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.)) Thursday, December 18, 2025 CITY OF LOS ANGELES, ET AL.,) (8:07 a.m. to 9:33 a.m.) (10:04 a.m. to 10:25 a.m.) Defendants.) (10:43 a.m. to 11:58 a.m.) (1:09 p.m. to 2:06 p.m.) (2:26 p.m. to 4:29 p.m.) (4:55 p.m. to 5:42 p.m.) (5:46 p.m. to 6:02 p.m.)

EVIDENTIARY HEARING -

ORDER TO SHOW CAUSE RE CONTEMPT CITY OF LOS ANGELES [DKT.NO.1066]

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

APPEARANCES: SEE PAGE 2

Courtroom Deputy: Karlen Dubon

Court Reporter: Recorded; CourtSmart

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1 Los Angeles, California; Thursday, December 18, 2025; 8:07 a.m. 2 (Call to Order) 3 THE COURT: All right, thank you very much, Counsel. 4 If you'd be seated, then we're back in session. Counsel are 5 present, but we're on CourtSmart again. So as we resume, if you identify yourself and who you represent, so please. 6 7 Mr. Szabo, good morning. If you'd be kind enough to 8 retake the stand, please. And this courtroom apparently has a 9 defective box. And apparently Judge Wright has people testify 10 from down here, but if you don't mind, let's try this. Yeah, 11 and be careful. 12 Please be seated. MATTHEW SZABO, DEFENDANTS' WITNESS, PREVIOUSLY SWORN 13 14 THE WITNESS: Thank you. 15 THE COURT: And once again, sir, would you state your full name? 16 17 THE WITNESS: Matt Szabo. 18 THE COURT: And would you spell your last name, 19 please? 20 THE WITNESS: S as in Sam, Z as in zebra, A-B-O. 21 THE COURT: And you recall the oath that was 22 administered on the last occasion. 2.3 THE WITNESS: Yes. 24 THE COURT: Thank you, sir. Counsel. 25 MR. MCRAE: Do we make appearances first, Your Honor?

	Szabo - Direct / By Mr. McRae 5
1	THE COURT: Please.
2	MR. MCRAE: I think I said that for the record. Do
3	you want the plaintiffs to go first?
4	MR. MITCHELL: Good morning, Your Honor. Elizabeth
5	Mitchell and Matthew Umhofer. Umhofer, Mitchell, and King on
6	behalf of Plaintiff L.A. Alliance.
7	MR. MCRAE: Marcellus McRae and Bradley Hamburger,
8	Gibson, Dunn & Crutcher, appearing on behalf of the City of Los
9	Angeles.
10	MS. MYERS: Shayla Myers from the Legal Aid
11	Foundation of Los Angeles on behalf of the intervenors.
12	THE COURT: There you are.
13	MS. BRODY: This is Lauren Brody on behalf of the
14	county.
15	THE COURT: And the council.
16	MR. MCRAE: May I proceed, Your Honor?
17	THE COURT: Please.
18	MR. MCRAE: Thank you, Your Honor.
19	DIRECT EXAMINATION (RESUMED)
20	BY MR. MCRAE:
21	Q Mr. Szabo, on December 4th, you testified that you hang
22	on one second here. Mr. Szabo, do you recall testifying
23	regarding bed creation being the primary purpose of the
24	Alliance Settlement Agreement?
25	A I do, yes.

- 1 to proceed with enhanced camping or encampment restriction
- 2 procedures, it would be allowed to do so. That was the main
- 3 structure and the main framework. Build the housing for a
- 4 threshold number of individuals who are living on the streets
- 5 as of a certain time, and that that would or could facilitate
- 6 enhancements to the City's policies as it relates to keeping
- 7 | the public right-of-way clean and clear of encampments.
- 8 Q And, sir, let me direct your attention now to Exhibit 557,
- 9 which is going to be ECF 1111, which should be -- if we can go
- 10 to the bottom of page 69, lines 23 through 25, and we'll go to
- 11 | the top of page 70, lines 1 through 8.
- 12 And for the record, my understanding is that this is the
- 13 transcript of the proceedings that took place, this being
- 14 Exhibit 557 and ECF 1111, the transcript of the proceedings
- 15 | that took place on December 15th.
- 16 | So, sir, you'll see in the section that I called out to
- 17 | you that Mr. Webster testified earlier this week that he
- 18 disagreed with your testimony that the Section 7.1 reporting
- 19 | obligations were intended to reflect the City's quarterly
- 20 progress in implementing the Alliance Settlement Agreement.
- 21 Sir, can you explain for us why you understood that the
- 22 | reporting obligations in Section 7.1 were intended to provide
- 23 quarterly updates regarding the City's implementation of the
- 24 Alliance Settlement Agreement?
- 25 A Yes, just one moment, though. I don't see what you have

- 1 | up there. Can you repeat the exhibit? I need to pull it up
- 2 here.
- 3 Q You know, let me make an inquiry with respect to the
- 4 logistics.
- 5 MR. MCRAE: Your Honor, I'm not -- I, like you, was a
- 6 little disoriented this morning when I saw the juxtaposition of
- 7 | where we were all sitting. Oh, there is a monitor. Thank
- 8 you.

- 10 Q Mr. Szabo, do you now see the reference to the Exhibit
- 11 | 557, ECF 1111 to which I was referring?
- 12 A I do, yes.
- 13 Q Okay. And do you need me to repeat the question, sir?
- 14 A If you could, please.
- 15 Q Sure. I was explaining that you can see here that
- 16 Mr. Weber testified that he disagreed with your testimony that
- 17 | the Section 7.1 reporting obligations were intended to reflect
- 18 | the City's quarterly progress in implementing the Alliance
- 19 | Settlement Agreement. And I wanted you to explain why you
- 20 understood that the reporting obligations in Section 7.1 were
- 21 intended to provide quarterly updates regarding the City's
- 22 implementation of the Alliance Settlement Agreement.
- 23 A Well, I mean, first and foremost, it's because that's what
- 24 | it says, and that's what we negotiated. That's what I
- 25 read. It said that we were -- as I recall, it states at the

- 1 | beginning that the reporting requirements of 7.1 are related to
- 2 or we are reporting on the progress of the Settlement
- 3 Agreement. So the obligations of the Settlement Agreement
- 4 primarily, as I stated, in terms of what the City needed to do
- 5 as opposed to what the City needed to report or set milestones
- 6 for, et cetera, it was primarily about the creation of the beds
- 7 and meeting that required number of beds. So our reporting is
- 8 all related to the beds that are created.
- 9 Q So let me, in fact, show you Exhibit 25, and if we could
- 10 take a look at Section 7.1 of Exhibit 25. And in salient part,
- 11 | if you look at the first sentence, it says, the City will
- 12 provide quarterly status updates to the Court regarding its
- 13 progress with this agreement. And then it goes on to say
- 14 | including, and there's the first sentence, and you see the
- 15 second sentence. Sir, when you were talking about context and
- 16 | the understanding that the City was to report on its progress
- 17 | with the agreement on a quarterly basis, is the language in 7.1
- 18 | in the first sentence what you were referring to?
- 19 A That is what I was referring to, yes.
- 20 Q Is that qualifying language in the first sentence of
- 21 | Section 7.1 also what informed your understanding of the
- 22 | reporting obligations in the second sentence of Section 7.1?
- 23 A Yes.
- 24 Q Now, sir, did you ever understand Section 7.1 to require
- 25 | the City to provide quarterly reports regarding all of the City

- 1 | of Los Angeles' efforts to address homelessness beyond the
- 2 | Alliance Settlement Agreement?
- 3 A No, I didn't.
- 4 Q Are you aware of any court order that states that Section
- 5 7.1 of the Alliance Settlement Agreement requires the City to
- 6 report on its efforts to address homelessness even beyond those
- 7 effectuated under the Alliance Settlement Agreement.
- 8 A No.
- 9 Q Mr. Szabo, let me turn your attention back to Exhibit 557,
- 10 | which is ECF 1111, this time reading from pages 91, line 11,
- 11 | through page 92, line 19. Do you have that in front of you,
- 12 | sir?
- 13 A Yes.
- 14 Q So Mr. Weber testified earlier this week that the City
- 15 cannot satisfy its reporting obligations in the first section
- 16 of 7.1 with a single data point. Let me explore with you a few
- 17 | questions. First, Mr. Szabo, does the City of Los Angeles
- 18 offer all of the beds that it has created under the Alliance
- 19 | Settlement Agreement?
- 20 Q We do once they're open and occupiable, yes.
- 21 Q And, sir, is this the reason that the City's quarterly
- 22 reports uses the same number to report both the number of
- 23 housing or shelter opportunities created or otherwise obtained
- 24 and the number of beds or opportunities offered, which are the
- 25 | first two metrics mentioned in the first sentence of section

- 1 7.1?
- 2 A Yes.
- 3 Q Now, in order to figure out the number of beds or
- 4 opportunities that are currently available in each council
- 5 district in the context of Section 7.1, do you have to start
- 6 | with the total number of beds reported in the first two metrics
- 7 | in the first sentence of Section 7.1?
- 8 A Yes. Those provide the citywide numbers, yes.
- 9 Q And do you then, in the effort to determine the number of
- 10 beds or opportunities currently available in each council
- 11 district, take the total number and allocate it on a per
- 12 | council district basis?
- 13 A Yes.
- 14 Q And, Mr. Szabo, do the quarterly reports that the City has
- 15 prepared, pursuant to the Alliance Settlement Agreement,
- 16 | contain only one data point for all of the metrics in Section
- 17 7.1?
- 18 A Well, no. There's multiple data points that are reported
- 19 | in the quarterly report.
- 20 Q Let's take a look at Exhibit 502, which is ECF 1072.
- 21 Mr. Szabo, you should see Exhibit 502, ECF 1072, and we're
- 22 looking at page 2 of that document. And to be more precise,
- 23 | it's actually ECF 1072-1. Now, Mr. Szabo, are we looking at
- 24 the supplemental report for the quarter ending September 30,
- 25 | 2025?

- 1 A Yes, that's right.
- 2 | Q And sir, can you, using this exhibit, illustrate your
- 3 point that the City does not report a single data point in
- 4 response to the reporting requirements set forth in Section
- 5 7.1? Let me rephrase the question. Can you use this exhibit to
- 6 illustrate that the City reports more than one data point in
- 7 | reporting on the metrics set forth in Section 7.1?
- 8 A Yes.
- 9 Q Please proceed.
- 10 A So if we are looking at the, for example, the number of
- 11 beds available per council district, we would look at -- well,
- 12 | first, we would look at the second column that shows each --
- 13 | that indicates which site or where the site is located in which
- 14 | council district. We would then look at the, I guess that
- 15 | would be the sixth column, which shows how many beds there
- 16 are. And then we would look at the seventh column, which is
- 17 | the status.
- 18 | So if it's open, then we would be -- you would look at the
- 19 status, you'd look at the number of beds, and then you would
- 20 look at the council district. And in the attachment, it
- 21 | would -- those three points would tell you how many beds are
- 22 available per council district for that quarter.
- 23 Q And is there another data point there, PEH served?
- 24 A Yes.
- 25 Q And, sir, has the City ever suggested that it could use a

- 1 | single data point to report on all of the 7.1 metrics in the
- 2 quarterly report?
- 3 A No.
- 4 Q Has the City consistently used multiple data points to
- 5 | report on the Section 7.1 metrics in the quarterly reports?
- 6 A Yes.
- 7 Q And, sir, do the City's quarterly reports contain
- 8 information that would allow the reader to evaluate how beds or
- 9 opportunities are created under the Alliance Settlement
- 10 Agreement -- let me rephrase. Do the City's quarterly reports
- 11 | contain information that would allow the reader to evaluate how
- 12 | the beds or opportunities created under the Alliance Settlement
- 13 Agreement are distributed throughout the City?
- 14 A Yes.
- 15 Q And do the quarterly reports also contain information that
- 16 | would allow the reader to evaluate how beds created under the
- 17 | Alliance Settlement Agreement are planned to be distributed
- 18 | going forward?
- 19 A Yes, it does. That would be the in-progress
- 20 classification.
- 21 Q So, sir, looking at Exhibit 502, which should still be on
- 22 | the screen, ECF 1072-1, page 2, can you show us how a reader
- 23 | could look at this quarterly report to determine how beds or
- 24 opportunities created under the Alliance Settlement Agreement
- 25 | are distributed throughout the City and plan to be distributed

- 1 | throughout the City?
- 2 A So, on the section that you have on the screen, all of the
- 3 beds show as open. So those are what is actually open. We
- 4 | indicate for each site, of course, the number of beds, the
- 5 | council district, which would give you a general idea of how
- 6 the beds are distributed, and then we also provide the
- 7 | specific -- we also provide the address where possible. There
- 8 | are some cases where it's scattered and we aren't able to
- 9 provide the address, but in many cases we provide the
- 10 address. And then later in the document when we indicate the
- 11 | beds that are in progress, and that would indicate to the
- 12 | reader, the Court, the plaintiffs, the intervenors, the
- 13 distribution, the planned distribution of beds that we intend
- 14 to cite as complying with our obligation once they are open and
- 15 occupiable.
- 16 Q And, Mr. Szabo, let me switch gears here, does Exhibit
- 17 | 502, ECF 1072-1, or any other quarterly reports show the number
- 18 of beds or opportunities that are unoccupied at any given
- 19 moment?
- 20 A It just shows the beds that are unoccupied?
- 21 Q Let me rephrase the question.
- 22 A Yeah.
- 23 Q Is there a column or section of the quarterly reports that
- 24 purports to state which beds are unoccupied at any given time?
- 25 A No.

- 1 Q Why is that, sir?
- 2 A Well, so for -- we -- in effort to provide a more complete
- 3 picture about how the beds are being used, although it was not
- 4 and is not required, we have been reporting since our initial
- 5 report in January of 2023, PEH served, persons experiencing
- 6 homelessness served. That is, we feel, the best way we can
- 7 indicate how these beds are being used.
- 8 For permanent housing, almost by definition, the goal is
- 9 for that unit to be used on a permanent basis. So we report
- 10 how many of those units are leased and have a person
- 11 experiencing homelessness using that unit as a permanent home.
- 12 | We report that under our persons experiencing homelessness
- 13 | served metric. For the interim housing, because the purpose of
- 14 | interim housing is temporary, the idea is that you would have
- 15 turnover, that it would be a temporary place for someone to
- 16 stay in the interim while they're waiting for permanent
- 17 housing, waiting for that opportunity. We report how many
- 18 intakes that unit -- that bed or unit has received since it was
- 19 open and occupiable.
- 20 So it's two forms, but it's getting at what the purpose of
- 21 | each type of housing is. As it relates to -- look, we've been
- 22 reporting that from the beginning. And if the objective was
- 23 | somehow to provide in a quarterly report real-time occupancy
- 24 data, that wouldn't make any sense at all because it's a
- 25 quarterly report that even by the time we submit it to the

- 1 | Court, we submit it the 15th of the month following that
- 2 | quarter, that data would be stale. It wouldn't be usable for
- 3 | anyone to say, okay, ah, here's what's available now. It would
- 4 be immediately stale upon submitting that to the Court. So
- 5 | we've never considered that obligation to be a real-time
- 6 occupancy report. It's been available. We've used available
- 7 | as these are the units that are available for use by the City
- 8 to house people on an interim basis or on a permanent basis.
- 9 Q And sir, is this specter of staleness that you described
- 10 | were unoccupied to be adopted in the manner that you
- 11 | identified, is that a function of the constant changing of who
- 12 occupies a bed?
- 13 A Certainly for interim housing, absolutely. At any given
- 14 | time, I mean, and the goal is to have turnover in interim
- 15 housing. So although we want -- we do want to fully utilize
- 16 | the beds that we've established, the goal is to have turnover
- 17 | as quickly as we can. And so there will always be -- there
- 18 | should always be availability and we should be working to
- 19 | create availability in our interim housing stock.
- 20 Q And are you aware of any feasible way for the City to
- 21 | report on the number of unoccupied beds at any given time that
- 22 | would be current in real time when a quarterly report was
- 23 submitted?
- 24 A No.
- 25 Q And, Mr. Szabo, does the Alliance Settlement Agreement,

- 21 22
- 23 And, sir, is it feasible currently for the City to report 24 the number of times a given bed were offered under the Alliance 25 Settlement Agreement?

No, that's not how I've interpreted

25

- 1 | it. That's not how we've reported it.
- 2 BY MR. MCRAE:
- 3 Q Were you ever confused about the meaning of the word
- 4 offered in the context of Section 7.1, sir?
- 5 A No.
- 6 Q Has your office consistently interpreted the word offered
- 7 | to mean on offer in the context of reporting on Section 7.1 in
- 8 | the quarterly reports?
- 9 A Yes.
- 10 Q And are you aware of any provision of the settlement
- 11 agreement that adopts a definition of the term offered as the
- 12 number of times a bed is offered?
- 13 A I'm not.
- 14 Q Are you aware of any court order that prescribes that the
- 15 word offered in Section 7.1 means the number of times a bed is
- 16 offered?
- 17 A I'm not.
- 18 Q Sir, you also testified earlier that the majority of the
- 19 offers of beds or shelters are made by service proprietors who
- 20 report to LAHSA rather than the City. Does the City of Los
- 21 | Angeles have offers of beds that it in some instances makes
- 22 directly?
- 23 A In some instances, yes.
- 24 Q In which instances are those, sir?
- 25 A That would principally be related to the Inside Safe

- 1 program.
- 2 | Q Can you tell us why the City has not reported in the
- 3 quarterly reports the number of offers made through Inside Safe
- 4 as the total number of beds offered in the quarterly reports?
- 5 A Well, two reasons. Number one, it would be incomplete.
- 6 And number two, as I stated, we don't keep a running count of
- 7 how many offers are rejected. The objective of the outreach
- 8 | workers that are employed by the City and the objective of the
- 9 outreach workers employed by service providers and by LAHSA
- 10 directly is to provide the best possible pathway for the
- 11 | individual living on the street to a sheltered situation. And
- 12 | they're not tracking and they don't track how many times an
- 13 offer is rejected.
- 14 Q Sir, would the City be willing to report an incomplete
- 15 | number of beds offered in the form of Inside Safe beds in the
- 16 quarterly reports on a going forward basis if requested to do
- 17 so by the Alliance?
- 18 A If requested to do so by the Court and if agreed with the
- 19 Alliance, certainly.
- 20 Q Mr. Szabo, do you recall testifying earlier that the
- 21 | reference, if we could have, we still have Section 7.1 up, if
- 22 | we look at the second sentence, right after to the extent
- 23 possible, you see the reference to the number of PEH
- 24 engaged. Do you see that, sir?
- 25 A Yes.

- 1 Q And do you recall testifying earlier that you construed
- 2 | this reference to the number of PEH engaged as being guided by
- 3 | the language in the first sentence of Section 7.1 that the
- 4 | City's going to provide quarterly reports regarding its
- 5 progress under the agreement?
- 6 A Yes.
- 7 Q Now, sir, can you tell us why you believe that it makes
- 8 | sense to read this obligation where the City will work with
- 9 LAHSA to include in the quarterly status updates to the extent
- 10 possible the number of PEH engaged as being read in connection
- 11 | with the obligation to report on the City's progress under the
- 12 agreement on a quarterly basis?
- 13 **THE COURT:** Would you repeat that, counsel? Just the
- 14 same question. I missed the last question.
- 15 MR. MCRAE: I know. As I was sitting there, Your
- 16 | Honor, I was thinking, I'll give it a try.
- 17 **THE COURT:** I don't have real time, that's why.
- 18 MR. MCRAE: I'll give it a try to try to recreate
- 19 that.
- 20 **BY MR. MCRAE:**
- 21 Q Mr. Szabo, can you explain to us why you felt it made
- 22 | sense to read this language, the City will work with LAHSA to
- 23 include in the quarterly status updates to the extent possible
- 24 | the number of PEH engaged as being guided by the first sentence
- 25 | that says the City will provide quarterly status updates to the

- 1 | Court regarding its progress with this agreement?
- 2 A Again, plainly because that's what it says. I mean, the
- 3 paragraph says quarterly status updates to the Court regarding
- 4 its progress with this agreement. It's clear to me that if the
- 5 request is that we're going to report to the extent possible
- 6 PEH engaged, it would be in relation to our progress with this
- 7 agreement, meaning it would be in relation to the beds that we
- 8 have established as a result of this agreement.
- 9 Q Are you aware of any court order that says that in
- 10 reporting on PEH engaged under Section 7.1 that the City is not
- 11 | limited to PEH engaged in connection with the Alliance
- 12 | Settlement Agreement?
- 13 A No.
- 14 Q Mr. Szabo, do you agree with the assertion that at the
- 15 | time the parties -- well actually let me contextualize this.
- 16 Let's take a look again at Exhibit 557, ECF 1111, and we'll go
- 17 to pages 97 and 98. And in salient part, we will start on page
- 18 | 97 with line 18. And why don't we move forward a bit, go down
- 19 | a little bit more. Thank you. Thank you.
- 20 So you see in line 18 here, Mr. Webster's testifying in
- 21 substance that there were systems in place at the time the
- 22 parties entered into the Alliance Settlement Agreement that
- 23 | could capture all the metrics listed in Section 7.1. And I
- 24 | want to ask you, sir, do you agree that as of the time that the
- 25 parties entered into the Alliance Settlement Agreement, the

- 1 | City of Los Angeles had data systems in place that would
- 2 | capture all of the metrics identified in both sentences of
- 3 Section 7.1?
- 4 A No, we certainly did not.
- 5 Q Why not, sir? Let me -- that was an imprecise question.
- 6 A Sure.
- 7 Q Why don't you agree?
- 8 A I don't agree because the City of Los Angeles certainly
- 9 didn't have data systems in place to report on the second
- 10 | sentence of 7.1. And I know that LAHSA, in part, doesn't have
- 11 data systems in place even today to report on, for example, the
- 12 | number of offers rejected. And so that, yes, we did not have
- 13 | those systems in place.
- 14 Q And during your tenure as City administrator, has
- 15 Mr. Webster ever worked in your office?
- 16 A No.
- 17 Q And as far as you are aware, has Mr. Webster ever worked
- 18 for LAHSA?
- 19 A No.
- 20 Q Has Mr. Webster ever had a role in preparing any of the
- 21 | City's quarterly reports?
- 22 A No.
- 23 Q Has Mr. Webster ever had a role in collecting the data
- 24 | that your office uses to prepare the quarterly reports?
- 25 A No.

- 1 Q Mr. Szabo, does the City have the ability to unilaterally
- 2 | update or change any data systems that it relies on to prepare
- 3 | the quarterly reports that the City does not itself operate?
- 4 A No.
- 5 Q Sir, did you at any time understand the Alliance
- 6 | Settlement Agreement to be a means to achieve every objective
- 7 regarding homelessness that anyone ever had?
- 8 A No.
- 9 Q Do you view the Alliance Settlement Agreement as a means
- 10 to achieve the specific obligations in that agreement?
- 11 A Yes.
- 12 | Q Mr. Szabo, on December 4th, do you recall testifying that
- 13 | you first became aware of the Alliance having concerns about
- 14 | the City not reporting Section 7.1 metrics about four to six
- 15 | weeks prior to your December 4th testimony of this year?
- 16 A Yes, I recall that.
- 17 Q Now, sir, are you ruling out the possibility that you were
- 18 | notified a few months prior, in approximately July or in July
- 19 2025, that counsel for the Alliance expressed that the City was
- 20 | not reporting on Section 7.1 metrics?
- 21 MS. MITCHELL: Objection leading.
- THE COURT: Overruled. You can answer the question.
- THE WITNESS: No, that's possible.
- 24 //
- 25 //

- 2 | Q But when was the first time that you spoke with persons
- 3 representing the alliance to learn about the reasons for the
- 4 | Alliance's concerns about the City's reporting on Section 7.1
- 5 metrics?
- 6 A That would have been in the -- we had a meet and confer in
- 7 November. Sometime in November, I believe.
- 8 Q Would that have been November 17th of 2025?
- 9 A Yes.
- 10 Q And was this also the first time that you had -- that you
- 11 discussed with the special master the special master's
- 12 concerns? And let me rephrase that. And was this also the
- 13 | first time that you learned the reasons behind the special
- 14 master's concerns about the City's reporting on Section 7.1
- 15 | metrics in this same November 17th, 2025 meeting?
- 16 A I'm sorry, could you repeat that?
- 17 Q Yes. And was this also the first time that you learned of
- 18 | the reasons behind the special master's concerns about the
- 19 | City's reporting on Section 7.1 metrics in this same November
- 20 | 17, 2025 meeting?
- 21 A I think the reasons, yes, the special master had mentioned
- 22 7.1 in prior communications.
- 23 Q And, sir, to your knowledge, has LAHSA's capabilities to
- 24 track and report on Section 7.1 metrics changed over time?
- 25 A Yes.

in that meeting about the City's reporting on Section 7.1

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- 1 | metrics?
- 2 A Not as I recall, no.
- 3 Q And following this August 7, 2025 meeting, did you learn
- 4 of efforts to schedule a meeting with counsel for the Alliance,
- 5 | the special master, LAHSA, and the City, and others to
- 6 | specifically discuss the City's reporting on Section 7.1
- 7 metrics?
- 8 A Yes, that was the November meeting.
- 9 Q The November 17th, 2025 meeting, sir?
- 10 A Yes. Yes.
- 11 | Q And I'm not asking you to give us a stenographic
- 12 | recitation of what happened in that meeting, but can you tell
- 13 us some of your takeaways from that exchange with the special
- 14 master, counsel for the Alliance, amongst others, in that
- 15 November 17th, 2025 meeting?
- 16 A That meeting was almost entirely, I think, entirely
- 17 | focused on 7.1, and there was extensive discussion around the
- 18 parties' interpretation of the meaning of the metrics that were
- 19 requested in 7.1. There was discussion with LAHSA about its
- 20 capabilities on what it could report, what it couldn't report,
- 21 | what it was making progress towards in terms of its capability
- 22 to report.
- 23 There was absolutely, for certain takeaway, was that there
- 24 was disagreement among multiple parties who have been steeped
- 25 | in this case for the last, you know, since 2020, about the

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Mr. Szabo, on December 4th, sir, of this year, do you recall testifying about your understanding regarding LAHSA's ability to report on various 7.1, Section 7.1 metrics in the Alliance Settlement Agreement?

