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11 AIDS HEALTHCARE FOUNDATION

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **FOR THE COUNTY OF LOS ANGELES**

14 AIDS HEALTHCARE FOUNDATION, )

Case No.:

15 Plaintiff,

16 vs.

17 CITY OF LOS ANGELES; LOS ANGELES )  
18 CITY COUNCIL; and DOE DEFENDANTS 1 )  
19 through 10 inclusive, )

**COMPLAINT FOR INJUNCTIVE  
RELIEF**

20 Defendants. )

**1. Injunctive Relief for Violation of Political  
Reform Act of Govt. Code Section 81000 et  
seq.**

**2. Tax Payer Action To Prevent Waste –  
Cal. Code Civ. Pro Section 526a**

## INTRODUCTION

1  
2 1. The City of Los Angeles is in the midst of an ongoing corruption scandal  
3 regarding the approval of real estate projects. Councilman Jose Huizar has been indicted on  
4 charges of federal racketeering, bribery, and money laundering. The indictment alleges Mr.  
5 Huizar led a criminal enterprise that used his powerful position on the Planning and Land Use  
6 Management Committee (“PLUM”) to solicit and accept millions of dollars in bribes to enrich  
7 himself and his close associates in exchange for Huizar taking official actions favorable to real  
8 estate developers who financed and facilitated the bribes. A number of different real estate  
9 projects in Los Angeles have been linked to the charges. The City Attorney of Los Angeles has  
10 announced that it is investigating other projects tied to the federal charges.  
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13 2. The Assistant Director in Charge of the FBI’s Los Angeles Field Office stated,  
14 “Mr. Huizar was busy enjoying the fruits of his alleged corruption while his criminal enterprise  
15 sold the city to the highest bidder behind the backs of taxpayers . . . As we continue to  
16 investigate this case, we urge residents, business owners and city employees to come forward  
17 with information about bribery and illegal practices in government. The FBI relies on the  
18 cooperation of others to build cases that successfully root out corruption in order to restore  
19 integrity in public office.”  
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21 3. Unfortunately, the corruption on the PLUM committee does not end with Huizar.  
22 Mitchell Englander is a former member of the City Council and of the PLUM committee. In  
23 January 2020, Englander was indicted by a federal grand jury of falsifying material facts, making  
24 false statements and witness tampering. The case centered on the alleged acceptance of tens of  
25 thousands of dollars in cash bribes in bathrooms of a casino in Las Vegas, and in bribes of hotel  
26 rooms, and other gifts while Englander was on trips to Palm Springs and Las Vegas with a  
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1 number of people, including a real estate developer. In March 2020, Englander pled guilty to  
2 federal charges of obstruction of justice.

3 4. This corruption is toxic on a number of levels. First, it erodes core democratic  
4 norms, processes and functions. Second, the tainted decisions, made to enrich the wallets and  
5 careers of councilmembers, are by definition not in the public interest. These projects inevitably  
6 will change the face of Los Angeles, and the character and make-up of the neighborhoods in  
7 which they are located. Residents will experience real harms from these projects, whether they  
8 be environmental or economic or changes to quality of life. Lives will be disrupted. Many  
9 lower income residents will be forced to relocate as a result of this development.

10 5. Until it can be determined that these projects, with their known disruptive effects,  
11 were in fact done with the public, rather than the personal, interest in mind, they are tainted and  
12 should not go forward. Those that affirmatively were approved to advance personal political  
13 ambitions of corrupt City Council members should be stopped.

#### 14 **PARTIES**

15 6. Plaintiff AIDS Healthcare Foundation (“AHF”) is a California nonprofit  
16 corporation with its headquarters in the City of Los Angeles. It provides cutting edge medicine  
17 and advocacy to people in the City of Los Angeles, and around the globe, regardless of ability to  
18 pay. AHF’s advocacy includes issues of affordable housing, homelessness, and gentrification.  
19 AHF also provides affordable housing to formerly homeless and low income people in the City  
20 of Los Angeles. It conducts this advocacy and provides affordable housing through its dba,  
21 Healthy Housing Foundation (HHF). AHF pays property, sales, utility users, and other assessed  
22 taxes to the City of Los Angeles, and has done so within the last year.  
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1           7.       Defendant City of Los Angeles (“City”) is the public, governmental entity serving  
2 the people of the City of Los Angeles. Defendant is a municipal corporation organized and  
3 existing under the laws of the State of California. The City is responsible for the actions,  
4 policies, practices and omissions of the Los Angeles City Council.

5           8.       Defendant Los Angeles City Council (“City Council”) is a 15-member elected  
6 governing body of the City of Los Angeles.

7           9.       Defendant Eric Garcetti is, and at all times relevant herein was, the Mayor of the  
8 City of Los Angeles. Mr. Garcetti is being sued in his official capacity.

