

MOTION BY SUPERVISOR KATHRYN BARGER

JUNE 17, 2025

REMOVING THE BURDEN OF COUNTY PERMIT FEES FOR REBUILDING AFTER THE 2025 LA COUNTY FIRES

The Eaton and Palisades Fires of January 2025 (January 2025 Fires) left a staggering human and financial toll in their wake, displacing thousands of families and decimating over 7,400 residential and commercial structures in Los Angeles County’s unincorporated areas. For many homeowners, the fires took more than property—they erased decades of stability, disrupted community cohesion, and left in their place an overwhelming burden of grief, uncertainty, and cost.

As property owners begin the process of considering rebuilding, many find themselves significantly underinsured and facing challenges to receive the funds and proceeds from their homeowners insurance policies. Insurance companies are moving at a glacial pace to help impacted homeowners access the funds they have paid for through their premiums for years. As these families struggle to fund their existing relocation and immediate needs, the lack of support from insurance has significantly hampered their ability to get to the starting line for rebuilding.

However, as families navigate these fiscal challenges and when they are ready to rebuild, they must confront the reality of paying for permit fees. Before a shovel can break ground, families must pay between more than \$20,000 in permitting and inspection fees. These costs come due at the most financially vulnerable moment, when families are navigating temporary housing, incomplete insurance claims, and the high price of labor and materials in a strained construction market.

On May 27, 2025, the Los Angeles County Board of Supervisors (Board) unanimously approved my Motion directing the County’s Chief Executive Officer (CEO) to include a plan to defer all fees for County permitting Departments for rebuilds. On June 6, 2025, the CEO submitted their report to the Board (June 25 Report).

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The report outlined a number of points related to any potential plan to defer, and ultimately waive permit fees for those rebuilding after the January 2025 Fires. Notably, the report highlighted that insurance cannot be counted on to close this gap. Many standard policies do not cover permitting costs, and attempts to recover these funds directly from insurers have proven ineffective. As outlined in the June 2025 Report, the County's past experience with cost recovery following the Woolsey Fire shows that only a fraction of eligible funds are ever collected—and FEMA reimbursement for permit-related recovery does not apply.

Moreover, the CEO's report estimates that the full cost of waiving permit fees could total \$140 million, but more realistic rebuild rates reduce that number to approximately \$84 million. While this figure is significant, the cost of inaction is far greater: prolonged displacement, depressed property values, stalled tax revenue, and most tragically, the erosion of our communities.

The CEO's report further notes that home rebuilding estimates vary widely from \$300 to \$800 per square foot, due to high demand for building materials and labor. For a 2,000 square foot home, the rebuild cost range varies from \$600,000 to \$1.6 million,²⁴ with fees consisting approximately 1.3 - 3.3 percent of rebuild costs. It also notes that if collection of all or part of departmental fees were deferred or waived, a funding source would need to be identified, as County Departments are not in a position to absorb these costs, and would require additional curtailments and/or deferral of previously approved projects.

County permitting fees are a cost recovery mechanism for County Departments for staff time and labor costs associated with reviewing plans and processing permits. However, the County has led efforts to streamline rebuilding through self-certification, use of software tools like Archistar, and the establishment of One-Stop Centers that provide dedicated staff to help with rebuilding. These efficiencies and tools will invariably lead to a reduction in the amount of time required for County staff to process plans and permits, and therefore reduce the overall cost of permits.

In addition, the County, which has been resolute in adhering to strict budgeting principles that have allowed us to weather decades of economic swings and significant disasters, must prudently approach this issue. Other revenue sources, such as Federal disaster assistance, local revenues through the implementation of Tax-Increment Financing (TIF) Districts, potential proceeds from claims and litigation related to the fire, and philanthropic sources, may be able to offset the cost of permit fees.

The impacts of every hurdle to rebuilding cannot be ignored. Many families will need to make critical decisions on how or whether to rebuild. It is imperative that the County take action to support those property owners and families to get back on their feet and back in to their homes and their communities.

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And they are necessary. In addition, the report recommends a 60-day fee study by the Auditor-Controller to right-size rebuilding fees in light of streamlined permitting tools and technologies.

I, THEREFORE, MOVE that the Los Angeles County Board of Supervisors direct the Departments of Regional Planning, Public Works, Fire, and Public Health, in coordination with the Chief Executive Officer (CEO), Auditor-Controller, and County Counsel, to:

1. Immediately defer fees for homeowners who submit applications for County permits for rebuilding single-family homes in unincorporated communities impacted by the 2025 Eaton and Palisades Fires, for those who meet the following criteria:
 - a. Property was owned by the applicant prior to January 7, 2025; and
 - b. Property was owner-occupied by the applicant prior to January 7, 2025;
2. Refund homeowners who meet the eligibility criteria in the aforementioned directive who have paid permit fees to the County for eligible rebuilds.

I, FURTHER MOVE that the Los Angeles County Board of Supervisors direct the Auditor-Controller, in coordination with the Departments of Regional Planning, Public Works, Fire, and Public Health to conduct a 60-day fee study to right-size departmental fee schedules in light of efficiency gains from technological and policy innovations for homeowners rebuilding single family homes in unincorporated communities impacted by the 2025 Eaton and Palisades Fires.

I, FURTHER MOVE that the Los Angeles County Board of Supervisors direct the Chief Executive Officer (CEO) to report back in writing in 60 days on:

1. Evaluation of funding opportunities, such as additional curtailments and/or reallocation of existing unspent one-time funding for this purpose in a future budget phase; and
2. Other funding options and/or financing strategies that will support homeowners in these efforts.

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