22 Yes.

> Now, Mr. Szabo, why does the City report PEH served in its quarterly reports in addressing the metric, the number of PEH who have accepted offers of shelter or housing?

- 1 A Because we feel that's the best way we can indicate to the
- 2 | court, to the plaintiffs and the public, that the best way we
- 3 can indicate which -- how many offers of shelter or housing
- 4 | were accepted in relation to the obligation of the settlement,
- 5 | in relation to the units that have been established as a result
- 6 of this settlement.
- 7 Q And sir, has your office reported PEH served in its
- 8 | quarterly reports from the time that that data point became
- 9 available?
- 10 A Yes, since our first quarterly report.
- 11 Q And, Mr. Szabo, let me telescope this. Does the metric
- 12 | PEH engaged, does that update the City's progress towards
- 13 implementing the Alliance Settlement Agreement in your
- 14 understanding?
- 15 A Not if the definition of PEH engaged is intended to be
- 16 | citywide engagements or engagements in any circumstance for any
- 17 | reason by any outreach staff employed by any entity in the
- 18 City. It would be far beyond what this settlement agreement
- 19 provides.
- 20 Q So has your office endeavored to include data in the
- 21 quarterly reports that does update the City's progress in
- 22 | implementing the Alliance Settlement Agreement?
- 23 A Yes.
- 24 Q Now, sir, are you aware of whether LAHSA publicly reports
- 25 data regarding PEH engaged, at least currently?

- 1 A Yes, they do.
- 2 Q And do you happen to know how long LAHSA has been publicly
- 3 reporting PEH engaged?
- 4 A I don't know when they first started reporting it, but I
- 5 know the information has been available since 2023.
- 6 Q Now, from the time that the City has been preparing
- 7 quarterly reports, has the City included publicly available
- 8 data in those reports that is unrelated to the Alliance
- 9 Settlement Agreement?
- 10 A We have not.
- 11 Q Now, provided that your office has a comfort level with
- 12 | the accuracy of LAHSA's publicly reported PEH engaged data,
- 13 | would the City be willing to report LAHSA's publicly reported
- 14 PEH engaged data in its quarterly reports going forward if
- 15 asked to do so by the Alliance?
- 16 A We absolutely would. And, in fact, we currently report
- 17 | that data citywide and by council district in a different
- 18 report to the city council. It's a public report. We have no
- 19 problem reporting it. We have been reporting it since the
- 20 mayor declared a state of emergency on homelessness. We submit
- 21 quarterly reports to the council for them to extend that state
- 22 of emergency.
- 23 And as part of that reporting, we report the number of PEH
- 24 engaged citywide and by council district. We'd be happy to
- 25 | include it in the quarterly reports. We just didn't feel that

- it was responsive to the obligations, which is why we use the
 PEH served, which gets to engagements that have led to housing
 in the units that were established by this settlement.
- THE COURT: I'm not going to intercede, but I'm going
 to ask either counsel for any of the parties to give me a time
 frame. In other words, what I'm hearing is representation that
 there might be some possibility of reporting, but the Court's
 been waiting three years for a monitor. I'd like to hear the
 time frame if the City is willing to move forward that this
 reporting would take place in each of these categories, so I
 know if there truly is a possibility of progress.
- 12 MR. MCRAE: Certainly, Your Honor, and if I may --
- 13 **THE COURT:** Counsel, thank you very much. I'll leave
- 14 that to each of you. I'm very clear about that.
- 15 **MR. MCRAE:** No, no, I --
- 16 **THE COURT:** But I promise. I've been waiting three years now.
- MR. MCRAE: I understand that. What wasn't clear is
 when the Court would like that and in what form? I just want
 to make sure --
 - THE COURT: I'd like that now from the witness stand from Mr. Zabo. In other words, I'm hearing this opportunity, possibly, but I've heard so many promises for so long and the court now is three years --
- MR. MCRAE: Okay.

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that would be reliable that the City could report on it. I don't have -- I don't have the information available to give me the confidence to make to make a hard commitment on that particular metric. I couldn't -- I wouldn't feel

- 1 | comfortable doing that. I don't have the confidence that we'd
- 2 be able to provide that information on a specific
- 3 | timeline. I'm not saying that we wouldn't work towards it if
- 4 requested, but that's just not data that is available that I
- 5 | could say we could report in our next quarterly report on. I
- 6 | couldn't commit to that because I'm not -- I don't have
- 7 confidence that the systems are in place.
- 8 Q Mr. Szabo, in order to be able to answer the question with
- 9 respect to all of the metrics in 7.1, as to when those metrics
- 10 that are not currently being reported on could be conceivably
- 11 reported on, would you need to consult with the various persons
- 12 and entities that contribute to that data, which include
- 13 entities that are beyond the unilateral control of the City?
- 14 A I would, and I would also request -- I would also need
- 15 | clarification because, again, I think in -- I believe we are
- 16 reporting to the greatest extent possible on most of the
- 17 | metrics. If there's a different definition of the requested
- 18 information with clarity on that, I would definitely -- I would
- 19 need some time and I could come back with some commitment on
- 20 timing.
- 21 Q Thank you for that clarification. Let me parse that a
- 22 | bit. My question was initially addressed at using the City's
- 23 interpretations that it has been operating under since the
- 24 execution of the Alliance Settlement Agreement, would you be
- 25 prepared as you sit here now to opine or give an answer as to

- 1 | the capabilities of the various entities within the City as
- 2 | well as external to the City in terms of their ability to
- 3 report on items that are not being reported under the City's
- 4 definition of those various metrics?
- 5 A I couldn't do that today.
- 6 Q Okay. And so that was my question, sir. I just wanted to
- 7 establish that. And if you had the opportunity to consult with
- 8 | those various participants and inform yourself with respect to
- 9 | those capabilities, might you be able to provide some insight
- 10 on that point?
- 11 A Yes. And I would -- yes.
- 12 Q And just so that we understand this, are we talking about,
- 13 | you know, having to talk to like one person to get the answer
- 14 to that question or would this be a fairly broad range of
- 15 people?
- 16 A It certainly would extend beyond one person. There'd be
- 17 | multiple entities that I would need to consult with.
- 18 Q Are we talking about one data system or would it be
- 19 | multiple data systems that would have to be conferred and
- 20 synthesized in order to be able to respond to that question?
- 21 A Multiple.
- 22 | Q Now, you injected actually another layer, which I want to
- 23 make sure that we're clear on, which is -- were you saying,
- 24 | sir, that in order to approach that question of when metrics
- 25 | could be reported on, that at least in some instances, to the

- 1 extent that there's disagreement, that the question of when
- 2 | something might be reportable by the City or some third party
- 3 | might in part depend on which interpretation is adopted for
- 4 | that metric?
- 5 MS. MITCHELL: Objection. Vague. Unintelligible.
- 6 THE COURT: You understand the question.
- 7 THE WITNESS: I do.
- 8 **THE COURT:** You may answer it.
- 9 THE WITNESS: And yes.

- 11 Q And do you presently have the ability or the prescience to
- 12 say what interpretation might be adopted on a given metric in
- order to determine the timetable for the ability to report on
- 14 | that metric?
- 15 A No, I would respond to whatever is required by the Court.
- 16 Q All right. Thank you. Now, sir, are there departments
- 17 | within the City of Los Angeles that have encampment data?
- 18 A Yes.
- 19 Q Which departments in the City have encampment data?
- 20 A The Bureau of Sanitation has some encampment data. They
- 21 have broader cleanliness data, but they do track, in some
- 22 cases, tents, makeshift shelters.
- 23 Q And is it your view that the data obtained by the City's
- 24 | Sanitation Department enables the City to report on the number
- 25 of council -- excuse me, the number of encampments per council

- 1 district as set forth in the second sentence of Section 7.1?
- 2 A No, it would be incomplete.
- 3 | Q And, sir, are you aware of whether LAHSA currently --
- 4 | well, let me rephrase. Are you aware of whether LAHSA has data
- 5 regarding the number of encampments by council district?
- 6 A LAHSA has been -- this is an area where I've previously
- 7 | mentioned there has been continuous improvement in LAHSA's
- 8 capability to collect and report data. Their capabilities are
- 9 | much better today, but as of today, I don't believe they are
- 10 able to report real-time data on encampments.
- 11 Q And, sir, since the time that the City has been preparing
- 12 | quarterly reports, has it included any data from LAHSA
- 13 regarding the number of encampments by council districts in
- 14 those reports?
- 15 A We have not.
- 16 Q And do you have any understanding of why?
- 17 A Again, the capabilities of gathering data on encampments
- 18 and reporting on encampments has been improving over time. I
- 19 | would say it became a focus of LAHSA concurrent with the new
- 20 administration, concurrent with the development of the Inside
- 21 | Safe program. And so it has been -- they have been working to
- 22 build those systems and have made great progress, but that was
- 23 | not available at the time that we started issuing the quarterly
- 24 reports in 2023. And they have made significant progress, and
- 25 | I do believe we will be able to report that information in the

- 1 very near future.
- 2 Q And has your office requested that LAHSA provide it the
- 3 | number of encampments by council districts so that that data
- 4 | could be included in future quarterly reports?
- 5 A Yes, we've requested that, and we started requesting that
- 6 back to 2023.
- 7 Q Has that request by your office been made to LAHSA more
- 8 | than once?
- 9 A Yes.
- 10 Q And provided your office has a comfort level with the
- 11 accuracy of the data provided by LAHSA, is the City willing to
- 12 include LAHSA's number of encampments in each council district
- 13 | in its quarterly reports on a going forward basis?
- 14 A Yes, we are. As soon as the capability is there and we
- 15 have confidence in the data, yes.
- 16 Q Does the data with respect to PEH served, which is a
- 17 | metric that is -- excuse me, which is a data point that is
- 18 | contained in the city's quarterly reports, does that PEH served
- 19 | number all come from LAHSA?
- 20 A No.
- 21 Q What else, or rather, where else does the City obtain the
- 22 data that forms or that comprises PEH served that the City
- 23 provides in its quarterly reports?
- 24 A We get some of the data from the Housing Department, some
- of the data from the Housing Authority. We use --

- 1 THE COURT: Just a moment. Those are
- 2 interchangeable, HACLA?
- 3 THE WITNESS: Yes, HACLA, the Housing Authority,
- 4 which has control.
- 5 THE COURT: When you say Housing Authority, you are
- 6 referring to HACLA?
- 7 THE WITNESS: HACLA, Housing Authority, yes, that's
- 8 | right. Housing Authority is HACLA and when I refer to the
- 9 Housing Authority and HACLA, I am referring to, they control
- 10 | the Section 8 vouchers. Housing Department is responsible for
- 11 | the production, they run the HHH, Permanent Supportive Housing
- 12 | Program, and so we get information from those two entities to
- 13 determine the number of units that are currently leased, that
- 14 | are currently in use on the permanent housing side. On the
- 15 | interim housing side, we get most of that information from
- 16 | LAHSA, but we also verify it ourselves through HMIS, which we
- 17 have access to ourselves.
- 18 BY MR. MCRAE:
- 19 Q And is it fair to say, sir, that the City gathers PEH
- 20 | served data from LAHSA and other entities and then combines
- 21 that data into a singular number that's reported in the
- 22 quarterly reports?
- 23 A Yes, a singular data set, yes.
- 24 Q And with respect to the number of PEH who have rejected
- 25 offers of shelter or housing, can we have Section 7.1 of

- 1 Exhibit 25 up on the screen for context; and I'll start that
- 2 question from the top. Looking at the second sentence of
- 3 Section 7.1, reading after to the extent possible colon, and
- 4 | the second metric that's mentioned, with respect to the number
- 5 of PEH who have accepted, excuse me, the third metric, the
- 6 number of PEH who have rejected offers of shelter or housing
- 7 and why offers were rejected, do you know if any city
- 8 department tracks that information?
- 9 A No. No city department tracks that information.
- 10 Q Do you know if HACLA or any other non-LAHSA entity that
- 11 | contributes information that's used in the quarterly reports
- 12 tracks the number of PEH who have rejected offers of shelter or
- 13 | housing and why those offers are rejected?
- 14 A No.
- 15 Q And again, my question was imprecise. Are you saying you
- 16 | don't know that one way or the other or to your knowledge, no
- 17 one does that?
- 18 A To my knowledge, no one tracks that metric.
- 19 Q Do you know if -- so, sir, would you agree with the
- 20 assertion that the City has the ability to report any Section
- 21 | 7.1 metric that LAHSA is unable to report on because the City
- 22 has access to HMIS?
- 23 MS. MITCHELL: Objection. Vague and ambiguous.
- 24 **THE COURT:** Would you repeat that?
- MR. MCRAE: Sure.

1 BY MR. MCRAE:

- Q Sir, would you agree with the assertion that the City
 should be able to report any Section 7.1 metric that LAHSA is
 unable to report because the City has access to HMIS?
- 5 **THE COURT:** I'm going to sustain that objection. I don't understand the question. I apologize.

7 BY MR. MCRAE:

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- Q Sir, do you believe that in any instance where LAHSA cannot report on a Section 7.1 metric, the City has the ability to report on that metric because the City has access to HMIS?
- 11 MS. MITCHELL: Objection. Vague and ambiguous.
- 12 **THE COURT:** Do you understand the question?
- 13 **THE WITNESS:** I do. I do.

THE WITNESS:

- 14 **THE COURT:** I'm going to allow you to answer it.
 - and if LAHSA, working with the service providers who are making the face-to-face contact with the persons living on the street, are unable to provide that information to us because they don't track that information, we couldn't, from our position in the CAO's office, attempt to recreate that. We need to rely on the

Okay. We have limited access to HMIS

- 21 service providers that are actually having the interaction with
- 22 | the individuals on the street and information that they're
- 23 reporting. And if they're not reporting that, we can't invent
- 24 it ourselves.
- 25 Q Do you agree with the assertion that in instances where

- 1 LAHSA is unable to report on a Section 7.1 metric, the City can
- 2 do so by virtue of information it has from its own outreach
- 3 programs?
- 4 A No.
- 5 Q Why not?
- 6 A No. It's limited. Most of the outreach is conducted
- 7 | through either LAHSA employees itself, outreach workers that
- 8 | work for LAHSA, or outreach workers that are employed through
- 9 | service providers by the County, or outreach workers that are
- 10 employed through service providers that are on contract with
- 11 LAHSA that are paid for by the City. We have a very limited
- 12 | number of outreach workers that work directly for the Inside
- 13 | Safe program, but again, that is limited to just the operations
- 14 | that are conducted through the Inside Safe program, which is
- 15 | not representative of all of the efforts and certainly not
- 16 representative of all of the work that is done to house people
- 17 | in the units created as a result of the settlement.
- 18 Q So, sir, in those instances where LAHSA is unable to
- 19 report on a Section 7.1 metric, do you agree that the City has
- 20 access to that information independent of LAHSA, but has simply
- 21 failed to report it?
- 22 MS. MITCHELL: Objection. Vague and ambiguous.
- 23 **THE COURT:** Would you repeat that question?
- MR. MCRAE: Sure.
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- 23 No, it doesn't.
- 24 Why not?

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25 The Settlement Agreement is, first of all, came into

1 existence in 2022. It focuses on a specific required number of 2 units that we're obligated to create over a five-year period. We've been working towards meeting that goal. We've made great 3 progress meeting that goal, but that, and this is part of the 4 5 challenge overall, is meeting the goal of creating the housing required by the Alliance Settlement has not meant that we have 6 7 discontinued all of our other efforts to address homelessness. We have continued all of our other efforts to address homelessness and taken on the obligations of the Alliance 10 Settlement, and those other efforts include, certainly include, 11 all of the roadmap beds, which we have largely kept open, even 12 after the expiration of that agreement, include all of the beds 13 that predate the settlement agreement and predate the roadmap, 14 including permanent housing, including interim housing. 15 fund, at significant expense, street outreach, street medicine, 16 street hygiene, showers, laundry, other types of services that 17 we believe are necessary to contribute to part of the solution, 18 not all of the solution, of course, that aren't contemplated in 19 any way in the settlement agreement. 20

But the City has made a policy decision and a financial decision to keep those services running and to keep funding those services and not to close down beds, even though they're not required by the settlement agreement, because they believe it is the right thing to do to maximize the number of beds that are available for persons experiencing homelessness. That's

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- 1 been a policy decision, but it is far beyond the obligations of
- 2 | this particular settlement agreement.
- 3 Q Does the City of Los Angeles have unlimited resources to
- 4 reduce homelessness?
- 5 A We do not.
- 6 Q And sir, at the time that the Alliance Settlement
- 7 Agreement was created, did the City have in existence data
- 8 | systems that contained information regarding homelessness?
- 9 A We did have data systems related to homelessness, yes.
- 10 Q Are you aware of any provision in the Alliance Settlement
- 11 Agreement that requires the City to fund new data systems to
- 12 | report on metrics described in the Alliance Settlement
- 13 Agreement?
- 14 A No.
- 15 Q Are you aware of any provision in the Alliance Settlement
- 16 Agreement that requires the City to create new data systems in
- 17 | fulfilling its obligations under the Alliance Settlement
- 18 | Agreement?
- 19 A No.
- 20 Q Are you aware of any provision in the Alliance Settlement
- 21 Agreement that requires the City to change its data systems in
- 22 order to fulfill obligations under the Alliance Settlement
- 23 Agreement?
- 24 A No.
- 25 Q Are you aware of any threats to the City's resources that

1 THE COURT: A, not Triple H?

THE WITNESS: Not Triple H, but I will address Triple H in a moment. So Measure A doubled the tax. It's now a half-cent sales tax. The vast majority of those dollars go to the County of Los Angeles, nearly 600 million for services. There is a small portion that goes to the City of Los Angeles. It's called the Local Solutions Fund. It goes to the City of Los Angeles and other cities, and that's \$53 million. That's what we're getting out of Measure A directly to fund services for all of these beds.

And really, everything that we're talking about, the outreach, to keep these beds open, those are all -- we need flexible dollars for that. So that is extremely limited, and there is not availability for us to access more on the services side.

Judge mentioned, you mentioned Triple H. That was a bond measure that was passed by the voters in 2016. It was \$1.2 billion. We put it to good use. We're on track to create a total of 10,000 units of permanent housing. That has -- we literally, just this week, issued our last, or we will be issuing, rather, our last issuance under that authority. So that bonding authority has essentially expired.

We get dollars from the state under the HHAP program.

And we have --

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BY MR. MCRAE:

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- Q I'm sorry, sir, is that an acronym?
- 3 A It is an acronym. It is the Homeless Housing Assistance
- 4 and Prevention program. It has been a series. We are now
- 5 heading into our seventh year of one-time grants that we've
- 6 received from the state. In the last budget, they reduced the
- 7 | funding for the HHAP program from a billion dollars to 500
- 8 million. So we don't know how that will ultimately affect the
- 9 dollars that the City gets, but it could cut the dollars that
- 10 we get in half.
 - At the same time, costs have been going up across the board. Service provider costs have been going up. So we've been struggling to maintain service levels as they've increased 30 percent, 40 percent, in some cases 50 percent, with fewer dollars available to us than we had a few years ago. And in the middle of all that, we've been facing major budget
- 17 challenges related to the economic conditions, related to the
- 18 | wildfires that we had in January, and have been working to
- 19 maintain to the best of our ability funding, not just the level
- 20 of funding, but the level of services that we've been -- and
- 21 | the outputs that we've been providing on the homelessness front
- 22 at great cost -- at great cost to the City's general fund. And
- 23 that has required decisions which have included the mayor last
- 24 year submitting a budget with 1,600 layoffs, the council
- 25 adopting a budget with more than 600 layoffs, all the while

- 1 | maintaining the funding for our homelessness efforts. So the
- 2 | elected leaders in the City have faced extraordinary financial
- 3 | challenges, but have maintained homelessness as a central
- 4 funding priority.
- 5 Q Sir, to put a finer point on it, you mentioned the
- 6 | wildfires. Are you referring to the January 2025 LA wildfires?
- 7 A Yes.
- 8 Q Did that consume resources of the City of Los Angeles
- 9 financially?
- 10 A Yes, it did.
- 11 Q Did it consume other resources of the City of Los Angeles
- 12 in responding to those fires?
- 13 A Yes, time and resources.
- 14 Q Is that still ongoing?
- 15 A I'm sorry?
- 16 Q Is that still ongoing? The City using resources in order
- 17 to deal with the consequences of those fires?
- 18 A Yes.
- 19 Q You also, just so that I understand this -- has the City,
- 20 did it declare a fiscal emergency, the city council in June of
- 21 2025?
- 22 A Yes.
- 23 Q And again, still in the year 2025, do you recall if there
- 24 was a deployment of the National Guard in the City of Los
- 25 Angeles?

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- Settlement Agreement? 23
- 24 Yes.
- 25 Why did you negotiate this language in the Alliance

So

- 1 | Settlement Agreement?
- 2 A Well, for a few reasons. Primarily, this settlement was
- 3 | reached largely in the middle of COVID, and I was responsible
- 4 for -- I was in a management role as the City responded to the
- 5 COVID emergency and was very aware of the extraordinary stress
- 6 | that that put on the City's ability to meet even its most basic
- 7 obligations because of what COVID required -- the restrictions
- 8 that that COVID placed on all people, all movement of people.
- 9 And so I wanted to ensure that there was force majeure
- 10 provision in the event of unforeseen circumstances that through
- 11 | no fault of the City would restrict the City's ability to
- 12 comply. Our intention was to comply with this agreement.
- 13 That's why we agreed to it and -- but if external forces
- 14 | limited our ability to comply with the agreement, I wanted the
- 15 agreement to reflect -- to acknowledge that and to create a
- 16 process that would allow for alternatives in those events.
- 17 Q Would you include the January 2025 LA wildfires, the
- 18 National Guard and Marine deployment, and the fiscal emergency
- 19 declared by the City Council all in 2025 as among the
- 20 unforeseen circumstances that you just described, that you
- 21 envisioned would trigger the provision in Section 8.2?
- 22 A Yes.
- 23 Q And, sir, let's actually focus on that pause language.
- 24 | we've already taken a look at the introductory statement of
- 25 | what might trigger Section 8.2, and do you see where it says,

- 1 | the -- in other words, in the event of any of these proceeding
- 2 things occurring, given that this is disjunctive with the use
- 3 of the word or, in order to link these various things, it says
- 4 the obligations of the City as set forth in Sections 3, 4, and
- 5 | 5 of this agreement shall be paused, and then it says and the
- 6 parties agree to meet and confer on any necessary and
- 7 appropriate amendments to those obligations.
- 8 Let's focus on this pause language. Now when you
- 9 | negotiated Section 8.2, did you understand that it meant that
- 10 | the City's declaration of emergency, let's say, would not take
- 11 effect unless the Alliance agreed with the invocation of the
- 12 | emergency?
- 13 A No.
- 14 | Q And did you understand when you negotiated Section 8.2
- 15 | that the City's declaration of effect -- of emergency, excuse
- 16 me, would not take effect unless the Court agreed with the
- 17 declaration?
- 18 A No.
- 19 Q And when you saw the word and you negotiated the word
- 20 | shall be paused, did you understand that there had to be any
- 21 | further steps that had to take place for the obligations in
- 22 | Section, 3, 4, and 5 to be paused other than one of the events
- 23 described in Section 8.2 happening?
- 24 A No.
- 25 Q And was it your understanding that anyone could veto the

- by you concerning possibly a path forward. I've asked what those timeframes are because in the past I've heard many
- 3 representations and I need timeframes.
 - Is the City with a passage of three years without a monitor in place willing to work with the Court and voluntarily extend jurisdiction? In other words, we have a five year settlement agreement and over three years have elapsed without a monitor being in place. My question is very simple.
- THE WITNESS: To voluntarily --
- 10 MR. MCRAE: Your Honor, I'm sorry. Your Honor, just
- 11 | for --

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- 12 **THE COURT:** I'm sorry, I apologize. This time I
 13 really would appreciate not being cut off.
- MR. MCRAE: I didn't cut you off --
- 15 **THE COURT:** Thank you very much.
- 16 MR. MCRAE: -- I just wanted to lodge an objection to
- 17 | the question that it calls for a legal question and it might
- 18 | involve attorney/client privilege and deliberative process
- 19 privilege.
- THE COURT: That's overruled. I'm asking you, I
- 21 | don't have the mayor here, I haven't ordered here in. I've
- 22 requested her presence, but you represent the City apparently.
- 23 Are you willing to work with the Court with these new
- 24 representations and voluntarily consent to extended
- 25 jurisdiction?

THE WITNESS: Your Honor, I would be willing to

commit -- well, I believe and I am confident that the City will

comply with the requirements of the settlement agreement.

THE COURT: I'm sorry, that's not my question.

THE WITNESS: I understand, Judge. I understand.

THE COURT: All right.

THE WITNESS: I would be willing to commit to working with the Court and the plaintiffs on updated timelines for reporting, that would be satisfactory to the Court.

were new representations made today that might bring the City into at least compliance or further compliance. And it was eluded during the opening statement when you weren't here that progress had been made in the November meeting. But I haven't heard what that progress was and each of the parties got into finger pointing about what that progress would be and how the other party hadn't followed through.

I'm trying to avoid bringing the mayor in, but --

THE WITNESS: Right.

THE COURT: -- you're here and the question is very simple. The idea is to get the City into compliance, you have to work with the City for the benefit of the public and actually not only comply, but hopefully I would think from your part put systems in place that we all want.

