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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

GWENITA SIMPSON, and LATRICE
CANNON,

Plaintiffs,

v.

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES, LOURDES
CASTRO RAMIREZ, in her official, and
personal capacities, CARLOS VAN
NATTER, in his personal capacity,
BILLYE FAIRLEY, in her personal
capacity, IRIS HACHELL, in her
personal capacity, and PATSHEREIBA
GUYTON, in her personal capacity.

Defendants.

CASE NO.: 2:25-cv-7337-WLH-SKx

FIRST AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

1. DENIAL OF DUE PROCESS OF LAW (42 U.S.C. § 1983)
2. VIOLATION OF ART. I, § 7 OF CALIFORNIA CONSTITUTION
3. VIOLATION OF CAL. GOV'T CODE § 815.6
4. VIOLATION OF CAL. CIV. CODE § 52.1
5. NEGLIGENCE AND NEGLIGENCE PER SE

INTRODUCTION

1. The Section 8 Housing Choice Voucher program helps low-income families, elderly persons, veterans, and disabled individuals afford housing in the private market. The program provides access to safe, sanitary, and affordable housing options for families who may otherwise face homelessness.
2. Families that participate in the Section 8 Housing Choice Voucher program have protected property interests under the Due Process Clause. Before families are terminated from the program, they must be given fair notice, an opportunity to be heard, and a decision by a neutral decision-maker. These constitutional protections impose an articulated standard of conduct for governmental actions and prevent arbitrary deprivation of families' rights.
3. At all times relevant to this complaint, the Section 8 Housing Choice Voucher program in the City of Los Angeles was administered by Defendants Housing Authority of the City of Los Angeles, Lourdes Castro Ramirez (Chief Executive Officer), Carlos Van Natter (Director of Section 8), Billye Fairley (Ombudsperson), Iris Hatchell (Section 8 Advisor), and Patshereiba Guyton (Section 8 Advisor).
4. Gwenita Simpson is a low-income grandmother who participated in the Section 8 Housing Choice Voucher program in the City of Los Angeles in 2023.
5. HACLA issued a Notice of Intended Action and Right to Hearing dated August 11, 2023, which stated that HACLA would terminate Ms. Simpson's Section 8 benefits due to an alleged failure to provide documentation required for annual income review. The notice also contained a handwritten list of three categories of documents.
6. Ms. Simpson understood the notice to indicate that once HACLA received the documents from the handwritten list, the allegations in the Notice of Intended Action would be resolved and that she would keep her Section 8 benefits. HACLA's subsequent actions and communications with Ms. Simpson in August reinforced that understanding.
7. As a result, Ms. Simpson submitted the documents from the handwritten list. She

1 believed that she cured the allegation in the notice and preserved her Section 8
2 benefits.

3 8. On October 4, 2023, HACLA issued another Notice of Intended Action and Right to
4 Hearing with different allegations regarding reporting of changes to her income and
5 the composition of her household.

6 9. In response to the notice, Ms. Simpson requested a hearing. HACLA acknowledged
7 Ms. Simpson's request and assured her that she would receive a hearing.

8 10. Despite HACLA's representations, HACLA terminated Ms. Simpson's Section 8
9 benefits on October 31, 2023, without giving her a hearing.

10 11. HACLA deprived Ms. Simpson of her due process rights by providing
11 constitutionally deficient notice that misrepresented the process to dispute the August
12 Notice of Intended Action, and by failing to provide her with a hearing regarding the
13 allegations in the October Notice of Intended Action.

14 12. Ms. Simpson faces continued and ongoing loss of her needed housing subsidy,
15 economic loss, and mental anguish due to HACLA's violation of Ms. Simpson's
16 constitutional due process rights.

17 13. Latrice Cannon is a low-income mother who has received and relied on Section 8 with
18 Defendant Housing Authority of the City of Los Angeles for over twenty years.

19 14. On or around February 18, 2025, Ms. Cannon received a Notice of Intended Action
20 and Right to Hearing, which stated that HACLA would terminate Ms. Cannon's
21 Section 8 benefits due to an alleged failure to provide documentation required for
22 annual income review. The notice included a handwritten note, directing Ms. Cannon
23 to fill out the application attached to the notice and submit her income information
24 and current form of identification.

25 15. Like Ms. Simpson, Ms. Cannon understood the notice to indicate that once HACLA
26 received the requested documents, the allegations in the Notice of Intended Action
27 would be resolved and that she would keep her Section 8 benefits. And as with Ms.
28 Simpson, HACLA's subsequent actions and communications reinforced that

1 understanding.

2 16. As a result, Ms. Cannon believed that she cured the allegation in the notice and
3 preserved her Section 8 benefits by submitting the requested documents.

4 17. Despite HACLA's representations, HACLA terminated Ms. Cannon's Section 8
5 benefits on March 31, 2025.

6 18. As with Ms. Simpson, HACLA deprived Ms. Cannon of her due process rights by
7 providing constitutionally deficient notice that misrepresented the process to dispute
8 the Notice of Intended Action.

9 19. Like Ms. Simpson, Ms. Cannon faces continued and ongoing loss of her needed
10 housing subsidy, economic loss, and mental anguish due to HACLA's violation of
11 her constitutional due process rights.

12 **JURISDICTION AND VENUE**

13 20. This is a civil action over which this Court has original jurisdiction under 28 U.S.C.
14 § 1331 in that Plaintiffs seek to redress under 42 U.S.C. § 1983 for the deprivation,
15 under color of state law, of rights, privileges, and immunities secured by federal
16 statutes and the United States Constitution.

17 21. Plaintiffs' state law claims are so related to their federal law claims that the claims
18 form part of the same case or controversy. Accordingly, supplemental jurisdiction
19 over those claims is appropriate under 28 U.S.C. § 1367.

20 22. Plaintiffs' action for declaratory and injunctive relief is authorized by 20 U.S.C. §§
21 2201, 2202, and 1343, and Fed. R. Civ. P. 57 and 65.

