

BUDGET AND FINANCE COMMITTEE REPORT relative to amending the Los Angeles Municipal Code (LAMC) to waive fees imposed in connection with permits to repair or rebuild buildings or structures damaged or destroyed by the January 2025 Wildfires; and related matters.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the City Administrative Officer (CAO) report dated October 2, 2025.
2. REQUEST the City Attorney to revise the draft Ordinance dated June 20, 2025 to align with the Mayor's revised Executive Order dated April 25, 2025, to waive all building permit fees associated with repair or reconstruction of single family structures and duplexes, damaged or destroyed up to 110 percent of the original structure as a result of the Wildfires of January 2025.
3. APPROVE the following Recommendations contained in the CAO report dated May 7, 2025 as Recommendation No. 1.b-e, attached to Council file No. 25-0006-S57
 - a. Find that the waiving of permit and plan check fees for rebuilding properties represents a clear public benefit inasmuch as the waivers would remove barriers to reconstruction and benefit the economy of the City.
 - b. Request the Controller to establish a new account Wildfire Emergency Permit Fee Waivers in the General City Purposes (GCP) and appropriate \$10 million from a temporary revolving loan from the Los Angeles Department of Building and Safety's (LADBS) Building Permit Enterprise Fund (Enterprise Fund) to be repaid, with interest, by General Fund dollars.
 - c. Instruct the LADBS to establish fee waiver procedures, including the process for obtaining reimbursements of waived fees from GCP to ensure full cost recovery for the Enterprise Fund.
 - d. Instruct the CAO to identify General Fund dollars to repay the Enterprise Fund, for any and all fees waived in connection with the January 2025 Wildfires, with interest calculated at the City Daily Interest Pool Rate.
4. INSTRUCT the CAO to report on the following:
 - a. A breakdown of the cost estimate, including the specific fees waived, not waived and the estimated amount for each.
 - b. The payment structures and how that could be limited or predictable on an annual basis.
 - c. Adding a provision in the report on whether this fee waiver could be time limited to four or five years.

Fiscal Impact Statement: The CAO reports that should the Council waive plan check and permit fees related to the repairs and rebuilding of structures in the Pacific Palisades that were damaged or destroyed during the January 2025 Wildfires, the General Fund impact would be more than \$86 million. The option to note and file this report will have no General Fund impact.

Financial Policies Statement: The CAO reports that in order to comply with the City's Financial Policies, the Council needs to make a finding of public benefit to waive fees for services for individual users. Because the fees to be waived are for services funded through a source of funds generated by the collection of those fees, a General Fund appropriation would be required to prevent other service users from improperly subsidizing such fees.

Community Impact Statement: None submitted

(URGENCY CLAUSE - 12 VOTES REQUIRED ON SECOND READING)

SUMMARY

At the meeting held on June 23, 2025, the Ad Hoc Committee for LA Recovery considered CAO and City Attorney reports, and Ordinance relative to adding Section 98.0419.1 to the LAMC to waive fees imposed in connection with permits to repair or rebuild buildings or structures damaged or destroyed by the January 2025 Wildfires; and feasibility of waiving plan check and permit fees associated with reconstruction of private property damaged in the January 2025 Wildfires.

Subsequently on October 7, 2025, the Budget and Finance Committee considered the above referenced CAO and City Attorney reports, and draft Ordinance, and an additional CAO Report dated October 2, 2025. After an opportunity for public comment was held, the Committee recommended to move amend the Ordinance presented by the City Attorney and approve specific recommendations from the CAO reports, as amended, as detailed above. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-