So when the settlement agreement runs its course, the

1 elected officials have something that they can really work 2 with, for the good of all of us, okay, the citizens. And are you willing to extend the Court's jurisdiction voluntarily? 3 Judge, I agree that there was progress 4 THE WITNESS: 5 made at the November meeting and I would -- and before making any commitment on the jurisdiction, I would like to be able to 6 7 continue that progress and get to a place, because as I said, Judge, I do believe, I believe that we've made -- I know we've made great progress towards meeting the requirements of the 10 settlement. The City is organized around meeting those 11 requirements on the timeline dictated by the settlement and the 12 issues as it relates to the 7.1 reporting, I think are 13 resolvable. 14 It is my view that we have been reporting as we 15 understood. 16 THE COURT: I don't mean to interrupt you --17 THE WITNESS: Yeah. 18 THE COURT: -- my question was very simple. 19 THE WITNESS: Yes. 20 THE COURT: I mean it's very simple. Is the City 21 willing to extend jurisdiction because, Matt, we haven't had in 22 place this monitor for over three years. 2.3 MR. MCRAE: I renew my objection. 24 Thank you very much. It's overruled, THE COURT:

25

counsel.

1 MR. MCRAE: Can I add to my objection?

I want to be courteous to you.

THE COURT: Counsel, please, you've interrupted and I've been very courteous. I'm going to let you make your objection, but this has gone on repeatedly. You've put him on the stand, my question is simple, make your objection, please,

MR. MCRAE: This witness does not have the legal authority or capacity to agree to a modification of the settlement agreement.

THE COURT: Thank you. Then let him answer that, counsel. That's a little leading, but if that's your position, state it and tell me what we have to do because obviously as a courtesy I haven't ordered the Mayor here. I haven't ordered the president of the council in, but they put you on the stand on behalf of the City. So where do I go for that answer, how do we get that answer, and I'm very respectful of your position that there are things now that can be done to bring this hopefully into compliance or much better compliance, in other words, try to work together. But three years have gone by, no monitor in place.

THE WITNESS: Judge, I would like the opportunity to continue to work with the Court and the plaintiffs to ensure that our reporting requirements are satisfactory or satisfactorily met and before that opportunity would -- is afforded, I couldn't agree to -- I couldn't agree to

1 recommending any extension of the terms of the settlement.

THE COURT: So the answer simply is, there's no agreement voluntarily by the City for any extension of the Court's jurisdiction after three -- over three years of a monitor not being in place.

MR. MCRAE: I renew all of my objections.

THE COURT: Thank you, counsel, overruled.

THE WITNESS: We have attempted, Judge, to have the monitor in place. There hasn't been -- you know, there were multiple reasons why the monitor wasn't in place, principally we had a discussion well over a year and a half ago that we were prepared to move forward, but that's not on the City.

We were prepared to move forward, we had proposed a monitor.

THE COURT: Matt, can we get away with the fault finding on both parties' parts, you know, the finger pointing that's gone back and forth. That doesn't help the citizens of Los Angeles. The question is, this was a fundamental part of this settlement, this monitor. All of the parties agreed to it, you agreed to the terminology, so did the other party, each will claim it doesn't need definition, but it's very clear.

My simple question is, with these representations that you've made today, this is the first time I've heard, you know, representations about going forward in some of these areas that are in disagreement. I mean I'm hopeful, I'd like

to be hopeful. But I don't see after the passage of over three
and a half years how this is meaningful when the promise is
being made with no timeline and the position could be, Judge,
we've made these statements, but I can't tell you how long it
will take and the agreement runs without the monitor ever being
implemented.

I mean, reverse our positions for a moment. I think you might find that to be unreasonable. And to carry this out, if we're going to work together in good faith, then I'm wondering why there isn't a voluntary extension of some time, to implement the statement you made today.

THE WITNESS: Your Honor, I'm -- as you've stated and I did, I see on a go forward basis, I think we could certainly come to an understanding of what would be required to be reported. And I'm also very comfortable in the absence of a monitor whether we move forward with a monitor for the remaining two years or not, I'm very comfortable working with the Special Master who has been very involved in evaluating the City's progress and I think with her involvement and working with the plaintiffs, I feel confident that we can come to an understanding of what is required to be reported to the Court under the settlement.

And I am very confident that the City will meet the primary obligations of the settlement in establishing the required number of units. That does not require, we do not

- need an extension in time or jurisdiction for that, we will meet those obligations.
- THE COURT: The 8.2 provisions that were raised

 occurred in 2025. This settlement came into effect long before

 these extraordinary events in our City's history. You have to

 understand I'm looking very closely at what occurred in 2023

 and 2024 as 8.2 is put before the Court which I'm well aware

 of.
- All right. Counsel, your cross-examination please.
- 10 MR. MCRAE: He's our witness, Your Honor, this is
 11 continue direct examination.
- 12 **THE COURT:** Oh, I'm sorry, you were moving on to another area, I apologize.

15

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- MR. MCRAE: Thank you, Your Honor. And for the record, Your Honor, I said this when we were talking about another topic the last time we were here with Mr. Szabo and I'm moving to another topic now involving the cooperation with Mr. Gary. Our understanding is that obviously that appointment of Mr. Gary has been stayed --
- THE COURT: I'm sorry, you're dropping your voice.
- MR. MCRAE: Our understanding is that the Ninth

 Circuit has stayed this appointment of monitor Gary, but to the

 extent that the Court considers this issue of cooperation with

 Mr. Gary to be a live issue --
- THE COURT: No, it's your statement, counsel, and I

don't mean to interrupt you, it's not Mr. Gary, it's the overall issue regarding a monitor. And the Ninth Circuit may choose, decide Mr. Gary's appropriate or there may be another monitor, but eventually we're going to face this issue and I'm very concerned that the settlement agreement is running without compliance concerning a monitor. And as each party points the finger at each other, I don't care to get into that discussion.

The end result is we're past three and a half years with one of the most meaningful things our citizens could have and that is a system in place and simple compliance. Now, questions?

MR. MCRAE: Yes. And, Your Honor, I wasn't revisiting what the Court was discussing in its colloquy with Mr. Szabo, I was actually making a separate point. Which is as I understood and maybe the Court can disabuse me, the scope of this hearing I believe that one of the features that the Court mentioned in its clarifying order before we commenced this proceeding was that cooperation with monitor Gary was one of the issues under the consideration.

Now if I were mistaken on that point, then -- and if the parties could stipulate to this with the Court's permission, if that issue of cooperation with Mr. Gary as opposed to the colloquy the Court had with Mr. Szabo about a monitor notionally or conceptually, if the issue of cooperation with Mr. Gary is off the table, then I don't need to proceed

- 1 with these questions. I'm asking for clarification, Your
- 2 Honor. I just want to make sure that I make the record.
- **THE COURT:** I have no understanding of what you just 4 said, counsel, I apologize.
- 5 MR. MCRAE: Okay.

- 6 THE COURT: It's nonsensical to me.
- 7 MR. MCRAE: Okay. Well, I apologize for that, Your 8 Honor.

THE COURT: This is a general question, try to avoid bringing the mayor in or anybody else as a courtesy about these statements that you've eluded to or your colleague did in the opening statement to this Court. And that was, Judge, in November we made tremendous progress. The other side points back and says, no, we didn't.

Today in good faith I'm hearing for the first time and that's a positive, this is good, that there's certain things that the City is willing to do to come into compliance. I'm trying to work with you in that regard. So it's not to punish you, it's that if we can get this into compliance, compliance means no sense if there's no time left.

If we have months left and you can't get me a time frame right now, and I'm not disrespectful of that, I understand you may need to check with other people. It's the holiday season, for goodness sakes. I want to give you every opportunity to do that. But if there's a hope of going forward

- with compliance, it's not to punish you. It's to get

 compliance with the Court's order or in good faith get as close

 as we can.
 - And if we can't work together on that, then I don't see without some extension how we have enough time to have anything meaningful other than a new representation today for the first time. So I'm not chiding you, thank you, but that's up to you and apparently if you need to talk to the Mayor, more than happy to.
- If council says you may not have the authority,

 council president, should I bring them into court? In other

 words, your counsel has said, Judge, Mr. Szabo doesn't have any

 authority. Should I bring them into court, Mr. Szabo?
- 14 **THE WITNESS:** I don't believe that's necessary.
- THE COURT: Do you have the authority?

5

6

- 16 **THE WITNESS:** I can speak for the Mayor and the Council on this matter.
- THE COURT: But you don't have the authority without speaking to the Mayor or Council; is that correct, to a voluntary extension?
- 21 MR. MCRAE: I'm going to object again that this calls
 22 for a legal conclusion --
- 23 **THE COURT:** Thank you, overruled.
- MR. MCRAE: -- and perhaps privilege, attorney/client
- 25 privilege, the deliberative process, lack of foundation.

1 THE COURT: Thank you, overruled.

THE WITNESS: The position of the City, Your Honor, is we believe that we're making progress towards compliance and we would like to work with the Court and the plaintiffs and the special master on resolving the issues that have been raised at this hearing.

We believe we can get a resolution, including, Your Honor, if it is to discuss and -- discuss what the plaintiffs, an alternative monitor that we can get into place as soon as possible, I'm -- we can -- I'm very open to having that conversation on behalf of the City.

THE COURT: You know my first choice originally, and I'd hoped that the parties would agree, and I don't mean a choice, but hope was that it would be A&M because I thought they would save a lot of money.

They came back with a contra-report concerning the City. But that report by A&M simply mirrored the HUD reports, Galperin's report, et cetera, if you go through all of those reports, they almost said the same thing. You and I can disagree about that, but I've spent more time with these reports than I can possibly imagine as a jurist.

Hopefully that was to save some money for the City without reduplicating a new entity. Number two, I was deeply concerned at the time with the argument Shayla Myers raised with different entities becoming the monitor, because I didn't

- 1 | need another A&M report, I needed a specialist, a data monitor.
- I need that outside the purview of the City. I don't
- 3 | want people who are doing business, have done business or will
- 4 do business in the centra with the City.
- 5 I'm going to leave this with the Circuit in terms of
- 6 | the data monitor. I've talked to Judge Birotte and he's
- 7 | actually available and willing to narrow the issues or attempt
- 8 to narrow the issues in light of the representations previously
- 9 made by other co-counsel for the City about these alleged or
- 10 | the alleged progress made in November, but the parties then
- 11 | were in conflict in my court about that progress.
- He's available, but it has to be with the principals.
- 13 You can have representation, but I has to be at the Mayor's
- 14 level, the President of the Council's level so I'm not looking
- 15 | in the future to some attorney signing off. And you know I've
- 16 | insisted upon that in the past. I didn't think progress could
- 17 be made unless it's the top level of the City government along
- 18 | with the Court.
- 19 **THE COURT:** All right. Counsel, your questions
- 20 please.
- 21 MR. MCRAE: Your Honor, may I have a chance to confer
- 22 | with my colleagues?
- 23 **THE COURT:** Certainly.
- 24 MR. MCRAE: Thank you. And perhaps may I also invite
- 25 | counsel for the intervenors and counsel for the plaintiffs in

- 1 our discussion?
- 2 **THE COURT:** Sure. Do you want me to step down for a
- 3 moment so you have that time?
- 4 MR. MCRAE: Sorry, Your Honor?
- 5 THE COURT: Do you want me to step down so you have a
- 6 little bit of time?
- 7 MR. MCRAE: Oh, you don't have to step down, Your
- 8 | Honor, we're happy to go in the back, we don't want to trouble
- 9 the Court.
- 10 **THE COURT:** Why don't you summon me when you're done
- 11 | with your conversation.
- MR. MCRAE: Thank you, Your Honor.
- 13 **THE COURT:** Mr. Szabo, why don't you step down for
- 14 just a moment.
- 15 **THE WITNESS:** Okay. Thank you.
- 16 (Recessed at 10:25 a.m.; reconvened at 10:43 a.m.)
- 17 **THE COURT:** We're back on the record. Thank you for
- 18 your courtesy, if you'd be seated. And before we continue,
- 19 | both of you requested a resolution, both parties requested a
- 20 resolution of the attorney fee or fees and that will issue
- 21 | shortly. The Court's been inundated but obviously this
- 22 proceeding is entirely different than the encampment and
- 23 attorney fees issues. So I will just notify you that this will
- 24 issue very quickly.
- 25 All right. Counsel, your questions, please.

