

March 11, 2026

Chair Heather Hutt & Members, Transportation Committee

Los Angeles City Council

200 North Spring Street, Room 395

Los Angeles, CA 90012

RE: [Council File 15-1138-S42](#) — Venice Dell Affordable Housing / LADOT Lot 731

Dear Chair Hutt, and Councilmembers Hernandez, Padilla, Nazarian, and Park:

AIA Los Angeles writes in strong support of the Venice Dell affordable housing project and urges this Committee to take three concrete actions today: (1) reaffirm Venice Dell's construction on LADOT Lot 731 as previously approved; (2) direct LADOT to initiate its mobility hub feasibility study on Lot 701 rather than Lot 731; and (3) reject any City Attorney report that reopens questions a Superior Court judge has already resolved.

Since this Committee last considered this matter, significant new documents have entered the public record that fundamentally reframe what is at stake. The City Attorney's office has now sought — and received — authorization for \$1,380,000 in outside counsel fees to defend the City against five separate lawsuits, all arising directly from the City's own obstruction of this project. The City has responded to the California Department of Housing and Community Development's formal [Letter of Inquiry](#) not with a housing compliance plan, but with a closed-session legal strategy. The longer the City delays, the more it pays — and the more it risks.

I. Venice Dell: What Has Already Been Approved

Venice Dell is a 120-unit affordable housing development at 200 North Venice Boulevard, designed to serve people experiencing chronic homelessness alongside low-income residents in one of Los Angeles's most resource-rich coastal neighborhoods. The project has cleared every required approval:

- Selected through competitive City RFP, 2016
- Planning Commission approved, July 2021
- City Council approved entitlements and rezone, December 1, 2021

- Disposition and Development Agreement (DDA) executed, June 15, 2022
- California Coastal Commission approved, December 11, 2024
- Superior Court upheld City Council approval as proper and lawful
- \$42,455,697 in California Multifamily Housing Program funding awarded, September 22, 2025

The project includes 68 permanent supportive units, 49 low-income units, 3 manager units, and a replacement LADOT parking structure — increasing net public parking on the site. It will deliver hundreds of union construction jobs under a Project Labor Agreement. Of the 34 city-owned pipeline sites in the City's Housing Element, only six are in high-resource areas. Venice Dell is one — and one of only two that have stalled since 2023.

II. The Cost of Obstruction: \$1.38 Million and Rising

On January 15, 2026, the City Attorney's office submitted [Report R26-0038](#) requesting authorization to expand its outside counsel contract with Nossaman LLP from \$620,000 to \$1,380,000 — a \$760,000 increase to defend the City against five separate lawsuits, all stemming from its treatment of Venice Dell. Those cases are:

- LA Forward Institute et al. v. City of Los Angeles et al. (LASC 24STCV17156)
- Venice Community Housing, et al. v. City (LASC 25STCP00892)
- People Organized for Westside Renewal v. City (LASC 25STCP01091)
- Venice Community Housing, et al. v. City (LASC 25STCP03578) — handled in-house
- Venice Community Housing Corp., Hollywood Community Housing Corp., Venice Dell LP v. City (LASC 25STCV20355)

The following table summarizes the documented and potential fiscal exposure created by the City's delay:

Cost Category	Amount	Source
Nossaman LLP outside counsel (authorized Jan 2026)	\$1,380,000	City Attorney R26-0038
Original Nossaman contract (included above)	\$620,000	City Attorney R26-0038

Additional City Attorney in-house litigation (LASC 25STCP03578)	Not disclosed	City Attorney R26-0038
\$42.4M state MHP funding at risk of clawback	\$42,455,697	HCD Award / DDA
RHNA credit already claimed (120 units × replacement cost)	Exposure TBD	Housing Element pipeline

The \$1,380,000 Nossaman contract covers only one outside counsel firm for only some of the active cases. This is taxpayer money being spent to defend the City against housing developers, community organizations, and advocacy groups with whom the City promised to partner. It is money that could have built housing.

A month earlier, on November 25, 2025, the City Attorney filed Report R25-0590 requesting a closed session to discuss the City's 'proposed response' to HCD's Letter of Inquiry. The response to a state housing compliance letter was handled as a litigation matter — in secret, with outside counsel — rather than as a housing policy obligation requiring a public remedy.

III. HCD's Warning: State Intervention Remains a Live Threat

The California Department of Housing and Community Development's October 3, 2025 Letter of Inquiry documented a specific pattern of City actions conflicting with the 2021–2029 Housing Element and the City's Affirmatively Further Fair Housing (AFFH) obligations. HCD's concerns were not resolved by the City's closed-session legal strategy. They remain active. HCD identified:

- The December 2024 Board of Transportation Commissioners hearing — convened as a surprise special session after eight years of development — as a governmental constraint on supportive housing the City is legally required to remove, not add.
- The City's exclusion of Venice Dell from the Affordable Housing Managed Pipeline (AHMP) extension list in April 2025 as threatening the project's financing structure without public justification.
- The \$42,455,697 MHP award as at risk of loss given ongoing City delays.
- The City's RHNA credit for Venice Dell's 120 units has already been claimed — meaning cancellation creates a housing element deficit, not just a lost unit.