22 23. Venue in this Court is proper under 20 U.S.C. § 1391(b) because Defendants reside
23 in this judicial district. The events or omissions giving rise to the claims occurred
24 primarily in this judicial district.

25 **PARTIES**

26 24. Plaintiff GWENITA SIMPSON is a low-income grandmother who participated in the
27 Section 8 Housing Choice Voucher Program administered by the Housing Authority
28 of the City of Los Angeles through October 31, 2023.

1 25. Plaintiff LATRICE CANNON is a low-income mother who participated in the
2 Section 8 Housing Choice Voucher Program administered by the Housing Authority
3 of the City of Los Angeles through March 31, 2025.

4 26. Defendant HOUSING AUTHORITY OF THE CITY OF LOS ANGELES (HACLA)
5 is a public entity under California law. California law authorizes cities to create
6 housing authorities to deal with the problem of safe and sanitary dwelling
7 accommodations for persons of low income. Health & Safety Code §§ 34201(a),
8 34240. State law provides that a local housing authority shall not transact any business
9 or exercise its powers, unless a county or city government declares the need for such
10 a housing authority, *id.* § 34240, and that any action by the authority is conclusively
11 deemed to have been established and authorized by a resolution of the county or city.
12 *Id.* § 34244. The City of Los Angeles established HACLA in 1938 by City of Los
13 Angeles Resolution No. 1241. As such, the City of Los Angeles has delegated its
14 rulemaking authority over the policies and procedures applicable to Section 8 housing
15 to HACLA.

16 27. HACLA is also a Public Housing Agency subject to 42 U.S.C. § 1437f. As such, it is
17 required to establish and administer local policies that comply with federal regulations
18 and requirements. 24 C.F.R. §§ 982.52(a), 982.54(a)-(c).

19 28. Defendant LOURDES CASTRO RAMIREZ, sued in her official capacity except as
20 otherwise stated herein, is the President and Chief Executive Director at HACLA. Ms.
21 Ramirez has the duty to oversee the operation of HACLA and to execute policies and
22 procedures implementing federal laws regarding subsidized housing. At all material
23 times relevant to this suit, Ms. Ramirez in her official capacity was domiciled in Los
24 Angeles, California. Upon information and belief, Defendant Ramirez in her personal
25 capacity is domiciled in or near Los Angeles, California.

26 29. Defendant CARLOS VAN NATTER is the Director of Section 8 at HACLA. Mr.
27 Van Natter has the duty to oversee the operation of HACLA's Section 8 Housing
28 Choice Voucher Program and to execute policies and procedures implementing

1 federal laws regarding that program. At all material times relevant to this suit, and
2 upon information and belief, Mr. Van Natter in his personal capacity was domiciled
3 in or near Los Angeles, California.

4 30. Defendant BILLYE FAIRLEY is a Section 8 Ombudsperson at HACLA. At all
5 material times relevant to this suit, and upon information and belief, Ms. Fairley in
6 her personal capacity was domiciled in or near Los Angeles, California.

7 31. Defendant IRIS HATCHELL is a Section 8 Advisor at HACLA. At all material times
8 relevant to this suit, and upon information and belief, Ms. Hatchell in her personal
9 capacity was domiciled in or near Los Angeles, California.

10 32. Defendant PATSHEREIBA GUYTON is a Section 8 Advisor at HACLA. At all
11 material times relevant to this suit, and upon information and belief, Ms. Guyton in
12 her personal capacity was domiciled in or near Los Angeles, California.

13 33. Plaintiffs are informed and believe, and on that basis allege, that each defendant aided
14 and abetted the wrongful acts of the others. To the extent any such defendant did not
15 personally violate the constitutional or statutory rights of Plaintiffs, each condoned,
16 encouraged, approved, ratified, or otherwise participated in such actions.

17 34. HACLA is sued both directly and vicariously on the basis of *respondeat superior*
18 liability under state law, as it is responsible for the actions of all its agents and
19 employees performed in the course and scope of their employment and/or agency. All
20 of the actions alleged herein by agents and employees of HACLA were so performed.
21 Thus, HACLA is liable for the actions of all its employees and agents, named or
22 unnamed, who performed acts at issue in this lawsuit, all of whom were acting in the
23 course and scope of their employment and/or agency. In addition, the actions alleged
24 herein were undertaken by defendants pursuant to custom and policy of HACLA.

25 **REGULATORY BACKGROUND**

26 **Section 8 Housing Choice Voucher Program**

27 35. The Housing Authority of the City of Los Angeles (HACLA) has been a state-
28 chartered, local public housing agency since its creation in 1938.

1 36. HACLA now administers the second largest Section 8 Program in the country. The
2 Housing and Community Development Act of 1974 authorized the Section 8 Program
3 and established that it would be administered by the local Public Housing Agencies.

4 37. Through its administration of the Section 8 Program, HACLA provides housing
5 assistance and a portion of rent and utilities to extremely low and very low-income
6 families, senior citizens, and disabled or handicapped persons. Its objective is to
7 provide affordable, decent, and safe housing for eligible families, while increasing a
8 family's residential mobility and choice.

9 38. In May 1999, HUD created a new Section 8 Program called the "Housing Choice
10 Voucher Program." A local Public Housing Agency, such as HACLA, administers
11 the Housing Choice Voucher Program under contract with HUD.

12 **Reexamination**

13 39. In carrying out the Section 8 Housing Choice Voucher program, a Public Housing
14 Agency must conduct a reexamination of family income and composition at least
15 annually. 42 U.S.C. § 1437f(k); 24 C.F.R. § 982.516(a) (implementing regulation).

16 40. A family's adjusted annual income as well as household composition determine the
17 amount of rent subsidy that a Public Housing Agency will provide.