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1
              MR. MCRAE:
                         Your Honor, I do have a notification for
 2
    the Court about something if I may --
              THE COURT:
 3
                          Please.
 4
              MR. MCRAE:
                          -- based on our colloquy.
 5
              The parties, counsel for the Alliance, counsel for
    the intervenors, counsel for the City took the opportunity to
 6
 7
    speak over the break. The parties are amenable to meeting with
    Judge Birotte in order to facilitate discussions, in an effort
    to make progress on the reporting of metrics in Section 7.1.
10
              The parties are also willing to have those
11
    discussions take place very soon, subject obviously to Judge
12
    Birotte's availability. As the Court accurately predicted, the
    last time we were here, some individuals have holiday plans --
13
14
              THE COURT:
                          Sure.
15
              MR. MCRAE: -- and therefore --
16
              THE COURT:
                          Sure.
17
              MR. MCRAE:
                          -- it would have to be, if we have the
    inclusion of those counsel before Christmas. But the parties
18
19
    are willing to do that.
20
              So I just wanted to pass that along to the Court.
21
    I'm ready to proceed and again, I'll be brief on this point.
22
    am now going to go into my next set of questions with
2.3
    Mr. Szabo.
                          Well, just a moment --
24
              THE COURT:
25
              MR. MCRAE:
                           Yep.
```

1 THE COURT: -- I want to make certain because there's 2 been a back and forth between the parties, representations made by each party. I want to turn first of all to Shayla Myers, 3 you haven't been able to participate in many of these 4 5 discussions. As an intervenor, I'm not quite certain, you know, where that lies. But I need you minimally available, 6 7 depending upon Judge Birotte and if he wants to hear from the 8 intervenors. What's your schedule over the holidays? 9 MS. MYERS: Your Honor, since -- for the past few months the intervenors have been included in the conversations. 10 11 THE COURT: Okay. 12 And so we -- it is our understanding we MS. MYERS: 13 would participate based on those conversations. I am available 14 through the morning of the 23rd. I'm not available after the 15 23rd, but then after the 27th. 16 December 23rd and then after the 27th. 17 MS. MYERS: Yes. 18 THE COURT: The reason for that is, Judge Birotte is 19 available for most of the holidays when I talked to him, but 20 I'm not sure the specific days. I'm going to be available and around. Michelle Martinez will be available and around. 21 22 What's the schedule on behalf of the City? Who's the 23 primary negotiator in terms of -- and also, you know my strong 24 feeling that attorneys don't control this, you can advise, but 25 this has to come from the Mayor and the Council at that level,

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1
    because when I sign a document, I expect the same courtesy.
                          Your Honor, to respond to the Court's
              MR. MCRAE:
    question, I think that we would have to confer --
 3
                          With their schedule?
              THE COURT:
 4
 5
              MR. MCRAE:
                          Yes.
              THE COURT:
                         That's fair enough.
 6
 7
                          And report as early as today if possible,
              MR. MCRAE:
    so that this Court can move on from that point.
 8
 9
              THE COURT:
                          Sure. And if you could do that --
10
              MR. MCRAE:
                          Yes.
11
                          -- and I know it's difficult, but I would
              THE COURT:
12
    simply remain in session because I'd like to go to Judge
13
    Birotte then and be that intermediary, so that we're not coming
14
    back again to simply sort out a date.
15
              MR. MCRAE: And, Your Honor, while we're proceeding
16
    here I'll have my colleagues confer in real time, so we can
17
    dual track this --
18
              THE COURT:
                          Okay.
19
                         -- and hopefully get an answer very soon.
              MR. MCRAE:
20
              THE COURT:
                         Although I believe that the principals
21
    should participate, Mr. Szabo. I think they're going to need
22
    your wisdom also. What's your schedule over the holidays?
2.3
              THE WITNESS: I can be available through the morning
24
    of the 24th.
25
                           Okay.
                                And after that, just in case, I
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- 1 | don't know Judge Birotte's schedule.
- 2 THE WITNESS: After that it will be -- after that I
- 3 am out of town until the 30th.
- 4 THE COURT: Until the 30th?
- 5 **THE WITNESS:** Yes.
- 6 THE COURT: Okay. Thank you. What's the
- 7 availability, Ms. Mitchell or Mr. Umhofer.
- 8 MS. MITCHELL: So we are available -- when are you
- 9 | leaving town? So Mr. Umhofer leaves on December 25, leaves the
- 10 | country.
- 11 **THE COURT:** I'm sorry, use that microphone, I
- 12 apologize.
- 13 MS. MITCHELL: Sure. Matt -- Mr. Umhofer leaves on
- 14 December 25th and returns January 4th. I --
- 15 **THE COURT:** January 26th to the 4th, that's --
- 16 MS. MITCHELL: Yes, he's out of the country. I am
- 17 out of the country December 29th to January 9th. I can be
- 18 available -- both of us can be available via Teams, Zoom kind
- 19 of thing, but it's not going to be in person, we're
- 20 unfortunately both out of the country.
- 21 **THE COURT:** I need you to meet with each other and
- 22 come up as a courtesy to all of you and your families frankly
- 23 | with some agreeable dates that I can present to Judge Birotte
- 24 and we wouldn't be back in session until January 12th anyway.
- So, you know, just as a courtesy to all of you folks

- 1 over the holidays and your families, so you have all the
- 2 resources available and you're not in the position of making a
- 3 representation without consulting with the Mayor and the
- 4 President of the Council.
- If you can give me the availability of the Mayor and
- 6 | the Council President, that would be helpful and I will remain
- 7 | in session today and hopefully get that information. And if
- 8 you can't get it to me, tell me, and I can reconvene.
- 9 So let's continue.
- 10 MR. MCRAE: Thank you, Your Honor. And again for the
- 11 | record, we're now going to be proceeding into a topic regarding
- 12 | cooperation with Mr. Gary specifically, without waiving the
- 13 City's objections to the inclusion of that topic in this
- 14 hearing for reasons including, but not limited to the stay by
- 15 | the Ninth Circuit.
- 16 DIRECT EXAMINATION (CONTINUED)
- 17 BY MR. MCRAE:
- 18 Q Mr. Szabo, I'd like to switch gears now to discuss a third
- 19 party monitor. You're aware that on or around October the 14th
- 20 of this year, Daniel Gary was appointed by this Court to serve
- 21 as the monitor under the Alliance settlement agreement.
- 22 A Yes.
- 23 Q And in your role as CAO for the City of Los Angeles did
- 24 Mr. Gary reach out to you to request information?
- 25 **THE COURT:** I'm sorry, would you -- I couldn't hear

- 1 you.
- 2 | Q In your role as CAO, did Mr. Gary reach out to you to
- 3 request information?
- 4 A He did, yes.
- 5 Q And did Mr. Gary reach out and request to speak with you?
- 6 A He did, yes.
- 7 Q Let me show you Exhibit 511 and we're on page 1 of page
- 8 511. Do you have that in front of you, sir?
- 9 A I do, yes.
- 10 Q Is Exhibit 511 a true and correct copy of the October
- 11 18th, 2025 e-mail you received at 3:12 a.m.?
- 12 A It appears to be, yes.
- 13 Q Okay. And this is from Mr. Gary, right?
- 14 A Correct.
- 15 Q And this would be on a Saturday, was it, October 18th, do
- 16 | you see the date that says S-A-T, SAT?
- 17 A Yes, Saturday.
- 18 Q And was this e-mail, which is Exhibit 511 on a Saturday at
- 19 3:12 a.m. the first time Mr. Gary requested to speak to you?
- 20 A Yes, that's correct.
- 21 Q And here was Mr. Gary asking for your availability to
- 22 speak on October the 23rd, which would be a few days after
- 23 October the 18th?
- 24 A Yes, that's correct.
- 25 Q And, sir, were you able to meet with Mr. Gary on October

- 1 | the 23rd as he requested?
- 2 A I was not.
- 3 Q And why is that, sir?
- 4 A I believe I was -- I was not available. I may have been
- 5 out of the country at that time. I was out of the country on
- 6 | that date, I believe. I would need to check, but I know I
- 7 wasn't available that day.
- 8 Q And did you eventually schedule an interview with
- 9 Mr. Gary?
- 10 A Yes. Yes, I did.
- 11 Q Now, I'd like you to take a look at Exhibit 514 and we're
- 12 going to have Exhibit 514 in front of you. This is an October
- 13 | 22nd, 2025 e-mail sent at 6:15 p.m. And do you see at the --
- 14 | if we're looking at pages 5 and 6 of Exhibit 514, do you see at
- 15 | the bottom of this e-mail that counsel for the City writes to
- 16 Mr. Gary to say that you would make yourself available on
- 17 October the 31st of this year?
- 18 A Yes.
- 19 Q And, sir, was it a true statement that you were out of the
- 20 | country at the time that the October 18th e-mail which was
- 21 Exhibit 511 had been sent and that you would return on October
- 22 | the 31st?
- 23 A I don't believe I was out on the country on the 18th, but
- 24 | I was the week of -- the week prior to -- the week of -- the
- 25 | week ending on the 31st. I was out that entire week and

- 1 weekend.
- 2 Q I see. Thank you for that correction.
- The e-mail states, finally as for an interview with
- 4 Mr. Szabo he'll be, a contraction for he will be, not was, out
- 5 of the country next week and gets back on Friday, October 31st.
- 6 Was that correct at the time, sir?
- 7 A That's correct.
- 8 Q Okay. Thank you. Now, did you have an interview with
- 9 Mr. Gary on November the 3rd, 2025?
- 10 A Yes, I did.
- 11 Q And did you -- was this an in person meeting or did you
- 12 | dial into the meeting?
- 13 | A It was a Zoom or Teams meeting, I can't remember which. I
- 14 think it was a Zoom.
- 15 Q And were you willing to answer Mr. Gary's questions that
- 16 | were posed to you in that meeting?
- 17 | A I was.
- 18 Q And did Mr. Gary proceed with that interview on November
- 19 3rd, 2025?
- 20 A We had a short conversation and he recommended that we
- 21 reschedule to another time.
- 22 Q Were you driving to an appointment at that time?
- 23 A I was. I had an ophthalmology appointment that I had to
- 24 attend, I could not move and so I was on my way to that
- 25 appointment, but I made it clear to him that I did not want to

- 1 move the meeting, so I could take the meeting on my way to the
- 2 appointment.
- 3 Q And did you schedule another time to speak with Mr. Gary?
- 4 A Yes. Yes, we did.
- 5 Q Now, take a look, sir, if you will at Exhibit 519. Is
- 6 Exhibit 519 a true and correct copy of an e-mail you received
- 7 on November 3rd, 2025 at 2 --
- 8 MR. MCRAE: If we go to page 2 actually, thank you.
- 9 Q Is this an e-mail that you received on November 3rd, 2025
- 10 at 2:54 p.m. on the day of your initially scheduled interview
- 11 | with Mr. Gary?
- 12 A Yes, it appears to be.
- 13 Q Now, in this e-mail on page 2 do you see where an
- 14 | individual by the name of Sonya Morgan asks when you will be
- 15 | able to speak again?
- 16 A Yes.
- 17 Q And is it your understanding that Ms. Morgan is an
- 18 employee of Mr. Gary's or a colleague of Mr. Gary's?
- 19 A Yes, in some form, yes.
- 20 Q And do you see in reading this Exhibit 519 that counsel
- 21 | for the City responds on the first page of Exhibit 519 that
- 22 same day, when Ms. Morgan makes this request and confirms that
- 23 you would be able to speak with Mr. Gary later that week?
- 24 A Yes.
- 25 Q Okay. And, sir, did your interview with Mr. Gary go

- 1 | forward as planned after Exhibit 519 was sent?
- 2 A Yes, it did.
- 3 Q Did that interview take place on November the 7th, 2025?
- 4 A Yes, I believe it did.
- 5 Q How long did that interview that you had with Mr. Gary
- 6 last on November 7th, 2025?
- 7 A I believe it was just short of an hour.
- 8 Q Okay. And do you have a recollection at least topically
- 9 of what matters or issues were discussed in that interview that
- 10 you had with Mr. Gary on November 7th, 2025?
- 11 A Generally, yes, I have a recollection.
- 12 Q Tell us to the best of your recollection the things that
- 13 you discussed with Mr. Gary then.
- 14 A We generally discussed the process for preparing the
- 15 reports and specifically what systems that the City relies on
- 16 to collect the data that -- collected the data that we report
- 17 | in the quarterly reports.
- 18 It was a more general conversation. The -- Mr. Gary had
- 19 previously submitted a number of questions that my office
- 20 responded to, so he had many of the answers that he was seeking
- 21 and we were having a discussion about data systems and who
- 22 | controlled those data systems, et cetera.
- 23 Q Did your discussion with Mr. Gary on that date also
- 24 | include what other city departments are involved in the process
- of preparing the data that goes into the quarterly reports?

- 1 A I believe so, yes.
- 2 | Q And did you tell Mr. Gary anything about the systems your
- 3 office relies on to prepare the quarterly reports?
- 4 A Yes, we discussed the systems that we rely on and the
- 5 entities that own those systems.
- 6 Q What were some of the entities that you described?
- 7 A Principally LAHSA, the Housing Department and the Housing
- 8 Authority, HACLA.
- 9 Q And did you discuss with Mr. Gary what your team and the
- 10 CAO office does with the data that it receives from these
- 11 | various contributors after your office receives it?
- 12 A Yes, in general terms.
- 13 Q And what did you convey?
- 14 A I'm sorry?
- 15 Q And what did you convey to Mr. Gary along those lines?
- 16 A I conveyed the process, the process that we use to collect
- 17 and receive the information from the other entities and verify
- 18 | that information.
- 19 Q And during the interview that took place on November the
- 20 7th, 2025 did Mr. Gary ask you any questions about the City
- 21 Attorney's involvement in the preparation of quarterly reports?
- 22 A Yes. Yes, he did.
- 23 Q And do you recall what he asked you?
- 24 A I believe he asked what role the City Attorney has, yes,
- 25 | what role the City Attorney has in preparing the reports and so

- 1 | I clarified the difference between the document which is
- 2 | submitted to the Court, which is prepared by the City Attorney
- 3 | versus the attachments and the information which is collected
- 4 and that report is compiled by the CAO's office.
- 5 Q Did counsel for the City object to Mr. Gary's question
- 6 | when he posed it about the City Attorney's role in the
- 7 preparation of the quarterly reports?
- 8 A Yes, I believe that happened.
- 9 Q And do you recall what that objection was on the grounds
- 10 | of attorney/client privilege?
- 11 A I believe it was, yes.
- 12 Q Did Mr. Gary drop the inquiry and move on at that point?
- 13 A I believe so. I believe so. I don't recall dwelling on
- 14 that at great length.
- 15 Q Sir, did you schedule a third interview with Mr. Gary?
- 16 A I did.
- 17 Q Let's take a look at Exhibit 525. And we're going to look
- 18 at page 1. And, sir, do you see, is this a true and correct
- 19 copy of a November 6th, 2025 e-mail sent to, among others, you,
- 20 where you were copied on this e-mail?
- 21 A Yes.
- 22 Q And do you see where counsel for the City, retained
- 23 | counsel for the City says in the paragraph that we're looking
- 24 at here, under the name Sonya, for the follow up call next
- 25 | week, Mr. Szabo is available Thursday morning, 11/13, from 9

- 1 | a.m. to 11 a.m. and again 1 p.m. to 2:30 p.m. Do you see that?
- 2 A Yes.
- 3 Q So is this the case then that on November the 6th, which
- 4 | was the day before your second interview, counsel for the City
- 5 | had already provided your availability for a third interview?
- 6 A That's correct.
- 7 Q And did this third interview go forward as scheduled?
- 8 A It did not.
- 9 Q Now, let's take a look at Exhibit 539, page 1. Is this a
- 10 true and correct copy of a November 12th, 2025 e-mail sent to
- 11 | you at 5:08 p.m. by Sonya Morgan?
- 12 A Yes, it appears to be.
- 13 Q And, sir, could you please take a look at the paragraph
- 14 under Dear All, does it say, following today's hearing we are
- 15 | hopeful that we can proceed without having to interview
- 16 Mr. Szabo tomorrow, and as such, we will cancel the scheduled
- 17 | meeting tomorrow. However, if a follow up interview becomes
- 18 | necessary, we will reach out again. Do you see that?
- 19 A Yes, I do.
- 20 Q So with respect to this next interview, it was Mr. Gary's
- 21 office that canceled the interview.
- 22 A Yes.
- 23 Q And after canceling this interview, did Mr. Gary make any
- 24 efforts to reschedule any other interviews with you?
- 25 A No, he did not.

- 1 | Q And did Mr. Gary request to speak with anyone else in your
- 2 office at any time?
- 3 A Yes, he did.
- 4 Q So let's take a look at Exhibit 516. Sir, is Exhibit 516
- 5 | a true and correct copy of an October 31st, 2025 e-mail sent to
- 6 you at 3:41 p.m.?
- 7 A It appears to be, yes.
- 8 Q Okay. And why don't we look at page 5 of Exhibit 516. Do
- 9 you see that this is an e-mail --
- 10 MR. MCRAE: And why don't we move up one page before
- 11 | this so that we can capture the sender, Mr. Mejia.
- 12 Q Do you see that, Kenneth Mejia as the sender --
- 13 A Yes.
- 14 Q -- where it says from?
- 15 A Yes.
- 16 Q Bottom of the page. And then if we go to the next page on
- 17 page 5 we'll see the body of the e-mail dated October 28th,
- 18 2025. This is Exhibit 516 that says, Ed, that would be Edwin
- 19 | Gipson to whom that's addressed; is that right, sir?
- 20 A That's correct.
- 21 Q Edwin Gipson is someone who works in your office; is that
- 22 true, sir?
- 23 A That is true.
- 24 Q It says, Ed, the Alliance monitor has reached out to
- 25 request a meeting with you to discuss Alliance related matters.

- 1 | In accordance with my role, I am writing to link you with
- 2 | monitor Gary. Do you see that?
- 3 A Yes, I do.
- 4 Q There's another paragraph but I'm reading the first
- 5 paragraph. Do you recall if there was any request by counsel
- 6 for the City that Mr. Gary reach out in the first instance to
- 7 | counsel for the City for interview requests and data requests,
- 8 | rather than just contacting City employees directly?
- 9 A Yes, that request was made.
- 10 Q And could you take a look at Exhibit 516 on page 4, the
- 11 upper portion of page 4? You can see is this e-mail by counsel
- 12 for the City containing that request that if Mr. Gary would
- 13 like to speak with or get information from any City official or
- 14 employee other than Mr. Mejia in Mr. Gary's capacity as a
- monitor, that the request should be made through the City's
- 16 | counsel and that then it could be coordinated. I'm
- 17 | synthesizing, that's not a direct quote, but do you see that?
- 18 A Yes, I do.
- 19 Q And did Mr. Gary eventually direct a request to speak with
- 20 Mr. Gipson to counsel for the City?
- 21 A I believe he did, yes.
- 22 | Q Sir, did you have any objection to Mr. Gary speaking with
- 23 Mr. Gipson, provided the request was directed through counsel
- 24 for the City?
- 25 A No objection.

1 In addition to scheduling three interviews with Mr. Gary, 2 speaking with him for approximately an hour, and permitting others in your office to be interviewed, did you do anything 3 else to provide Mr. Gary with data regarding the City's 4 quarterly reports? 5 Certainly. We provided, as I said, prior to any of the 6 7 interviews he requested a large amount of information and that information was provided to Mr. Gary in three tranches. was -- there were a number of questions he had on a number of 10 our entries in our quarterly reports. It was, as I recall, 11 something in the range of 600 questions. And we provided as 12 much information as we could get. I want to say it was the 13 first week of November and then we followed up with additional 14 information the week following and then we followed up with 15 additional information the week following that. So in three --16 THE COURT: Just a moment. 17 THE WITNESS: Yes. 18 THE COURT: You said 600 questions? 19 THE WITNESS: Yes. It was --20 **THE COURT:** Separate questions? 21 THE WITNESS: They were -- I believe there were three 22 questions that he had per line in our report, there were about 2.3 200 lines that he had.

document through the Special Master, I'll disclose that.

THE COURT: All right. Counsel, I'm aware of this

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- 1 | were repetitive questions, these aren't separate 600 questions.
- 2 These are questions to numerous witnesses that are the same
- 3 | repetitive three to six questions; is that correct?
- 4 THE WITNESS: That's correct. The same question per
- 5 line.
- 6 THE COURT: That's correct, all right. I don't want
- 7 | the record to reflect that these were 600 separate questions,
- 8 | these are the same repetitive questions to numerous witnesses,
- 9 counsel.
- 10 MR. MCRAE: Well, Your Honor, I'm not going to agree
- 11 | with that. I don't think that's accurate.
- 12 **THE COURT:** Yeah, it is, counsel, because in the
- 13 | document you filed with the Circuit that I read, you portrayed
- 14 this as 600 separate questions. These are repetitive
- 15 questions. Go back and look. They're the same questions to
- 16 Inumerous witnesses.
- 17 MR. MCRAE: I'm actually going to ask the witness
- 18 about the document. We can look at it together, so let me do
- 19 | that. Why don't we go to Exhibit 511.
- 20 **BY MR. MCRAE:**
- 21 Q Mr. Szabo, sir, do you see here this is a -- the same
- 22 document we looked at earlier, 3:12 a.m., Saturday, October
- 23 | 18th, 2025 e-mail. I want to draw your attention to the second
- 24 paragraph that's highlighted, that says, accordingly I have
- 25 attached a spreadsheet containing specific questions that

- 1 | require responses concerning the data contained in that report.
- 2 Do you see that?
- 3 A I do.
- 4 Q And why don't we take a look at page 3 of Exhibit 511, if
- 5 | we can. When we enhance this so that at least I can read it.
- 6 Now, sir, let's focus on the far right-hand corner that
- 7 | says monitor Gary's questions. Do you see that, sir?
- 8 A I do, yes.
- 9 Q Do you see that in the first line -- that's imprecise. In
- 10 | the first row, the three questions read what they read, which
- 11 | the record will speak for itself what those questions are.
- 12 Now, is it your understanding that with respect to
- 13 different locations that are contained in this document these
- 14 | three questions are repeated with respect to the various
- 15 | locations that are described?
- 16 A Yes, that's correct.
- 17 Q And I believe you in your exchange with the Court made the
- 18 point that there were a set number of questions three in
- 19 number, were you saying that those three questions were
- 20 repeated with respect to the different locations reflected in
- 21 | the document?
- 22 A Yes, they were. The questions were repeated per entry.
- 23 Q Now, let me ask you a different question. Was it the case
- 24 | that in responding to these three questions, with respect to
- 25 | however many locations there were, I believe you said 600, I'm

- 1 | just doing the math, let's say it's 200, were you able to
- 2 simply give the same answers to the three questions in one
- 3 | location with respect to the other 199 or so locations?
- 4 A No.
- 5 Q Okay. So is the idea that even if the questions were
- 6 repetitive, you had to answer the repetitive questions
- 7 | commensurate with the number of questions there were about
- 8 different locations?
- 9 A Yes.
- 10 Q Now, sir, when you received this e-mail with this
- 11 | attachment --
- 12 MR. MCRAE: Can we take down the highlighting here?
- 13 Thank you, I appreciate that.
- 14 Q Let's just review these columns, so we can socialize this.
- 15 The far left column has the word number. What do you
- 16 understand that to be conveying, number, what type of number?
- 17 A I believe that that is the number of the entry.
- 18 Q Okay. Council District, is that self-evident, sir, is
- 19 | that the Council District where this particular data point
- 20 resides?
- 21 A Correct.
- 22 Q Intervention type, what does intervention type mean?
- 23 A Intervention type refers to the type of housing, whether
- 24 | it's permanent supportive housing or a various form of interim
- 25 | housing, tiny home villages, leased, motel, et cetera, we

- 1 | indicate that on our reports.
- 2 Q Is that what PSH stands for, sir, permanent supportive
- 3 housing?
- 4 A That's correct.
- 5 Q Project type, what does that convey?
- 6 A Project type refers to the program if there's a program
- 7 | associated with establishing that housing type, that type of
- 8 housing. In this case, for these entries, all of the permanent
- 9 supportive housing that is established for entries 1 through 6
- 10 was established through the Proposition HHH Bond Program.
- 11 Not all of our permanent supportive housing is established
- 12 | through that bond program. We have another pipeline as well,
- 13 | so that just indicates where the principal funding came from.
- 14 Q And then you have units -- sorry, address location, we can
- move away from that, units, beds, what does that convey?
- 16 A That is the number of units or beds that are open and
- 17 occupiable per -- as of the date of this report. I'm assuming
- 18 he took this from our most recent quarterly report.
- 19 Q And then you have the open and occupiable date that
- 20 | follows and then lastly PEH served total by the time that you
- 21 | get to the various questions; is that right, sir?
- 22 A Correct.
- 23 Q The three questions --
- 24 A Correct.
- 25 Q -- that are repeated.

- 1 Now -- so when you received this set of questions from
- 2 Mr. Gary, did you already have at your fingertips the answers
- 3 to these questions applied across these various properties
- 4 | already compiled in a form that you could provide a response?
- 5 A No, certainly not compiled.
- 6 Q Why not?
- 7 A Well, because I -- there was -- I had no way of
- 8 anticipating the questions that Mr. Gary was planning to ask.
- 9 We have much of the information and we had to compile the
- 10 | information in order to present it to him in the form that he
- 11 had requested.
- 12 Q Did you think it was going to take time to fully gather
- 13 the responses to these requests in Exhibit 511?
- 14 A Yes, absolutely yes.
- 15 Q And why is that?
- 16 A People have to do the work. He has asked, as was stated,
- 17 | although he's asking the same question per entry per site, the
- 18 | answers are in many cases different and so there wasn't a
- 19 | situation where we were -- where we could just copy and paste
- 20 | the same answers to all the questions.
- 21 Each individual site would have, not necessarily a unique
- 22 | funding source, but each site could have a different funding
- 23 | source and we needed to pull that information and verify that
- 24 information, the supporting documentation we would need to
- 25 | verify what supporting documentation that we had to support the

- 1 existence of those beds. He's asked for contracts or invoices
- or permits or loan agreements, et cetera. So we would need to
- 3 | verify that. And the same thing with the city systems.
- 4 So each -- for each site we needed to go in and find the
- 5 information. We had most of the information, but it just took
- 6 dozens of staff hours to compile this information.
- 7 Q Did you delay at any point in providing responses to these
- 8 requests in Exhibit 511?
- 9 A No, to the contrary we -- staff in our office essentially
- 10 | sidelined the rest of their work so they could focus on
- 11 providing answers to these questions timely.
- 12 Q Did you make any attempt to prevent Mr. Gary from getting
- 13 | responses to any of these requests in Exhibit 511?
- 14 A No.
- 15 Q How soon after receiving this request, which is Exhibit
- 16 | 511 seeking responses to these requests, did you and your
- 17 office begin to compile responsive information?
- 18 A soon as we received it. As soon as I received -- well,
- 19 when I received the e-mail. I didn't read his first e-mail the
- 20 morning that he sent it, I was asleep at the time, but I
- 21 | forwarded it -- I forwarded the request to counsel and I
- 22 forwarded the request to my staff as well.
- 23 Q Sir, do you have an estimate of how long it took your team
- 24 to provide the information requested in Exhibit 511?
- 25 A It took dozens of hours for sure, dozens of hours over a

- 1 | period of three weeks. As I said, we provided the information
- 2 | in tranches and we wanted to provide information as soon as we
- 3 | could. But it took dozens of hours and it's -- you know, we
- 4 | did -- we don't have additional staff for special data
- 5 requests, it was the same staff that are responsible for
- 6 managing everything else in our homelessness portfolio, all of
- 7 | the reporting requirements, everything related to Inside SAFE,
- 8 all of that.
- Q Let's take a look at Exhibit 514, page 1.
- 10 And, sir, do you recognize this as a true and correct copy
- of an e-mail sent by counsel for the City on which you're
- 12 | copied to Mr. Gary dated October 27th, 2025?
- 13 A Yes, it appears to be.
- 14 Q So let's go into the body of the document, which is in
- 15 | the -- I want to go to the second paragraph.
- 16 MR. MCRAE: To pull that up, if we can highlight that
- 17 or at least enlarge it.
- 18 Q Do you see where it says, also as requested, we're
- 19 providing the attached preliminary information in response to
- 20 | your various questions to the CAO's office. Do you see that?
- 21 A Yes.
- 22 Q Do you also see the statement that, please understand that
- 23 | these initial responses were prepared by -- under a compressed
- 24 | schedule at your request and the City has not had sufficient
- 25 | time to fully evaluate these responses with all relevant

Yeah, there we go.

MR. MCRAE: Yeah, let's keep moving.

THE WITNESS:

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- 1 MR. MCRAE: Let's enlarge this document.
- 2 Q And can you, sir, now see that we have several columns and
- 3 | rows here. Starting on the left we have system/data set and,
- 4 sir, can you tell us what that conveys?
- 5 A Yes, it identifies the data system that we rely on to
- 6 provide that information.
- 7 Q And then if you move to the right, the next column says
- 8 City (LAHD, LAHSA, HACLA coordination). What is that
- 9 | conveying, sir?
- 10 A That's conveying the entity that owns the data system.
- 11 Q And the next column, sir, says data purpose. What is that
- 12 | conveying?
- 13 A That is conveying the purpose of the system from which we
- 14 | are gathering the data.
- 15 | O If we move to the next column, do you see key questions/ -
- 16 |- forward slash, clarifications. What is that conveying, sir?
- 17 A That is additional information that is -- that was
- 18 requested by Mr. Gary.
- 19 Q And the final column, what do you understand that to be?
- 20 A That final column in the initial responses that we
- 21 provided to the questions in the column just previous.
- 22 Q Did Mr. Gary convey to you in writing or otherwise any
- 23 | surprise by the City's statement that these responses were
- 24 preliminary in nature, due to the compressed schedule in which
- 25 | they had to provide them?

- 1 A No.
- 2 Q And did Mr. Gary when you -- when counsel for the City
- 3 provided Exhibit 514 including the responses to Mr. Gary's
- 4 questions, did Mr. Gary convey to you any accusations that the
- 5 | City was delaying his efforts to get information responsive to
- 6 his requests?
- 7 A No, he didn't. He actually seemed very appreciative of
- 8 our time.
- 9 Q Did Mr. Gary say to you that he looked forward or did he
- 10 | convey to you that he looked forward to additional information
- 11 | that your office could provide?
- 12 A Yes.
- 13 Q Now, in addition to the efforts to cooperate with Mr. Gary
- 14 | that we've already discussed, can you tell us anything else
- 15 | that you and your office did to facilitate Mr. Gary's review of
- 16 data underlying the quarterly reports?
- 17 A In addition to providing answers to his questions, we also
- 18 | walked through with him what -- we tried to help him get a
- 19 better understanding of what were the relevant systems. He
- 20 | had -- for example, he did have a number of questions about
- 21 systems that were not relevant or not used or are not used to
- 22 provide the quarterly reports. So we walked him through that
- 23 and attempted to help him understand the true account of how
- 24 | the information is gathered, collected and verified.
- 25 Q Sir, let me direct your attention to Exhibit 527. Sir, in

- 1 | looking at pages 2 and 3 of Exhibit 527, do you see at the
- 2 | outset an e-mail from Ms. Sonya Morgan dated November 7th, 2025
- 3 | wherein Ms. Morgan states, to amongst others, you, I am
- 4 | reaching out on behalf of monitor Gary, based on the
- 5 discussions and materials reviewed to date, it appears that
- 6 | there are 11 systems in use across the City and LAHSA that may
- 7 be related to the data in this matter. Do you see that?
- 8 A I do, yes.
- 9 MR. MCRAE: Would you go to the next portion of this
- 10 piece of correspondence from Ms. Morgan?
- 11 Q And do you see that Ms. Morgan then purports to identify
- 12 | the various systems to which she's referring.
- 13 A Yes.
- 14 Q Now, sir, one of the systems that Ms. Morgan is referring
- 15 to --
- 16 MR. MCRAE: If we can go to the next page of this e-
- 17 mail. And by this e-mail, for the record, we're in Exhibit
- 18 | 527. We started on page 2, we're moving to page 3. So can we
- 19 enhance page 3? Thank you.
- 20 | Q So one of the systems that Ms. Morgan identifies is, if
- 21 | you look at No. 9 of the enumerated systems, City Financial
- 22 Systems (FMS, Work Day), CAO/controller/fiscal oversight and
- 23 payment systems. Do you see that?
- 24 A I do, yes.
- 25 Q Sir, do you know what City Financial Systems is?

- 1 A Well, I think City Financial Systems is describing FMS and
- 2 | Work Day. FMS is our financial management system and Work Day
- 3 | is our personnel and position control system.
- 4 Q Has your office ever used either FMS or Work Day to report
- 5 | metrics described in the Alliance settlement agreement in the
- 6 quarterly reports?
- 7 A No.
- 8 Q Did you explain that to Mr. Gary?
- 9 A Yes, we did.
- 10 Q Did you have any concerns, sir, about turning over access
- 11 | to all of the City's financial and personnel management systems
- 12 to Mr. Gary and his team?
- 13 A Yes.
- 14 Q What concerns?
- 15 A Well, primarily it is our citywide personnel human
- 16 resources position control system has zero relationship to the
- 17 matters discussed and our compliance with the settlement. That
- 18 is a -- and we would have serious concerns about opening up
- 19 personnel records to the then -- to Mr. Gary as it relates to
- 20 | this review. We're talking about personal -- personnel records
- 21 of every city employee, private information that would be
- 22 highly concerning and we conveyed that.
- 23 FMS is our primary system for the -- all City finance, all
- 24 transactions. And again, that is -- there are select
- 25 | individuals that have access to that system and that also --

- 1 | it -- we would have serious reservations about handing over
- 2 | the -- handing over access to the City's primary financial
- 3 management system.
- 4 Q Sir, if we turn back to Exhibit 514, and let's go to page
- 5 28 of Exhibit 514, just to focus us here, this is the document
- 6 | containing the City's preliminary responses to Mr. Gary's
- 7 questions. Do you recall that?
- 8 A Yes.
- 9 Q And is this document looking at page 28, does this list
- 10 information that you provided about certain data systems to
- 11 Mr. Gary?
- 12 A Yes, it does.
- 13 Q And if we look at the second to last row on this chart,
- 14 does the City have a response to Mr. Gary's request for
- 15 | information about City Financial Systems, FMS/Work Day?
- 16 A Yes, we do.
- 17 Q And what is the City's response?
- 18 A Our response is that those systems are not used for our
- 19 quarterly reports to the Court.
- 20 Q Do you recall Mr. Gary saying anything in response to the
- 21 | City's response that City Financial Systems, FMS/Work Day are
- 22 | not used in preparing the quarterly reports?
- 23 A I don't remember exactly what he said. He may have asked.
- 24 He may have had some follow up questions as to verify our
- 25 response there. I don't exactly recall.

- 1 Q Sir, after the City in its responses, preliminary
- 2 | responses to Mr. Gary's request pointed out that the citywide
- 3 | financial and personnel management systems were not used for
- 4 | the quarterly reports, did Mr. Gary still send a request to
- 5 your office seeking access to those systems on November 7th,
- 6 2025?
- 7 A Yes, he did.
- 8 Q So let's take a look at Exhibit 531. Sir, is Exhibit 531
- 9 | a correct copy of a series of e-mail exchanges dated November
- 10 | 12th to the 14th, 2025 on which you were copied?
- 11 A Yes, it appears to be.
- 12 Q And is this e-mail that we're looking at here, which is on
- page 1 a November 12th, 2025 e-mail from Sonya Morgan addressed
- 14 to, it says counsel, but you're copied on it, it says,
- 15 | following today's hearing please provide our team with direct
- 16 access to the following systems, it enumerates systems. And
- 17 | want to direct your attention to where it says, if the City is
- 18 not able to provide direct access, please take all necessary
- 19 steps to facilitate our immediate access. Do you see that?
- 20 A I do.
- 21 Q So were all of these systems that are enumerated in this
- 22 Exhibit 531 in this e-mail from Ms. Morgan that we're looking
- 23 at, were all of these systems to which Ms. Morgan is requesting
- 24 direct access, systems that are operated by the City?
- 25 A No.

- 1 | Q Did you explain that point to Ms. Morgan?
- 2 A Yes. Yes, we did.
- 3 Q And again, drawing your attention to where it says, if the
- 4 | City could -- is not able to provide direct access, please take
- 5 | all necessary steps to facilitate our immediate access.
- 6 My question on that, sir, did anyone from the monitor's
- 7 office ask you whether it was possible to facilitate access to
- 8 | systems that the City did not operate immediately?
- 9 A No. No, I don't believe they did.
- 10 Q Was the City in a position to unilaterally grant immediate
- 11 | access to non-City controlled systems?
- 12 A No.
- 13 Q And looking at Exhibit 531, can you tell us as you look at
- 14 | the enumerated systems here some of the examples of systems
- 15 | that are not under the City's control, that are discussed in
- 16 this Exhibit 531?
- 17 A Yes.
- 18 Q And what are they, sir?
- 19 A The systems that are not under the City's control are RMS,
- 20 HMIS, and LAHSA inventory management system.
- 21 Q Okay. And, sir, I'd like you to take a look at, again
- 22 staying within this e-mail on pages 1 and 2, this e-mail being
- 23 Exhibit 531, if we go to the very bottom of page 1 of Exhibit
- 24 | 531 do you see where it says -- yes, in the highlighted portion
- 25 here in this response by counsel to the City addressed to

- 1 Mr. Gary and Ms. Morgan, the City has made clear to LAHSA that
- 2 | there's no objection to providing you access to these databases
- 3 and systems. We have encouraged them to provide you with
- 4 access. Do you see that?
- 5 A I do.
- 6 Q Was that a true statement of your office's and the
- 7 City's -- well, was it a true statement?
- 8 A That is a true statement.
- 9 Q Sir, at any point, Mr. Szabo, did you instruct anyone in
- 10 your office to withhold information from Mr. Gary or members of
- 11 his team?
- 12 A Not at any point.
- 13 | Q At any point, sir, did you instruct anyone in your office
- 14 to not cooperate with Mr. Gary or his team?
- 15 A No.
- 16 Q What instructions did you provide individuals working in
- 17 your office relative to responding to Mr. Gary's various
- 18 requests?
- 19 A Only to gather, to compile answers to Mr. Gary's questions
- 20 and to provide them as soon as possible, as soon as we could.
- 21 Q Let's move on to Exhibit 361, ECF 1063. For the record,
- 22 | this document is titled status report of monitor Daniel B. Gary
- 23 for October 2025, says it has a file date of November 3rd,
- 24 2025. Do you see that, sir?
- 25 A Yes.

17 No, I don't.

I do.

18 Why not?

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- 19 I don't believe so because number one, as a representative
- 20 of the City I have a right to confer with counsel in matters
- 21 relating to the settlement. And I'm not going to waive that.
- 22 And that should be understood by Mr. Gary.
- 23 So to suggest that going through a process of conferring 24 with counsel is slowing the process I think is an inaccurate
- 25 representation. That is the process. Furthermore, we've

- 1 responded promptly to his requests. His requests for
- 2 | information, his requests for scheduling of interviews. I've
- 3 | made myself available, I've opened my calendar and provided as
- 4 | much access that he's requested for my own personal time, time
- 5 of my staff and I instructed my staff who has enormous
- 6 responsibility to set those responsibilities aside so that we
- 7 | could respond to Mr. Gary's requests for information as quickly
- 8 as we possibly could.
- 9 Q And, sir, I want to direct your attention to page 7 of
- 10 Exhibit 1063 where it says channeling -- this is line 17
- 11 through 20 of page 7. Channeling all requests through City
- 12 | counsel necessarily introduces time lag and material
- 13 inefficiencies.
- 14 Let's pause on that for a second. Now, following on what
- 15 you just said about wanting to confer with counsel when
- 16 | receiving a request from Mr. Gary, can you think of any reason
- 17 | why there would be a different time period to respond to
- 18 Mr. Gary if he complied with the City's request to coordinate
- 19 | with City counsel in the first instance, or if he came directly
- 20 to you and then you conferred with City counsel before
- 21 responding to him?
- 22 A I mean, I suppose it would be faster if he just contacted
- 23 counsel directly.
- 24 Q Now, sir, do you see the statement, therefore the monitor
- 25 has yet to meet with any City staff. The first meeting with

- 1 Mr. Szabo is scheduled for today. You talked about that
- 2 November 3rd meeting with Mr. Gary; is that correct?
- 3 A Yes.
- 4 Q And that did take place.
- 5 A It did.
- 6 Q And do you agree with Mr. Gary's assertion that channeling
- 7 | all requests through counsel introduced a temporal lag and
- 8 | material inefficiencies resulting in delaying your meeting with
- 9 him?
- 10 A No.
- 11 Q And, sir, do you see anywhere where Mr. Gary purports to
- 12 | quantify what lag he's referring to?
- 13 A No.
- 14 | Q Do you see any place where he explains or quantifies what
- 15 material inefficiencies he's referring to?
- 16 A No.
- 17 Q Do you see anywhere where he purports to -- he being
- 18 Mr. Gary, explain how had he simply been able to speak to you
- 19 first and then you confer with counsel, how that would result
- 20 | in any difference in terms of the City's response to his
- 21 request? Do you see anywhere where he does that?
- 22 A No.
- 23 Q So let's take a look at page 8 of Exhibit 361, which is
- 24 ECF 1063. Now, do you see here, sir, starting in line 3 where
- 25 | it says the City's initial responses were prepared under a

- 1 | compressed schedule. And that statement is in quotes. And
- 2 | actually, to contextualize this, we're going to go back to the
- 3 first sentence at line 2.
- 4 It says, the monitor attempted to obtain answers to some
- 5 of these questions in his first query to the City, see Exhibit
- 6 1. Do you see that?
- 7 A I do, yes.
- 8 Q And do you then see where it says the City's, in quotes,
- 9 | initial responses were prepared under a compressed schedule,
- 10 end of quote. Do you see that?
- 11 A I do.
- 12 Q And then further, and without the benefit of quote,
- 13 sufficient time to fully evaluate them with all relevant
- 14 stakeholders for completeness and accuracy. Do you see the --
- 15 and end of quote?
- 16 A Yes.
- 17 Q Okay. And do you see where it says, given proper
- 18 deference to this caveat, the responses are inadequate. Do you
- 19 | see that?
- 20 A I do.
- 21 Q Sir, do you agree with Mr. Gary that your team's initial
- 22 responses to the list of questions that he sent which we
- 23 discussed were inadequate?
- 24 A No. And -- no, I don't.
- 25 Q Why not?

- 1 A Look, we -- there were -- there was a significant volume
- 2 of questions that he asked that we needed to compile responses
- 3 to. It is important for us to verify the information, any
- 4 information that comes from our office and we also wanted to
- 5 turn the information over to Mr. Gary as quickly as possible.
- 6 So it's appropriate that we get him the information. I
- 7 | thought it was appropriate that we turn over as much
- 8 information as quickly as we could and reserve the right to
- 9 amend the information as we continue to evaluate for accuracy.
- 10 | I think that's completely appropriate, especially since, you
- 11 know, our interest was to get him the information as quickly as
- 12 possible and not to wait until every answer was completely
- 13 verified for all of his questions before sending him anything.
- I actually think that wouldn't -- that would be
- 15 inconsistent with any kind of -- that would be inconsistent
- 16 | with our desire to comply with the monitor.
- 17 Q And, sir, let me direct your attention to Exhibit 361, ECF
- 18 | 1063 at page 8. And I want to direct your attention to lines
- 19 | 19 through 21.
- 20 MR. MCRAE: Can we expand this to line 22? I want to
- 21 | make sure I'm not reading part of a sentence. Thank you.
- 22 Okay.
- 23 Q Sir, do you see where it says, the City's responses were
- 24 | circumscribed and also deferred to a third party data
- 25 | maintainer (e.g. "LAHSA is the system owner") for key datasets

- 1 like the homeless management information system, in quotes
- 2 | HMIS. Do you see that, sir?
- 3 A Yes.
- 4 | Q Now, do you agree with Mr. Gary's assertion here that your
- 5 office deferred to third parties for certain datasets that he
- 6 requested access to?
- 7 A Well, he asked questions -- he asked who the system owner
- 8 was. He asked how frequently the data is updated, how the data
- governance is handled, that's his own claim. LAHSA is the
- 10 system owner. He asked that question. We provided a true
- 11 | response to his question and as it relates to the other
- 12 | information about how the system is maintained, it is both true
- 13 and appropriate that we would refer him to the system owner.
- 14 Q Sir, in your view, is the word deferred an accurate
- description of the City's relationship to control over data
- 16 | systems that it doesn't operate?
- 17 A To the extent that we don't have the capacity that we --
- 18 | if we don't -- if we're not the system owner, it's not
- 19 appropriate for us to be answering questions about the
- 20 | maintenance of the system. So I don't -- I think it's
- 21 appropriate that we would ask him to direct his questions to
- 22 | the system owner.
- 23 Q Let me direct your attention to pages 8 and 9 of Exhibit
- 24 | 361, ECF 1063, line 26 is where it starts on page 8, it
- 25 | continues on to line 2 on the next page. And actually I'm

- 1 going to be ending on line 1 on page 9.
- 2 Several of the monitor's questions, it reads, concern the
- 3 | City's definition and count of PEH, in part because the
- 4 | September 2025 report did not include data on quote, total PEH
- 5 | served, end of quote, there's a docket reference there.
- 6 Instead the City's entry for this column of data was either
- 7 | quote, pending, end of quote or blank (i.e., an empty field).
- 8 Do you see that?
- 9 A I do, yes.
- 10 Q And do you agree that the City in preparing the initial
- 11 version of the quarterly report ending September 2025 did list
- 12 PEH served information as pending?
- 13 **THE COURT:** I'm sorry, counsel, could you raise your
- 14 voice just a little bit?
- MR. MCRAE: I'm sorry, Your Honor.
- 16 **THE COURT:** Thank you.
- 17 BY MR. MCRAE:
- 18 Q Why don't we take a look, I think it's Exhibit 503 if you
- 19 can recall that without too much trouble, it may help.
- 20 So taking a look at Exhibit 503, page 1, actually page 2,
- 21 | is it the case, sir, that the City did indicate in the initial
- version of the quarterly report, in quarter 2025 ending
- 23 September 30, 2025 that PEH served information was pending?
- 24 A We did indicate that, yes.
- 25 Q Now, you -- did you talk about why that was the case when

- 1 you were last here on December the 4th?
- 2 A I did.
- 3 Q And I don't need you to repeat that testimony, but let me
- 4 just ask you this. Did the City within a month or so after
- 5 issuing this version of Exhibit 503, did it also then proceed
- 6 to issue --
- 7 MR. MCRAE: If we can have it put up, Exhibit 502.
- 8 Q -- which was a supplemental report that did populate the
- 9 total PEH served with numbers?
- 10 A We did, yes.
- 11 Q And let's take a look at Exhibit 361, ECF 1063 at page 9.
- 12 And, sir, I want to direct your attention to lines 11
- 13 | through 23. And are you seeing here that Mr. Gary is taking
- 14 | note or stating that the City had not provided a clear -- I'm
- 15 looking for the words here.
- 16 | Well, how about we do this. Do you see here a discussion
- 17 by Mr. Gary regarding certain terms that the City has used?
- 18 A I do, yes.
- 19 Q And do you see in pertinent part, lines 11 through 12
- 20 says, one of the monitor's questions about PEH inquired how the
- 21 City defines the term?
- 22 A Yes.
- 23 Q And you see how at this point, from lines 12 through 23,
- 24 Mr. Gary discusses his thoughts about how those terms are used
- 25 by the City. Do you see that?

- 1 A Yes.
- 2 Q So, sir, do you think that the manner in which the City
- 3 has conveyed for example, how PEH is used by the City, do you
- 4 | think the City has conveyed how it uses and understands the
- 5 | word PEH in the context of these quarterly reports has been
- 6 unclear?
- 7 A No, I do not believe it's unclear.
- 8 Q Do you believe that the City has been inconsistent in the
- 9 quarterly reports, in terms of how it uses the term PEH?
- 10 A No.
- 11 Q And is it your understanding --
- 12 MR. MCRAE: If we could go back to Exhibit 502, for
- 13 example and why don't we turn the page to the second page and
- 14 | why don't we keep flipping till we get to the footnotes. And
- 15 | why don't we expand the footnotes on page 6, so that all of us
- 16 | can read them.
- 17 Q And, sir, do these footnotes in Exhibit 502 and other
- 18 quarterly reports in the City actually explain in footnote 2
- 19 | what number PEH served refers to?
- 20 A Yes. Yes, it does.
- 21 Q Now, are you aware of anything that prevented from
- 22 Mr. Gary or his team from asking your office for additional
- 23 clarification of anything, if they needed it?
- 24 A Nothing at all.
- 25 Q And let's take a look at Exhibit 361, ECF 1063, page 9.

- And let's take a look at, I believe it's a footnote, if we
- 2 | could look at that. I guess we have to go to page 9 for that.
- There it is, footnote 3. There are also real world
- 4 impacts on the monitor's ability to perform his duties
- 5 efficiently and effectively that flow from the City's ex parte
- 6 application for stay of an order appointing Daniel Gary as
- 7 | monitor and related appeal. It has other language there,
- 8 | that's the first sentence.
- 9 Sir, do you agree with the assertion that the City
- 10 exercising its legal challenges to the appointment of Mr. Gary
- 11 | in any way impaired his ability to get information and perform
- 12 | work for the City?
- 13 A No, not at all.
- 14 Q And why is that, sir?
- 15 A Well, that didn't impact any decisions, any response, any
- 16 | work that happened on our side in the CAO's office at least, as
- 17 | long -- while he was -- while that order was effective we
- 18 responded to Mr. Gary's questions as quickly as we could, as
- 19 | completely as we could and provided as much information as he
- 20 asked as quickly as he could. So it had no impact whatsoever
- 21 on our posture and in our commitment to respond to the monitor.
- 22 MR. MCRAE: Your Honor, may I have a moment?
- 23 **THE COURT:** Certainly.
- 24 MR. MCRAE: Your Honor, subject to Mr. Szabo being
- 25 recalled, I have nothing further for him at this point.

1	THE COURT: What time would all of you folks like to
2	reconvene?
3	MR. MCRAE: 1.
4	MS. MITCHELL: That's fine, Your Honor.
5	THE COURT: 1 o'clock. Thank you very much.
6	MS. MITCHELL: Thank you. Thank you, Your Honor.
7	THE COURT: Thank you.
8	(Recessed at 11:58 a.m.; reconvened at 1:09 p.m.)
9	THE COURT: We're back on the record.
10	Counsel, thank you for your courtesy. All counsel is
11	seated, the parties are present.
12	And was it Mr. Szabo, if you'd be kind enough, you
13	retake the stand. My apologies.
14	(Witness retakes the stand.)
15	And the witness has returned to the witness stand.
16	This would be cross examination.
17	MS. MITCHELL: Cross examination.
18	THE COURT: Cross?
19	MR. SPEAKER: Yes, sir.
20	MS. MITCHELL: Yes.
21	THE COURT: Cross examination by the
22	MR. SPEAKER: Yes, Your Honor.
23	THE COURT: I mean, strike that, by LA Alliance.
24	Thank you.
25	MS. MITCHELL: May I proceed, Your Honor?

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	DZubo Closs / By IIs. Hitchicii
1	THE COURT: Please.
2	CROSS EXAMINATION
3	BY MS. MITCHELL:
4	Q Now, Mr. Szabo, you were present during settlement
5	negotiations in this case; is that right?
6	A I was present, yes.
7	MR. MCRAE: Objection, vague as to time and
8	settlement negotiations.
9	THE COURT: I'm sorry?
10	MS. MITCHELL: There was
11	MR. MCRAE: It's vague
12	MS. MITCHELL: an objection.
13	MR. MCRAE: as to what settlement negotiations and
14	time.
15	THE COURT: Overruled.
16	BY MS. MITCHELL:
17	Q Okay. You were the chief negotiator on behalf of the
18	City; is that right?
19	A That's correct.
20	Q And your lawyer at the time, Scott Marcus, was also a
21	participant in those negotiations; is that true?
22	MR. MCRAE: Objection, lack of foundation as to
23	Mr. Szabo's lawyer.
24	THE COURT: Overruled.
25	//

- 1 THE WITNESS: Mr. Marcus represented the City
- 2 Attorney's office.
- 3 BY MS. MITCHELL:
- 4 Q The -- there were representatives from the Alliance that
- 5 participated in these settlement negotiations; is this right?
- 6 A The representatives of the Alliance meaning the counsel
- 7 for the Alliance, yes.
- 8 Q Yes. So looking -- and we talked a lot about the Section
- 9 7.1. This is language that was specifically negotiated between
- 10 | the City and the Alliance; is that true?
- 11 A Correct.
- 12 Q So this was not language that the Plaintiffs unilaterally
- 13 | imposed upon the City; is that correct?
- MR. MCRAE: Objection, vague.
- 15 **THE COURT:** Overruled.
- 16 A It's just language that was in part of the settlement
- 17 agreement, yes.
- 18 Q Okay. And the City agreed to this language, true?
- 19 A Correct.
- 20 Q Now let's look at the first sentence here. There are
- 21 | three separate metrics I'm going to identify under Section 7.1.
- 22 I'm in Exhibit 25.
- 23 So the first metric being the number of housing or shelter
- 24 opportunities created or otherwise obtained; do you see that?
- 25 A I do.

- 1 | information that may result in the same number, so it -- in
- 2 case it could be the same thing or it could not. It depends.
- 3 BY MS. MITCHELL:
- 4 | Q It depends on what?
- 5 A Well, we -- for example, the number of housing or shelter
- 6 opportunities created or otherwise obtained could be different
- 7 than the number of beds or opportunities offered if we are not
- 8 offering all of the beds or opportunities that we've created.
- 9 Q Okay. So let's go ahead and I'll show you let's say
- 10 example -- Exhibit 31. Exhibit 31 is quarterly report that the
- 11 | City submitted for the quarter ending March 31st, 2024. This
- 12 is docket 728-1.
- Now, those three metrics that we just talked about are all
- 14 reported on this report where?
- 15 MR. MCRAE: Objection, vague.
- 16 **THE COURT:** Overruled.
- 17 A The metrics for -- or the number of beds or -- I'm sorry,
- 18 | the number of housing or shelter opportunities created or
- 19 otherwise obtained are reflected in the sixth column where it
- 20 says units and beds.
- 21 It's -- the number is reflected in the sixth column, along
- 22 | with the fifth column which shows the location --
- 23 Q I highlighted units and beds, that's right?
- 24 A Yes.
- 25 Q And in the fifth column, --

- 1 | reporting it, it is reported in the fifth column, the sixth
- 2 | column, the seventh column, and the eighth column.
- 3 Q So the same columns.
- 4 A The same columns, correct. And there's a reason why
- 5 that's the same.
- 6 0 Sure.
- 7 A But the reason is we have been -- although we could report
- 8 the number of beds offered as a different number as the number
- 9 of beds created, we have from time to time adjusted the number
- 10 in that sixth column if some of the beds have been out of
- 11 | service or they fluctuated.
- Best example, of course, is the booking agreements and
- 13 Inside Safe. Those fluctuate by design. We only report the
- 14 number that were used.
- So we could report a different number because it is
- 16 possible to create more beds than are offered.
- But in the way that we've reported this from the beginning
- 18 has been consistent as in we have taken down the number of beds
- 19 that are created, if they're not available, open, occupiable,
- 20 and available, and offered to the persons experiencing
- 21 homelessness.
- 22 O Okay. And so you would agree, Mr. Szabo, that in all of
- 23 | the reports that you have submitted in this case, you have
- 24 never reported separate metrics for offered as opposed to open
- 25 and occupiable.

24

25

Correct.

Okay.

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                                                                  118
 1
         The fifth column.
 2
              THE COURT: I'm sorry, which column?
              THE WITNESS: Column five.
 3
              THE COURT: Five, thank you.
 4
 5
    BY MS. MITCHELL:
 6
         Where it says --
 7
         Column six.
 8
        -- address and location.
 9
         I'm sorry, yes, correct.
10
    Q
        Okay.
11
        Column six, units, beds.
12
        Okay.
13
         Column seven, status. And column eight, open and
14
    occupiable date.
15
         So all the same columns with the addition of a council
16
    district column as well; is that right?
         That's correct.
17
18
         Okay. And where on Exhibit 31 do you inform Court and
    counsel that you're reporting all three metrics in the exact
19
20
    same columns?
21
              MR. MCRAE: Objection. The document speaks for
22
    itself.
23
              THE COURT: Overruled.
24
              THE WITNESS: We -- it's -- we're informing the Court
25
    with the information provided in the attachment.
                                                       I -- that's
```

