

# The resignation of LACAHSA CEO Ryan Johnson and the financialization of homelessness in Los Angeles

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The abrupt resignation of Ryan Johnson as interim CEO of the Los Angeles County Affordable Housing Solutions Agency (LACAHSA) reveals the true character a project that was always designed to serve private capital, not the public good. Far from a failure of vetting or due diligence, Johnson's appointment—and now his exit—was part of a deliberate strategy by Los Angeles County politicians and their financial backers to transform homelessness from a humanitarian crisis into a lucrative profit opportunity.

Johnson, whose tenure will end this fall, was hailed by LACAHSA board members as a visionary outsider who could bring “creative” funding solutions to the crisis of affordable housing. What they neglected to mention was that these “solutions” were drawn directly from the toolkit of finance capital: mechanisms of asset restructuring, market speculation, and opaque real estate maneuvers that benefit investors at the direct expense of the working class. In fact, Johnson’s entire career has been characterized by the aggressive commodification of housing, under the guise of affordability and social benefit.

LACAHSA, a public entity created in 2022, is now tasked with managing over a third of the estimated \$1.1 billion raised annually through Measure A, a regressive half-cent sales tax increase which was approved by voters in November. This measure, presented as a moral imperative to combat homelessness, was in fact a Trojan horse: a mechanism for funneling public funds into the hands of private equity firms under the cover of social concern.

Johnson’s background made him the perfect figurehead for this operation. With previous roles in private equity, speculative real estate development, and a résumé padded with unverifiable claims and unverifiable transactions, Johnson was handpicked. Fulham Square Capital, the firm

he founded in 2023, allegedly raised over \$120 million in equity and acquired over \$350 million in distressed assets, converting 2,600 market-rate units into affordable housing.

But when pressed by journalists to provide even a basic list of these projects, Johnson hid behind investor confidentiality agreements. Legal experts have confirmed there is no prohibition on disclosing such information, only a reluctance to let the public see how their tax dollars are being used to underwrite private profit.

This duplicity runs straight to the top. Johnson was selected unanimously by a board that includes Democratic Los Angeles Mayor Karen Bass, Supervisor Holly Mitchell and self-styled “progressive” Nithya Raman, a member of the Democratic Socialists of America—a faction of the Democratic Party. None of them raised a single concern about Johnson’s opaque record or the contradiction of placing a private equity executive at the helm of a public housing agency.

Johnson’s role was perfectly captured by Long Beach Mayor Rex Richardson, LACAHSA’s board chair, who praised Johnson at the time of his hiring as “an innovative and entrepreneurial-minded CEO.” That is, not someone grounded in serving people in need, but a financial operator with the mindset to turn a social catastrophe into a business venture. The board’s unanimous decision opened a new frontier for capital accumulation, with Johnson as its vanguard.

Johnson’s previous ventures are riddled with contradictions and false claims. At the South Carolina-based Greenville Housing Fund, Johnson claimed to have grown assets from \$5 million to \$220 million. IRS filings show growth to just \$81 million. He claimed to have saved a California nonprofit from bankruptcy in five months—the organization denied it was ever in financial

distress. At Fulham, he promised disclosure of deals, then walked back his commitment the same day he announced his resignation. This pattern of puffed-up credentials, unsubstantiated impact, and retreat into the fog of financial confidentiality is precisely what LACAHSA's leadership found attractive.

Johnson's role at LACAHSA was that of a pathfinder. His task was not to lead a stable public institution, but to lay the groundwork for a newly financialized homelessness economy, where public dollars, raised disproportionately from working-class consumers through sales taxes, are handed to real estate syndicates under the cover of "public-private partnerships."

Now that this groundwork has been laid, Johnson can exit stage left. Another emissary of finance capital will be installed to oversee the next phase: the disbursement of taxpayer money upward into the hands of private landlords, construction firms and investment groups.

It is no accident that Johnson's resignation comes just as LACAHSA begins collecting its \$400 million annual share of Measure A funding. The agency is now flush with public funds and freshly legitimized by the rhetoric of reform. The "interim" job of paving the road for profit has been completed.

This development vindicates earlier warnings issued by the *World Socialist Web Site*, which has consistently exposed how so-called progressive solutions to homelessness are nothing more than profit engines for finance capital. Behind the façade of concern and innovation lie the brutal mechanisms of capitalism, which seek to monetize every social ill, including the growing masses of unhoused people.

The very politicians and media figures who drape themselves in the language of justice and equity enabled this.

Bass, who built her reputation on social work and professed "progressive values," presided silently over the hiring of a figure with an extensively disputed record. Pro-Zionist Nithya Raman, elected with the backing of the DSA and "progressives," also offered no resistance. Instead, she joined the unanimous board vote to install Johnson, and later offered vague platitudes about "accountability in homelessness programs" when confronted with questions about his résumé. Their participation in this charade exposes the true colors of the Democratic Party and its pseudo-left satellites in managing capitalism's most grotesque expressions.

As for Measure A, its regressive nature is a damning indictment of the entire funding framework. Sales taxes

fall heaviest on the working poor, who spend a greater share of their income on taxable consumer goods. These are the very people most at risk of homelessness. Now, through Measure A, they are financing a system designed to fail them. Their contributions are being siphoned upward, redirected into the pockets of real estate developers, consultants, and bondholders, under the cynical guise of "help."

Measure A was heavily promoted by the Democratic Party establishment, which wrapped it in progressive language and urgent appeals for moral responsibility. In reality, it shows the core hypocrisy of the Democratic Party, posing as defenders of the working class while constructing policies that extract wealth from workers and redistribute it to the capitalist ruling class. Behind the marketing campaign—complete with ballot-box rhetoric about compassion and community—stood a bipartisan political machine fully aware that the funds would be funneled into public-private partnerships designed to enrich speculators.

Homelessness is not a market opportunity. It is the brutal consequence of a social and economic system—capitalism—that subordinates all human needs to the pursuit of profit. And until that system is overturned, every "solution" offered by the likes of LACAHSA, no matter how well-branded, will only deepen the problem.

Johnson's resignation is not the end of a mistake: it is the signal that a plan has succeeded, the machinery is now in place, the money is flowing. And the capitalist politicians, from the right to the pseudo-left, are united in silence.

Only through independent, political mobilization of the working class—one that rejects the capitalist parties and their political operatives—can workers begin to fight back against the system that has made housing a commodity and turned human misery into a business model, and replace it with its progressive alternative, socialism.



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