

December 16, 2025

The Honorable Katy Young Yaroslavsky
Los Angeles City Council, 5th District
200 N. Spring Street Suite 440
Los Angeles, CA 90012
Councilmember.Yaroslavsky@lacity.org



RE: Integrity Project Zoom Meeting on December 10, 2025, and the
“Dear Neighbor” Email of December 12, 2025

Dear Councilmember Yaroslavsky:

This letter seeks to address and advance the issues raised in the December 10 Zoom meeting and the December 12 “Dear Neighbor” email from you to the neighborhood regarding the operation and the future of the former Terraza property. Given that you directed that communication to the neighborhood, we ask you to **release the video** of the Zoom meeting to the same distribution list.

Our community is highly invested and engaged in this matter because of justified concerns for safety, management, and operation of this site. The site operated for many years as a senior center without incident before it was transferred to Weingart under suspicious circumstances and designated as a homeless shelter without notice and under an Emergency Declaration. As you know, the project is now under federal investigation by the FBI, the outcome of which—including other potential findings of misconduct—remains unknown. We have been repeatedly told that support for the project is contingent upon various mitigating conditions. Even if an operator engaged in illegal activity could be trusted to comply with such conditions, the City entered into numerous legally binding agreements which govern the management of this site that are mutually exclusive with those conditions and are, therefore, unacceptable to us, including by permitting drug and alcohol use, permitting other “risky and harmful” behavior, and prohibiting age-restricted living on site.

This letter will address the many significant deficiencies that we see in the current approach to the former Terraza property – an approach which is not required by the *Alliance* Settlement or federal law, including *Grants Pass* – that are likely to be irrevocable if the project is allowed to continue at this juncture. What’s worse, a project claiming to be in service of preventing eviction of the most vulnerable members of our community, now mired in federal investigation, began with the displacement and eviction of senior citizens of this neighborhood, once living successfully, and safely, in a well-run facility.

For these and other reasons, many of our members want the project returned to the private sector to operate as a senior center again. At a minimum, we seek a pause in the use of any funding and any opening until the federal investigation – and the city investigation that you have supported – completes. Our community broadly supports this approach and at least one local HOA has objected to the project proceeding until the federal investigation completes.

Please let us know when you are available for a follow-up in the second or third week of January to continue our dialogue.

Accountability for Weingart. During the Zoom you stated again that this shelter project was presented to you by the City with Weingart attached as the owner and operator. You stated you are furious the City overpaid for the property, and you do not want to do business with Weingart if they did something wrong. Your email strikes the same tone, saying you are “outraged” by the criminal accusations and “I expect full accountability.” But then the email pivots to this: “the operations of this site are separate and should be addressed on their own terms.”

We reject that separation: an operator engaged in illegal activity cannot be trusted with community safety. Full stop. Accountability does not take place by funding a company engaged in wrongdoing or illegal conduct. You write “if evidence emerges that Weingart was engaged in any illegal activity” then you will oppose the project in its current form. Weingart is already engaged in wrongdoing and illegal activity: it has illegally failed to submit federally mandated audits, according to reports by NPR and LAist. It sent the City a materially misleading appraisal: failing to identify the right owner, relying upon a sale price set by *Weingart itself and the middleman Steven Taylor* (the person who proposed to sell it but did not yet own it), and taking into account phantom income.

In other words, Weingart *already* did something wrong. That is why Torrance terminated Weingart, that is why Weingart’s CEO Kevin Murray and his executive Ben Rosen have been placed on leave, and that is why they both have been removed from the LA County Affordable Housing Authority. Weingart cannot be trusted with the operation of this site, including enforcement of any conditions.

Are “the Conditions” Enforceable? Even if Weingart could be trusted as an operator, which it cannot, the conditions you have articulated as the basis for your approval and release of fund are expressly prohibited by regulations and contracts governing this project. While we would welcome an effort to establish enforceable conditions that any future operator of the site must abide, including 55+, lacks of drugs and alcohol, 24/7 security with multiple guards, a 1000-ft no encampment zone, and other reasonable terms along the lines you have described in your prior communications, the Homekey rubric is legally bound to “Housing First” and other programmatic rules which, on their face, exclude such conditions. Attached please find documents (Exs. A-B) which show why, as a legal matter, the conditions you are promising to enforce do not appear enforceable.

1. The **City Regulatory Agreement** dated April 4, 2024, between the City of Los Angeles and Weingart.
 - a. Section 3.3 (page 7 of 20) provides “the Project **must be** operated according to the Housing First approach meaning that no prerequisites such as employment or sobriety for a household will be required.”
 - b. Section 3.3 also provides “the Project must be operated according to the harm reduction model, ensuring that participants will not face loss of housing, ineligibility, or termination from the program due to their inability to stop engaging in risky or harmful behaviors” including reducing harmful behavior involving “substance abuse” by “administering Naloxone to reverse the effects of opioid overdose.”