HCD warned it would consider issuing a formal Corrective Action Letter against the City's Housing Element and initiating a review of Los Angeles's Prohousing Designation — the state certification that gives the City priority access to competitive state housing funding across all programs, citywide. Defending obstruction in closed session does not address these risks. Building Venice Dell does.

The Raman-Park [Amending Motion](#) of October 7, 2025 requested the City Attorney, Department of City Planning, and Los Angeles Housing Department to report back to Council within 30 days on how they were responding to HCD's inquiry. That deadline passed. What the City produced instead was a closed-session litigation strategy and an expanded outside counsel contract. The Committee deserves a public answer.

IV. What the LADOT Report Actually Reveals

LADOT's [February 2026 report](#) on establishing a mobility hub at Lot 731 does not support the case for displacing Venice Dell. It undermines it. The report's own draft timeline does not reach construction completion until April or May 2028 — at the earliest, subject to staff resources, litigation, and CCC permitting. LADOT concedes there is 'no one-size-fits-all blueprint' and that a feasibility study is needed before the scope can even be defined. Its formal recommendation is merely to 'note and file.'

The City is being asked to cancel an approved, funded, legally vetted housing project in favor of a concept its own transportation department has not defined, not funded, and does not recommend pursuing at this site. Furthermore, Venice Dell has already won its California Coastal Commission permit for Lot 731. A new CCC permit for a mobility hub — in the dual-jurisdictional Coastal Zone — would take up to 12 additional months and begin from scratch. That CCC approval, won through years of process, cannot be transferred.

V. Lot 701: The Right Site for the Mobility Hub

LADOT Lot 701 is publicly owned, near Venice Beach and the transit corridors the mobility hub is meant to serve, and carries none of the legal encumbrances that make displacing housing from Lot 731 so costly. It has no executed Development Agreement to breach, no state funding at risk of clawback, no RHNA credit already claimed, and no Coastal Commission approval already secured that would be surrendered. It is the precise type of clean-slate site that LADOT's own feasibility study process requires. The West LA Sawtelle Neighborhood Council, in an 8-0 vote on October 22, 2025, explicitly rejected proposals to substitute Lot 701 for Lot 731 for the housing project — while supporting Lot 701 for the mobility use.

Beginning the LADOT mobility hub feasibility study on Lot 701 now — in parallel with Venice Dell construction — produces both outcomes: housing and mobility. Not one instead of the other.

VI. An Equity Argument from an Unexpected Voice

The West LA Sawtelle Neighborhood Council's October 2025 Community Impact Statement, submitted unanimously and directed to the full City Council, names a double standard that deserves to be part of this Committee's record: Council District 11 has repeatedly told the West LA Sawtelle NC and community members that it is 'powerless to intervene' in ED1 developments flooding neighboring

Sawtelle — while simultaneously devoting 'significant political and legal resources' to blocking Venice Dell in Venice.

The WLASNC's words are worth quoting directly: this 'raises serious questions of equity and fiscal accountability in a moment of budget strain for the City.' An 8-0 vote from a neighboring neighborhood council is not an abstraction — it is an adjacent community watching and naming what is happening.

VII. Our Requests

AIA Los Angeles respectfully urges the Transportation Committee to take the following actions:

- **1. Reaffirm the Venice Dell affordable housing project on LADOT Lot 731**, consistent with all prior Council approvals, the executed DDA, the CCC coastal permit, and the state MHP funding award.
- **2. Direct LADOT to initiate its mobility hub feasibility study at Lot 701**, a publicly owned site that serves the same transit and community objectives without displacing an approved housing project or forfeiting secured state funding.
- **3. Reject any City Attorney report that seeks to reopen or relitigate the City Council's prior approvals**, which a Superior Court has upheld as proper and lawful.
- **4. Demand a public report** — not a closed-session legal briefing — from the City Attorney, LAHD, and DCP on the City's substantive response to HCD's Letter of Inquiry, as the Raman-Park motion required in October 2025.

The City has now spent more than \$1 million in outside counsel fees defending its refusal to build housing it approved, funded, and legally committed to build. The longer this continues, the greater the fiscal waste, the greater the legal exposure, and the greater the cost to the 120 families who should already be housed. The path forward is clear. We urge the Committee to take it.

Thank you for your leadership on this urgent matter.

Truly yours,



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