- 1 | what the -- we're informing the Court of the units and beds
- 2 | that have been established and are available and have been
- 3 offered in each council district.
- 4 BY MS. MITCHELL:
- 5 Q Mr. Szabo, in -- the very first report in this case was
- 6 January, 2023; is that right?
- 7 A That is correct.
- 8 Q Okay. And prior to January of 2023, did you look at
- 9 Section 7.1, see that there were three separate metrics, and
- 10 | choose to report them in the same columns without mentioning it
- 11 | to the Court or to counsel?
- 12 MR. MCRAE: Objection, it's compound, it calls for a
- 13 legal conclusion, it's argumentative, and it's vague.
- 14 **THE COURT:** Overruled.
- 15 A I -- you know, that was a few years ago. There was
- 16 | significant conversation at the beginning of the settlement,
- 17 certainly with the special master.
- 18 There was an understanding that the special master was --
- 19 | would be reviewing our reports and reporting to the Court our
- 20 | level of compliance. And it was within that context.
- 21 | Q Okay. My question to you, though, Mr. Szabo, was a little
- 22 | bit different. Did you personally look at the three separate
- 23 metrics that we just talked about in Section 7.1 and make the
- 24 decision to report them all together as the same metric in the
- 25 | same columns?

It misstates the witness's testimony. It lacks

25

difference.

decision not to inform the Court and counsel that all the

Okay. And since you approved this report, who made the

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- 1 | metrics that you were required to report under 7.1 were all
- 2 being lumped together in the same columns?
- 3 MR. MCRAE: Your Honor, that's argumentative. It
- 4 also assumes facts and misstates testimony, lacks foundation,
- 5 and it's compound.
- 6 **THE COURT:** Overruled.
- 7 THE WITNESS: Our obligation was to provide a
- 8 quarterly report to the Court, which we did. Our obligation
- 9 was to provide the report. We provided the report with the
- 10 information that you see here.
- 11 BY MS. MITCHELL:
- 12 Q Mr. Szabo, by reporting all three metrics in the same
- 13 | columns without delineating the three separate metrics, without
- 14 | separately reporting the three separate metrics, and without
- 15 | informing the Court and counsel that's what you were doing,
- 16 | wasn't that misleading?
- 17 MR. MCRAE: Your Honor, that's argumentative. It
- 18 | assumes there was any obligation to parse in the manner counsel
- 19 is saying. It lacks foundation. It's vague, and it's
- 20 argumentative.
- 21 **THE COURT:** Overruled.
- 22 A The opposite of misleading. The information is all there
- 23 | for everyone to digest and to absorb and to common on and to
- 24 object to, should they wish to. All the parties, the public,
- 25 | the intervenors, the special master, that information was

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22 settlement agreement is the chase the city clause?

2.3 MR. MCRAE: Your Honor, that's unintelligible and

24 it's argumentative.

25 THE COURT: Overruled.

- 1 MS. MITCHELL: I'll rephrase, Your Honor.
- 2 MR. MCRAE: It's just --
- 3 **THE WITNESS:** Where in the settlement agreement does
- 4 | it say that the City doesn't have to comply with its
- 5 | obligations unless the Alliance calls the City out on it?
- 6 MR. MCRAE: Your Honor, that question calls for a
- 7 | legal conclusion and assumes legal obligations to parse out
- 8 language. It's vague. It lacks foundation. And it's
- 9 argumentative.
- 10 **THE COURT:** Overruled.
- 11 **THE WITNESS:** I don't understand what you're saying.
- 12 | Is there -- is -- there would be a -- there should be a clause
- 13 | in the agreement that eliminates all -- I don't understand your
- 14 question.
- 15 Q Sure. My question to you, because you keep raising this
- 16 | fact that the Alliance didn't raise it, which we'll get to a
- 17 little bit later.
- 18 But my question to you is, is there any provision in the
- 19 | settlement agreement -- feel free to take some time to look
- 20 | through it if you want -- that states the City does not have to
- 21 | comply with its obligations until and unless the Alliance calls
- 22 them out on their violations?
- MR. MCRAE: Your Honor, assumes that there are
- 24 obligations that haven't been complied with in the settlement
- 25 agreement.

I've said that the manner in which we have reported the

- 1 metrics in 7.1 has been to -- has been within the context of 2 reporting on our progress with the agreement.
- And the agreement principally obligates the City to create units of housing based on the point in time count -- for the 2022 point in time count.
- So that is how we have been attempting to -- that's how we have been reporting the information that is requested in 7.1.
- And, again, where in this agreement, Mr. Szabo, does it state that the principal obligation of the City is to provide beds as opposed to any number of the other obligations that are provided for in this agreement?
- MR. MCRAE: Objection, argumentative, calls for a legal conclusion.
- 14 **THE COURT:** Overruled.
- 15 THE WITNESS: It -- where does it state that? It

 16 states that in the settlement agreement, the -- there is a

 17 great deal of -- besides the fact that this was the main issue

 18 that was subject of the discussions, which I can't, won't go

 19 into, it is the obligation of the City to create at great cost

 20 12,915 beds that didn't exist prior to this -- to the

 21 settlement agreement.
 - And the other obligations are in -- either in support of that or are not in the category of things that the City needs to create from the ground up.

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22

23

- 2 Q Okay. My question was a little bit different, though.
- 3 Where in the settlement -- let me take a step back. You would
- 4 agree there are a number of obligations spelled out in the
- 5 settlement agreement that the City has to do; is that right?
- 6 MR. MCRAE: Objection, calls for a legal conclusion.
- 7 **THE COURT:** Overruled.
- 8 A There are a number of obligations.
- 9 Q And one of those obligations is to create a certain number
- of beds, which we've later identified as 12,915; is that right?
- 11 A Correct.
- 12 Q In addition to that obligation, the City has an obligation
- 13 | to meet milestones and metrics for encampment reductions; is
- 14 | that true?
- 15 MR. MCRAE: That calls for a legal conclusion.
- 16 **THE COURT:** Overruled.
- 17 **THE WITNESS:** I'm sorry. Could you repeat that
- 18 | question?
- 19 MS. MITCHELL: Sure. We'll start here.
- 20 BY MS. MITCHELL:
- 21 Q Section three of the settlement agreement, page ten of
- 22 | Exhibit 25, Section 3.1 obligates the City to create 60 percent
- 23 | shelter or housing capacity needed to accommodate 60 percent of
- 24 unsheltered City shelter appropriate PEH within the City based
- 25 on the 2022 point time count; is that right?

- 1 Q Can you read that for us, please?
- 2 A Even after the City creates adequate and appropriate
- 3 housing and shelter opportunities for 60 percent of unsheltered
- 4 city shelter appropriate PEH in a council district, no
- 5 enforcement action shall be taken against any individual
- 6 suspected of violating a public space regulation or ordinance
- 7 unless that individual has first been offered adequate and
- 8 appropriate --
- MS. MITCHELL: I'll go to the next page.
- 10 A -- shelter or housing and/or to relocate to an alternative
- 11 location, consistent with applicable laws and this agreement,
- 12 except for time, manner, place, regulations, paren, such as
- 13 | LAMC 41.18 or similar ordinances, close parens, which may be
- 14 enforced immediately and without such notice at any time.
- 15 Q Okay. So the Section 4.2, as we've discussed and as you
- 16 | mentioned, would permit the City to I think enforce enhanced
- 17 | measures or enhance measured, I'm not sure the phrase you used,
- 18 | for the public space clearances maybe once it hits 60 percent,
- 19 | with a caveat that even after the City created enough shelter,
- 20 no enforcement action can be taken unless there were certain
- 21 offers that were made first. Is that an adequate summary?
- 22 MR. MCRAE: Beyond the scope of this hearing, calls
- 23 for a legal conclusion, lack of foundation.
- 24 **THE COURT:** Overruled.
- 25 **THE WITNESS:** This is providing parameters on a

- 1 | future potential scenario that should the 60 percent threshold
- 2 be met in a particular council district and should the City
- 3 | wish to amend its municipal code to allow for enforcement of
- 4 public space regulations within that entire council district,
- 5 | that in that future potential situation, that even in that case
- 6 there would still be a requirement that an offer of shelter be
- 7 made before conducting the enforcement action.
- 8 So it's conditioning a potential future scenario that
- 9 | could play out, that could -- that we could proceed with once
- 10 the threshold numbers were met.