18 41. The Housing Authority must obtain and document reported family annual income,
19 the value of assets, expenses related to deductions from annual income, and other
20 factors that affect the determination of adjusted income. *Id.* As a requirement for
21 participation in the program, families must supply any information requested by the
22 Housing Authority or HUD in a regularly scheduled reexamination of family income
23 and composition. *Id.* § 982.551(b)(2).

24 42. HACLA's Administrative Plan, in which HACLA outlines its internal policies,
25 reflects the requirements of the federal regulations. HACLA Admin. Plan § 6.4
26 (Family composition); *id.* § 7 (Income verification).

27 **Termination Proceedings**

28 43. Once a family is admitted into the Section 8 Housing Choice Voucher program, the

1 family's rental assistance can be terminated only for specific reasons set out in the
2 federal regulations at 24 C.F.R. §§ 982.552 and 982.553.

3 44. Before termination of a family's benefits, a Public Housing Agency must provide
4 notice of its intended action. 42 U.S.C. § 1437d(k); 24 C.F.R. § 982.555
5 (implementing regulations). The notice must state "the specific grounds of any
6 proposed adverse public housing agency action." 42 U.S.C. § 1437d(k)(1).

7 45. Where termination is proposed due to a family's action or failure to act, or absence
8 from the unit, the notice must "(i) Contain a brief statement of reasons for the
9 decision, (ii) State that if the family does not agree with the decision, the family may
10 request an informal hearing on the decision, and (iii) State the deadline for the family
11 to request an informal hearing." 24 C.F.R. § 982.555(c)(2) (implementing regulation).

12 46. Upon the family's request for a hearing, the Public Housing Agency must proceed
13 with the hearing in a "reasonably expeditious manner." *Id.* § 982.555(d).

14 47. Families that invoked their right to hearing have a right to pre-hearing discovery.
15 Specifically, families "have an opportunity to examine any documents or records or
16 regulations related to the proposed action." 42 U.S.C. § 1437d(k)(3).

17 48. Families are also entitled to a hearing before "an impartial party." 42 U.S.C. §
18 1437d(k)(2). At the hearing, the family can "ask questions of witnesses and have
19 others make statements on their behalf." 42 U.S.C. § 1437d(k)(5). "The [Public
20 Housing Agency] and the family must be given the opportunity to present evidence
21 and may question any witnesses." 24 C.F.R. § 982.555(e)(5) (implementing
22 regulation).

23 49. After the hearing, families are "entitled to receive a written decision by the public
24 housing agency on the proposed action." 42 U.S.C. § 1437d(k)(6).

25 50. Consistent with the federal laws, Section 14.7 of HACLA's Administrative Plan
26 provides that "informal hearings are required to allow participants to contest HACLA
27 decisions relating to: . . . A determination to terminate assistance for a participant
28 family because of the family's action or failure to act."

1 51. Section 14.7.1 of the Administrative Plan further requires that, at least 30 days prior
2 to the effective date of termination, HACLA must send a “Written Notice of Intended
3 Action” to affected families. The Notice of Intended Action must contain:

4
5 1. A statement of the specific action to be taken by HACLA; 2.
6 The reason for the intended action, citing the regulations or
7 HACLA policies that support or require the action; . . . 4.
8 Information on the affected family’s right to an informal hearing
9 and how to request a hearing; . . . 6. The deadline for requesting
a hearing which is not less than 30 days after the mailing of the
Notice of Intended Action and Right to Request a Hearing.

10 **FACTUAL ALLEGATIONS**

11 **Gwenita Simpson**

12 52. Gwenita Simpson is a low-income grandmother who participated in the Section 8
13 Housing Choice Voucher program administered by the Housing Authority of the City
14 of Los Angeles (HACLA).

15 53. In 2023, HACLA conducted an annual reexamination of Ms. Simpson’s household
16 income and composition.

17 54. As part of Ms. Simpson’s income verification process, HACLA issued a document
18 titled “Second and Final Notice of Annual Review” dated July 20, 2023. HACLA
19 wrote that “annual review is required by federal regulations and must be completed,”
20 and therefore, Ms. Simpson “must sign, date and mail all requested information to be
21 received by August 3, 2023.”

22 55. Beneath the sentence was a list of 24 items, each item accompanied by an open
23 checkbox for HACLA to indicate which items were missing. However, HACLA did
24 not check any of the listed items.

25 56. Subsequently, HACLA issued a Notice of Intended Action and Right to Hearing to
26 Ms. Simpson dated August 11, 2023. The Notice informed Ms. Simpson that HACLA
27 “has determined that you are ineligible for further Housing Assistance Payments
28 because of your failure to provide documentation required for your income review.”

1 57. The last paragraph of the August 11 notice stated, “You have the right to a hearing
2 before your benefits can be terminated. If you wish to request a hearing, you must do
3 so . . . no later than 30 days from the date of this letter.” The paragraph was followed
4 by a signature block and printed name of Ms. Simpson’s Section 8 Advisor, Iris
5 Hatchell.

6 58. Beneath the last paragraph, and to the right of Ms. Hatchell’s name, was a handwritten
7 list of three categories of documents. The handwritten list was in a size much larger
8 than that of any other printed text on the notice.

9 59. The listed documents pertained to Ms. Simpson’s income review: “Proof Jerone
10 moved out”; “Proof no longer receiving unemployment”; and “All bank account
11 statements.”

12 60. In addition to the language on this document, representations made by HACLA
13 representatives—including but not limited to Ms. Hatchell and HACLA’s
14 Ombudsperson, Billye Fairley—led Ms. Simpson into the belief that Ms. Simpson
15 would be in compliance with HACLA’s rules as long as Ms. Simpson provided the
16 documentation responsive to HACLA’s requests.

