

RESOLUTION

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WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, on January 7, 2025, a wildfire and windstorm event unprecedented in scope wreaked destruction across Los Angeles, with the Pacific Palisades, Eaton Canyon, Hurst, and the Hughes Fires burning over 50,000 acres combined throughout the County of Los Angeles and causing loss of life, displaced families and businesses, and tens of billions of dollars in damages; and

WHEREAS, under the Governor's Executive Order N-4-25, state environmental and coastal permitting requirements have been simplified for buildings that are up to 110 percent of the footprint and height of what was destroyed by the fires; and

WHEREAS, City permitting requirements are streamlined to projects that are no more than 110% of the size of the buildings that were damaged or destroyed; and

WHEREAS, the existing state provisions relative to property tax assessment do not tie back to the 110% size standard, but instead provide that: 1) property reconstructed after damage will be considered "new construction" and subject to re-assessment if it is not "substantially equivalent to the damaged or destroyed property," (Section 70(c)); and, 2) the assessed property value can be transferred to a newly purchased or newly constructed property valued at up to 120% of the value of the destroyed property; and

WHEREAS, these three separate standards (the 110% of property size standard, the "substantially equivalent" standard, and the 120% of property value standard) are likely to result in confusion among taxpayers trying to rebuild their destroyed properties; and

WHEREAS, to address this issue, AB 1253 (Schultz) would align the 110% expedited rebuild process with the "New Construction" assessment standards, and would apply to properties damaged by the January 2025 wildfires in Los Angeles and Ventura Counties; and

WHEREAS, the proposed legislative solution would provide that if the reconstructed property mirrors the size limits set by local permitting regulations and does not exceed 110% of the original size, the adjusted base year value of the damaged property would apply to the rebuild structure, preventing an unintended property tax increase; and

WHEREAS, this solution would provide clarity and consistency for property owners, allowing them to rebuild their homes without the fear of facing an unforeseen property tax increase;

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 for AB 1253 (Schultz), which would ensure that for qualifying reconstructed properties that meet the 110% size standard, the adjusted base year tax assessment value of the property would apply to the rebuilt property.

PRESENTED BY:

Traci Park
TRACI PARK
Councilmember, 11th District

SECONDED BY:

Monica Rodriguez
ORIGINAL

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