

## BUDGET &amp; FINANCE

## MOTION

On January 7, 2025, wildfires unprecedented in scope tore through Los Angeles County, displacing over 150,000 residents and destroying over 16,000 buildings, including over 5,500 residential buildings in the Palisades fire alone. In the aftermath of the fires, recovery is underway with the Council's leadership and the Executive Orders issued by Mayor Bass to streamline and expedite the permitting process to allow for the rapid rebuilding of the Palisades. Steady progress has resulted in the issuance of 751 permits for 407 unique addresses in the City, according to the Department of City Planning, but we should make every effort to expedite the recovery process.

In November 2022, Measure ULA was adopted by City voters. Measure ULA establishes a funding mechanism for programs to increase permanent supportive and affordable housing stock and to provide resources to tenants at risk of homelessness through a 4 percent tax on sales or transfers of real property exceeding \$5.3 million and through a 5.5 percent tax on sales or transfers of real properties of \$10.6 million or more. To date, the ordinance has generated over \$880 million in revenue, which has been used to expand eviction defense services, tenant outreach and education efforts, provide rental assistance, and fund affordable housing units. However, the Measure ULA tax has been identified as a potential obstacle to rebuilding. Potential buyers of residential properties in the Palisades factor in the cost of the ULA tax to make lower than market value offers on said properties.

On October 9, 2025, Mayor Bass issued a letter asking the City Council to grant the Director of the Department of Finance increased delegated authority to promulgate rules that grant a one-time Measure ULA tax exemption to owners of all residential properties in Pacific Palisades. The letter was based on a proposal presented by Steadfast LA, an organization created to assist rebuilding efforts in fire-affected areas. The matter deserves consideration and it is imperative that the council considers the feasibility of this proposal.

**I THEREFORE MOVE** that the Council request the City Attorney to provide an analysis of this proposal and, if deemed feasible, prepare and present an ordinance to effectuate the proposal, detailed in the October 9, 2025 letter, within 30 days; and

**I FURTHER MOVE** that the City Council instruct the Office of Finance, in coordination with the City Attorney and the Chief Legislative Analyst, to present options for a ULA rebate program for eligible property owners if the City Attorney deems the suspension of Measure ULA for fire victims to be infeasible.

PRESENTED BY: 

TRACI PARK

Councilwoman, 11th District

SECONDED BY: 

OCT 24 2025

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