

# Agenda Report

August 25, 2025

TO:

Honorable Mayor and City Council

**THROUGH:** Economic Development & Technology Committee (July 15, 2025)

FROM:

Planning & Community Development Department

SUBJECT: PROPOSED PERMIT FEE REDUCTIONS FOR EATON FIRE REBUILD

SITES

# **RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the recommended fee reductions are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061(b)(3);
- Adopt a resolution amending the Fiscal Year (FY) 2026 General Fee Schedule to reduce or waive various Plan Check and Permit Fees for rebuilding eligible residential structures destroyed in the Eaton Fire; and
- 3) Direct the City Attorney to prepare within 30 days an ordinance to amend Title 4 of the Pasadena Municipal Code (PMC) to exempt qualified reconstruction of eligible residential structures destroyed by the Eaton Fire from the City's fees for Construction Tax.
- 4) Direct staff to explore other means of recovering the foregone fees.

### **ECONOMIC DEVELOPMENT & TECHNOLOGY COMMITTEE RECOMMENDATION:**

On July 15, 2025, the Economic Development & Technology Committee (EdTech) recommended the City Council approve the proposed fee reductions for rebuilding eligible single-family structures destroyed in the Eaton Fire as follows:

- 1) Waive plan check and building permit fees collected into the Building Fund (204) and the General Fund (101) with a total estimated cost of \$3,203,500;
- 2) Waive the Refuse Collection Administrative Fee and reduce the Deposit for the Construction & Demolition Waste Management collected in the Refuse Collection

MEETING OF08/25/2025	AGENDA ITEM NO17
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Fund (406) to a flat \$1,000 per site reducing the overall funds collected from \$1,500,000 to \$125,000;

- 3) Waive Sidewalk Inspection and Repair Fees collected in the Project Management Fund (301) with a cost amount of \$14,250 for the inspections and an estimated cost of \$225,000 for the repairs for a total \$239,250;
- 4) Waive Fire Sprinkler and Landscape Review Fees collected in the Building Fund (204) with a total cost amount of \$303,625;
- 5) Waive Electric Service Fees collected in the Electric Service Fund (411) with a total estimated cost amount of \$504,000;
- 6) Defer discussion for Pasadena Water and Power (PWP) fees collected in the Water Service Fund (412) with a total estimated cost of \$3.5 million for PWP water service customers.

The reductions outlined above would apply to projects that meet all of the following (eligible sites):

- 1) Single-family properties that were owner-occupied as of January 7, 2025, and the same owner (or a member of the same owner's family) is the applicant;
- 2) The reconstruction of 'like-for-like' single-family properties as allowed under the City's Rebuild Ordinance adopted March 24, 2025; and
- 3) The reconstruction of red-tagged structures (primary dwelling and required parking) and not to the construction of new detached structures such as an accessory dwelling unit (ADU) that did not exist prior to the fire.

Since the Ed-Tech Meeting of July 15, 2025 staff heard from rebuild property owners requesting that the fee waivers be expanded from the criteria above to include the following:

- 1) Owner-occupied condominium units;
- 2) Owners who select a relocated home or a prefabricated, modular home. This category may exceed the 10% or 200 square foot like for like square footage cap but must still meet all other like for like provisions (height, setbacks etc.) and meet the square footage requirements of the Zoning Code.

Staff is supportive of the expanded eligibility criteria. Only four condominium units on the same site were lost and relocated or manufactured homes are based on floor plans that in most cases cannot be modified. With all other zoning requirements being met, there will be little to no impact.

Eaton Fire Rebuilding Fee Reductions August 25, 2025 Page 3 of 13

# **BACKGROUND:**

On January 7, 2025, the City was impacted by a severe windstorm and a destructive fire resulting in significant damage to private property. That same day, the Governor proclaimed a state of emergency for Southern California. On January 8, 2025, the City Manager declared a Local Emergency pursuant to Pasadena Municipal Code (PMC) Chapter 2.370, which was ratified by the City Council on January 13, 2025. The fire, referred to as the 'Eaton Fire', destroyed 185 structures in Pasadena, primarily single-family homes and accessory structures located in the Upper Hastings Ranch, Victory Rose, Dundee Heights, and NATHA neighborhoods (see map Attachment A). Most of the affected areas are zoned Single-Family Residential (RS), with large portions also within Hillside Development Overlays (HD, HD-1). Other affected areas are within Special Purpose Zoning Districts (OS, PS, and PD).

In March 2025, the City Council found that the destruction of structures and the displacement of residents posed an immediate threat to public health, safety, and welfare. The Council also determined that existing zoning code requirements would further exacerbate this threat by delaying the reconstruction of homes and other structures. In response, an ordinance was adopted by City Council on March 24, 2025 to facilitate timely rebuilding by temporarily suspending or modifying certain zoning development standards and extending applicable deadlines for entitlements and permits issued under Titles 14 (Buildings and Construction), 16 (Subdivisions), and 17 (Zoning Code) of the PMC. These amendments also included provisions on rebuilding which allow owners to rebuild to previous non-conforming setbacks, certain height limits and also allows owners to rebuild slightly larger than the building footprint of the destroyed home, up to 200 square feet or 10% of the gross floor area, whichever is greater (referred to as "like for like" standards). The Council also directed staff to look at potential fee reductions related to the issuance of a building permit and return with recommendations at a later date.

#### Rebuild and Recovery Updates

To date, all sites that opted in to the Private Property Debris Removal program have had their debris removed by the US Army Corps of Engineers. Properties that opted out or were ineligible have also completed debris removal with the exception of the St. Luke's property and one residential property that experienced partial damage. These two sites are actively pursuing removal. Two City-owned properties and the former YMCA were approved by special inclusion to be cleared by USACE and those sites have also been cleared.

Currently, 35 applications have been submitted for rebuilding and the City issued the first building permit to rebuild a single-family residence on June 9, 2025. See Attachment B for a summary of the plan check submittals to date. A webpage is also available at <a href="CityOfPasadena.Net/PasadenaRebuilds">CityOfPasadena.Net/PasadenaRebuilds</a> that tracks the status of all submittals.

The City established a rebuild program immediately following the Eaton Fire which includes a dedicated Planner to assist with rebuild questions and a dedicated Community Connector to assist with the debris removal and non-rebuild matters. Staff has also conducted three virtual workshops for the rebuild sites to provide information and updates and these will continue throughout the rebuild process as needed. Staff will conduct a fourth workshop In September after the fee decisions are made by the Council.

Planning staff has also been participating in several inter-agency working groups including a group that is comprised of the County of Los Angeles and City of Pasadena focused on the development of Standard Plans that are compatible and contextual to the participating communities. A partnership was created with the Foothill Catalog Foundation a local non-profit organization offering a range of home designs developed by local architects and engineers. The catalog of plans can be accessed at:

www.FoothillCatalog.Org/Concept-Designs. Property owners may purchase the plans at a reduced rate for submittal to their local permitting authority. The City of Pasadena will be choosing a few of the plan options to "pre-review". The pre-reviewed standard plans will take less time to review. This is similar to the pre-reviewed ADU standard plans that are available.

An interdepartmental review team is in place to expedite all rebuild plan check submittals and inspections related to the Eaton Fire whether or not they utilize standard plans.

# EdTech Meeting of June 17, 2025

On June 17, 2025, the Planning & Community Development Department presented recommendations to the EdTech Committee to reduce fees for rebuilding properties destroyed by the Eaton fire. For the purposes of this discussion, staff presented plan check and building permit related fees for a 1,900 square foot single-family home and 2-car garage, which is the typical size of the single-family residences destroyed. Estimated fees are \$36,628, as illustrated in Table 1 which itemizes the fees and identifies the fund that these fees are allocated to.

Fees collected in Table 1 are for staff time related to the cost of reviewing the plans or issuing the building permit (including inspections). Those denoted with an \* indicate a tax or fee collected for a specific purpose and not for staff time. The PUSD school fees are only collected if an addition of 500 square feet or larger is proposed. Fees that are not part of the plan check or building permit, such water and electric service fees and sidewalk repair fees, are not included in this table.