- c. Section 3.4 (page 9 of 20) prohibits Weingart from discrimination in use, occupancy, enjoyment, or rental of the property on the basis of age.
2. The **California State Standard Agreement** (SD 213) signed by Weingart Center Association, the City of Los Angeles, and Weingart HK Shelby LLC on March 14, 2023, contains similar language. Paragraph 29 (page 16 of 22) states that “The Assisted Units shall be occupied by the Target Population,” which “includes Homeless Youth or Youth at Risk of homelessness”. Like section 3.3 of Regulatory Agreement, this agreement also bars age restrictions.
3. Paragraph 29 of the CSSA also provides that Weingart “will employ the core components of Housing First (as set forth at Welfare and Institutions Code section 8255) as part of its property management plan.” Welfare and Institutions Code section 8255, in turn, requires practices that completely conflict with your “Dear Neighbors” email and the promises on the December 10 Zoom.

According to Section 8255 of the Welfare and Institutions Code, the phrase “Core components of Housing First” means “all of the following:”

- (1) Tenant selection must include “accepting applicants regardless of their sobriety or use of substances”
- (2) “Applicants are not rejected on the basis of ... criminal convictions”
- (3) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems
- (4) The program may not mandate treatment or therapy
- (5) Tenants have a written lease and all the rights of tenancy
- (6) “The use of alcohol or drugs ... is not a reason for eviction”
- (7) Promote tenant selection that identifies “high-cost, high-need homeless residents and house them.”
- (8) Services are “informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives,” where the program is “nonjudgmental” about drug and alcohol use, and where tenants are instead “offered education regarding how to avoid risky behaviors and engage in safer practices”, and only engage in treatment “if the tenant so chooses”.

If the conditions are the only way you support the project, and the conditions cannot be imposed, then the only logical extension of what you have told this community is that your support for the project must be discontinued. That, or that the City has somehow been relieved of its obligations under existing contracts to have this project be governed by the Housing First and Homekey regulations, evidence of which has not been shared with us.

Accountability for Others. A \$16,000,000 overpayment likely involves several or many people who either missed an important problem, or worse. Your letter hints at this, but we call upon you to support a City investigation into all individual's roles in approving this appraisal and this purchase price. This would include, at a minimum, answering the following questions:

1. Who had responsibility to establish valuation and to scrutinize the Weingart appraisals and to uncover its flaws: reliance upon a then-banned provider, reliance upon a "sale contract" between two non-owners?
2. Why was no appraisal ordered before June 2023, at which time Mayor Bass's office and then City Council approved the purchase price, renovation budget, and operating budget?
3. What processes must be in place to verify and conduct neutral valuations in the future?
4. Who directs and manages Kingdom Ak, LLC, Kingdom Development, a California Non profit, and Sutter Bmr LP, and why are these entities within the control and management group of former Terraza facility? These three entities appear within the chain of ownership and control of the entities created to manage and sell the former Terraza facility, including the entities controlled by Steven Taylor. *See Ex. C (Timeline)* dates November 21, 2023 and April 12, 2024.

Alliance Litigation and Grants Pass. One of the more disappointing points in the Zoom and in the email was the insistence that the *Alliance* settlement blocks encampment removal, while the Weingart shelter will unlock enforcement authority. That is untrue. Enforcement of 41.18 remains available city-wide under the U.S. Constitution and under the settlement agreement.

Paragraph 4.1 of the settlement agreement allows the City to alter its Street Engagement Strategy and follow the constitutional holding established by the Supreme Court in *City of Grants Pass v. Johnson*, 603 U.S. 520 (2024) (holding that anti-encampment enforcement in cities – such as Municipal Code 41.18 – is constitutional). Although it may not count toward meeting milestones, encampment enforcement is still permitted.

At worst, a bed must be offered *somewhere* before an encampment can be removed and counted toward the City's progress. The milestones and proposals to Judge Carter are not set in stone, and they do not require the City to condone fraud, to do business with an entity like Weingart, or to open a facility that is bound to certain contractual conditions. The milestones and submissions to Judge Carter are subject to change until the end date of June 2027, and subject to revision as provided in the Settlement Agreement itself, by further court order or mandate, or by law.

Finally, we believe the community would benefit from the release of the video from the December 10 meeting. We also believe continued engagement will be fruitful and therefore would like to schedule another meeting with your office to continue following up on the progress of the commitments/conditions referenced above. In addition, we wish to discuss the questions left open in your email: a city investigation and the decision regarding declaring Weingart in breach.

Please propose an available follow-up date for the second or third week of January. In the meantime, Happy Holidays to you and your office as well.

Sincerely Yours,



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The Integrity Project, Inc., a California non-profit corporation

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