- 12 Q Okay. And then going on to Section 4.3, it's the same
- 13 | concept but citywide as opposed to district by district; is
- 14 | that right?
- MR. MCRAE: Objection, counsel's testifying, and it
- 16 | calls for a legal conclusion, lack of foundation.
- 17 **THE COURT:** Overruled.
- 18 A It -- 4.3 conveys similar -- provides similar parameters
- 19 as the prior section does, only on a citywide basis. That is
- 20 correct.
- 21 Q Moving on to section five, milestones and deadlines, it's
- 22 | looking specifically at Section 5.2. This section requires the
- 23 | City to create plans and develop milestones and deadlines for
- 24 creation of shelter and housing solutions as well as plans for
- 25 | encampment, engagement, cleaning, and reduction in each council

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1	obligation?"
2	MR. MCRAE: Objection, compound and argumentative.
3	THE COURT: Overruled.
4	THE WITNESS: Other than it being the first
5	obligation, no, those words don't appear.
6	BY MS. MITCHELL:
7	Q Well, in section three, right? Not section one or two.
8	It's appears first in section three; is that right?
9	MR. MCRAE: Objection, vague.
10	THE COURT: You understand the question?
11	THE WITNESS: Yeah. I
12	THE COURT: Overruled.
13	A I believe, yes, it does appear in section three.
14	Q Okay. So meaning the City's agreement to create housing
15	appears in section three, but the words "primary obligation"
16	don't appear anywhere in this document, including in section
17	three, correct?
18	MR. MCRAE: Asked and answered, and argumentative.
19	THE COURT: Overruled.
20	A Correct.
21	Q Okay. So it is the City's opinion that that is the City's
22	primary obligation. It's not contained in the agreement, true?
23	MR. MCRAE: Objection, that's compound, asked and
24	answered now for the third time, and
25	THE COURT: Overruled.

- 1 THE WITNESS: I think you know that I can't go -- I
- 2 | can't speak to the conversations that led to the settlement
- 3 agreement, so I won't do that.
- 4 It is and it was always considered the primary obligation
- 5 of the City. The words "primary obligation" do not appear in
- 6 the settlement document.
- 7 It is the first obligation in our -- under section three,
- 8 and is establishing the required number and creating that
- 9 number of housing. It's what we spent years talking about.
- 10 BY MS. MITCHELL:
- 11 Q So section three talks about housing. Section four talks
- 12 | about street engagement. And section five addresses milestones
- 13 and deadlines for housing, shelter, and encampment engagement;
- 14 is that right?
- MR. MCRAE: Asked and answered.
- 16 **THE COURT:** Overruled.
- 17 A Yes. Those are the titles of the sections.
- 18 Q And of those obligations, it's your opinion that housing
- 19 and shelter is the primary obligation.
- 20 MR. MCRAE: Asked and answered multiple times, and
- 21 argumentative.
- 22 **THE COURT:** Overruled.
- 23 A It is absolutely.
- MS. MITCHELL: Okay. Going to Section 7.1 -- now, I
- 25 | want to just be very clear because it was not clear to me on

- 1 direct. I was hearing your representations for the first time
- 2 of what the City can or is going to do. So I want to go
- 3 through each one of these metrics.
- 4 MR. MCRAE: Your Honor, I object to the preamble
- 5 about what counsel's understandings are. It's not relevant.
- 6 And it's argumentative.
- 7 THE COURT: Oh, it's -- counsel, just restate the
- 8 question.

- 10 Q Mr. Szabo, go -- looking at Section 7.1, you would agree
- 11 | that the City is currently reporting the number of housing or
- 12 | shelter opportunities created or otherwise obtained; is that
- 13 true?
- 14 A I certainly agree with that.
- 15 Q Okay.
- 16 A Yeah.
- 17 Q The second metric, the number of beds and/or opportunities
- 18 offered. Now, it is your testimony that that actually -- that
- 19 that phrase actually means on offer, not offered; is that
- 20 right?
- 21 A My testimony is that it is asking for the number of beds
- 22 or opportunities offered, as in provided, as in caused to come
- 23 | into existence and -- by the settlement agreement and available
- 24 for use by persons experiencing homelessness.
- 25 Q Okay. Well, I think you just referred to the other

Okay. And without any admission by you that what it

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So the third metric, the number of beds or opportunities currently available -- and we'll talk about what that means in your interpretation in a minute -- but assuming that that means actually available, unoccupied, is that a metric that the City can and will be reporting on a going forward basis?

hypothetical, it calls for speculation, it calls for legal

MR. MCRAE: It's lacking foundation, it's a

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- 21
- 22 offers of shelter, so a little bit different than people who
- 23 are being served, is that a metric the City can and will be
- 24 producing? Or I should just say can produce on a move forward
- 25 basis?

MR. MCRAE: Your Honor, unintelligible. And it's compound and it's vague. And it calls for a legal conclusion.

And --

4 THE COURT: I --

MR. MCRAE: -- it's an incomplete hypothetical.

THE COURT: I understand the question. Overruled.

THE WITNESS: The reason I'm going to go back to PEH served is that by definition, that metric, it's the number of people who are leased up in permanent housing -- for permanent housing or the number of intakes that we have for interim housing.

So it is my definition the number of PEH who have accepted offers of shelter or housing.

Again, it's offers of -- accepted offers of shelter or housing into the units that the settlement agreement has created.

And, again, I -- everything about the settlement to me is we are going to agree to create housing so people could be -- who are currently unhoused could be housed in those units that the settlement requires us to create.

So the metric that we're reporting currently is telling you exactly that. How many people are leased up in permanent housing that's -- that has been made available by this -- by the settlement agreement, and how many intakes do we have in the interim housing.

- And we do want to have multiple -- obviously multiple

 people accepting offers to the same bed because we want to have

 that turnover.
- I could report it, but it -- I'm already reporting it.

 It's the same information, it's the same metric.
- MS. MITCHELL: My question's a little bit different.

 And I understand your position, fully understand your position

 that it is the same metric.
 - Q But if the Court were to interpret it differently, that

 PEH served is not the same metric, and instead the metric is

 people who have been -- made an offer of shelter or housing and

 have accepted that offer, right, maybe for whatever reason they

 don't end up getting housed or sheltered, maybe somebody passes

 away in the meantime, whatever the reason is, but the slightly

 different metric of just somebody that has accepted an offer,

 is that something the City has the capability of reporting

 moving forward?
 - MR. MCRAE: Objection, Your Honor. It assumes that there is a distinction with a difference. It also is vague as phrased. It's a hypothetical. It calls for a legal conclusion.
- **THE COURT:** Overruled.

- 23 MR. MCRAE: And it's speculative.
- **THE WITNESS:** As I'm sitting here on the stand, that 25 truly would be something more appropriate for a meet-and-confer

-- if we're trying to move forward.

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1
              MS. MITCHELL: Okay. All right. Let's move on.
 2
              MR. MCRAE: Can I request that we take a five-minute
    recess? We've been going a little over an hour.
 3
              THE COURT: Counsel, is that acceptable?
 4
 5
              MR. MCRAE: Is that okay?
              MS. MITCHELL: I mean, I'd prefer to keep going but
 6
 7
    if we need a quick break, that's --
 8
              THE COURT: Well, if it's a restroom break, --
              MR. MCRAE: Yes, Your Honor.
10
              THE COURT: We're usually going about an hour and 15
11
    minutes to an hour and a half so --
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              MR. MCRAE: Yes. That's okay --
13
              MS. MITCHELL: That's fine, --
14
              THE COURT: Yeah.
15
              MS. MITCHELL: -- Your Honor.
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              MR. MCRAE: Thank you.
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              THE COURT: You -- just a moment. It's your
18
    examination.
                  You call the time --
19
              MR. MCRAE: Okay.
20
              THE COURT: -- within reason. Do you want to go
    forward? If so, go forward five or ten more minutes --
21
22
              MS. MITCHELL: It's --
2.3
              THE COURT: -- and then we'll take a break.
24
              MS. MITCHELL: It's fine, Your Honor. We can take a
25
    break --
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	Szabo - Cross / By Ms. Mitchell 152
1	THE COURT: Okay.
2	MS. MITCHELL: now. It's totally fine.
3	THE COURT: Let's take a recess then.
4	MS. MITCHELL: Five minutes would be great, thank
5	you.
6	THE COURT: Step down. Thank you very much.
7	(Recessed at 2:06 p.m.; reconvened at 2:26 p.m.)
8	THE COURT: All right, thank you. We're back in
9	session. All counsel are present. I thank you for your
10	courtesy.
11	And Counsel, cross examination, please.
12	MS. MITCHELL: Thank you, Your Honor.
13	THE COURT: Continued cross.
14	MS. MITCHELL: Thank you.
15	CROSS EXAMINATION (CONTINUED)
16	BY MS. MITCHELL:
17	Q Okay, Mr. Szabo, looking specifically at Section 7.1, the
18	number of beds or opportunities offered, and you have
19	previously testified that your interpretation of this means
20	that it's on offer. Is that right?
21	A Correct.
22	Q What does on offer mean to you?
23	A On offer means that it is they are units that are
24	provided for use by the homeless system to house those who need
25	housing.

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Szabo - Cross / By Ms. Mitchell
                                                                 155
 1
              MR. MCRAE: -- argumentative.
              THE COURT: Overruled.
 2
              THE WITNESS: Yes (indisc.)
 3
    BY MS. MITCHELL:
 4
 5
         And you would agree that the phrase or the word offered is
    a different part of speech, it's a verb, right, or a past tense
 6
 7
    verb?
              MR. MCRAE: Objection to the grammar lesson, vague
 9
    and ambiguous, lack of foundation --
10
              THE COURT: Overruled.
11
              MR. MCRAE: -- calls for a legal conclusion.
12
              THE COURT: Overruled.
13
              THE WITNESS: I would agree with that. I would agree
14
    with that and -- but -- I'm sorry. Yes, I would agree with
15
    that, that it is a verb.
16
    BY MS. MITCHELL:
17
         So it's an entirely different part of speech. It's an
18
    adjective, on offer, and there's a verb offered. True?
    different parts of speech.
19
20
              MR. MCRAE: Objection, argumentative.
21
              THE COURT: Overruled.
22
              THE WITNESS: The term offered, the verb offer or
23
    offered has multiple definitions.
24
    //
25
    //
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Szabo - Cross / By Ms. Mitchell
                                                                 156
 1
    BY MS. MITCHELL:
 2
         It is a verb, true? Or a past tense verb?
 3
              MR. MCRAE: Vaque.
              THE COURT: I didn't hear. I'm sorry, Counsel.
 4
 5
              MR. MCRAE: I said vaque.
              THE COURT: Overruled.
 6
 7
              THE WITNESS: I don't -- I don't actually -- I don't
    agree that it's necessarily a past tense verb.
    BY MS. MITCHELL:
10
         Do you agree that it's a verb? That an offer to -- like
11
    an offer, the word offered is past tense. Do you think -- do
12
    you agree with that statement?
13
              MR. MCRAE: Objection, asked and answered.
14
              THE COURT: Overruled.
              THE WITNESS: I'm sorry, could you repeat that?
15
16
    BY MS. MITCHELL:
17
         Is the word offered past tense, Mr. Szabo?
18
              MR. MCRAE: Objection, calls for a legal conclusion,
19
    lack of foundation, and asked and answered.
20
              THE COURT: Overruled.
21
              THE WITNESS: I don't believe so. I don't -- not in
22
    this -- not in this sense it is not. How many opportunities
23
    are currently offered. How many opportunities are currently
    offered, that is --
24
25
    //
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Overruled.

MR. MCRAE:

THE COURT:

Objection, relevance, argumentative.

24

	Szabo - Cross / By Ms. Mitchell 159
1	T. CO. T
1	THE COURT: I thought it was Page 2, Line 27.
2	MR. MCRAE: No, I mean like a section, whether it's a
3	recital or a definition of terms.
4	THE COURT: Certainly.
5	MS. MITCHELL: Sure.
6	MR. MCRAE: Exactly.
7	MS. MITCHELL: Sure.
8	THE COURT: Certainly.
9	MS. MITCHELL: I mean
10	MR. MCRAE: Thank you.
11	MS. MITCHELL: if Counsel wants to testify
12	MR. MCRAE: No, I don't want to testify. I want the
13	witness to be given a fair opportunity to know where this
14	THE COURT: Thank you both for your
15	MS. MITCHELL: Thank you.
16	THE COURT: conversation with each other.
17	MS. MITCHELL: Page
18	THE COURT: Let's move along now.
19	MS. MITCHELL: Thank you, Your Honor.
20	BY MS. MITCHELL:
21	Q Page 2, Section 1, under definitions, 1.4, city shelter
22	appropriate, and then going to the next section, which is
23	describing city shelter appropriate, the bottom of Page 3
24	refers to an offer of shelter housing. Do you see that?
25	MR. MCRAE: Objection, the document lack of

	Szabo - Cross / By Ms. Mitchell 160
1	foundation as phrased.
2	THE COURT: Overruled.
3	THE WITNESS: Yes, I see that.
4	BY MS. MITCHELL:
5	Q What does that mean?
6	MR. MCRAE: Objection, calls for a legal conclusion,
7	lack of foundation.
8	THE COURT: Overruled.
9	THE WITNESS: In this case it is referring to a
10	person and so it is using offer as something that would be
11	provided to an individual.
12	BY MS. MITCHELL:
13	Q An action, correct? A shelter or housing is offered to a
14	person. An action has to take place. You agree with that?
15	MR. MCRAE: Objection, compound, vague,
16	argumentative.
17	THE COURT: Overruled.
18	THE WITNESS: I agree that that is how well, that
19	is how it appears to be used in this case in this section to
20	me, yes.
21	BY MS. MITCHELL:
22	Q And that is different than the phrase on offer, true?
23	MR. MCRAE: Objection, argumentative, lack of
24	foundation.
25	THE COURT: Overruled.

- 1 | used in many different ways. And I also don't see a definition
- 2 of offer.
- 3 BY MS. MITCHELL:
- 4 Q I'm asking for your interpretation of this word in this
- 5 | context.
- 6 A That's right, and so I gave you my interpretation in this
- 7 | context, as I gave you my interpretation of the same word in a
- 8 different context which had a different meaning.
- 9 Q All right, let's go to Section 4.2. We're on Page 6,
- 10 Line 28, the very bottom, no enforcement action shall be taken
- 11 against any individual suspected of violating a public space
- 12 regulation or ordinance unless that individual has first been
- offered adequate and appropriate, and I think we go to the next
- 14 | section, shelter, housing, and/or to relocate. Do you see that
- 15 phrase?
- 16 A I --
- 17 Q Specifically I'm going to ask you about the phrase offered
- 18 | adequate and appropriate shelter or housing. On the bottom of
- 19 Page 6, what does offered adequate and appropriate shelter or
- 20 housing mean to you in this context?
- 21 MR. MCRAE: Objection, lack of foundation, calls for
- 22 a legal conclusion, and beyond the scope of this hearing.
- 23 **THE COURT:** Overruled.
- 24 **THE WITNESS:** Again, in this case because it is
- 25 referring to an individual, a person, offer is being used as

- 2 Q So you would agree in this context if let's say there was
 3 simply a number of shelter or housing opportunities on offer,
 4 that would not be sufficient to meet the obligations under this
- 4 that would not be sufficient to meet the obligations under this 5 section?
- MR. MCRAE: Objection, it calls for speculation, it's a hypothetical, it's also an incomplete hypothetical, it lacks relevance, it's beyond the scope of this proceeding.
- **THE COURT:** Overruled.
- 10 MR. MCRAE: I'm sorry, and calls for a legal conclusion.
- **THE COURT:** Overruled.
 - THE WITNESS: I don't -- I actually don't understand how it would be -- how it would be used. I mean this statement is talking about providing an individual with an opportunity to be housed in shelter or housing and so this is offer -- the word offer I believe is appropriately used here and it has different meanings and the meaning that I take from this is that action, it is providing this opportunity to an individual.

20 BY MS. MITCHELL:

Q Okay, so let's go back and read the whole clause or the whole phrase here. No enforcement action shall be taken against any individual suspected of violating a public space regulation or ordinance unless that individual has first been offered adequate and appropriate shelter or housing. So do you

- 1 | that you cited offer is referring to something provided to an
- 2 | individual. In this case offer is referring to a bed.
- 3 Everything in the first sentence is referring to beds.
- 4 Everything in the second sentence is referring to individuals,
- 5 | including a request to provide information about PEH who have
- 6 accepted offers of shelter or housing. If it was intended to
- 7 be an offer in the context -- in the context that you cited in
- 8 | the other -- in the other areas of this agreement, it would
- 9 have been in the second sentence and it would have been
- 10 | something that was an obligation of LAHSA because that's where
- 11 | it would be appropriately required. Not in the first sentence
- 12 | that's talking about the beds the City has responsibility to
- 13 create.

- 15 Q Who are the beds and opportunities being offered to?
- 16 MR. MCRAE: Objection, vague.
- 17 **THE COURT:** Overruled.
- 18 THE WITNESS: They're offered -- again, there are
- 19 multiple definitions of offered. In this case it's offered
- 20 to -- for use by the homeless services system. In some cases
- 21 | it's permanent housing, permanent housing providers. Interim
- 22 housing, service providers that work for interim housing. And
- 23 | it is creating the compliment of beds that are available to be
- 24 used to house people.
- 25 //

24 MR. MCRAE: -- compound, lack of foundation.

25 **THE COURT:** Overruled.

24

25

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- Q True or false, every housing or shelter opportunity

 3 created or otherwise obtained is ultimately offered to the
- 4 homeless service providers in the City of Los Angeles?
- 5 MR. MCRAE: Objection, vague.
- 6 **THE COURT:** Overruled.
- 7 MR. MCRAE: And lack of foundation.
- 8 **THE WITNESS:** These are quarterly reports.
- 9 Information fluctuates from quarter to quarter. So I can't
- 10 | answer a true or false for -- in the manner that you've
- 11 proposed it. It's a quarterly report. It is possible that
- 12 | we -- that opportunities that we create would be different than
- 13 | the opportunities offered.

14 BY MS. MITCHELL:

- 15 Q But it's never fluctuated, has it?
- 16 A It hasn't because we have made the decision to reduce the
- 17 | number of opportunities created to the extent that those
- 18 opportunities created have -- are no longer in or for some
- 19 reason out of service, under repair, whatever. We've reduced
- 20 those numbers.
- But that is what my understanding is. Beds are
- 22 opportunities created. Those that are offered and then the
- 23 same thing with those that are currently available. It's a
- 24 | continuation of the same discussion. How many beds have you
- 25 created, how many are offered of those beds that are created,

19 THE COURT: Overruled.

> THE WITNESS: The manner in which we constructed our reports was responsive to each of the items identified, each of the metrics requested in the first sentence of 7.1.

2.3 BY MS. MITCHELL:

morning.

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Let's move on to available. So the very next metric that we have is the number of beds or opportunities currently

are permanent housing and, again, by definition permanent

- 1 | housing is supposed to be more -- ideally, they're in that
- 2 | housing for longer than a quarter and it's reasonable that if
- 3 | it's leased up then that information remains to be -- remains
- 4 | current quarter to quarter.
- 5 The definition or the manner in which we're reporting
- 6 PEH served in -- for interim housing refers to how many times
- 7 | there's been turnover in those beds, how many times a bed has
- 8 been used. So that information is cumulative and it should --
- 9 | it should be increasing over time since the time that it's been
- 10 established.
- 11 BY MS. MITCHELL:
- 12 Q Showing you Exhibit 29, Line 18. That's a interim housing
- 13 | for Highland Gardens, is that right?
- 14 A Yes.
- 15 Q And you show 143 beds and 259 PEH served.
- 16 MS. MITCHELL: And just for clarification for the
- 17 | Court, this is Exhibit 9 -- excuse me, this is Exhibit 29,
- 18 | which is Docket 652. The date on that is October 16th of 2023.
- 19 Just for context.
- 20 **BY MS. MITCHELL:**
- 21 Q So going back to Line 18 and on housing PEH served, you
- 22 | would agree that the moment that you report that, which is 15
- 23 days after the quarter ends, that number, 259, may be stale?
- 24 MR. MCRAE: Objection, calls for speculation, lack of
- 25 | foundation.

	Szabo - Cross / By Ms. Mitchell 177
1	THE COURT: You dropped your voice and I didn't hear
2	the last portion.
3	MS. MITCHELL: I said
4	THE COURT: That number is?
5	MS. MITCHELL: Stale.
6	THE COURT: Stale. Thank you.
7	MR. MCRAE: Calls for speculation, lack of
8	foundation.
9	THE COURT: Overruled.
10	THE WITNESS: I don't agree with that. You're
11	talking about two entirely different concepts. I don't two
12	entirely different concepts.
13	BY MS. MITCHELL:
14	Q Is it true, Mr. Szabo, that at the time you submitted this
15	there may or may not have been 259 people served? Maybe there
16	was 263, maybe four additional people had been served in the 15
17	intervening days between the time the quarter ended and the
18	time this report was submitted.
19	MR. MCRAE: Objection, compound, lack of foundation,
20	vague, calls for speculation.
21	THE COURT: Overruled.
22	MR. MCRAE: And relevance.
23	THE COURT: Overruled.
24	THE WITNESS: That is possible.
25	//

and it doesn't -- it doesn't -- and I agree that it shouldn't

THE WITNESS:

It's not in there. It's not in there

24

- 1 be in there because we're talking about quarterly reports.
- 2 BY MS. MITCHELL:
- 3 Q But it's a little bit different than like a website that
- 4 | you can update in real time, as opposed to a retrospective
- 5 report, is that true?
- 6 MR. MCRAE: Objection, relevance and incomplete
- 7 hypothetical.
- 8 **THE COURT:** Overruled.
- 9 THE WITNESS: I think a website would be a more
- 10 appropriate -- a more appropriate mechanism to convey
- 11 | information about beds that are currently unoccupied, as
- 12 opposed to currently available, in each Council District,
- 13 | which -- so yes, you're -- this is part of the reason that we
- 14 | are reporting -- that we reported this information as we did,
- 15 because it doesn't make sense to report unoccupied, currently
- 16 unoccupied data in a quarterly report. It would be more
- 17 appropriate for a website that could be updated in real time or
- 18 daily.
- 19 But having -- but reporting information about how
- 20 many beds are available for use in each Council District as in
- 21 how many beds have been made available that are being used to
- 22 | serve the population experiencing homelessness, that is
- 23 appropriate for a quarterly report.
- 24 //
- 25 //

24 **THE COURT:** Overruled.

25 **THE WITNESS:** I just thoroughly disagree with that.

25

BY MS. MITCHELL:

Okay, so if all beds are occupied are there any beds to be

24

25

offered, Mr. Szabo?

And those commissioners can make motions, is that right?

24

25

That is correct.

	Szabo - Cross / By Ms. Mitchell 187
1	A That is my understanding.
2	Q They can vote, is that true?
3	MR. MCRAE: Objection, lack of foundation and calls
4	for
5	THE COURT: Overruled.
6	MR. MCRAE: a legal conclusion.
7	THE COURT: Overruled.
8	(To the Witness): You may answer the question.
9	THE WITNESS: Yes, commissioners can vote.
10	BY MS. MITCHELL:
11	Q They can recommend to establish commissions, is that
12	right?
13	MR. MCRAE: Objection, lack of foundation.
14	THE COURT: Overruled.
15	THE WITNESS: The bylaws, I would need to review the
16	bylaws. I think that might be that might be in the that
17	might be with the chair, but I need to look at the bylaws on
18	that.
19	BY MS. MITCHELL:
20	Q In conjunction with the five members appointed by the
21	County, the City and the County together direct LAHSA policy,
22	is that true?
23	MR. MCRAE: Objection, vague.
24	THE COURT: Overruled.
25	THE WITNESS: The representatives appointed by the

23 BY MS. MITCHELL:

Q The money that City provides to LAHSA, it pays for

25 | specific activities, is that true?

BY MS. MITCHELL:

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7 And when it's paying, and I said specific activities, you

I'm sorry.

10 MR. MCRAE: Objection, vague.

BY MS. MITCHELL: 11

Okay, I'll just ask the question. You correct me if I'm 12 13 using a different phrase.

14 For the specific activities that the City is funding, 15 the City can direct how it wants its money to be spent, is that 16 right?