Table 1 Plan Check and Building Permit Related Fees (one sample site)

Fee Type	Fund	Existing Fees		
Plan Check Fees:				
Building Division	204 – Building Fund	\$ 5,157		
D&HP Section	101 – General Fund	\$ 337		

Zoning Section		\$ 487
Fire Department	204 – Building Fund	\$ 1,076
Transportation Department		\$ 447
Public Works Department	101 – General Fund	\$ 603
Building Permit Fees:		
Building Permit		\$ 3,439
Records Mgt. Surcharge	204 – Building Fund	\$ 360
Building Processing		\$ 74
Fire Processing		\$ 36
* Construction Notice Sign		\$ 15
* Construction Tax	101 – General Fund	\$ 7,680
* General Plan Fee		\$ 2,000
* Technology Fee	204 – Building Fund	\$ 2,000
Other Permit Fees:		
Mechanical, Electrical, Plumbing	204 – Building Fund	\$ 1,400
** School District Impact Fee		\$ 0
* CA Building Standards Fee	101 – General Fund	\$ 16
* SMIP Residential		\$ 52
* AB 717 Training	204 – Building Fund	\$ 34
C&D Admin Review	406 - Refuse Collection	\$ 415
SUBTOTAL:		\$ 25,628
Refundable Fees:		
* C&D Deposit	406 – Refuse Collection	\$ 12,000
TOTAL:		\$ 37,628

<sup>\*</sup>Collected for a tax or specific purpose (not staff time)

At this meeting, staff presented two recommendations aimed to significantly reduce the fees paid for plan check and building permit issuance:

- 1) Reduce plan check fees by 50% for rebuilt homes that utilize a Standard Plan approved by the City. Standard Plans will be 'pre-reviewed' meaning a time-savings in addition to the reduced plan check fees.
- 2) Reduce the Public Works Construction & Demolition (C&D) Performance Deposit from \$12,000 to a flat fee of \$2,000. The cost savings would be \$10,000. Although the deposit is refundable upon compliance with debris removal requirements, this reduction would significantly reducing initial out-of-pocket expenses for applicants.

The proposed reductions would decrease fees by almost 40 percent if a Standard Plan were utilized, and by 28 percent for homeowners that prefer not to use a Standard Plan. Public comments received at the meeting indicated a desire for deeper reductions, a sentiment which was supported by the EdTech Committee. The public also expressed concern over other fees charged by various city departments that were in addition to the plan check and permit fees but still required for rebuilding. EdTech asked staff to

<sup>\*\*</sup> Required only if rebuild is 500 SF larger than previous dwelling

Eaton Fire Rebuilding Fee Reductions August 25, 2025 Page 6 of 13

consider reducing or waiving all fees to the maximum extent legally possible and to reduce the Construction & Demolition (C&D) Deposit collected to a flat rate of \$1,000. EdTech also asked staff to provide information for all fees charged by other City departments.

# EdTech Meeting of July 15, 2025

At the EdTech meeting of July 15, 2025, staff presented an estimate of fees charged by all City departments for the reconstruction of a 1,900 square foot single-family residence and 2-car garage, including the plan check and permit fees presented at the June 17, 2025 meeting. As shown in Table 2, the total estimate of all fees paid to the City are \$49,123. Fees that were not previously included were fees charged by the Fire Department for Fire Sprinkler and Landscape review, fees charged by the Public Works Department for a sidewalk inspection and possible repair of the sidewalk, and fees by the Department of Water and Power for water and electric service.

As shown in Table 2, Staff recommended to waive most fees except the sidewalk repair fee charged by the Public Works Department, and utility fees for electric and water service charged by the Department of Water and Power. Staff's recommended fee waivers would reduce the estimated fees by almost 80 percent from \$49,123 to \$9,952. Staff explained that while most fees can be waived, there were specific reasons why the remaining fees were not recommended to be waived. The Public Works Department specified that the cost of covering sidewalk repair fees (estimated at \$1,800 per site) cannot be absorbed by the 301 Fund. The Department of Water and Power (PWP) explained that although there are sufficient non-ratepayer revenues (e.g. interest accrued in the Electric Service Fund to cover waiving electric service fees/costs (estimated at \$6,200 per site), it was recommended to instead utilize these interest funds towards the upcoming electric rate increase which will benefit all PWP electric service customers. PWP also recommended to defer discussion for water service fees until an assessment of the water service area needs is completed. PWP continues to work closely with the County of Los Angeles and partnering agencies on the development of fire flow and other requirements, which is necessary to finalize the assessment.

