

The Democratic Socialists of America on the Los Angeles City Council: Hypocrisy and betrayals in the service of big business

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The city of Los Angeles, a sprawling and internationally diverse metropolis plagued by deepening inequality and skyrocketing homelessness, is a class battleground.

It reveals not only the fake progressive pretensions of the Democratic Party, which is in fact working hand-in-glove with the incoming Trump administration to impose its agenda of war and austerity, but also that of pseudo-left parties who serve to channel working class opposition back into the safe confines of the former. The most prominent of these is the Democratic Socialists of America (DSA), which has an outsize influence in Los Angeles and West Coast politics in general.

In fact, four of the fifteen member Los Angeles City Council are also members of the DSA—Hugo Soto-Martinez, Nithya Raman, Eunisses Hernandez, and newly elected Ysabel Jurado. These council members, who are paid a record salary of more than \$230,000 a year, ostensibly elected to advocate for working class Angelenos, have instead perpetuated policies that cater to big business, exacerbate homelessness, and betray the city's most vulnerable residents.

Last July, Raman and Soto-Martinez filed a motion that would grant developer Hillcrest Real Estate, LLC, the owners of the 500-room Hilton Universal City Hotel, a package of economic development incentives for the addition of an adjoining 395-room tower.

The Universal City Hilton was one of the hotels affected by the Unite Here Local 11 strike in Los Angeles in July 2023. Moreover, it is no coincidence that Soto-Martinez's career began as a leader of that union.

During the strike, Unite Here did everything in its power to either prevent it outright or limit it to one-day actions at a selected number of hotels, then signing single piecemeal contracts, emasculating the power of workers. Now its former leader is planning a major gift for the hotel and the plan developer, assessed at around \$80 million on the basis of other Development Incentive Agreements.

Unite Here is also the union that originally organized a stunt proposal for a ballot measure that would have required hotel operators to report their vacancies to the city of Los Angeles daily. The city's homeless agencies would then allocate homeless individuals or families to the hotels, with "market rate" vouchers paid for by the city. On December 5, 2023, the City Council unanimously withdrew it from the ballot, with Unite Here signing off.

A concession to the JW Marriott Hotel is also in the works: a motion introduced on November 8, 2023 by City Council Vice Chair Tim McOsker instructed the City Tourism Department to present an extended Exclusive Negotiation Agreement with giant developers AEG and the Plenary Group with regard to the expansion of the LA Convention Center and a new hotel tower. Soto-Martinez admitted that the update would "not generate as much revenue for city coffers as it costs," but nevertheless did not oppose the multimillion-dollar contract whose beneficiaries are major corporations.

Several similar Development Incentive Agreements are in motion and DSA council members have consistently voted in favor of a massive transfer of public wealth to large developers, contractors and hotels, such as the Venice Hope Group for its development of a \$132 million, 300-room hotel, which includes a \$171 million, 250-unit residential development.

Another estimated \$50 million handout is expected to be approved in favor of developer Vella Group for a proposed 236-room hotel at 670 Mesquit Street in the Arts District. Again, with the rare exception of Raman, all other DSA members have consistently approved these deals.

This type of corporate welfare resembles the notorious case of Donald Trump's real estate ventures in 1970s New York. Trump, then a fledgling developer, received substantial subsidies from the city, ostensibly to revitalize struggling neighborhoods. In reality, these funds enriched Trump while leaving the city grappling with a worsening

fiscal crisis. Similarly in Los Angeles, these hotel subsidies benefit powerful corporations while workers face stagnant wages and rising costs of living.

Homelessness is also being capitalized on for speculative purposes. Despite a whopping \$2.8 billion allocated between 2021 and 2024 to address the homelessness crisis, conditions in Los Angeles continue to deteriorate. Programs like Mayor Karen Bass's *Inside Safe* initiative, supported by DSA council members, funnel hundreds of millions of dollars to private contractors and non-profits, which gain handsomely from the crisis without delivering substantive results.

The symbiotic relationship between homelessness and profit is glaring. Companies involved in encampment sweeps, temporary housing, and security services have turned homelessness into a lucrative industry. A *ProPublica* investigation last year revealed that hotels receiving *Inside Safe* contracts, despite numerous health and safety violations, continue to secure funding, raising serious questions about oversight and accountability.

Far from addressing root causes, these measures normalize poverty while enriching private entities. DSA members Eunisses Fernandez and Hugo Soto-Martinez were instrumental in the Newsom/Bass partnership that resulted in Newsom's brutal raids of homeless encampments in July.

At the time, Soto-Martinez stated: "It's so important for leaders to come together across levels of government to cut red tape and allow us to better serve our communities. I want to give special thanks to Mayor Bass for leveraging her experience in Sacramento, Washington DC, and LA to make this happen."

Homeless sweeps are in themselves a major business opportunity. According to a 2024 investigation by the *Guardian* and *Type Investigation*, encampment cleanups are a \$700 million business as of April 2024. With the complicity of municipalities like the city of Los Angeles, companies like Tucker Construction, Singh Group or Ocean Blue violate the most basic rights of the homeless population while pocketing massive sums of public money.

DSA council members also constantly collude with trade union bureaucracies to push through labor contracts detrimental to city workers. Under the pretense of securing "necessary compromises," these agreements have led to layoffs and wage stagnation for municipal employees.

Soto-Martinez and Raman participated in a stunt during a hotel workers' strike organized by his mothership Unite Here Local 11 when they were arrested and immediately released.

During the WGA and SAG-AFTRA strike of 2023, Soto-Martinez worked overtime to make sure the strike would come to an end quickly: "It's past time the studios recognize that, come back to the table, and end this strike now," he

declared as he empowered the union bureaucracies to prepare the rotten deals that, a year later, have produced a catastrophe for film and television workers.

Also last year, Los Angeles city workers, after working without a contract for two years, were betrayed by the Service Employees International Union (SEIU) Local 721 bureaucracy as they tried to fight against the very mayor and city council that have reduced them to precarious conditions. The silence from the DSA council members on this was deafening.

Some of the signature initiatives of the DSA-affiliated council members are also related to so-called renter advocacy. While Soto-Martinez and Raman have touted their efforts to prevent evictions and cap rents, these measures have proven largely ineffective while they lend critical support to real estate developers who wield immense power.

Nithya Raman's pro-Zionist pro-police stance has also created a crisis in the DSA, and in the Southern California chapters of the DSA in particular, especially in light of Israel's genocide of Palestinians. Her refusal to condemn the onslaught in Gaza and her alignment with pro-Israel lobbies highlight her unconditional support for US imperialism.

On immigration, the record of the DSA council members is no different. On December 4, in a publicity stunt attempting to chloroform opposition to the Trump administration's draconian anti-immigrant plans, the city council passed a "sanctuary city" revised ordinance which prohibits the use of city resources and staff for federal immigration enforcement efforts.

The revised ordinance, however, contains exceptions and loopholes pertaining to those considered "illegal" when they have been previously deported due to convictions for aggravated felonies. The incoming Trump administration will find the ordinance perfectly compatible with his draconian plans.

The role of the DSA-affiliated Los Angeles City Council members in perpetuating the city's social crisis cannot be overstated. By prioritizing corporate subsidies, supporting homelessness policies that are ineffective at best while providing millions to contractors, and betraying workers and renters, they have revealed themselves as agents of the very system they claim to oppose.



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