

MOTION

Since the posting of the agenda, it has come to the attention of the City of Los Angeles that in response to the Palisades Fire, the Eaton Fire, the January 2025 Windstorm, and related fires, it is necessary for the City to immediately address dozens of issues related to response and recovery, including but not limited to: FEMA reimbursement, financing strategies for fire recovery, public safety in evacuation areas, lost pets, price gouging, FEMA's Direct Lease program, relief from LADWP bills, assessing infrastructure and facilities, ongoing federal coordination, an ad hoc committee for fire recovery, LADWP infrastructure and the offline reservoir, support for dislocated workers, mitigating debris flows and landslides, exempting additional positions from the prioritized critical hiring process, a centralized permit operation center, additional resources for LAFD, creation of a recovery plan, mitigation of toxic hazards, federal resource centers, tenant protections for impacted persons and pets, and financial assistance for impacted persons and businesses.

Los Angeles County's 2025 wildfires have created a path of destruction, devastating communities, laying waste to countless homes and businesses, and forever changing the Pacific Palisades.

While there is absolutely no question that the Pacific Palisades will rebuild, our emergency response and recovery will place further strain on our budget and resources at a time when the City is already navigating many fiscal challenges. As of the Second Financial Status Report (CF 24-0600-S113), which was approved by Council in December 2024, the City's Reserve Fund sat precariously low at 4% and nearly \$250 million in overspending was projected. Imminent changes in our federal leadership and the expiration of the Federal Emergency Management Agency's (FEMA) 100% reimbursement rate in 180 days adds further uncertainty.

The immediate costs of our response and recovery will be significant: overtime for first responders and departments who have heroically managed our emergency response; the provision of Personal Protective Gear to residents returning to their homes as well as the City workers who will assess the state of our infrastructure; the removal of obstructions and restoration of safety along our public rights of way while mitigating against debris flows; dedicated staff to create processes and documentation, in addition to helping residents manage the debris removal process; and much more.

Beyond these immediate costs, the City will also shoulder long term recovery costs in aiding residents and businesses in rebuilding their lives, and in the reconstruction of critical infrastructure such as roadways, street lighting networks, traffic signals, parks, libraries, underground utilities and our sewer conveyance systems.

Simultaneously, the revenue loss will be acute, for the Palisades Fire has not only destroyed homes, businesses and lives, it has decimated a thriving town center that contributed greatly to the City's tax base. The loss of property tax, documentary transfer tax, business tax, sales tax, and Transit Occupancy Tax will have a profound impact on our General Fund. And although

FEMA should ultimately reimburse us for our Palisades Fire response and recovery, the initial expenses must be front-funded by the City - an extraordinary undertaking.

In order to manage our response, recovery and secure FEMA reimbursements, a comprehensive analysis of our fiscal state is required.

I THEREFORE MOVE that the City Council determine, as provided in section 54954.2(b)(2) of the Government Code, and pursuant to **Rule 23** of the Rules of the City Council, that there is a need to take immediate action on this matter AND that the need for immediate action came to the attention of the City subsequent to the posting of the agenda on Friday, January 10, 2025 for today's Council meeting.

I FURTHER MOVE that Council instruct the City Administrative Officer to report in 15 days regarding the estimated short-term and long-term impacts of this month's fires on the City's budget; and


I FURTHER MOVE that Council authorize the CAO to procure an outside consultant to assist with documenting and preparing expenses eligible for reimbursement by FEMA, with funding to be identified in the Mid-Year (Third) Financial Status Report; and

I FURTHER MOVE that the CAO, in coordination with other departments as needed, report in 15 days on strategies to front-fund the cost of our emergency response and recovery, including but not limited to special fund loans, MICLA, Building and Safety Enterprise Fund, Public Works Trust Fund, Proposition 4 Bond Revenue, and City issued non-voter approved bonds; and

I FURTHER MOVE that Council instruct all City Departments to document all expenses and costs related to our disaster response and recovery for reimbursement by FEMA.

PRESENTED BY:


TRACI PARK
Councilwoman, 11th District


KATY YAROSLAVSKY
Councilwoman, 5th District

ORIGINAL

SECONDED BY:

