

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:20-cv-02291-DOC-KES

Date: September 10, 2024

Title: LA ALLIANCE FOR HUMAN RIGHTS, et al., v. CITY OF LOS ANGELES, et al.

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PRESENT:

THE HONORABLE DAVID O. CARTER, JUDGE

Karlen Dubon  
Courtroom Clerk

Not Present  
Court Reporter

ATTORNEYS PRESENT FOR  
PLAINTIFF:  
None Present

ATTORNEYS PRESENT FOR  
DEFENDANT:  
None Present

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**PROCEEDINGS (IN CHAMBERS): ORDER RE: PROPOSED  
AMENDED BUDGET FOR AUDIT**

Pursuant the Court’s Order adding the LAPD and all enforcement-related expenditures to the scope of the audit, *see* [Dkt. 764](#), A&M has submitted a proposed amended budget for the assessment to reflect the expanded scope. The City is ordered to present the proposed amended budget, attached here as Exhibit 1, to the Mayor and City Council for approval.

The Clerk shall serve this minute order on the parties.

MINUTES FORM 11

Initials of Deputy Clerk: kdu

CIVIL-GEN

# **EXHIBIT 1**

September 9, 2024

District Judge David O. Carter  
United States District Court  
California Central District Court  
411 West Fourth Street, Courtroom 10A  
Santa Ana, CA 92701

Re: Amendment One to Engagement Letter dated May 17, 2024

Dear Judge David O. Carter:

This letter serves as an amendment to the engagement letter between Alvarez & Marsal Public Sector Services, LLC (“A&M”) and District Judge David O. Carter (the “Court”) dated May 17, 2024 (the “Agreement”).

1. Updated Scope of Services

(a) A&M has been engaged under the Agreement to conduct an independent assessment of the City of Los Angeles’s homelessness programs; specifically, this financial and performance assessment is limited to funding from the City of Los Angeles and the three identified programs: 1) Freeway Agreement – Roadmap Program, 2) Inside Safe Program, and 3) Alliance Settlement Program (the “Programs”)<sup>1</sup>. This ongoing assessment is hereby amended to include a review of the Los Angeles Police Department (“LAPD”) limited to their involvement with the Programs. A&M will not review, use, collect, or retain any personal information obtained through interviews or personal interactions.

(b) A&M’s scope of work will be updated to encompass:

- a. **Evaluation of Homeless Services Functions of the LAPD:** A&M will review the services provided by the LAPD and respective funds appropriated in the adopted homeless budgets across the lookback periods of the respective Programs and any supplemental expenditures that have been categorized or recategorized as homelessness spending, including, but not limited to:
- i. LAPD Sworn Overtime and Other Homeless Services Related to Interim Homeless Housing Sites (IHHS)
  - ii. LAPD Homeless Coordinator Resources
  - iii. LAPD Resource Enhancement Services and Enforcement Team
  - iv. LAPD Unified Homeless Response Center

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<sup>1</sup> The A&M team will continue to assess and prioritize the distributed funds to these Programs based on estimated materiality upon agreement with Judge David O. Carter.

- v. LAPD Proactive Engagement Staff / Support for Public Right-of-Way Clean Up
  - b. A&M's evaluation of LAPD's involvement in relation to the Programs will include:
    - i. Interviewing experts within LAPD as well as select service providers and unsheltered people experiencing homelessness
    - ii. Reviewing and examining policies, procedures, and protocols for interactions with unsheltered people experiencing homelessness, including referral processes
    - iii. Evaluating LAPD's allocated funding and expenditures related to their involvement in homelessness assistance services
    - iv. Quantifying the total hours, hourly rates, and related costs for overtime paid using City funds for Department Sworn Overtime and Other Homeless Services-IHHS
    - v. Requesting and analyzing historical financial and operational (e.g., citations, arrests) data that may be tracked or connected to the Programs
    - vi. Understanding the organizational structure of each unit of the LAPD specifically dedicated to coordinating or providing homelessness services
    - vii. Assessing LAPD's resource impact for responses to incidents involving unsheltered people experiencing homelessness
    - viii. Identifying the key metrics and outcomes tracked and reported by LAPD
  - c. Upon completion of the scope outlined above, A&M will include a summary of the results of its review of LAPD as a component of the overall assessment in accordance with the original Scope of Work.
2. Proposed Pricing
- (a) To provide for the expansion of scope outlined above, A&M estimates an increase in a fixed-fee price of \$270,000 for a total fixed fee of \$2,470,000. A&M will continue to invoice the City of Los Angeles monthly: \$440,000 for the August invoice and \$575,000 for each of the September and October invoices. The pricing proposed is subject to change to ensure a comprehensive assessment and based on the availability of LAPD leaders and other experts for interviews, and the timely response to data requests by LAPD and other City departments, as necessary.
3. Proposed Supplemental Scope for Consideration
- (a) On August 29, 2024, during the court conference, Judge Carter inquired whether A&M believes the current scope is sufficient to meet the objective of a comprehensive assessment. Under the current scope, A&M needs to perform an analysis and evaluation on whether the Programs assist or hinder people experiencing homelessness in enrolling and receiving proper care and services, including behavioral health, access to treatment beds, and substance use treatment. A&M would like to gain a deeper understanding of whether the Programs offer comprehensive medical care and health

- services, such as mobile clinics, access to medications, vaccinations, and other essential healthcare provisions. Based on A&M's current understanding, the County plays a significant role in funding and providing these services, such as Mainstream Services to clients in interim housing beds established by the City who meet eligibility criteria as well as permanent supportive housing services. To further assess and understand whether the Programs increase, reduce, or otherwise impact housing and shelter placements and stability of people experiencing homelessness, A&M believes this comprehensive assessment needs to include the services directly funded and provided by the County of Los Angeles.
- (b) Examples of the County-funded services that the A&M team wants to further assess and understand include but are not limited to:
- a. Mental health and substance-use disorder outreach; Multi-Disciplinary Teams deployed and funded by the Department of Health Services
  - b. Intensive Case Management Services and integrated health services
  - c. Services to facilitate connection to primary care, specialty mental health services, and substance use disorder services
  - d. Disability benefit advocacy services through Departments of Health Services, Mental Health, and Public Health
  - e. Assistance to apply for and obtain public assistance, including Electronic Benefits Transfer benefits to purchase food, temporary financial assistance, Medi-Cal enrollment, and general relief (i.e., temporary financial assistance for indigent adults who are otherwise ineligible for state or federally funded benefits) through the Department of Public Social Services
- (c) Contingent upon agreement with the City, County and Court for this supplemental scope, A&M proposes a meeting with the County. This meeting will enable A&M to obtain a deeper understanding of the County's current processes for funding and delivering these services. Following the meeting, A&M will outline and propose the key tasks and timeline necessary to achieve the objectives of this assessment, along with a cost estimate for the parties' consideration.

Except as expressly amended by this letter, all terms of the Agreement shall remain unchanged and in full force and effect.

Very truly yours,

**Alvarez & Marsal Public Sector Services, LLC**

By: \_\_\_\_\_  
Name: Diane Rafferty  
Title: Managing Director

**District Judge David O. Carter**

September 9, 2024

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Accepted and agreed:

**District Judge David O. Carter**

By: \_\_\_\_\_

Name: Judge David O. Carter

Title: District Judge

Accepted and agreed:

*(Court requests either Mayor Karen Bass or City Council President sign below)*

**Mayor Karen Bass**

By: \_\_\_\_\_

Name: Karen Bass

Title: Mayor of Los Angeles

**Paul Krekorian**

By: \_\_\_\_\_

Name: Paul Krekorian

Title: City Council President