9           10.      The City, all its Councilmembers, and Mayor Garcetti, are hereinafter referred to  
10 collectively as “Defendants.”

11           11.      The true names and capacities, whether individual, corporate, associate, or  
12 otherwise, of Defendants Does 1 through 10, inclusive, are presently unknown to Plaintiff and  
13 for that reason those Doe Defendants are sued by such fictitious names. Plaintiff is informed and  
14 believes, and thereon alleges, that each of Does 1 through 100 is in some way responsible for the  
15 conduct alleged in this Complaint. Plaintiff will seek leave of this Court to amend its complaint  
16 when the true names and capacities of said Defendants are known.

17           12.      Plaintiff is informed and believes, and thereon alleges, that at all times relevant  
18 hereto, unless otherwise specified, Defendants were each acting as an agent, servant, or  
19 representative of each of said other Defendants, were at all times mentioned acting within the  
20 course and scope of said agency, servitude or representation, and that all acts of said Defendants  
21 and each of them, were authorized, directed and ratified by each of the remaining Defendants.

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**JURISDICTION AND VENUE**

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13. Jurisdiction is proper, as Plaintiff brings this complaint pursuant to Section 526a of the California Code Civil Procedure, and Section 91003 of the Government Code.

14. Venue is proper in the County of Los Angeles pursuant to Code of Civil Procedure Section 394 in that Defendants are government entities and government agents situated in the County of Los Angeles.

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**GENERAL ALLEGATIONS**

15. Jose Huizar is a member of the Los Angeles City Council.

16. At all relevant times, Councilman Huizar was a member and/or the Chair of the City Council’s Planning Land Use and Management (PLUM) committee.

17. The PLUM committee is comprised of five city council members, one of which is the chair. The PLUM committee oversees the Planning Department’s development of the City’s land use plans, zoning and environmental review laws, and reviews and votes on proposed real estate projects seeking discretionary approvals that enable the projects that real estate developers want to build – often by overruling the usual planning and zoning rules that apply to average residents and small businesses of the City.

18. The hearing of real estate development projects at PLUM committee concentrates decision-making power at the Committee level because when the PLUM committee recommendation report is issued to the full City Council, the City Clerk puts the item on a consent-type section of the City Council meeting. If no City Councilmember asks that the project be heard at full City Council, the item is approved along with many other consent items in a quick mass vote without public comment. These votes happen so fast that often times the public attending the hearing does not even realize it has occurred.

1           19.     The Chair of the PLUM committee, a position that Huizar held, is particularly  
2 powerful, with control over the Committee’s agenda. The Chair can be a single bottleneck for  
3 whether or not a real estate project receives a hearing and goes on to City Council with a positive  
4 recommendation.

5           20.     On approximately June 23, 2020, Councilman Huizar was arrested by federal law  
6 enforcement on federal corruption charges. He faces charges of racketeering, bribery, and  
7 money laundering. He had been a member of the City Council since 2005. On information and  
8 belief, Huizar was a member of the PLUM committee from 2007 until he was removed on  
9 November 15, 2018. Huizar is accused of accepting \$1.5 million in bribes, gifts, and other  
10 inducements from real estate developers to steer their projects for approval through the PLUM  
11 committee and ultimately by the City. During the search of Huizar’s home, federal agents seized  
12 approximately \$129,000 cash that was stashed in his closet. Real estate development consultant  
13 George Chiang recently pled guilty to the same RICO charge that Huizar now faces.  
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15           21.     A number of different projects have been linked to the charges. According the  
16 LA Times, federal prosecutors allege that starting in 2013 Huizar used his power as chair of the  
17 PLUM committee “to run a team of aids, consultants and other associates who extracted an  
18 enormous amount of cash and campaign donations, multiple casino trips and other personal  
19 indulgences from real estate developers.”  
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21           22.     On approximately June 15, 2020, the City of Los Angeles announced it was  
22 commencing “revocation proceedings of approvals” against one project linked to the federal  
23 charges, located at 1020 Figueroa Street in downtown Los Angeles. Essentially, the City seeks to  
24 rescind approval for the project, based on its connection to the charges.  
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1           23.     On June 23, 2020, prosecutors named yet another real estate project that had not  
2 been previously mentioned in the case, a 35-story tower planned in the Arts District. According  
3 to the LA Times, the real estate executive of this project “crowed in an email that it was a “truly  
4 amazing” accomplishment — the council had approved the tallest building yet in the Arts  
5 District, and with “minimal” requirements for affordable housing, according to federal  
6 prosecutors.” At a news conference on June 23, 2020, U.S. Attorney Nick Hanna cited it as an  
7 example of “the harm that comes with bribery.” “Thanks to Mr. Huizar, the development would  
8 have minimal affordable housing units, despite the fact that this area is desperate for low-income  
9 housing,” Hanna said. According to the LA Times, in a criminal complaint, prosecutors  
10 estimated that Huizar’s changes to the project saved the developer \$14 million.

