

MOTION BY SUPERVISOR LINDSEY P. HORVATH

JULY 1, 2025

Legal Pathways to Los Angeles County Serving as a Rebuilding Authority for Wildfire Recovery

The January 2025 fires changed the face of Los Angeles, representing one of the costliest US climate disasters since Hurricane Katrina, and serving as a harbinger of future risks facing the region in terms of extreme drought, weather, heat, and fire. With more than 16,000 structures damaged or destroyed, the scale of this disaster is unlike any our region has faced before.

Los Angeles County has already led a historic and ambitious response to the fires. Our Chief Executive Office/Office of Emergency Management coordinated nine recovery taskforces setting unified policy among federal, state, county, and municipal partners to chart our recovery, including:

- LA County Public Works leading the largest and fastest debris removal program in American history, with a Private Property Debris Removal program implemented by the US Army Corps of Engineers, Federal Emergency Management Agency, and California Office of Emergency Services, that has already cleared nearly 70% of lots.

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- A comprehensive debris flow program that removed 500,000 cubic yards of debris, avoided loss of life, and significantly mitigated damage to private property and public infrastructure.
- Recovery centers established to centralize resources for impacted residents.
- Public assistance programs for households, small businesses, and workers directly impacted by the fires.

In addition to surging tremendous government resources where needed, the County has also found ways to streamline procedures and work efficiently to support recovery. One-stop Rebuilding Permit Centers are open for both the Eaton and Palisades Fire burn areas. A new artificial intelligence tool has been deployed to streamline the plan check and permitting review process. Architect and engineer self-certification are now allowed for residential fire rebuilds. The first rebuilding permits have been issued with total review and issuance time currently averaging just 25 business days.

As rebuilding picks up, there are tremendous challenges facing community and government:

- Financing and reconstructing public infrastructure, including improvements that will guarantee public safety from future events and enhance the insurability of neighborhoods.
- Logistical challenges as hundreds of homes are built in neighborhoods that also include residents whose homes have not burned down.
- Escalating costs, workforce shortages, and complex inter-connected construction timelines among public and private stakeholders.
- The need for affordable financing solutions to support homeowners without the financial means to rebuild to 21st century safety standards.

Approaching this recovery with a business-as-usual model will not meet the moment. In times of great community need the government is best suited to step up and create effective systems to assist fire survivors in their recovery and rebuilding. We need to reduce layers of bureaucracy involved in typical construction projects if we want to successfully get people in their homes and reopen their businesses faster. After other major natural disasters including the 1994 Northridge Earthquake, September 11th Terrorist Attacks, and Hurricane Katrina, unified reconstruction authorities were established to effectively plan, implement, and recover. The County must respond to this unprecedented disaster the way the Federal Emergency Management Administration and the California Office of Emergency Management have responded; with urgency and innovation that resulted in the fastest cleanup effort in U.S. history.

Many of the families impacted by the fires face an uncertain financial reality for rebuilding. Many had inadequate or in some cases no insurance at all and face a host of financial barriers. And regardless of financial wherewithal, almost no individual homeowners have managed a ground-up new construction project, let alone one in as competitive of a marketplace as this recovery will likely be. Many impacted families are looking for both the construction management and financial assistance that will help them rebuild in a safe and accelerated way.

Long-term affordability of fire-threatened neighborhoods means that homes and businesses must be insurable. The insurance industry, which deploys a risk-based approach to its business, has signaled that it will insure properties if they are built to standards that protect them from fire and other climactic threats, and if there are effective strategies to manage fire risk in the surrounding neighborhood.

Just as the government-run Private Property Debris Removal program provided a

cost-effective, nimble, and highly effective option to support private property owners and local governments at scale, we owe it to residents to move equally effectively into rebuilding homes, businesses, and infrastructure. The cities of Los Angeles, Malibu, Pasadena, and Sierra Madre entrusted the County to lead this unprecedented program to much success. As recommended by the independent *Blue Ribbon Commission on Climate Action and Fire Safe Recovery*, ULI's *Project Recovery*, and other independent thought leaders on disaster recovery, with a unified, all-of-government approach, we can streamline this complex rebuilding effort, prioritize and support the return of all residents and businesses, and implement proactive, large-scale fire mitigation projects, and include all willing local government partners. Without bold, coordinated action, we risk further displacement, rising insurance costs, and deepening community and first responder vulnerability to future fire events.

I, THEREFORE, MOVE, that the Board of Supervisors, direct County Counsel to report back in writing in seven days with a report detailing the legal viability of Los Angeles County serving as a Rebuilding Authority, including in any jurisdictions impacted by the January 2025 wildfires, and the December 2024 Franklin Fire, that voluntarily seek this partnership with the County. The report should detail the County's current authorities, any new required authorities, and any state authorization required to implement the following roles:

- 1) Issue, deploy, and implement tax increment financing, federal, state, and philanthropic funds;
- 2) Manage and coordinate rebuilding and related logistics between public and private reconstruction;

- 3) Purchase lots at a fair price for land banking, with first look sale options provided to returning residents and their families and to create community amenities such as open space that could promote community-scale resiliency;
- 4) Work with builders to reconstruct properties to resilient construction standards and that prioritize strategies for accelerated and cost-effective rebuilding;
- 5) Create economies of scale for acquiring equipment and materials by bulk purchasing critical construction materials;
- 6) Support the reconstruction workforce by partnering with trades, facilitating training, and creating temporary workforce housing;
- 7) Enhance financing options for families that lack the ability to cover costs of rebuilding by partnering with private lenders, community development finance institutions, private philanthropy, and non-profits;
- 8) Facilitate reconstruction of lost rental housing stock, including by promotion of accessory dwelling units;
- 9) Carry out other activities that enhance property insurability and promote a resilient and sustainable recovery; and
- 10) Provides a meaningful mechanism for community engagement.

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