17 MR. MCRAE: Objection, calls for a legal conclusion, 18 it's also vaque.

19 THE COURT: Overruled.

> THE WITNESS: So in the case of -- so in part. There are some funds that go to LAHSA for LAHSA operations, which are -- which are specific. So for example, that go to the homeless engagement teams. Those are outreach workers that work directly for LAHSA, they're employees of LAHSA. There are other -- the majority of our dollars goes to LAHSA for

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Szabo - Cross / By Ms. Mitchell
                                                                  192
 1
    conclusion, and it's asked and answered.
 2
              THE COURT: Overruled.
              THE WITNESS: I think the phrase itself is a
 3
    limitation.
 4
    BY MS. MITCHELL:
 5
 6
         How is the phrase itself a limitation?
 7
         It says to the extent possible.
 8
         So that's the limitation.
 9
         Yes.
10
              MS. MITCHELL: Okay. Thank you.
11
         Going to the number of PEH engaged, the next metric -- and
12
    by the way. Let's look at this we'll work with LAHSA to
13
    include in the quarterly status updates to the extent possible.
14
    Would you agree that this section, this entire sentence is
15
    largely about outreach?
16
              MR. MCRAE: Objection, lack of foundation, vague.
17
              THE COURT: Overruled.
              MR. MCRAE: Calls for a legal conclusion.
18
19
              THE COURT: Overruled.
20
         It is about people.
21
         Outreach to people.
22
         Outreach is part of -- it doesn't actually use the word
23
    "outreach." It's referring to interactions with people.
24
         With people experiencing homelessness.
25
         With people experiencing homelessness, yes.
```

- 1 | teams, correct, that it doesn't manage through LAHSA?
- 2 A The City has a limited staff of outreach workers specific
- 3 to Inside Safe.
- 4 Q Do council districts employ any outreach teams?
- 5 MR. MCRAE: Objection, vague.
- 6 THE COURT: Overruled.
- 7 THE WITNESS: Council districts, the -- manage --
- 8 each council district manages its office differently as it
- 9 relates to how it organizes itself around its office's
- 10 homelessness response.
- It is typical that they have liaisons with the outreach
- 12 | workers that work in each council district.
- Council offices also have used funds that are under their
- 14 | control to contract with LAHSA for multidisciplinary teams, for
- 15 example, which are contracted again through service providers.
- 16 BY MS. MITCHELL:
- 17 Q It is -- I wouldn't say -- although, again, each office is
- 18 | handled differently. I wouldn't say that there are outreach
- 19 workers in council offices, but --
- 20 Q Okay. So --
- 21 A But, again, I'm not sure how every office has organized
- 22 itself.
- 23 Q Okay. So there may be council districts that directly
- 24 employ outreach workers, you just don't know of them
- 25 specifically.

	Szabo - Cross / By Ms. Mitchell 197
1	MR. MCRAE: Calls for speculation.
2	THE WITNESS: I'm sorry.
3	MR. MCRAE: I said calls for speculation.
4	THE COURT: I'm sorry, I didn't hear the last part of
5	the answer.
6	THE WITNESS: So
7	MS. MITCHELL: Go ahead and answer.
8	THE WITNESS: I believe it is in the range of 15.
9	THE COURT: Fifteen, one, five.
10	THE WITNESS: I believe. But I don't I would need
11	to verify that. I don't know.
12	THE COURT: Okay.
13	THE WITNESS: And I really don't know. It's but
14	it's not a hundred.
15	MS. MITCHELL: Okay. That's I think that's fair.
16	BY MS. MITCHELL:
17	Q So let's go to the number of PEH engaged. You previously
18	described with your counsel your understanding of engagement.
19	Engagement means that the outreach that they are conducting
20	results in engaging the person experiencing homelessness with
21	some kind of case plan; do you recall saying that?
22	MR. MCRAE: Objection, mischaracterizes the witness's
23	testimony.
24	THE COURT: Overruled.
25	THE WITNESS: I believe I said something close to

Q Okay. And the actual language is progress with this

24 agreement, your interpretation is progress with the principal

obligation of the agreement, which is beds; is that fair?

- 1 MR. MCRAE: Objection, mischaracterizes the witness's
- 2 testimony.
- 3 **THE COURT:** Overruled.
- 4 THE WITNESS: It is correct, yes, that the primary
- 5 obligation of this agreement is to create the 12,915 beds, and
- 6 | that the data reported in our status reports, in our status
- 7 | updates is -- should be related to those beds.

BY MS. MITCHELL:

- 9 Q Your testimony is also that it's impossible to report this
- 10 metric because when people are engaged, they're not necessarily
- 11 engaged related to specific beds; is that right?
- 12 MR. MCRAE: Objection, mischaracterizes the witness's
- 13 testimony.
- 14 **THE COURT:** Overruled.
- 15 A It -- when there is engagement, it is not always -- it is
- 16 | not the case that engagement -- that all engagements are tied
- 17 to specific beds, that the engagements don't necessarily lead
- 18 immediately to a housing solution.
- In some cases, as I said, in the case of Inside Safe, that
- 20 | is a case where there are specific beds and there is outreach
- 21 | that is conducted specific to those beds. But that is not the
- 22 universal standard.
- 23 Q Okay. And your testimony therefore is that it's not
- 24 possible to report PEH engaged exclusive to the opportunities
- 25 | created to the settlement for that reason; is that right?

If the definition of

Mr. Szabo, it -- follow me here.

24

25

to obtain.

- 1 | with Judge Birotte, there -- capabilities can evolve over time.
- 2 And in some areas, what was impossible to report in 2022 could
- 3 be possible to report on a go-forward basis.
- 4 So I don't think that -- you know, we understood this is a
- 5 | five-year agreement. And our obligation was to work with LAHSA
- 6 to include, to the extent possible, these -- this information.
- 7 So we have no -- obviously we agreed to the settlement.
- 8 We were certainly willing to work with LAHSA, and we did work
- 9 | with LAHSA.
- 10 Our definition of PEH engaged is as it relates to this --
- 11 to the beds in this agreement. But we certainly have no
- 12 | objection to reporting aggregate information if that's what is
- 13 requested by the Court or the Plaintiffs.
- We can report that. We have been reporting that, just in
- 15 | a different forum. So that's -- I don't think there's a -- I
- 16 | honestly don't see the issue here.
- 17 It's we couldn't report it in the way that we had hoped to
- 18 report it, so we didn't. But if we're broadening the
- 19 definition, we can certainly work with Plaintiffs and the Court
- 20 on that.
- 21 Q And there's a way to report it that is possible, which is
- 22 | the citywide metrics, true? And then there's a way that makes
- 23 | it impossible to report, which is tying it to Alliance beds.
- 24 And the City is choosing to interpret it in the impossible way;
- 25 | is that right?

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 1
              MR. MCRAE:
                         Your Honor, that is argument. It --
 2
              THE COURT: Do you understand -- excuse me. Do you
    understand the question?
 3
              THE WITNESS: I do. I mean, I do.
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 5
              MR. MCRAE: Can I finish my objections before he
 6
    answers?
 7
              THE COURT: No, I wanted to make sure he understood
 8
    the question.
 9
              MR. MCRAE:
                         Right.
              THE COURT: Now raise your objection, counsel.
10
11
                         Thank you. It's argument. It also is
              MR. MCRAE:
12
    counsel testifying as to what is or is not possible. It's
13
    compound. There's an "or" in the question. It calls for
14
    speculation. And there's a lack of foundation. And it calls
15
    for a legal conclusion.
              THE COURT: Overruled.
16
17
              Do you recall the question? It can be restated.
18
              THE WITNESS: And, I'm sorry, I'm going to ask you --
19
              THE COURT: Yeah, no, let's get it restated. It was
20
    a lengthy question --
21
              THE WITNESS: Yes.
22
              THE COURT: -- or lengthy objection --
23
              THE WITNESS: Thank you.
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    //
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The number of engagements related to Inside Safe is

something that is tracked, yes.

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- 20 21
- 22 Section 4.1 refers to a preexisting policy. It is in the agreement. But that street engagement strategy wasn't agreed 23
- 24 to as a result of the settlement.
- 25 But it is part of the agreement, true?