17 61. On August 22, 2023, at 9:55 a.m., Ms. Simpson sent an email to Ms. Fairley. In this
18 email, Ms. Simpson recounted that her advisor, Ms. Hatchell, called and announced
19 that Ms. Simpson’s voucher “will be taken . . . if it’s not in by September 30th. . . .”
20 Ms. Simpson further stated that she “tried emailing all what [Ms. Hatchell is] asking
21 for,” and explained that “I’m going to leave copies at the office cause I can’t send
22 them via email to Ms.Hatchel [sic] email address.”

23 62. Twenty minutes later, Ms. Simpson separately wrote to an Assistant Housing
24 Manager of HACLA, Starr Oyerinde. In the email, Ms. Simpson reiterated that Ms.
25 Hatchell promised that Ms. Simpson’s “voucher will be taken” if her “paperwork is
26 not in by September. . . .” Ms. Simpson stressed again that Ms. Hatchell “still couldn’t
27 explain to me what she needs from me” and that Ms. Hatchell “sent two packets with
28 no instructions really then call me yelling at me”

63. Ms. Simpson then emailed Ms. Fairley once again in the afternoon, “I’m not trying to overwhelm you . . . I just confused what . . . is going on here.”

64. The next day, on August 23, 2023, Ms. Fairley responded to Ms. Simpson, copying Ms. Oyerinde:

Good Afternoon Ms. Simpson,

I have had the opportunity to review your documents. We need a few documents in order to complete the process.

1)The ID that you presented for your daughter Jordan has the unit address. If she has moved out of the unit, please provide verification.

2)Please provide the enlistment contract for Jerome

3)Because a person can receive unemployment benefits even if they are working, please provide documentation of termination.

4)Please provide bank statements for the account ending in 4895

Once this information is provided, we can complete the process.

65. Ms. Simpson responded to Ms. Fairley about two hours later: “[a]t this point I just want to provide all information needed After all paperwork has been submitted I need a voucher to move please[. T]hank for all you’ve done.”

66. Ms. Simpson followed HACLA’s instructions and provided all of the requested information that was available to her.

67. Once she completed the process as directed by HACLA, Ms. Simpson believed that she successfully resolved the allegation in the August Notice of Intended Action. Because she believed that her Section 8 benefits were secure, she did not request a hearing on the notice.

68. HACLA issued another Notice of Intended Action and Right to Hearing with a date of October 4, 2023. Ms. Simpson did not personally receive this notice, however. She learned about the October Notice of Intended Action only because HUD, in responding to Ms. Simpson’s previously submitted complaint, informed her that, “HACLA reported that on October 4, 2023, . . . HACLA . . . sent a Notice of Intended

1 Action letter to terminate your assistance . . . due to failure to report all of your
2 household's income and failure to report vacancy in the unit”

3 69. Ms. Simpson disputed HACLA's allegations by writing to HACLA Ombudsperson,
4 Serina Cannon. Separately, Ms. Simpson timely requested a hearing on the Notice of
5 Intended Action on October 18, 2023.

6 70. On October 19, 2023, Ms. Cannon responded to Ms. Simpson. Ms. Cannon explained
7 that “[t]he information you state in your email can be brought up to the hearing officer
8 on the day of your hearing,” and reassured Ms. Simpson that, “[s]ince you made the
9 request for a hearing to Mr. Brown, you will receive a hearing.” She further promised,
10 “You will receive a copy of the hearing file with instructions and will be provided
11 with the hearing date. You will be able to submit any supporting documentation at
12 the informal hearing.”

13 71. In the same email, in apparent acknowledgement that HACLA had not yet sent the
14 October 2023 Notice to Ms. Simpson, Ms. Cannon stated, “a Notice of Intended
15 Action and Right to a hearing letter will be sent to you.”

16 72. HACLA's representations, including but not limited to the statements by Ms. Cannon,
17 led Ms. Simpson into the belief that she had satisfied the requirements of the August
18 notice, that HACLA would provide Ms. Simpson with a hearing on the new
19 allegations made in the October 4, 2023 notice, and that she would be able to present
20 at the hearing the information referenced in the October 19, 2023 email.

21 73. Despite HACLA's representation, however, HACLA failed to provide a hearing to
22 Ms. Simpson.

23 74. Instead, HACLA terminated Ms. Simpson's Section 8 benefits on October 31, 2023.

24 75. As a result, Ms. Simpson faced housing instability as she became responsible for
25 paying full market rent.

26 76. HACLA terminated Ms. Simpson's Section 8 benefits pursuant to HACLA's custom,
27 policy, or practice of terminating housing subsidies without regard to whether
28 HACLA officers or employees misled beneficiaries regarding the procedure

1 applicable to or necessity of requesting a hearing.

2 77. Even after terminating her Section 8 benefits, HACLA continued to send confusing
3 notices to Ms. Simpson.

4 78. On November 13, 2023, HACLA issued Ms. Simpson a letter with two sentences:
5 “This letter is to inform you that Section 8 Service Delivery is enforcing the HAPP
6 81 and therefore Section 8 Investigation Unit is closing out our investigation. Please
7 contact your advisor if you have any questions.”

8 79. Approximately seven months later, Ms. Simpson received a Notice of Annual
9 Reexamination, dated June 3, 2024, which requested that she “provide information
10 regarding your family and income” and mail her completed annual review packet by
11 July 3, 2024.

12 80. Confused by these notices, Ms. Simpson reached out to HUD in July 2024. However,
13 HUD told Ms. Simpson that HACLA terminated her from the Section 8 program on
14 October 31, 2023.

15 81. Ms. Simpson, through counsel, contacted the Director of Section 8 at HACLA, Carlos
16 Van Natter, on April 9, 2025. Ms. Simpson raised HACLA’s due process violations
17 and urged HACLA to take action to restore Ms. Simpson’s housing voucher. Mr. Van
18 Natter did not respond, despite Ms. Simpson’s two subsequent emails.

19 82. Ms. Simpson, through counsel, then reached out to the President and Chief Executive
20 Officer of HACLA, Lourdes Castro Ramirez, on July 10, 2025. Ms. Ramirez did not
21 respond.

