

BUDGET AND FINANCE COMMITTEE REPORT relative to a request for Closed Session for a report on the City Attorney's assessment of the legal basis and recommended strategy to pursue civil action and other matters related to the June 17, 2026 Lineage Logistics warehouse fire in Boyle Heights.

Recommendation for Council action, as initiated by Motion (Jurado – Hernandez):

REQUEST the City Attorney to appear before the City Council in Closed Session, within 15 days of the adoption of this Motion, to report on the following matters related to the June 17, 2026 Lineage Logistics warehouse fire in Boyle Heights:

- a. The City Attorney's assessment of the legal basis and recommended strategy for the City to pursue civil action against Lineage Logistics and any other responsible parties, including potential claims related to public nuisance, negligence, and violations of applicable fire and safety codes.
- b. The City Attorney's assessment of the legal basis and recommended strategy for the City to pursue a reimbursement action against Lineage Logistics and any other responsible parties to recover costs incurred by the City from responding to and recovering from the fire, including the reimbursement of any grant or special funds that may have been allocated to the recovery efforts.
- c. An accounting of available legal mechanisms, beyond civil litigation, through which the City may recover costs it has incurred or committed related to the fire, including emergency response, remediation, staffing, public health interventions, and resident and business assistance.
- d. A preliminary estimate of the City's anticipated total spending related to fire response, recovery, and cost-recovery efforts, including legal costs associated with pursuing the actions described above.
- e. The City Attorney's assessment of anticipated legal, procedural, or evidentiary challenges the City may encounter in pursuing the above actions, and the strategies proposed to address them.
- f. The status and availability of funding tied to the State emergency declarations issued in connection with the fire, and the steps necessary to incorporate or activate such funding in support of the City's recovery and cost-recovery efforts.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted

[Request a confidential report and Closed Session report from the City Attorney pursuant to Government Code Section 54956.9(d)(4), regarding the initiation of legal actions against any entities or persons responsible for the fire Boyle Heights warehouse fire and its clean-up, including but not limited to an action against Lineage Inc.]

SUMMARY

At its meeting held on September 1, 2026, your Budget and Finance considered Motion (Jurado - Hernandez), dated August 4, 2026, relative to requesting the City Attorney to report in Closed Session regarding an assessment of the legal basis and recommended strategy for the recovery of costs incurred by the City, and other matters related to the June 17, 2026 Lineage Logistics warehouse fire in Boyle Heights. Councilmember Blumenfield introduced a Motion, which was seconded by Councilmember McOskey, to amend the request for the City Attorney's assessment of the legal basis and recommended strategy for the City to pursue a reimbursement action against Lineage Logistics and any other responsible parties to recover costs incurred by the City from responding to and recovering from the fire, to include the reimbursement of any grant or special funds that may have been allocated to the recovery efforts.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the Motion as amended in Open Session, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

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

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-NOT OFFICIAL UNTIL COUNCIL ACTS-