Table 2 - Estimated Total City Fees and Reductions Proposed on July 15, 2025

Fund/Fee Type	One Ro	ebuild	Proposed Reductions	
204 - Building Plan Check & Permit Fees	\$	16,038	\$	0
101 – Building Plan Check & Permit Fees	\$	9,175	\$	0
406 - Refuse Collection: Nonrefundable	\$	415	\$	0
204 - Fire Sprinkler & Landscape Review	\$	2,429	\$	0
301 – Sidewalk Inspection Fee	\$	114	\$	0
301 – Sidewalk Repair Fee*	\$	1,800	\$	1,800

411 – Electric Service Costs**	\$ 6,200	\$ 6,200
412 – Water Service Costs***	\$ 952	\$ 952
TOTAL:	\$ 37,123	\$ 8,952
406 – Refuse Collection: Refundable Deposit	\$ 12,000	\$ 1,000
TOTAL INCLUDING DEPOSIT:	\$ 49,123	\$ 9,952

<sup>\*</sup>Actual sidewalk repair fee will vary. Estimated at \$1,800.

After receiving the staff presentation and discussion with various city staff about their fees, EdTech directed staff to expand the fees waived to include the sidewalk repair fees and electric service fees, and they agreed to defer discussion on water service fees. EdTech also noted that they would like additional information on cost recovery efforts.

# **ANALYSIS:**

### PROPOSED FEE WAIVERS AND FUNDING

Total fee estimates for the proposed fee waivers are based on 125 rebuilds. This is greater than the actual number of single-family houses that were lost (117) to account for properties that only had an accessory structure (such as a garage) destroyed. Staff estimates approximately 1/3 of the properties will not utilize the fee waivers for various reasons such as planning to sell and do not want to rebuild, planning to build larger than the "like for like" parameters or they were not owner occupied. Staff is presenting the fee burden with all 125 sites as the outermost cost and the estimated 1/3 reduction of sites which is the more likely cost estimate.

### Plan Check and Building Permit Fees – Planning & Community Development

1) Waive plan check and building permit fees collected into the Building Fund (204) and the General Fund (101) with a total estimated cost of \$3,203,500;

Staff is recommending to waive all plan check and permit fees under the Building Fund (204) and General Fund (101). Waived fees for special purpose funds like the Building Fund (204) must be replaced from another funding source. The total cost estimate to the 204 Fund would be \$2.04 million for all 125 sites and \$1.34 million for 2/3rds of the sites. There is currently \$1.46 million in accrued interest from the Building Fund that can be used to cover Building Fund costs. Interest monies are collected annually on the Building Fund balance and would be available to cover this one-time cost.

<sup>\*\*</sup>Most electric service costs will be \$2,766-\$6,200, though some may be higher.

<sup>\*\*\*</sup>Most water service costs will be \$200 or \$952, though some may be higher.

# Refuse Collection Deposit and Sidewalk Fees- Public Works Department

- 2) Waive the Refuse Collection Administrative Fee and reduce the Deposit for the Construction & Demolition Waste Management collected in the Refuse Collection Fund (406) to a flat \$1,000 per site reducing the overall funds collected from \$1,500,000 to \$125,000;
- 3) Waive Sidewalk Inspection and Repair Fees collected in the Project Management Fund (301) with a cost amount of \$14,250 for the inspections and an estimated cost of \$225,000 for the repairs for a total \$239,250;

The C&D Refuse Collection Refundable deposit is paid by the applicant when plans are submitted for plan review- the funds are returned if the applicant demonstrates compliance with waste removal requirements. The recommendation is to reduce this deposit to a flat rate of \$1,000 per rebuild site. Since this is a refundable deposit, and not a fee, a funding source is not necessary. Funds to cover the cost of the administrative fees would be \$51,875 for all 125 sites and \$38,585 for 2/3rds. Fund 406 would be utilized to cover the one-time fees for the C&D administrative review.