22 83. However, on July 17, 2025, Mr. Van Natter responded to Ms. Simpson’s counsel,
23 approving the basis of HACLA’s conduct and affirming that “Ms. Simpson’s rental
24 assistance remains terminated with HACLA.”

25 **Latrice Cannon**

26 84. Latrice Cannon is a low-income mother who participated in the Section 8 Housing
27 Choice Voucher program administered by the Housing Authority of the City of Los
28 Angeles (HACLA) for nearly two decades.

1 85. In December 2024, HACLA conducted an annual reexamination of Ms. Cannon's
2 household income and composition. On January 16, 2025, HACLA issued a notice
3 titled "Second and Final Notice of Annual Review," which instructed Ms. Cannon to
4 submit "Current ID/ Social Security Cards" and directed Ms. Cannon to "please return
5 review packet."

6 86. In response to this notice, Ms. Cannon submitted the requested information.

7 87. However, on February 6, 2025, Patshereiba Guyton, Ms. Cannon's Section 8 Advisor,
8 issued a Notice of Intended Action and Right to Hearing to Ms. Cannon. The notice
9 provided that the "Housing Authority has determined that you are ineligible for
10 further Housing Assistance Payments because of your failure to provide
11 documentation required for your income review." It further stated that "the Housing
12 Assistance Payments on your behalf shall terminate as of March 8, 2025," and advised
13 Ms. Cannon that she has "the right to a hearing before your benefits can be
14 terminated" but had to contact HACLA "no later than 30 days from the date of this
15 letter."

16 88. Beneath the last paragraph, and to the right of Ms. Guyton name, was a handwritten
17 note. The handwritten note was in a size much larger than that of any other printed
18 text on the notice.

19 89. The handwritten note directed Ms. Cannon to "fill out application and attach Income
20 [sic] with current I.D."

21 90. Ms. Cannon understood the "application" to mean the application that was stapled to
22 the Notice of Intended Action and Right to Hearing. The application was the standard
23 form that Ms. Cannon filled out to complete the recertification process every year,
24 including in January 2025.

25 91. Because Ms. Cannon had already submitted the documents mentioned in the
26 handwritten note, Ms. Cannon wrote to Ms. Guyton, her Section 8 advisor, on
27 February 18, 2025, to confirm HACLA's receipt of the submission. Ms. Cannon
28 wrote, "I'm inquiring if my annual recertification package was received? I have

1 received a second package in mail. The original package was a little delayed due to
2 me evacuating home due to wildfires evacuation notice. I mailed the package once I
3 returned home. . . .”

4 92. An hour and a half later, Ms. Guyton responded: “Hello, That was by mistake. I
5 received your packet the same day it was mailed out. Just trash it. Thank you.”

6 93. Two days later, on February 20, 2025, Ms. Guyton confirmed receipt of the last
7 remaining document requested on the handwritten note of the Notice of Intended
8 Action by writing to Ms. Cannon, “I have your I.D. Disregard my last email. Thank
9 you!”

10 94. Given Ms. Guyton’s communications, Ms. Cannon believed that she successfully
11 resolved the allegation in the Notice of Intended Action. Because she believed that
12 her Section 8 benefits were secure, she did not request a hearing on the notice.

13 95. On February 26, 2025, Ms. Guyton left Ms. Cannon a voicemail. In the voicemail,
14 Ms. Guyton asked Ms. Cannon, “do you have the time to fill out the forms that I sent
15 back out for you?” and requested that Ms. Cannon submit “income coming into your
16 household.” Ms. Guyton continued, “I would need the information to process of your
17 annual review,” and warned that “we will have to terminate the case as of March 31,
18 2025.” She concluded by stating, “I’m going to need this paperwork before March
19 31, to continue the assistance. Ok. Thank you. Bye.”

20 96. Ms. Cannon, alarmed by the voicemail, sent an email on March 5, 2025, to the Section
21 8 Assistant Housing Manager and copied Ms. Guyton. In the email, Ms. Cannon
22 explained what happened: that she mailed the annual package; received a second
23 package along with a letter from Ms. Guyton requesting information; informed Ms.
24 Guyton that the original package had been mailed; and received confirmation from
25 Ms. Guyton that Ms. Guyton did receive the original package on the same day that
26 Ms. Guyton sent the second package. Ms. Cannon further wrote in the email that,
27 even though she submitted the required information, she still “received a voicemail
28 from my worker stating that I will still be terminated on March 31.” Ms. Cannon

1 stated that she is “unsure of the next steps and would appreciate any guidance” and
2 offered that “[i]f necessary, I am willing to escalate this matter and would appreciate
3 any contact information for doing so.”

4 97. Ms. Guyton responded to Ms. Cannon’s email the next day, on March 6, 2025: “Hello,
5 I will give you a call. Thanks for the information.”

6 98. On March 7, 2025, Ms. Guyton once again left Ms. Cannon a voicemail. This time,
7 Ms. Guyton stated that she still needed information to process the annual review. Ms.
8 Guyton asked if Ms. Cannon could send information related to her benefits.

9 99. On March 10, 2025, Ms. Guyton let a voicemail, confirming that Ms. Guyton received
10 “the form” sent by Ms. Cannon and requesting that Ms. Cannon send the documents
11 relating to the benefits “by the 31st.”

12 100. Before March 31, 2025, Ms. Cannon provided the requested benefits documentation.
13 Ms. Cannon understood that, by engaging in the document submission process with
14 HACLA, she was no longer at risk of losing her benefits.

15 101. However, HACLA terminated Ms. Cannon from the Section 8 program on March 31,
16 2025.

