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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

LA Alliance for Human Rights, et al.

Plaintiff,

v.

City of Los Angeles, et al.

Defendant.

Case No. LA CV 20-02291-DOC(KESx)

Judge: Hon. David O. Carter

**NOTICE BY SPECIAL MASTER
RE: CORRESPONDENCE FROM
CITY OF LOS ANGELES**

I have received the attached correspondence, submitted by the City of Los Angeles to the LA CoC Board, and I believe that for transparency purposes it should be docketed.

DATED: August 13, 2026

/s/ Michele Martinez
Special Master



August 12, 2026

The Honorable David O. Carter
U.S District Court for the Central District of California
Ronald Reagan Federal Building and U.S Courthouse
411 W. Fourth Street, Courtroom 10A, 10th Floor
Santa Ana, CA 92701

RE: Los Angeles Homeless Services Authority v. U.S. Department of Housing and Urban Development, Case No. [No. 2:26-cv-07056-DOC-AJR] — City of Los Angeles Statement Regarding Motion for Preliminary Injunction and FY 2026 CoC Program Application

Dear Judge Carter:

We write respectfully to share the City's views in advance of the Court's ruling on the pending motion for preliminary injunction in the above-captioned matter. The City recognizes that this litigation is between the Los Angeles Homeless Services Authority ("LAHSA") and the U.S. Department of Housing and Urban Development ("HUD"), and we offer this letter to make the Court aware of the City's interests and its readiness to help ensure a stable and effective transition that preserves critical resources, maintains continuity of services and minimizes any disruption to the individuals and families served through the Continuum of Care ("CoC").

I. The City Is Building Further Capacity to Govern Its Investments

The City is preparing a transition plan that anticipates a future in which LAHSA may no longer be the sole or primary administrator of the region's homelessness system and the City assumes greater responsibility for governing the system it has helped build over decades. Through sustained local investments, the City has expanded interim housing, permanent housing, and other critical components of the regional homelessness response. Additionally, the Housing Authority of the City of Los Angeles ("HACLA") is one of the nation's largest public housing authorities, with extensive experience administering federal housing resources, managing grant programs, and delivering rental assistance at scale. HACLA works with a broad network of housing providers and community partners to deliver housing solutions for Los Angeles residents.

To ensure these investments are effectively managed and accountable to the public, the City is building institutional capacity necessary to oversee the City's homelessness system, data systems, performance management, compliance, and operations. Building this capacity responsibly will take time, and the City is using this period to establish a governance structure that is more transparent and more responsive to the communities it serves.

II. If The Court Declines to Enjoin HUD's Suspension of LAHSA as the Collaborative Applicant, the City Intends to Apply for Funding Directly to HUD

Should the Court decline to enjoin HUD's suspension of LAHSA as the region's collaborative applicant, the City, along with HACLA, intends to apply directly to HUD for the funding that supports programs operating within the City of Los Angeles. HACLA's responsibilities extend far beyond grant administration; they include the management of the largest rental assistance program and collaboration with a range of providers to deliver housing solutions. The effectiveness of HACLA's service delivery hinges on recognizing and addressing the unique needs of our city's residents. Angelenos rely on their City institutions to respond proactively and effectively to homelessness and housing challenges.

The City is also interested in exploring all CoC options, including the formation of its own CoC. As the City noted during the August 6, 2026 hearing, that process is complex. It is governed by HUD regulations and timelines that cannot be compressed, and will require careful planning in coordination with HUD, the County, and regional partners. The City views the direct-applicant approach outlined in the prior paragraph as a potential temporary solution to ensure continuity of care in the City should the Court not enjoin HUD's suspension of LAHSA.

III. If LAHSA No Longer Administers CES and HMIS, the City Intends to Partner with the County to Co-Manage These Systems

As stated in the City's letter to the CoC Board dated July 28, 2026, filed by Special Master Michele Martinez with the Court on August 3, 2026, see Docket No. 46, if LAHSA is no longer able to serve as the Coordinated Entry System ("CES") and Homeless Management Information System ("HMIS") Lead, the City is prepared to partner with the County of Los Angeles to jointly administer those functions on an interim basis. Even if LAHSA is unable to be the collaborative applicant, the Court should enjoin HUD's suspension of LAHSA's roles maintaining CES and HMIS and permit LAHSA to continue to perform those roles until the City and the County have developed a transition plan and are ready to implement it.

The City intends to work with the County to put forth a Memorandum of Understanding (“MOU”) that would detail the roles of the City and County on the management of the systems. The City invests more than \$100 million of its own General Fund annually in its homelessness response, and it serves the jurisdiction with the largest concentration of people experiencing homelessness in the County. Given that scale of investment and need, the City must have a direct role in co-managing the data and coordination systems that drive the region's response.

IV. LAHSA’s Ability to Serve as the Collaborative Applicant for the FY 2026 NOFO

The City respectfully urges the Court to issue a ruling that avoids disrupting LAHSA's current role as the region's collaborative applicant for the FY 2026 Continuum of Care Program Notice of Funding Opportunity (“NOFO”). Any last-minute change in the identity of the collaborative applicant risks jeopardizing as much as \$240 million in regional homelessness funding. Most importantly, it risks disrupting the housing, supportive services, and continuity of care relied upon by thousands of individuals and families experiencing homelessness. The providers, program participants, and jurisdictions that depend on this funding cannot absorb further uncertainty. Recognizing that the current 2026 NOFO has been invalidated by the Rhode Island Federal District Court, we ask the Court to enjoin HUD from suspending LAHSA from completing and submitting this year’s application as the collaborative applicant when the application once again becomes available, while the longer-term governance questions raised in this litigation are resolved in an orderly way.

The City remains committed to working collaboratively with the HUD, LAHSA, the County of Los Angeles, and all regional partners to protect federal resources, maintain continuity of services for people experiencing homelessness, and ensure that any transition in governance is orderly and well-managed. We appreciate the Court's careful attention to these matters and stand ready to provide any further information the Court may find helpful.

Sincerely,



KAREN BASS
Mayor



MARQUEECE HARRIS-DAWSON
Council President, Eighth District