In addition to the C&D Waste Management deposit and fees collected as part of the building permit, the Public Works Department separately collects 'Sidewalk' Assessment and Repair' fees which would apply to all fire rebuilds. The sidewalk repair fees are calculated based on the square footage of actual damaged concrete sidewalk. There can be a large variance depending on the size and location of the property but for the purposes of this assessment, the Public Works Department provided an estimate of \$1,800 as the average sidewalk repair fee charged on a single-family permit. The total cost estimate to the Project Management Fund (301) to waive the inspection fee would be \$14,250 for all 125 sites and \$9,500 for 2/3rds of the sites. The cost to waive the repair fees is estimated at \$225,000 for all sites or \$150,000 for 2/3rds. Funds from the annual \$1,000,000 appropriation for sidewalk repairs would be used to cover this one-time cost.

# Fire Sprinkler and Landscape/Defensible Space Fees - Pasadena Fire Department

4) Waive Fire Sprinkler and Landscape Review Fees collected in the Building Fund (204) with a total cost amount of \$303,625;

In addition to the Fire Department plan check fee that is charged as part of the fees collected in Table 1, the Pasadena Fire Department charges fees for the plan check and permitting of fire sprinklers, which is a requirement for all rebuilt homes and is a separate submittal from the main building permit, as well as a landscape/defensible space plan check and inspection which involves an evaluation of vegetation and other potential fire hazards around a property to ensure it meets the standards for wildfire protection. These funds cover staff time to complete the review and inspection work. The estimated cost of these services for the given scenario, is \$2,429. The total cost estimate to the Building Fund (204) would be \$303,625 for all 125 sites and \$202,397

Eaton Fire Rebuilding Fee Reductions August 25, 2025 Page 9 of 13

for 2/3rds of the sites. Staff is recommending waiving these fees and the cost can be covered by the interest earnings in the Building Fund.

# <u>Utilities – Pasadena Department of Water and Power</u>

PWP is a not-for-profit community-owned utility that provides both water and electric service within Pasadena, as well as water service to households and businesses in adjacent communities, such as parts of unincorporated Los Angeles County, including Altadena. As service costs are primarily driven by site-specific needs, costs may vary greatly accordingly. The following provides estimated ranges of costs based on a 1,900 square-foot single family 'like-for-like' rebuild. PWP continues to work closely with other utilities, and it should be noted that other utilities are not waiving similar costs/fees for fire rebuilds at this time.

#### Electric Service Costs

5) Waive Electric Service Fees collected in the Electric Service Fund (411) with a total estimated cost amount of \$504,000;

Fees charged for electrical service by PWP are variable and depend on several factors, such as whether the connection is overhead or underground, the number of meters, the size of the service panel, whether temporary power is needed, etc. These Electric Service fees are classified as hard costs and represent equipment, materials, and labor combined.

Approximately one-half the sites currently have overhead service and the other half currently have underground electric service or ability to convert to underground electric. The cost charged for the overhead sites is \$2,766 for a 200-amp overhead service. The cost charged for the underground sites is \$6,200 for a 200-amp underground service, which includes associated temporary electric service costs. The total cost estimate for both overhead and underground would be \$504,000 for all 125 sites and \$336,000 for 2/3rds of the sites. Non-ratepayer revenues from the Electric Service Fund (e.g., interest accrued from the Fund) would be used to cover waiving these fees/costs.

Waived fees for underground electric service will be limited to residences that were previously served by underground electric service or that are required by PWP to convert to underground electric service.

#### Water Service Costs

6) Defer discussion for PWP fees/costs collected in the Water Service Fund (412) with a total estimated cost of \$3.5 million for PWP water service customers.

PWP provides water service to the City of Pasadena as well as other adjacent communities, including parts of Altadena. The total number of potential impacted sites is approximately 354. As it relates to water service for reconstructed homes, costs vary

Eaton Fire Rebuilding Fee Reductions August 25, 2025 Page 10 of 13

greatly. As shown in Table 3, all the fire rebuilds will need a Fire Hydrant Flow Test/Water Availability Test. Three possible scenarios are listed. Scenario 1 is estimated to apply to approximately 35% of the sites, Scenario 2 is estimated to apply to approximately 15% of the sites, and Scenario 3 would apply to under 10 properties. Additionally, water main replacements may be needed for a few locations, which would incur additional costs. The costs listed represent a combination of equipment, materials, and labor that vary based on site-specific needs.