17 102. Ms. Cannon discovered that HACLA terminated her benefits when she reached out
18 to Ms. Guyton on a separate matter concerning inspection of Ms. Cannon’s unit. Ms.
19 Cannon had been in communications with HACLA’s Inspection unit regarding her
20 unit being wrongly labelled as “vacant” in HACLA’s computer system and the
21 resulting failure to complete inspection. When Ms. Cannon raised this issue to Ms.
22 Guyton, Ms. Guyton wrote back on April 15, 2025: “Hello, Your case has been
23 terminated due to Non-Compliance of program. Not providing proof of income.”

24 103. Ms. Cannon responded the same day, explaining that she did provide proof of income.
25 The next day, on April 16, 2025, Ms. Cannon wrote to the Senior Manager, Section
26 8 Assistant Housing Manager, and Ms. Guyton. Ms. Cannon explained that “all
27 necessary steps were completed well before the March 31st deadline” and that she
28 “sought your help for weeks and you did not assist.”

1 104. Ms. Cannon further wrote to HACLA on April 18, 2025, explaining that “I had no
2 income, and you advised me to apply for assistance through DPSS or Social Security.
3 I applied for DPSS and now receive \$221 monthly, and I provided documentation to
4 confirm. This conversation was in February. . . .” Ms. Cannon then continued:

5
6 Additionally, I attempted to contact you by phone and email multiple times
7 without any reply. No further letters were received after the income
8 verification letter sent in February.

9 Due to the lack of response and clarity, I eventually reached out to customer
10 service, who provided me with the manager’s information. The day after I
11 contacted the manager, I received a message from you stating that I had been
12 terminated from the program. I never received an [sic] termination letter—
13 and as of today, I still haven’t. . . .

14 I’ve been a participant with HACLA for over 20 years without any issues.
15 This program is a lifeline for me, and I’m deeply concerned about what has
16 transpired. I’m truly sorry I had to escalate the matter, but I didn’t know what
17 else to do. I ask you to please consider how this situation would feel from my
18 perspective.

19 105. Ms. Cannon, through counsel, contacted HACLA on June 11, 2025, requesting copies
20 of any and all notices pertaining to the recertification and Section 8 termination.

21 106. However, Ms. Guyton responded, “Good morning, Ms. Cannon has not requested a
22 hearing and there is nothing more we can do at this time.”

23 107. Upon Ms. Cannon’s continued request to obtain copies of her notices, Ms. Guyton
24 responded, “Hello, This case is close [sic] the executives had made the final decision.
25 Please reach out to Ms. Cannon a letter was sent out to her at the end of May. Thank
26 you.”

27 108. On September 18, 2025, Ms. Cannon, through counsel, wrote to the Director of
28 Section 8 at HACLA, Carlos Van Natter. Ms. Cannon raised HACLA’s due process
violations and urged HACLA to take action to restore Ms. Cannon’s housing voucher.
Mr. Van Natter did not respond.

109. Ms. Cannon’s counsel then reached out to the President and Chief Executive Officer
of HACLA, Lourdes Castro Ramirez, on October 15, 2025.

110. Ms. Ramirez did not respond. Instead, on October 20, 2025, an attorney with HACLA
responded to Ms. Cannon’s counsel. The attorney explained that “Section 8 staff will

1 be reaching out to Ms. Cannon regarding readmitting her into the Section 8 program
2 with conditions upon assistance and following a counseling session.”

3 111. The next day, on October 21, 2025, Ms. Cannon received an eviction notice, which
4 demanded the full rent amount due since HACLA had terminated Ms. Cannon’s
5 Section 8 benefits within three days. It is impossible for Ms. Cannon to pay the rent
6 without HACLA’s assistance because, as HACLA is aware, the rent amount is greater
7 than her monthly income.

8 112. Ms. Cannon’s counsel immediately wrote to the Senior Staff Attorney, emphasizing
9 that HACLA must reinstate her benefits and provide retroactive payments as soon as
10 possible to prevent eviction. Ms. Cannon requested that HACLA confirm receipt of
11 the request.

12 113. HACLA issued a letter to Ms. Cannon, informing her that, “[a]fter much discussion
13 regarding your file, HACLA has agreed to allow you to be readmitted as a participant
14 in our Section 8 Program under certain conditions. An appointment has been
15 scheduled for you to come to our office to discuss these conditions and to enter into
16 a written agreement.”

17 114. HACLA did not elucidate further on the “certain conditions” under which Ms.
18 Cannon will be readmitted to the program. HACLA also refused to address in the
19 letter Ms. Cannon’s request for retroactive payments.

20 115. Ms. Cannon received the letter on October 30, 2025, well after the three days in which
21 she would have been able to pay her rent and avoid eviction.

22 116. As of the date of this filing, HACLA has not responded to Ms. Cannon’s request that
23 HACLA reinstate Ms. Cannon immediately and cover the amount of rent it failed to
24 pay to her landlord to avoid eviction.

25 117. HACLA has a custom, policy, or practice of providing notices to recipients of housing
26 subsidies without regard to whether the notices are ambiguous or misleading.

27 118. HACLA deprived both Ms. Simpson and Ms. Cannon of their constitutional due
28 process rights by providing constitutionally deficient notices. The notices

misrepresented the process to challenge the termination of their benefits and mislead each of them into believing that she could prevent the proposed termination of her Section 8 voucher by providing the documents HACLA requested and need not request a hearing. HACLA's own actions were consistent with and reinforced each Plaintiffs' understanding of the notice, and suggest that, up until the termination of their vouchers, HACLA shared their understanding of the notices.

119. As a result of HACLA's violation of their constitutional due process rights, Ms. Simpson and Ms. Cannon each face continued and ongoing loss of her housing subsidy, economic loss, and mental anguish.

COUNT ONE

DENIAL OF DUE PROCESS OF LAW

(42 U.S.C. § 1983)

(Against All Defendants¹)

120. Plaintiffs restate, reallege, and incorporate by reference all previous and subsequently stated paragraphs as if fully set forth herein.

121. The Due Process Clause of the Fourteenth Amendment prohibits government officials, and those acting in concert with them, acting under color of law, from depriving persons of their property without due process of law.