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13           24.     So far, at least two other projects have been linked to allegedly unlawful behavior  
14 by Huizar, including a 20-story tower at Hill Street and Olympic Blvd.

15           25.     The City Attorney of Los Angeles has announced that he is investigating of other  
16 projects tied to the federal charges. In addition, other City councilmembers have requested a  
17 formal review of projects tied to the federal charges. On June 30, 2020, the Rules, Elections and  
18 Intergovernmental Relations Committee of the LA City Council moved for the City Council to  
19 request the City Attorney to evaluate whether Huizar violated Government Code Section 1090  
20 with regard to any real estate development agreement or other contract to which the City is a  
21 party. It also moved for reports to be made to the City Council with recommendations for  
22 suspending the certificate of occupancy and reconsidering any and all discretionary approvals or  
23 entitlements for all projects referenced directly or indirectly in the federal indictment of Huizar.  
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26           26.     Mitchell Englander is a former member of the Los Angeles City Council.  
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1 27. At all relevant times, Englander also was a member of the PLUM committee. On  
2 information and belief, Englander joined the PLUM committee in 2012 and resigned from the  
3 City Council in October 2018 when he was under a federal investigation.

4 28. On or about January 16, 2020, Englander was indicted by a federal grand jury of  
5 falsifying material facts, making false statements and witness tampering. Englander had been  
6 under investigation for years. In March 2020, Englander pled guilty to federal charges of  
7 obstruction of justice.  
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9 29. The case centered on the alleged acceptance of tens of thousands of dollars in  
10 cash bribes in bathrooms of a casino in Las Vegas, and in bribes of hotel rooms, and other gifts  
11 from a businessman while on trips to Palm Springs and Las Vegas with a number of other  
12 people, including a real estate developer.  
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#### 14 **FIRST CAUSE OF ACTION**

15 **(Injunctive Relief For Violation of Political Reform Act of 1974 Government Code Section**  
16 **81000 et seq.)**

17 **[Against All Defendants]**  
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19 30. Plaintiff refers to and incorporates each of the allegations in each of the preceding  
20 paragraphs, as if fully set forth herein.

21 31. The conduct Councilman Huizar has been accused of, if true, constitutes a  
22 violation of the Political Reform Act of 1974 Government Code Section 81000 et seq., including  
23 but not limited section 87100.  
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25 32. The conduct former Councilman Englander has been accused of, if true,  
26 constitutes a violation of the Political Reform Act of 1974 Government Code Section 81000 et  
27 seq., including but not limited section 87100.  
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1 33. Both Huizar and Englander sat on the PLUM committee, and the ability and  
2 influence to approve or disapprove real estate projects.

3 34. As a result of the alleged conduct, the City has moved to rescind the approval of  
4 at least one project.

5 35. As a result of the alleged conduct, the City is investigating other projects known  
6 to be related to the allegations.

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8 36. However, the extent of the City’s investigations relates only to what federal law  
9 enforcement efforts have uncovered to date. Given this background, it is highly likely that the  
10 approvals of other real estate projects are similarly tainted, and would not have been approved in  
11 their current form but for the misconduct of Councilmembers Huizar and Englander.

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13 37. Pursuant to California Government Code Section 91003, this Court is empowered  
14 to “restrain the execution of any official action in relation to which such a violation occurred. . .  
15 .” This includes the restraining of permits.

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17 38. AHF therefore seeks an order restraining building permits granted by the City of  
18 Los Angeles during the time(s) Councilmember Huizar and/or Englander sat on the PLUM  
19 Committee and engaged in violations of Government Code Section 81000 with respect to the  
20 permits.

21 **SECOND CAUSE OF ACTION**

22 **Taxpayer Action To Prevent Waste – California Code of Civil Procedure Section 526a**

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24 **[Against All Defendants]**

25 39. Plaintiff refers to and incorporates each of the allegations in each of the preceding  
26 paragraphs, as if fully set forth herein.  
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1 Committee in which it is ultimately determined that a violation of Government Code Section  
2 81000 et seq. has occurred and that the project might not otherwise been approved;

3 3. That AHF be awarded its costs of suit herein;

4 4. That AHF be awarded its attorneys' fees pursuant to California Code of Civil  
5 Procedure 1021.5, or as otherwise allowed by law;

6 5. For such other relief as the Court deems just.  
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9 DATED: August 4, 2020

AIDS HEALTHCARE FOUNDATION

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13 By: Tom Myers  
14 Counsel for AIDS Healthcare Foundation  
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