```
Szabo - Cross / By Ms. Mitchell
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 1
         It --
              MR. MCRAE: Objection --
 2
         -- references -- yes, 4.1 references the City's existing
 3
    street engagement strategy.
 4
         City will continue to offer shelter or housing to city
 5
    shelter appropriate PEH, etcetera. That's -- I read that
 6
 7
    correctly in Section 4.1.
 8
              MR. MCRAE: Objection, Your Honor. It's beyond the
 9
    scope.
              THE COURT: Overruled.
10
11
         Yes.
12
         And that's part of this agreement, true?
13
              MR. MCRAE: Asked and answered, Your Honor.
14
              THE COURT: Overruled.
15
         Yes.
16
         And looking at section five, milestones and deadlines
17
    where the City will create plans and develop milestones and
18
    deadlines for the creation of shelter and housing and
19
    encampment engagement cleaning and reduction and use best
20
    efforts to comply with those plans, milestones, and deadlines,
21
    that's part of this agreement, true?
22
              MR. MCRAE: Objection, Your Honor, argumentative.
    Also, calls for a legal conclusion.
23
24
              THE COURT: Overruled.
25
         It is, yes.
```

- 1 MS. MITCHELL: Let's move on to the next section.
- 2 Q The number of -- well, I'm sorry, the -- let's -- the last
- 3 metric, the number of PEH who have accepted offers of shelter
- 4 or housing. It's your interpretation that the City reporting
- 5 PEH served is that metric; we've established that, correct?
- 6 A That's correct.
- 7 Q Okay.
- 8 A That represents that number.
- 9 Q Okay. So going on. The number of PEH who have rejected
- 10 offers of shelter or housing and why, you previously testified
- 11 | that the requested information here is how many times a person
- 12 experiencing homelessness was offered but then rejected an
- 13 offer.
- 14 We've talked about this offer versus on offer here. And
- 15 | your interpretation is this is an actual offer of shelter; is
- 16 | that right?
- MR. MCRAE: Objection, --
- 18 MS. MITCHELL: Let me --
- MR. MCRAE: -- mischaracterizes --
- 20 MS. MITCHELL: That was a terrible -- I agree with
- 21 you, Marcellus. Let me ask that one again.
- 22 BY MS. MITCHELL:
- 23 Q Your interpretation here is that this metric is asking for
- 24 how many times a person experiencing homelessness was offered
- 25 but then rejected an offer; what does that mean?

- 1 THE WITNESS: So the -- we've been working with LAHSA
- 2 on an ongoing basis that predates this settlement agreement.
- But we've been working with LAHSA as it relates to this --
- 4 to these obligations back to our -- back to 2023, when we first
- 5 started as we were issuing our initial reports.
- 6 MS. MITCHELL: May I have a moment, Your Honor?
- 7 **THE COURT:** Certainly.
- 8 BY MS. MITCHELL:
- 9 Q I'm going to show you Exhibit 547 which is an e-mail from
- 10 Megan, is it Falcon or Falcone? How do you pronounce her last
- 11 | name?
- 12 A Falcone.
- 13 Q Falcone. From Megan Falcone to Emily Vaughn Henry and
- 14 cc'ing Edwin Gipson dated August 24th of 2023. Have you seen
- 15 | this e-mail before?
- 16 MR. MCRAE: Objection, Your Honor, lack of
- 17 | foundation -- well. I'll let the question proceed.
- 18 **THE WITNESS:** I'm not -- I wasn't copied on this e-
- 19 mail but I believe I've seen this e-mail.
- 20 | Q Were you aware and I'm sorry Megan Falcone and Edwin
- 21 Gipson work in your office, right, in the CAO's office?
- 22 A That's correct.
- 23 Q And you were CAO at this time?
- 24 A That's correct.
- 25 Q This is an e-mail, purports to be an e-mail from Megan in

- 1 | your office informing Ms. Vaughn Henry that as part of the
- 2 | Alliance settlement agreement the City will be required to
- 3 report quarterly to the extent possible and then identifies a
- 4 | series of metrics. Do you see that?
- 5 A I do, yes.
- 6 Q Is this your office's first attempt to work with LAHSA to
- 7 | get this data?
- 8 MR. MCRAE: Objection, argumentative, lack of
- 9 foundation.
- 10 **THE COURT:** Overruled.
- 11 **THE WITNESS:** I don't know because there was turnover
- 12 | in our homelessness unit. I had a different chief when I first
- 13 became CAO and when this agreement was made.
- 14 BY MS. MITCHELL:
- 15 Q When did you become CAO?
- 16 A I became CAO in July of 2021.
- 17 Q And you said you had a different chief, what was the
- 18 | chief's name?
- 19 A I'm sorry, yes, chief is a term that we use for the heads
- 20 of our divisions. The chief of the homelessness group in --
- 21 when in the initial months of this settlement or leading up to
- 22 the settlement and in the initial months of the settlement was
- 23 Brian Buckner.
- 24 Q And when did Mr. Buckner leave?
- 25 A I don't remember the exact date. I don't remember the

- 1 | Q Okay. Have you let's say searched, have you done a search
- 2 for Mr. Buchner's e-mails to determine if he had previously
- 3 been working on this issue prior to leaving the City?
- 4 A Buckner?
- 5 Q Buckner, thank you.
- 6 A I don't -- no, I don't have direct access to his e-mails,
- 7 but as I said -- and even if I did, that is not -- it wouldn't
- 8 be conclusive as to whether there was any communication. At
- 9 | the time we made the settlement, we had something called the
- 10 unified homelessness response center, which was housed at the
- 11 emergency management department that he frequently -- that he
- 12 | created as part of this work, where we had representatives of
- 13 LAHSA and City departments.
- 14 We were trying to get the county to be part of that and so
- 15 as it relates to the early days, certainly in 2022, there was a
- 16 | lot of face-to-face communication by design between our office
- 17 and LAHSA. So if there wasn't an e-mail that doesn't mean in
- 18 any way that there wasn't communication. They were sitting
- 19 next to each other in a pretty close space frequently.
- 20 Q Okay. But just to be clear, you have no evidence or
- 21 knowledge as you sit here today of any outreach that actually
- 22 happened prior to August 24th, 2023 regarding these issues; is
- 23 | that right?
- MR. MCRAE: Objection, it's compound and it's vague.
- 25 It calls for a legal conclusion and it's asked and answered.

- possible, relative to what?
- 24 **THE COURT:** Do you understand the question?
- 25 **THE WITNESS:** I actually didn't. Could you repeat

- 1 | the question please?
- 2 BY MS. MITCHELL:
- 3 Q Yeah. You testified as a result of our work with LAHSA
- 4 | we've determined that it was not possible. My question to you
- 5 is, what work with LAHSA, what -- how did you work with LAHSA
- 6 to determine it was not possible to report these metrics?
- 7 MR. MCRAE: Vague as to it and which metric at which
- 8 time.
- 9 THE COURT: Overruled, you can answer that question.
- 10 **THE WITNESS:** Our office has interaction with LAHSA
- 11 on a daily basis. I mean, it is literally our work, so you're
- 12 asking what is the definition of work with LAHSA, we interact
- 13 | with LAHSA on a daily basis on a number of issues.
- Some that include topics addressed in the settlement,
- 15 | many that don't, but we work with LAHSA on a daily basis.
- 16 BY MS. MITCHELL:
- 17 Q Okay. So can you identify any work with LAHSA that you
- 18 have done, I'm not talking about your office, that you have
- 19 done to determine that reporting on this metric is not
- 20 possible?
- 21 MR. MCRAE: Vague again as to which metric.
- 22 **THE COURT:** Overruled.
- 23 **THE WITNESS:** I've had a number of conversations and
- 24 | I have been in a number of meetings where they have represented
- 25 | that offers rejected is not something that they could report.

if you are aware of any communication from your staff then

I understand that you don't know all communications, I'm asking

24

relate to these metrics, I don't know.

- 1 Q Okay. So I'll ask a more broad question then. Are you
- 2 aware of anybody in the City, whether LAHSA commissioners,
- 3 LAHSA appointed commissioners, anybody in your office ever
- 4 asking LAHSA to start collecting this data so it can be
- 5 reported?
- 6 MR. MCRAE: Objection, assumes facts that that's the
- 7 | case, lacks foundation, calls for a legal opinion and it's
- 8 vague.
- 9 **THE COURT:** Overruled.
- 10 **THE WITNESS:** Anyone ever asking LAHSA to start
- 11 | collecting data so that it could be reported?
- 12 BY MS. MITCHELL:
- 13 Q Correct.
- 14 A I mean certainly there's been -- there has been on
- 15 multiple levels ongoing conversations as it relates to
- 16 encampments.
- 17 Q I'm so sorry, Mr. Szabo, can you repeat that? Are you
- 18 aware of any communications asking for this information?
- 19 A Without specificity, I'm aware that there have been --
- 20 | there certainly has been conversations with LAHSA as it relates
- 21 to improving their capacity to report data on encampments.
- 22 | That's been an ongoing process and at multiple levels.
- 23 Q Well, this isn't talking about encampments, this is
- 24 talking about PEH who have accepted offers of shelter -- excuse
- 25 me, PEH who have rejected offers of shelter or housing and why

- 1 because this is something that has been consistently, no, we
- 2 | don't do that. The answer we had been getting is this is not
- 3 | something we do, this is not something our outreach workers do
- 4 | and it's just -- it's not part of the program. That's been --
- 5 | that has been every discussion that I've had related to this
- 6 has resulted in that. And so I've been -- you know, we have
- 7 been pushing them on a number of areas, including encampments,
- 8 | but you're asking specifically about offers rejected and, you
- 9 know, that is again, it's not possible. We haven't been
- 10 reporting it because it hasn't been possible. It might be
- 11 | that's compliant with the obligation here, because it has not
- 12 been possible.
- There have been turnovers in leadership at LAHSA and
- 14 | as they've been improving their data and as they have -- as new
- 15 | leadership has taken the helm, there's a greater openness to
- 16 moving into this direction.
- 17 BY MS. MITCHELL:
- 18 Q Who said it was not possible?
- 19 A I'm sorry?
- 20 Q You said they said it was not possible. Who said it was
- 21 not possible?
- 22 A On multiple levels for the last several years. This is
- 23 | not something -- this is something that they've consistently
- 24 | stated it's not something that they do, it's not something that
- 25 | outreach workers do, it's not something they've even intended

- 1 to require, but I think there is a greater openness so that
- 2 | again, this is something that I think would be appropriate. It
- 3 | isn't possible today, it wouldn't be possible next week, but
- 4 | this is something that I think would be appropriate for
- 5 discussion with Judge Birotte if there were a meet and confer
- 6 on this item. I feel like we can get to some sort of a
- 7 | timeline.
- 8 Q I appreciate that, Mr. Szabo, I'm just looking
- 9 retrospective because you've talked about a number of metrics
- 10 and I'm just asking about this specific metric, number of PEH
- 11 | who have rejected offers of shelter or housing and why.
- 12 Who said that was not possible? Give me the name of one
- 13 person, you said multiple levels, one person.
- 14 A I'm not going to give you the name of one person. It's
- 15 been consistently communicated over the last several years.
- 16 Q Can you give me the name of any person that said that?
- 17 A No.
- 18 Q Can you give me any date that that was said?
- 19 A Multiple dates throughout the several years --
- 20 Q Can you give me one --
- 21 A -- but I cannot give you a date. Again, we work with
- 22 | LAHSA on a daily basis. There are -- we meet with LAHSA for
- 23 various reasons literally daily.
- 24 Q Who sets the policy for LAHSA?
- 25 MR. MCRAE: Objection, it's vague, lack of foundation

- 1 being able to report with a high level of accuracy data
- 2 regarding encampments, broken down by council district.
- 3 My understanding is that it is not quite ready yet,
- 4 but they are currently collecting this information and in the
- 5 | very near future we will have the capacity to report this
- 6 information on a council district basis.

7 BY MS. MITCHELL:

- 8 Q As of 2023, you were at minimum able to report encampments
- 9 per council district identified for Inside SAFE encampment
- 10 | clean ups; is that right?
- 11 MR. MCRAE: Objection, lack of foundation, calls --
- 12 **THE COURT:** Overruled.
- MR. MCRAE: -- for speculation.
- 14 THE COURT: You can answer the question, sir.
- 15 **THE WITNESS:** Well, I think if you're referring to
- 16 | Inside SAFE, Inside SAFE encampments identified for clean up
- 17 | that's different than number of encampments in each council
- 18 district.
- I think numbers that were provided on that specific
- 20 to Inside SAFE, again if you're referring to the information
- 21 | that I believe you're referring to, it was very limited and it
- 22 | is -- was in no way a representation of the totality of
- 23 encampments in any given -- in any particular council district
- 24 or citywide.
- 25 Q But my question was, as of 2023, you were at minimum able

- 1 | with that e-mail is Exhibit 409, which includes clients with
- 2 | CLS. Living situation? And then outreach clients engaged, so
- 3 | the total number of clients engaged is Table 2, various exits
- 4 from homelessness. And then the Table 7, as has been testified
- 5 to here by Bevin Kuhn is the Inside SAFE encampments. Have you
- 6 seen this before?
- 7 A Yes, I have.
- 8 Q Okay. So my question to you is, as of October of 2023,
- 9 | the City at minimum could have been reporting the number of
- 10 | Inside SAFE or excuse me, encampments per council district
- 11 | identified for potential Inside SAFE clean ups; isn't that
- 12 true?
- 13 MR. MCRAE: Objection, Your Honor, it assumes that it
- 14 was called for, so it calls for a legal conclusion, it lacks
- 15 | foundation, it's vague and it calls for speculation.
- 16 **THE COURT:** Overruled.
- 17 **THE WITNESS:** So I would -- no. This information was
- 18 | not what was requested in the settlement agreement. And
- 19 | furthermore, this information is badly incomplete as it relates
- 20 to being representative of encampments in the city.
- 21 As an example, for Council District 14, which
- 22 includes skid row, it shows two encampments. If we would have
- 23 reported as an effort to comply with Section 7.1 that there are
- 24 | two encampments in skid row that would not be in any way
- 25 | accurate or consistent with the truth or any obligation under

publicly report this information.

- And I have seen a draft of what it could look like,

 but it is not yet ready. They're still -- we still need to

 work through the information. LAHSA still needs to work

 through the information on a -- you know, to ensure that it is
 - I think again in the near future. I don't -- I can't commit to the next quarterly report, which would by the end of, you know, this month. But again, this is a timeline we could work this out with Judge Birotte, but I can just tell you that we are very close to having that capability and we have a commitment to provide that information as soon as we can provide that information in a manner that we can validate.

13 **BY MS. MITCHELL:**

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accurate.

- Q Are you aware that Bevin Kuhn testified this encampment data has been available since early 2025?
- 16 MR. MCRAE: Objection, mischaracterizes the witness'
 17 testimony.
- 18 **THE COURT:** Overruled.
- 19 THE WITNESS: I'm not aware of her testimony, but I'm
 20 not -- that doesn't surprise me. They have been improving
 21 their capacity and capability to collect information on
 22 encampments.
- 23 Q The Department of Sanitation collects data on encampments.
- 24 A They -- it collects data, it collects some data on
- encampments on tents, makeshift shelters, et cetera, yes.

going to point you to page 2, which is identified as page 3 I

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                                                                 238
 1
    think on the docket.
              THE COURT: Just a moment. What docket number is it?
              MS. MITCHELL: This is Docket 776, Your Honor. And
 3
 4
    I'm on page 3 of 7.
 5
              THE COURT: Okay. It's 776 and the exhibit number is
 6
    80?
 7
              MS. MITCHELL: Exhibit 80.
              THE COURT: And the page is?
 9
              MS. MITCHELL: Page 3, according to the docket
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    pagination.
11
              THE COURT: All right. Thank you.
12
              MR. MCRAE: I'm sorry, what was that exhibit again,
13
    Your Honor?
14
              MS. MITCHELL: 80.
15
              MR. MCRAE: 80, thank you.
16
    BY MS. MITCHELL:
17
         Can you read that footnote, please, starting on line 26?
18
         The City is failing to report the specific metrics of the
    number of beds or shelter opportunities currently available in
19
20
    each council district, the number of PEH engaged, the number of
21
    PEH who have accepted offers of shelter and housing, the number
22
    of PEH who have rejected offers of shelter and housing and why
23
    offers were rejected, and the number of encampments in each
    council district.
24
25
         There's a second line there as well.
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- 1 A Reporting these metrics would go far in meeting the City's
- 2 | obligations to provide sufficient information to enable parties
- 3 to evaluate compliance.
- 4 MR. MCRAE: Your Honor, objection. This is out of a
- 5 brief, it's not evidence, and it's not sent to Mr. Szabo.
- 6 **THE COURT:** Overruled.
- 7 MR. MCRAE: So this lacks foundation, it's pure
- 8 | argument by counsel and it doesn't have an evidentiary value.
- 9 | Pleadings don't have -- briefs don't have evidentiary value.
- 10 **THE COURT:** Thank you, overruled.
- 11 BY MS. MITCHELL:
- 12 Q Have you seen this before, Mr. Szabo?
- 13 A I don't believe so.
- 14 Q Did anybody raise this issue or brought this issue to your
- 15 attention that the Alliance was taking issue with the City's
- 16 reporting?
- 17 MR. MCRAE: Objection, lack of foundation.
- 18 **THE COURT:** Overruled.
- 19 **THE WITNESS:** I mean we've had ongoing conversations
- 20 about the City's reporting for some time and the -- we've had
- 21 | multiple, multiple conversations regarding
- 22 establishment of milestones and this hasn't been raised. This
- 23 specific issue has not been raised to me in the context of
- 24 those ongoing conversations.
- 25 Q But the Alliance raised this issue over a year ago, right,

25

thank you.

THE COURT: Okay. Why don't we take 20 minutes,

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1	MS. MITCHELL: Thank you.
2	THE COURT: Sir, you may step down.
3	THE WITNESS: Thank you.
4	(Recessed at 4:29 p.m.; reconvened at 4:55 p.m.)
5	THE COURT: Back on the record and if you'd be
6	seated. Thank you, counsel, for your courtesy. We need time
7	this evening when you finish to just have a discussion for
8	about 15 or 20 minutes in terms of scheduling, et cetera. So
9	take us as far as you can, but I think about 5:30, I need a few
10	moments with the folks.
11	UNIDENTIFIED SPEAKER: Yes, Your Honor.
12	THE COURT: Okay. Hopefully you'll be done today.
13	MS. MITCHELL: May I proceed, Your Honor?
14	THE COURT: If not, we'll be courteous and reschedule
15	at your convenience. Okay.
16	CROSS EXAMINATION (CONTINUED)
17	BY MS. MITCHELL:
18	Q Mr. Szabo, you previously testified that your team is
19	absolutely committed to providing as much accurate information
20	as we possibly can. Do you recall that?
21	A Yes, I do.
22	Q And that your team is extraordinarily dedicated and highly
23	skilled and perfectionists. Do you recall that?
24	A Yes.
25	Q And do you recall testifying that you have layers and

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22 BY MS. MITCHELL:

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And likewise, your staff compared the addresses in the spreadsheets with LA Alliance addresses and found that 12 of the beds were actually overlapping; is that right?

Not specifically, not the contents of the email, no.

But were you aware of the email was my question?

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First of all, does this

Just a moment.

THE COURT:

That's correct.

THE WITNESS: Yes. Yes.

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- limited access to HMIS and they were not able to -- and there was a discrepancy between the number of intakes reported through HMIS and the number of intakes reported by the service providers serving those sites.
- 22 Was this the first time your office had cross-referenced 2.3 with HMIS?
- 24 MR. MCRAE: Objection. Calls for speculation, lack 25 of foundation, and relevance.

- 1 | system. I don't know if it's at varying levels.
- 2 Q Now, as we have discussed previously, or actually maybe
- 3 | not with you, Mr. Szabo, the PEH served metric, and we'll go,
- 4 let's say, to Exhibit 35, which is dated April 15th of
- 5 2025. So this PEH served metric, you report that differently
- 6 for permanent supportive housing than you do for interim
- 7 housing; is that right?
- 8 MR. MCRAE: Can we just have the document shown to
- 9 | the witness?
- 10 **THE WITNESS:** Yes, that's --
- 11 BY MS. MITCHELL:
- 12 Q So for permanent supportive housing, what you report is a
- 13 | snapshot in time, right, at how many units were leased at the
- 14 | very end of the quarter; is that true?
- 15 A That is correct.
- 16 Q And for interim housing, you report the cumulative
- 17 | numbers, so from the beginning of the settlement or as soon as
- 18 | the facility opened all the way to today; is that true?
- 19 A That's correct. The number of intakes that each of the
- 20 units at that site are responsible for, yes.
- 21 **THE COURT:** You know, would you ask that again? I
- 22 | want to be certain in my notes that I, once again, absorb
- 23 this. I don't have real time here, so I apologize.
- 24 BY MS. MITCHELL:
- 25 Q Yes. So for permanent supportive housing, you provide a

- 1 | snapshot in time. So the very last day of the reporting
- 2 quarter, you pull the number of units that are leased and
- 3 provide that number for PEH, for permanent supportive housing,
- 4 | is that true?
- 5 A That's correct.
- 6 Q And for interim housing, you provide the cumulative
- 7 | numbers, meaning from the moment that facility was open and
- 8 occupiable to today; is that right?
- 9 A That's correct. We report the number of individual
- 10 | intakes that site has accommodated from when it opened to the
- 11 | end of the reporting period.
- 12 | Q So taking a look, and we will focus on -- let's look at
- 13 line 18. It's one of the only interim housing on the first
- 14 pages, Highland Gardens. So you have 143 beds, and on this
- 15 | metric, you're reporting 412 PEH served; is that right?
- 16 A That's -- yes, that's correct.
- 17 Q And that's a cumulative number from when it opened on
- 18 December 27th of 2022 to the end of the quarter that you're
- 19 reporting for; is that right?
- 20 A That is the intent, yes, that's correct.
- 21 Q One line, let's say above it, the VA building 207, so line
- 22 | 17, we have 59 beds and 59 PEH. Do you see that?
- 23 A Yes.
- 24 Q And that specific metric is the snapshot metric showing
- 25 | that all those beds were filled; is that right?

- 1 other, renovations, et cetera.
- 2 O Now, let's go to Exhibit 28, sorry. I apologize 29.
- 3 We're looking at 29. So, line 1, we have the Washington View
- 4 Apartments, and there are 91 units and 91 PEH served. Do you
- 5 | see that?
- 6 A Yes.
- 7 Q Okay, so if we go to Exhibit 30, line 1, we again see 91
- 8 units and 91 PEH served. See that?
- 9 A Yes.
- 10 Q Going to Exhibit 31, line 1, same thing, Washington View
- 11 Apartments, 91 units, 91 PEH served. And I'll just go through
- 12 | all of them quickly. Exhibit 32, line 1, 91 units, 91 PEH
- 13 | served. Do you see that?
- 14 A Yes.
- 15 **THE COURT:** Just one moment, counsel. Just one
- 16 minute, please. All right. Please continue.
- 17 BY MS. MITCHELL:
- 18 Q Exhibit 33, Washington View Apartments, we see 91 units
- 19 | and 91 PEH served. Do you see that?
- 20 A Yes.
- 21 Q Exhibit 34, Washington View Apartments, we see 91 units
- 22 and 91 PEH served. Do you see that?
- 23 A Yes, I do.
- 24 Q Exhibit 35, line 1, Washington View Apartments, 91 units
- 25 and 91 PEH served. Do you see that?

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that a number of the leases or the vouchers were discontinued for various reasons. I would need to look into the specifics on this item, but it's possible that in the period of time over that last quarter that there were five units taken out of

- 1 service or the vouchers expired.
- 2 BY MS. MITCHELL:
- 3 Q Okay. Let's go back to Exhibit 29, and let's look at
- 4 | another one. Let's look at the Chesterfield, line 3. Do you
- 5 | see that? 42 units and 42 PEH served. You see that?
- 6 A Yes.
- 7 THE COURT: Wait just a moment. All right. Thank
- 8 you.
- 9 BY MS. MITCHELL:
- 10 Q Exhibit 30, Line 3, Chesterfield 42 units, 42 PEH served.
- 11 Do you see that?
- 12 A Yes.
- 13 Q Exhibit 31. Chesterfield 42 units, 42 PEH served. Do you
- 14 | see that?
- 15 A Yes.
- 16 Q Now, for the sake of time, we can just go right to --
- 17 | we'll go to 35 and take a look at Exhibit 35. Chesterfield 42
- 18 units, 42 PEH served. Do you see that?
- 19 A Yes.
- 20 Q Exhibit 401, which is the report dated 715 Chesterfield
- 21 | reflects 42 units and 42 PEH served. Do you see that?
- 22 A Yes.
- 23 Q And now suddenly on Exhibit 43 the Chesterfield reports
- 24 only 34 PEH served after three consecutive years of full
- 25 Occupation. Do you see that?

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served?

Yes

- 1 | can say. It is typical that we that we update information as
- 2 | it's -- it is sometimes the case when we're talking about now
- 3 | nearing 11,000 units that there will be and there has been
- 4 updates on information and we report those as soon as we're
- 5 aware of the new information.
- 6 So I would -- again, I would need time to look
- 7 into the specific reason behind the three bed reduction in --
- 8 or rather the three person reduction in person served, but I
- 9 | just know that if there is -- if there is new information
- 10 provided, if there's new information that is verified by our
- 11 office, we're going to update that information.

- 13 Q If I told you there were dozens of these discrepancies in
- 14 | these reports, where the numbers have been changed, would that
- 15 | surprise you?
- 16 MR. MCRAE: Objection. Relevance, also vague.
- 17 **THE COURT:** Overruled. You can answer that.
- 18 **THE WITNESS:** So I wouldn't refer to them as
- 19 discrepancies. I would refer to them -- if it's new
- 20 | information, if it's information that's been reported, it's the
- 21 | information that we were able to verify at the end of that
- 22 quarter or in this case, this may have been the supplemental at
- 23 the time of issuing the supplemental.
- 24 Q How do you report Inside Safe booking agreements?
- 25 MR. MCRAE: Objection. Vague.

- 23 Q Showing you Exhibit 403, Hotel Silver Lake. What's the
- 24 cumulative number there?
- 25 MR. MCRAE: Objection, Your Honor, to this line of

- 1 questioning. We're literally just reading documents.
- THE COURT: Overruled.
- 3 **THE WITNESS:** It says 66. It would be helpful to be
- 4 able to review the document in total because it looks like
- 5 there are multiple footnotes related.

- 7 Q If you want time, you can access it on the iPad. I can
- 8 | also just show you the footnotes if you'd like to do that.
- 9 A If you can point me to the exhibit number.
- 10 Q 403.

- 11 (Pause)
- 12 **THE WITNESS:** Yes, so the footnotes do attempt to
- 13 | indicate that what we're reporting for PEH served are -- we
- 14 indicate that they're conservative numbers, that they do
- 15 | fluctuate, and that the tracking model from LAHSA is improving
- 16 or expanding. As it relates to PEH served, particularly with
- 17 | booking agreements that fluctuate, there is, and we have --
- 18 | there has been new information and updated information, and
- 19 | we're reporting the information as best as we can on a
- 20 quarterly basis, but I do expect numbers to fluctuate in the
- 21 future.
- 22 Q These are cumulative numbers, true?
- MR. MCRAE: Objection. Argumentative.
- 24 Q It's what you just testified to.
- 25 **THE COURT:** Overruled.

This is -- as it relates to this kind of information that we are securing from service providers through LAHSA, and it does rely on HMIS as well, it is to be expected that there may be some fluctuations in the data.

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please.

We report the data as best we can at the end of the quarter, and if there is new information or if there is a concern with the previously reported information, excuse me, our policy is to update that information and attempt to explain the change in the footnotes. So it's our best effort to

- 1 provide the most accurate information, and should you have
- questions about it, the reason that we footnoted it is so that
- 3 | we can provide that and provide additional information if you
- 4 | want additional information as to why it went down. Excuse me.
- 5 Q Where do the footnotes explain why the cumulative numbers
- 6 | went down here? What footnotes should we look at?
- 7 MR. MCRAE: Objection. Argumentative, and ask and
- 8 answered.
- 9 **THE COURT:** Overruled.
- 10 **THE WITNESS:** I believe it says that there was a
- 11 | certain number of properties where the numbers were reduced, a
- 12 | certain number of sites where the PEH had a downward adjustment
- 13 | from a prior quarterly report. These are conservative numbers,
- 14 and they may increase in the future based on expanded
- 15 tracking -- based on an expanded tracking module from LAHSA.
- 16 BY MS. MITCHELL:
- 17 Q Okay, we were looking at line 9, Hotel Silver Lake, I can
- 18 put it back up, and you went to the footnotes and said the
- 19 | footnotes explained. My question is, which footnotes should we
- 20 look at to see why the cumulative numbers for the first time
- 21 have gone down?
- 22 MR. MCRAE: Objection. Asked and answered.
- THE COURT: Overruled.
- 24 **THE WITNESS:** In footnote 33, we indicate that there
- 25 was a downward adjustment, and that there was a downward

- 1 | adjustment because the numbers were conservative, and they may
- 2 go up in the future based on our review of the available data.
 - Q You said footnote 33, seven sites had a downward
- 4 adjustment in number of PEH served data from the prior
- 5 quarterly report. These are conservative numbers, and they may
- 6 increase. So where does it explain why the number of PEH
- 7 served went down?

- 8 MR. MCRAE: Objection, Your Honor, out of context,
- 9 and also ask and answered.
- 10 **THE COURT:** Overruled. Thank you. You may answer
- 11 | the question.
- 12 **THE WITNESS:** It indicates the change. It draws your
- 13 | attention to the change. If there's a specific question about
- 14 a specific site, that's information that we could provide.
- 15 BY MS. MITCHELL:
- 16 Q What did you do differently in this report that you've
- 17 | never done before?
- 18 MR. MCRAE: Objection. Assumes facts and is
- 19 argumentative and relevance.
- 20 **THE COURT:** Overruled.
- 21 **THE WITNESS:** As I said, there was a discrepancy in
- 22 | the reporting between the service providers and what we were
- 23 able to verify in HMIS, and it was a large discrepancy, where
- 24 smaller discrepancies we would expect potentially, and those
- 25 | would be resolved to the best of our ability. So that's the

- 1 | reason why we pulled back and didn't include that number for
- 2 PEH served in that quarterly report because there was a large
- 3 discrepancy.
- 4 Q Did you ever discover the cause of the large discrepancy?
- 5 MR. MCRAE: Objection. Vaque and irrelevance.
- 6 **THE COURT:** Overruled.
- 7 **THE WITNESS:** I don't know if we have discovered the
- 8 cause. I don't want to speculate. I have some initial
- 9 | indications, but I would need to verify that before I could
- 10 commit to it. But there was a discrepancy between the service
- 11 providers and HMIS data.

- 13 Q But my understanding is you've always checked, cross-
- 14 | checked with HMIS what service providers are doing. So my
- 15 question is, what did you do differently this time to double
- 16 | check or verify or whatever took you an extra three to four
- 17 | weeks?
- 18 MR. MCRAE: Objection. Compound. Objection to the
- 19 preamble about what counsel understands, it's just not
- 20 | relevant. It's also argumentative and it assumes facts.
- 21 **THE COURT:** Overruled. You may answer the question.
- 22 **THE WITNESS:** We, in an effort to provide the Court
- 23 | with a supplemental report, an updated report, as soon as we
- 24 | could, we took the most conservative approach to reporting the
- 25 PEH served. It may increase, as I said, and as the footnotes

- 1 | state, as we continue to work with LAHSA on their tracking
- 2 | system. But I can just say that we weren't able to connect all
- 3 of the intakes that were being reported by the service
- 4 providers to the beds that we were reporting as open and
- 5 occupiable.
- And so it created the situation that we needed to
- 7 reconcile. It was a large discrepancy.

- Q And was this the first time that you've compared those two
- 10 numbers?
- 11 MR. MCRAE: Objection, vague.
- 12 **THE COURT:** Overruled.
- 13 **THE WITNESS:** It was the first time that we had a
- 14 large discrepancy that raised questions about whether we should
- 15 report the information to the Court. There was also a
- 16 disagreement, I would just say, between the service providers
- 17 and the information that we were able to verify through
- 18 | HMIS. They believed that their records were correct. So out
- 19 of not just an abundance of caution, but until we were able to
- 20 reconcile, A, I directed staff to not include those numbers in
- 21 our initial quarterly report, and B, directed staff to take the
- 22 most conservative approach to reporting the numbers in the
- 23 supplemental.
- 24 Q So did you do anything to try to understand the difference
- 25 and to try to verify, or did you just take the lower of the two

calculating PEH served since our first report in 2023.

1 returning to the stand, but we'll be courteous. We'll reach 2 out and make that comfortable for you and your professional duties. 3 Could I have one moment, counsel? I'll be right back 4 5 with you. 6 Could I see Tom? Could I see both of my law clerks? 7 And if you'd remain just a moment, Mr. Szabo. (Recessed at 5:42 p.m.; reconvened at 5:46 p.m.) 9 THE COURT: Thank you for your courtesy. Because there's --10 11 MR. MCRAE: Your Honor, can the witness step down? 12 THE COURT: I want Mr. Szabo here. 13 Can you put up that PowerPoint? I've got an overlap 14 between the West LA VA Campus veteran case and some of the 15 issues that are coming up here. And because the West Los 16 Angeles veterans case is up on appeal, I've been very careful 17 to take -- and I've been very inactive on that case. 18 In Building 207 -- first of all you know that 19 veterans homelessness has actually gone up in Los Angeles, 20 don't you? Do you know that, Mr. Szabo? 21 THE WITNESS: Yes. 22 THE COURT: Okay. We would expect the, I'm going to 23 call them permanent supportive housing or for want of a better 24 word, we would expect stability basically in this long term

In other words, unlike interim

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stability, wouldn't we?

- 1 housing, permanent housing often has stability. Correct?
- 2 **THE WITNESS:** Yes, that's the goal.
- THE COURT: In Building 207 there was a document that
 was shown or eluded to and, counsel, each of you go back to the
 testimony about Building 207.
- 6 Line 17, Building 207, if you recall had 59 beds. 58
- 7 of those beds have been listed as beds occupied by veterans.
- 8 One of those beds is the house manager at 207. By the way,
- 9 Judge Pregerson was very active out there, 207 is a conversion
- 10 that he started a long time ago with 208 now and 209. It's a
- 11 campus and you might not be aware of this, I'll take you out
- 12 | there if you want, but it's got a point and I note your
- 13 objections but -- by the City.
- Shangri-La is a service provider, are you aware who
- 15 | Shangri-La is?
- 16 **THE WITNESS:** Yes, generally.
- 17 **THE COURT:** Are you aware that they were flipping
- 18 property?
- 19 **THE WITNESS:** I've read those reports.
- 20 **THE COURT:** Okay. And I also wrote about that, do
- 21 | you recall, in an opinion I issued?
- THE WITNESS: Yes.
- 23 **THE COURT:** Talking about corruption. Do you recall
- 24 that?
- 25 **THE WITNESS:** Yes.

1 THE COURT: HACLA is in a sense, for want of a better 2 word, the outreach for the City, correct? 3 THE WITNESS: HACTA --THE COURT: We can take a while with this if you want 4 5 to, but I'm --THE WITNESS: 6 Yeah. 7 THE COURT: -- not being articulate, but HACLA is 8 somewhat the placement entity. 9 THE WITNESS: The placement entity for the project 10 based vouchers, yes, for permanent housing, that's correct. 11 THE COURT: You're looking at VA Building 207 12 quarterly report April -- I'm sorry March 31st, 2025. Do you 13 see that? All of you folks? 14 MS. MITCHELL: Yes, Your Honor. Okay. Now, I want to show you another 15 16 report. In the VA Building 207 on the September report are PEH 17 served drops from 59 to 31. That's a drop of 28 veterans and 18 the point of PSH housing is to provide much needed stability. 19 The numbers may go down by one or two, but usually people are 20 not leaving PSH housing because of the stability it provides.

And so one example of the discrepancy in the VA
Building 207 is what you're looking at on the projection. And
since 2023 the City has reported that the site has remained in
full occupancy at 59 units. However, in this recent quarterly
report from the City on September 30th, 2025 that number

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drastically dropped to nearly half of what the number reported as 31.

please, more than welcome.

And there was not an adequate response that I've received yet on why fewer veterans are able to access PSH housing. So while the goal is not to put you on the spot and maybe I'll wait for the VA campus case to come back, I just want to understand what's really going on here, what we're talking potentially 30 veterans who are getting their life together and settling into a permanent home and now facing homelessness again.

And HACLA which is the city entity did my placement and also Shangri-La which was there was widespread notoriety and publicity about flipping property is also the provider and now under indictment.

What's going on? Help me, Mr. Szabo. I'm trying to desperately understand this in both the VA case and the City case and fortunately I've got an involvement with both of them.

MR. MCRAE: Your Honor, may I make my objection now?

THE COURT: Please make your objection and then I --

21 MR. MCRAE: Your Honor, my objection is that I don't
22 understand -- the question what's going on.

THE COURT: Okay. I can be more specific. How can we have a drop in 30 veterans and if you can't answer it, just tell me you can't answer it. But I was going to bring this up

- 1 on the VA case when jurisdiction came back to me in some form,
- 2 | but HACLA, the City entity is involved and not only placement
- 3 | but servicing with Shangri-La and I wrote about this corruption
- 4 before. And you recall that.
- 5 MR. MCRAE: So if I may, it is a different question.
- 6 THE COURT: Now state your objection, please, and
- 7 I'll be very courteous.
- 8 MR. MCRAE: Thank you. So my objection is I don't --
- 9 as far as the scope of this hearing, the Court is now talking
- 10 about issues about corruption which to my knowledge --
- 11 **THE COURT:** I'm telling you also about the
- 12 discrepancy in the figures, because this goes to a huge drop
- 13 | that the City is involved in with veterans through HACLA. Now,
- 14 | if you're confused we'll bring Mr. Szabo back and I'll be
- 15 | courteous.
- 16 MR. MCRAE: It's not just --
- 17 **THE COURT:** But hold on now, your objection is noted.
- 18 | If you can help me in any way, I really need to understand
- 19 this, because otherwise, I'm coming right back to the VA and
- 20 asking the same questions. What's going on here? If you know
- 21 | and can you help me?
- 22 **THE WITNESS:** Judge, I could help you. I don't have
- 23 | the details today. But I would be happy to come back. I could
- 24 get that information for you.
- 25 **THE COURT:** Okay. Let's wait.

1 THE WITNESS: Okay. 2 THE COURT: In fairness, take a look at it. THE WITNESS: Okay. I will. 3 You've got the City in a sense -- well, 4 THE COURT: let's just leave it at that. I want to be courteous about 5 that, we'll have plenty of time. 6 7 All right. So why don't you step down, we'll be courteous. We'll find you. By the way, have a good holiday. 8 9 THE WITNESS: Okay. Thank you. You too, thank you. 10 THE COURT: Okay. How are we doing reaching out so I 11 can contact Judge Birotte tonight? He's somewhat waiting. What information do you have? 12 13 MR. HAMBURGER: It seems based on counsel's schedule 14 that Monday, the 22nd would be the best day and basically the 15 only day because --16 THE COURT: And if not Monday, I have no idea, you 17 know, placing a call to him on Thursday, he's got kids, et 18 cetera. He's around the holidays but he didn't specify the 19 date. If not Monday, what's our back up date? 20 MR. HAMBURGER: I don't know if there is one based on 21 counsel's travel, but you let me know. 22 MR. UMHOFER: Your Honor, we're available on the 23 weekend as well. We're eager to have these conversations and 24 to make ourselves available so between now --

What day is the 21st?

THE COURT:

- 1 MR. HAMBURGER: That's Sunday I believe.
- 2 THE COURT: Sunday? And you're available what day?
- 3 MR. HAMBURGER: Monday, the 22nd.
- 4 THE COURT: The 22nd?
- 5 MR. HAMBURGER: Yeah. And then I believe Shayla is -
- 6 Ms. Myers, apologies, is traveling on the 23rd in the
- 7 morning.
- 8 THE COURT: Okay. We're not going to disturb that.
- 9 Let's assume that that wasn't possible, so I'm not bringing you
- 10 back to court. What's the next date, would it be early
- 11 January?
- 12 MR. HAMBURGER: It may be when Ms. Mitchell comes
- 13 back after January 9th.
- MS. MITCHELL: Yeah, I mean, certainly, Your Honor,
- 15 I'm back in the country the night of January 9th. We can be
- 16 available over the week, Mr. Umhofer can stand in for me and
- 17 | I'm happy to join by Zoom, all of that can happen.
- 18 **THE COURT:** Let me reach out to Judge Birotte, okay.
- 19 He's got family also, but he's willing, you know, during hours,
- 20 normal hours to be involved. So our back up would be January
- 21 9th or after, or are you coming back, Ms. Mitchell, on January
- 22 9th?
- 23 MS. MITCHELL: I land at 8:30 p.m. on January 9th.
- 24 THE COURT: Okay. Then it would be -- well, it'd be
- 25 January 11th.

1 MS. MITCHELL: Your Honor, we can --2 MR. HAMBURGER: You decide that, Mr. Umhofer would be available, is there a day that you would be available before 3 the 9th? 4 5 MR. UMHOFER: I'm back on the 4th, so we could 6 assist --7 THE COURT: Just a moment, we're going to make this simple. I want all of your resources available on both sides. 8 9 MR. UMHOFER: Yes. 10 THE COURT: Now what about the Mayor, what about the 11 Council President? In other words, I've heard counsel, but 12 remember the principals have to be involved. And that's what 13 you were going to reach out to, that's what you represented 14 you'd find out for me. 15 MR. HAMBURGER: So my understanding is that Mr. Szabo 16 can be there on the 22nd. 17 THE COURT: No, I'm sorry, the principals. We're 18 going to --MR. HAMBURGER: Yeah. I do not believe --19 20 THE COURT: Judge Birotte and I talked about this. 21 MR. HAMBURGER: -- the principals can be there on 22 Monday, the 22nd. I believe that, my understanding and Matt 23 maybe could speak to this, that if there is -- there's way to 24 contact the principals during the day as necessary. 25 THE COURT: On the 22nd?

- 1 MR. HAMBURGER: Yes, that is my understanding.
- 2 **THE COURT:** Are they available that day to meet with
- 3 Judge Birotte?
- 4 MR. HAMBURGER: No, I do not believe the Council or
- 5 | the Mayor are available, that's my understanding.
- 6 THE COURT: Let me say again, we need the principals
- 7 | there. That's the Mayor, the Council President, that's what I
- 8 | asked you to reach out and find out about. And I don't want to
- 9 concoct an order.
- 10 MR. HAMBURGER: I do not believe they are available
- 11 on the 22nd. We were trying to --
- 12 **THE COURT:** When are they available?
- 13 MR. HAMBURGER: I do not know when they are
- 14 available.
- MR. MCRAE: Your Honor, as a point of clarification,
- 16 | isn't the Court asking for people that have the authority to
- 17 | speak for those principals? In other words if it's literally
- 18 | physically --
- 19 **THE COURT:** No, I'm very clear. Counsel --
- 20 MR. MCRAE: -- having as Council person there for
- 21 example, if you have someone who's authorized to speak on their
- behalf, why doesn't that accomplish the same purpose?
- THE COURT: Thank you, counsel. I'll simply make an
- 24 order then if you can't reach a definite date between the two
- 25 of you.

- MS. MITCHELL: We'll circulate some dates, Your

 Honor, and we can include the Court on that. We can also

 include Judge Birotte in that if that's helpful. We're happy

 to coordinate that.

 THE COURT: All right. But we need the principals
- THE COURT: All right. But we need the principals
 available, that's the Mayor and the Council President, we'll be
 courteous. There may be ways to communicate with them, but if
 there is a resolution, we need to be confident it's going
 forward at the highest level.
- 10 MS. MITCHELL: Understood, Your Honor.
- 11 THE COURT: Okay. And so when would you like to
 12 coordinate with each other so I can let you go tonight and get
 13 back to me?
- MS. MITCHELL: We can do that via e-mail tonight and tomorrow morning.
- 16 **THE COURT:** Fair enough?
- 17 MR. MCRAE: Yes.
- 18 **THE COURT:** Okay. Now, second, I've instructed
- 19 Mr. Scolnick --
- 20 MR. HAMBURGER: He had a commitment. He needed to leave.
- THE COURT: And Ms. Mitchell approached Special
 Master Martinez and you'd asked about her report. I've
 instructed her not to prepare her report until most of the
 witnesses, if not all of the witnesses have testified. I wan

1	everything, as the Court is hearing, also heard by my Special
2	Master. So I wanted to indicate that to you.
3	MS. MITCHELL: There was also a question, Your Honor,
4	we also discussed the letter, there was a letter that the City
5	had sent and Special Master Martinez represented that she was
6	waiting until after these proceedings were done to respond to
7	that letter, which is about 7.1 and that kind of thing.
8	THE COURT: I just knew from her that there'd been ar
9	approach informally to her, I didn't have a record of that. I
LO	wanted it clear that I've instructed her to wait.
L1	MS. MITCHELL: Understood, thank you, Your Honor.
L2	THE COURT: Until all of the evidence is before the
L3	Court. Then what time would you like to convene on the 12th?
L 4	It sounds like that's the earliest date we can get back into
L5	session? Is 8 o'clock okay with you folks?
L 6	MS. MITCHELL: 8 o'clock is fine.
L7	THE COURT: Okay. Now, listen, have a wonderful
L8	holiday, with you all and all of your family.
L9	MS. MITCHELL: Thank you, Your Honor, you as well.
20	THE COURT: Thank you very much. And we'll
21	communicate with you and we'll get some orders out next week.
22	(Proceedings concluded at 6:02 p.m.)
23	* * * *
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CERTIFICATION

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

Som I Julian

December 19, 2025

Signed

Dated

TONI HUDSON, TRANSCRIBER