122. Plaintiffs, as Section 8 participants, had a property interest in their government benefits to which the procedural protections of the Due Process Clause apply.

123. Defendants failed to provide Plaintiffs with clear and meaningful notice of the actions HACLA intended to take and their consequences at the time.

124. Defendants reinforced Plaintiffs' understanding of the deficient notice in Defendant's subsequent communications with Plaintiffs and communicated to Plaintiffs that, if they provided the requested documentation, they could preserve their housing vouchers without requesting a hearing.

¹ Ms. Simpson brings this claim against all defendants other than Ms. Guyton, and Ms. Cannon brings this claim against all defendants other than Ms. Fairley and Ms. Hatchell.

1 125. Therefore, Defendants deprived Plaintiffs' due process rights in violation of the
2 Fourteenth Amendment, thereby entitling Plaintiffs to bring suit and recover damages
3 pursuant to 42 U.S.C. § 1983.

4 126. The wrongful conduct complained of herein was the product of a custom, policy, or
5 practice of the Defendants, was ratification by a final policymaker of Defendants, was
6 not the product of accident or inadvertence, and was not random.

7 127. Defendant Van Natter in his official capacity knew of and specifically made a
8 deliberate choice to approve HACLA's due process rights violation.

9 128. Defendant Lourdes Castro Ramirez official capacity knew of and specifically made a
10 deliberate choice to approve HACLA's due process rights violation.

11 129. Defendants were deliberately indifferent to the rights of Plaintiffs and acted in willful
12 and reckless disregard of Plaintiffs' rights.

13 130. As a direct and proximate cause of the aforementioned acts of Defendants, Plaintiffs
14 suffered loss of rental subsidies. Plaintiffs seek injunctive and declaratory relief,
15 accounting, restitution, and/or damages. Said restitution or damages are incidental to
16 the injunctive relief sought herein.

17 **COUNT TWO**

18 **VIOLATION OF ART. I, § 7 OF CALIFORNIA CONSTITUTION**

19 **California Due Process Clause**

20 **(Against All Defendants²)**

21 131. Plaintiffs restate, reallege, and incorporate by reference all previous and subsequently
22 stated paragraphs as if fully set forth herein.

23 132. Article I, section 7 of the California Constitution ("the California Due Process
24 Clause") prohibits governmental Defendants, and those acting in concert with them,
25 acting under color of law, from depriving persons of their property without due
26 process of law. As stated previously, Plaintiffs, as Section 8 participants, had a
27

28 ² Ms. Simpson brings this claim against all defendants other than Ms. Guyton, and Ms. Cannon brings this claim against all defendants other than Ms. Fairley and Ms. Hatchell.

1 property interest in their government benefits to which the procedural protections of
2 the due process clause apply.

3 133. Also, as stated previously, Defendants deprived Plaintiffs of that property right
4 without due process of law.

5 134. The wrongful conduct complained of herein was the product of a policy and practice
6 of the Defendants, was ratification by a final policymaker of Defendants, was not the
7 product of accident or inadvertence, and was not random.

8 135. In so acting, Defendants were deliberately indifferent to and acted in willful and
9 reckless disregard of the rights of Plaintiffs.

10 136. Article I, section 26 of the California Constitution provides that the provisions of the
11 California Constitution are mandatory. Violation of Plaintiffs' rights under Article I,
12 section 7, constitutes a failure to discharge mandatory duties.

13 137. As a direct and proximate cause of the aforementioned acts of Defendants, Plaintiffs
14 suffered loss of rental subsidies. Plaintiffs seek injunctive and declaratory relief.

15 **COUNT THREE**

16 **VIOLATION OF CAL. GOV'T CODE § 815.6**

17 **(Against Housing Authority of the City of Los Angeles and**

18 **Lourdes Castro Ramirez, in her official capacity)**

19 138. Plaintiffs restate, reallege, and incorporate by reference all previous and subsequently
20 stated paragraphs as if fully set forth herein.

21 139. California Government Code § 815.6 provides for liability against a public entity
22 when:

- 23 (a) The entity violates an enactment;
- 24 (b) The plaintiffs are in the class of persons protected by the enactment;
- 25 (c) The enactment is designed to protect the kind of injury complained of by the
26 plaintiffs;
- 27 (d) The violation proximately caused the injury; and
- 28 (e) The public entity did not exercise reasonable diligence in discharging its duty

1 established by the enactment.

2 140. An enactment includes a federal or state constitutional provision, statute, charter
3 provision, ordinance, or properly adopted regulation.

4 141. The Fourteenth Amendment of the United States Constitution and Article I, section 7
5 of the California Constitution are both enactments within the meaning of California
6 Government Code § 815.6. Plaintiffs are in the class of persons protected by these
7 enactments.

8 142. The aforementioned enactments, applying to Plaintiffs, constitute mandatory duties
9 within the meaning of California Government Code § 815.6, and were designed to
10 prevent the kind of injuries alleged herein.

11 143. Defendants, as described in this complaint, did not exercise reasonable diligence in
12 discharging their duty established by the enactments enumerated above to refrain
13 from violating the constitutional rights of Plaintiffs.

14 144. As a direct and proximate cause of the aforementioned acts of Defendants, Plaintiffs
15 suffered loss of rental subsidies. Plaintiffs seek injunctive and declaratory relief,
16 accounting, restitution, and/or damages. Said restitution and damages are incidental
17 to the injunctive relief sought herein.

18 **COUNT FOUR**

19 **VIOLATION OF CAL. CIV. CODE § 52.1**

20 **(Against All Defendants³)**

21 145. Plaintiffs restate, reallege, and incorporate by reference all previous and subsequently
22 stated paragraphs as if fully set forth herein.

