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RESOLUTION

WHEREAS, the recent wildfires in California have destroyed thousands of homes, leaving many residents without shelter while still responsible for mortgage payments, taxes, land rent, and other costs associated with properties that may take years to repair or rebuild; and

WHEREAS, many of these individuals, despite being displaced, are still tied to their communities by employment or other ties, and now face the additional hardship of finding housing in one of the tightest housing markets in the nation; and

WHEREAS, following other natural disasters, corporate investors, with deep financial resources, are taking or could take advantage of this crisis by purchasing multiple fire-damaged properties, capturing long-term profits while fire victims struggle to rebuild their lives; and

WHEREAS, homeowners, unable to return to their properties, may be forced to sell their homes, often at a loss, to escape the mounting expenses, leaving them further vulnerable to being exploited by these investors; and

WHEREAS, large equity firms that acquire these properties have an incentive to renovate and either rent them at exorbitant prices or sell them at inflated rates, worsening the housing affordability crisis by reducing competition in an already strained housing market; and

WHEREAS, similar circumstances have arisen in other disaster-impacted areas, such as Maui following the 2023 wildfires, where the concentration of homeownership by corporate investors raised concerns about long-term housing affordability, prompting consideration of legislative actions to curb such practices; and

WHEREAS, the City Council believes it is essential that the State of California act decisively to prevent predatory interests from profiting off victims of natural disasters and exploiting tragic circumstances for profit which further victimizes those that have already suffered unimaginable loss; and

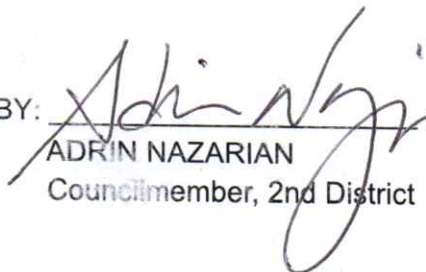
WHEREAS, the City Council expresses its sincere appreciation to Governor Gavin Newsom for his leadership and prompt action to protect fire victims from predatory real estate practices, ensuring that vulnerable residents are not taken advantage of by corporate investors seeking to profit from the devastation caused by wildfires; and

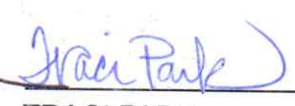
WHEREAS, the City of Los Angeles recognizes the importance of this action and the need for continued efforts to implement long-term solutions to prevent the monopolistic concentration of homeownership in fire-impacted areas;

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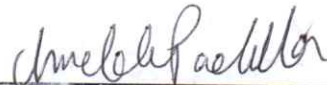
NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2025-2026 State Legislative Program SUPPORT and/or SPONSORSHIP for any legislation that prevents the monopolistic concentration of homeownership in fire-damaged areas and encourages recovery efforts that prioritize the needs of families over the interests of large investors.

PRESENTED BY:


ADRIN NAZARIAN
Councilmember, 2nd District


TRACI PARK
Councilwoman, 11th District

SECONDED BY:



ORIGINAL