surprisingly say no.

24 **MS. MITCHELL:** We appreciate that, Your Honor --

25 **THE COURT:** Okay.



1           **MS. MITCHELL:** -- and what we have talked about --

2           **THE COURT:** Okay, so Thursday what time, so I can get  
3 you home to your family?

4           **MS. MARTINEZ:** Thursday, 9:00 a.m., Judge.

5           **THE COURT:** Thursday, 9:00 a.m.

6           **MS. MARTINEZ:** We'll be submitting the document.

7           **THE COURT:** There's a look of bafflement already.  
8 Okay? I'll let you talk.

9           **MR. MARCUS:** I'm just trying to be realistic, Your  
10 Honor. The --

11           **THE COURT:** I'm not -- you two are going to meet and  
12 confer. This is taking time. Just give me a time.

13           **MR. MARCUS:** Are you asking for the time for when the  
14 documents will be submitted?

15           **THE COURT:** Yes. Because I have to read them and I  
16 want to read them and I want to think about them.

17           **MR. MARCUS:** So if we could have until Thursday  
18 afternoon, would that work?

19           **THE COURT:** No. Because then I don't have time and  
20 I've got you at 9:00 o'clock on a Friday or -- I'm sorry,  
21 12:00 o'clock or whatever time you're done. That's not giving  
22 me sufficient time and I'm not skimming through these. I want  
23 to read them and think about them.

24           **MR. MARCUS:** Understood.

25           **THE COURT:** Okay. Why can't we do this by Wednesday

1 at 5:00 o'clock or 8:00 o'clock?

2 **MR. MARCUS:** Mostly because of me, Your Honor. I am  
3 not going to be --

4 **THE COURT:** All right, that's fine. That's fine. I  
5 don't want to embarrass you.

6 This isn't the biggest decision we've made all day.

7 **MS. MYERS:** It's not.

8 **THE COURT:** Okay. So arbitrarily -- well, I want at  
9 least 24 hours to look at them. I want to read them, set them  
10 down, pick them up again, and if I need to set them down and  
11 read them again. So I'm going to schedule this for -- what  
12 time is your program done on Friday?

13 **MS. MYERS:** We would be fine with noon or any time  
14 later, Your Honor, on Friday.

15 **THE COURT:** Anytime on Friday?

16 **MS. MYERS:** After 11:00.

17 **THE COURT:** After 11:00. That's when I'm okay. So  
18 we'll schedule this for 1:00 o'clock on Friday, which is our  
19 in-court date, and I'd like to have these documents by Thursday  
20 morning at some point and I'm going to arbitrarily say by  
21 11:00 o'clock. Okay? By 11:00 o'clock. And that should give  
22 me that afternoon and that evening to read them and then I'll  
23 notify you if you're not needed.

24 Now, when do I get the suggested auditor?

25 **MS. MARTINEZ:** The various names, Judge.

1           **THE COURT:** Pardon me?

2           **MS. MARTINEZ:** The various names of the auditing  
3 firms.

4           **THE COURT:** Yeah. When do I get that?

5           **MR. MARCUS:** Your Honor, we're going to -- I think  
6 the plan is for us to exchange proposed names at the same time  
7 we are also dealing with that addendum so that we'll have both  
8 of those --

9           **THE COURT:** Okay.

10          **MR. MARCUS:** -- available to send to you at that  
11 time --

12          **THE COURT:** Thursday --

13          **MR. MARCUS:** -- that's the intention.

14          **THE COURT:** Thursday same time then?

15          **MR. MARCUS:** Yes.

16          **THE COURT:** Okay. That's fair enough.

17          **MR. MARCUS:** Yes.

18          **THE COURT:** Okay. Well then why don't we recess for  
19 the evening and get you back to your families with the Court's  
20 thanks. Okay? Have a good evening.

21               **(Counsel thank the Court)**

22               **(This proceeding was adjourned at 5:38 p.m.)**

23

24

25

CERTIFICATION

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



March 19, 2024

---

Signed

Dated

**TONI HUDSON, TRANSCRIBER**