

AD HOC COMMITTEE FOR LA RECOVERY REPORT and ORDINANCE FIRST CONSIDERATION relative to adding Section 98.0419.1 to 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 feasibility of waiving plan check and permit fees associated with reconstruction of private property damaged in the January 2025 Wildfires.

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

1. DETERMINE, based on the whole of the administrative record, that the adoption of the accompanying ORDINANCE dated June 20, 2025, does not constitute a project under the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378(b), in that the action relates merely to administrative and organizational matters and the setting of policy and procedures that do not result in any direct or indirect change to the physical environment.
2. PRESENT and ADOPT the accompanying ORDINANCE dated June 20, 2025, 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 Wildfires of January 2025.
3. APPROVE the following Recommendations contained in the City Administrative Officer 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 in 30 days on:
 - a. An updated analysis on the financial impacts that assumes all rebuilds are included in the waiver program as well as accounts for potential insurance or other funding sources.
 - b. The estimated number of homes/builders currently in the process that were uninsured or underinsured. Within this same group, the number of households that fall at or below moderate Area Median Income.
 - c. An analysis of potential funding recommendations and repayment of the Enterprise Fund loan

5. INSTRUCT the LADBS to report every six months with the number of households that have been granted fee waivers
6. REQUEST the City Attorney to report with an analysis on the ability to make subrogation claims against insurance companies.

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, your Ad Hoc Committee for LA Recovery considered a City Attorney report 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.

After an opportunity for public comment was held, the Committee recommended to move forward the Ordinance as presented by the City Attorney and approve specific recommendations from the CAO report, as amended, by Councilmember Park and seconded by Councilmember Soto-Martinez, as detailed above. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

AD HOC COMMITTEE FOR LA RECOVERY

<u>MEMBER</u>	<u>VOTE</u>
PARK:	YES
RODRIGUEZ:	ABSENT
NAZARIAN:	ABSENT
SOTO-MARTINEZ:	YES
McOSKER:	YES

LV 6.23.25

-NOT OFFICIAL UNTIL COUNCIL ACTS-