AGN. NO._____

REVISED MOTION BY SUPERVISORS HILDA L. SOLIS AND JANICE HAHN

AUGUST 4, 2026

Responding to the Lineage Fire Impact on Local Small Business in Unincorporated East Los Angeles

On Wednesday, June 17, 2026, a fire erupted at a 500,000 square-foot cold storage facility owned by Lineage Inc. located on South Los Palos Street in Boyle Heights in the City of Los Angeles. The fire spread ash for miles beyond East Los Angeles into Metro LA, the San Gabriel Valley and Southeast Los Angeles. The following weeks saw runoff from the firefighting efforts flow into the Los Angeles River. Vermin, flies, and a pungent odor have impacted the daily lives of residents living in the surrounding neighborhoods due to an ongoing presence of decaying food inside the Lineage facility. Although the fire is located in the City of Los Angeles, the effect of the fire has been strongly felt in unincorporated East Los Angeles (East LA), the community in the impacted coverage area with the largest population.

In a survey conducted by the Los Angeles County Department of Economic Opportunity, 64 of 73 small businesses reported a loss of revenue in the following corridors: Soto and Olympic; Soto and Pico; Olympic: Indiana to Downey; Union Pacific: Indiana to Velasco; Union Pacific: Velasco to Grande Vista Ave; Olympic: Lorena to Indiana; and Union Pacific: Indiana to Ditman.

This fire is only the latest incident in the history of environmental injustices that have plagued the residents of East Los Angeles for decades – causing a variety of interruptions facing East LA businesses. In March 2026, the Board of Supervisors approved the motion to create a Countywide Business Interruption Fund that could

MOTION

Mitchell	_____
Horvath	_____
Hahn	_____
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provide assistance to small businesses in the wake of disasters causing a financial loss. However, it is pertinent to identify a sustainable, ongoing means to support a standing fund that is needed now in response to the Lineage fire and will potentially be needed again should another disaster occur elsewhere.

~~I~~WE, THEREFORE, MOVE that the Board of Supervisors:

1. ~~d~~Direct the Department of Economic Opportunity (DEO) to utilize Supervisorial District 1 Catalytic Development Funds to launch a Small Business Interruption Fund for businesses in the areas impacted by the fire and other proclaimed emergencies within the district. This assistance should be provided within 45 days, and
2. Authorize the Director of the DEO, or her designee, ~~shall have the necessary delegated authorities~~ to negotiate, execute, or amend any agreements to implement the program~~.~~ subject to approval by County Counsel. The Board shall waive the requirements of Board Policy No.5.100 for these agreements.

~~I~~WE, FURTHER, MOVE that the Board of Supervisors direct the Department of Economic Opportunity (DEO) to report back in writing within 60 days with a proposal of the utilization of the countywide Business Interruption Fund (BIF) established via the motion, Protecting Small Businesses and Strengthening Economic Resiliency in Los Angeles County, approved by the Board of Supervisors in March 2026, to serve businesses impacted by recent proclaimed local emergencies, including but not limited to those businesses impacted by the Lineage Logistics Fire should the Supervisorial District 1 Catalytic Development Funds prove insufficient.

~~I~~WE, FURTHER, MOVE that the Board of Supervisors direct County Counsel and Office of Emergency Management to seek reimbursement for funds dispensed to small businesses impacted by ~~the~~ a local emergency~~ies~~.

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~~I~~**WE, FURTHER, MOVE** that the Board of Supervisors direct the Department of Regional Planning, in consultation with County Counsel and Department of Public Health, to explore the feasibility of developing a policy that would require new facility permits identified as high-risk to environmental or public health, and in sensitive areas such as residential or near schools, ~~all new manufacturing, recycling, warehouse, and any other industrial land use facilities that have the potential to negatively impact the economic vitality of small businesses due to their operations in unincorporated Los Angeles County~~ to pay a fee that would help fund the Countywide Business Interruption Fund that was established in the motion, Protecting Small Businesses and Strengthening Economic Resiliency in Los Angeles County, in March 2026, only for use by businesses in unincorporated areas; and report back in writing within 90 days.

~~I~~**WE, FURTHER, MOVE** that the Board of Supervisors direct the Department of Public Health, in consultation with County Counsel, report back in writing in 60 days with the recommendations on the following:

1. An evaluation of its current citation and fee structure and provide recommendations on increasing the penalties imposed for public health violations with significant impacts to public and environmental health, similar to the Los Palos Incident; and
2. Requirements for businesses with high-risk of community exposure to environmental hazards located in proximity to sensitive locations, such as residences, schools, or health care facilities, to prepare and submit for approval by the Department of Public Health a community health and safety preparedness and mitigation plan.

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