23 146. California Civil Code § 52.1 provides a cause of action for damages when “a person
24 or persons, whether or not acting under color of law, interferes by threat, intimidation,
25 or coercion, or attempts to interfere by threat, intimidation, or coercion, with the
26 exercise or enjoyment by any individual or individuals of rights secured by the
27

28 ³ Ms. Simpson brings this claim against all defendants other than Ms. Guyton, and Ms. Cannon brings this claim against all defendants other than Ms. Fairley and Ms. Hatchell.

1 Constitution or laws of the United States, or of the rights secured by the Constitution
2 or laws of this state”

3 147. Defendants, as described in this complaint, attempted to and completed interference
4 with Plaintiffs’ constitutional rights by threat, intimidation, and coercion.

5 148. As a direct and proximate cause of the aforementioned acts of Defendants, Plaintiffs
6 suffered loss of rental subsidies. Plaintiffs seek injunctive and declaratory relief,
7 accounting, restitution, and/or damages. Said restitution and damages are incidental
8 to the injunctive relief sought herein.

9 **COUNT FIVE**

10 **NEGLIGENCE AND NEGLIGENCE PER SE**

11 **(Against Housing Authority of the City of Los Angeles and**
12 **Lourdes Castro Ramirez, in her official capacity)**

13 149. Plaintiffs restate, reallege, and incorporate by reference all previous and subsequently
14 stated paragraphs as if fully set forth herein.

15 150. Under California Government Code § 815.2, Defendants are liable for the negligent
16 acts of each and every one of its employees acting within the scope of his or her
17 employment, whether or not named in this complaint. This liability includes liability
18 for those acting pursuant to policy or higher-level instruction even though the
19 individuals who so acted are not named in the complaint.

20 151. Defendants, at all material times herein, had a duty to Plaintiffs as set forth in the
21 statutes, regulations, enactments, and common law of California and the United States
22 as set forth herein.

23 152. Defendants are liable for negligence under California Civil Code § 1714 because
24 Plaintiffs’ injuries were caused, in whole or in part, by Defendants’ lack of ordinary
25 care or skill in the management of their agents, and the delivery of their programs and
26 services.

27 153. In committing the acts and omissions described more fully herein, Defendants knew,
28 or reasonably should have known, that their conduct would result in injury to

1 Plaintiffs. Moreover, California Evidence Code § 669 establishes “negligence per se”
2 where there is a violation of a statute, ordinance, or regulation of a public entity; the
3 violation proximately caused injury to a person; the injury resulted from an
4 occurrence of a nature which the statute was designed to prevent; and the person
5 suffering the injury was one of the class of persons for whose protection the statute
6 was adopted. The conduct alleged here meets that standard.

7 **PRAYER FOR RELIEF**

8 154. Wherefore, Plaintiffs seek the following relief:

- 9 a. A declaration that the policies and practices of HACLA and Defendants
10 complained of herein violate federal and state Constitutions.
11 b. A permanent injunction requiring Defendants to reinstate Plaintiffs to the
12 Section 8 Housing Choice Voucher program;
13 c. A permanent injunction enjoining Defendants in the future from engaging in
14 the unlawful conduct stated herein and from failing to provide restitution;
15 d. Damages against each Defendant, as to each cause of action in which that
16 Defendant is named;
17 e. Restitution, including interest, on subsidies improperly withheld;
18 f. Attorneys’ fees under California Code of Civil Procedure § 1021.5, 42 U.S.C.
19 § 1988, and whatever other statute or law may be applicable; and
20 g. Such other relief as is just and proper.

21
22 **DEMAND FOR JURY TRIAL**

23 Plaintiffs demand a jury trial.

24
25 Dated: October 31, 2025

Respectfully submitted,
Legal Aid Foundation of Los Angeles

26
27 /s/ Heeyoung (Linda) Park
28 Attorney for Plaintiff

LAW OFFICE OF AUTUMN ELLIOTT

/s/ Autumn M. Elliott
Attorney for Plaintiff

LOCAL RULE 5-4.3.4 ATTESTATION

I hereby attest that all signatories listed, and on whose behalf the filing is submitted, concur in the filing's content and have authorized the filing.

DATED: October 31, 2025

LEGAL AID FOUNDATION OF LOS ANGELES

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14
15 **UNITED STATES DISTRICT COURT**

16 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

17 GWENITA SIMPSON, and LATRICE
18 CANNON,

19 Plaintiffs,

20 v.

21 HOUSING AUTHORITY OF THE
22 CITY OF LOS ANGELES, LOURDES
CASTRO RAMIREZ, in her official, and
23 personal capacities, CARLOS VAN
NATTER, in his personal capacity,
24 BILLYE FAIRLEY, in her personal
capacity, IRIS HACHELL, in her
25 personal capacity, and PATSHEREIBA
GUYTON, in her personal capacity.

26 Defendants.

CASE NO.: 2:25-cv-7337-WLH-SKx

CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

Gwenita Simpson, et al. v. Housing Authority of the City of Los Angeles et al.
Case No. 2:25-cv-7337-WLH-SKx

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is Legal Aid Foundation of Los Angeles, 1550 W. 8th Street, Los Angeles, CA 90017. My electronic service address is lschmidt@lafla.org.

On October 31, 2025, I served the following document(s):

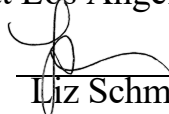
FIRST AMENDED COMPLAINT

on the interested parties in this action listed on the attached service list in the manner indicated below.

BY ELECTRONIC SERVICE: Pursuant to a stipulation by/between the parties to this action, I caused said document(s) to be transmitted via electronic mail from my electronic service address indicted above to the electronic service address(es) indicted on the below service list provided by those party(ies) as their service address(es) for this case.

I hereby certify that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on October 31, 2025, at Los Angeles, California.



Liz Schmidt

SERVICE LIST

Gwenita Simpson, et al. v. Housing Authority of the City of Los Angeles et al.
Case No. 2:25-cv-7337-WLH-SKx

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