Table 3 – Water Service Cost Scenarios

	Description	Fund	Cost	Total Cost
All properties	Fire Hydrant Flow Test/Water Availability Test	412	\$ 200	\$ 200
Scenario 1:	Fire Hydrant Flow Test/Water Availability Test	412	\$ 200	\$ 952
	1-inch meter set		\$ 752	
	Fire Hydrant Flow Test/Water Availability Test		\$ 200	
Scenario 2:	1-inch Domestic Service Installation w/ 1-inch water meter	412	At cost (Approx. \$15,000-\$25,000)	\$ 30,200
	3/4", 1", 1 1/2" & 2" Service Abandonments		At cost (Approx. \$5,000)	
	Fire Hydrant Flow Test/Water Availability Test		\$ 200	
Scenario 3:	1-inch Domestic Service Installation w/ 1-inch water meter	412	At cost (Approx. \$15,000-\$25,000)	\$ 55,200
	3/4", 1", 1 1/2" & 2" Service Abandonments		At cost (Approx. \$5,000)	
	6-inch Fire Hydrant Installation		At cost (Approx. \$25,000)	

The total cost estimate to the Water Fund (412) would be \$3.5 million for all 354 sites. Like the Building Fund, the Water Fund and Electric Service Funds must find monies to replace the fees collected from non-rate payer funds.

Staff recommends the discussion for water service fees be deferred until an assessment of the water service area needs is completed. PWP continues to work closely with the County of Los Angeles and partnering agencies on the development of fire flow and other requirements, which is necessary to finalize the assessment.

### **CONCLUSION AND RECOMMENDATION:**

As shown in Table 4, the recommended fee reductions are:

- 1) Waive plan check and building permit fees collected into the Building Fund (204) and the General Fund (101) with a total estimated cost of \$3,203,500;
- 2) Waive the Refuse Collection Administrative Fee and reduce the Deposit for the Construction & Demolition Waste Management collected in the Refuse Collection Fund (406) to a flat \$1,000 per site reducing the overall funds collected from \$1,500,000 to \$125,000;

- 3) Waive Sidewalk Inspection and Repair Fees collected in the Project Management Fund (301) with a cost amount of \$14,250 for the inspections and an estimated cost of \$225,000 for the repairs for a total \$239,250;
- 4) Waive Fire Sprinkler and Landscape Review Fees collected in the Building Fund (204) with a total cost amount of \$303,625;
- 5) Waive Electric Service Fees collected in the Electric Service Fund (411) with a total estimated cost amount of \$504,000;
- 6) Defer discussion for PWP fees collected in the Water Service Fund (412) with a total estimated amount of \$3.5 million for PWP water service customers.

Table 4 – Estimated Total City Fees and Proposed Reduced Fees (one site)

Fund/Fee Type	Current (		Cost with Proposed Fee Reductions		
204 – Building Plan Check & Permit Fees	\$	16,038	\$	0	
101 – Building Plan Check & Permit Fees	\$	9,175	\$	0	
406 - Refuse Collection: Nonrefundable	\$	415	\$	0	
204 - Fire Sprinkler & Landscape Review	\$	2,429	\$	0	
301 – Sidewalk Inspection Fee	\$	114	\$	0	
301 – Sidewalk Repair Fee*	\$	1,800	\$	0	
411 – Electric Service Costs**	\$	6,200	\$	0	
412 – Water Service Costs***	\$	952	\$	952	
TOTAL:	\$	37,123	\$	952	
406 - Refuse Collection: Refundable Deposit	\$	12,000	\$	1,000	
TOTAL INCLUDING DEPOSIT:	\$	49,123	\$	1,952	

<sup>\*</sup>Actual sidewalk repair fee will vary and may not be required. Estimated at \$1,800.

The reductions outlined above would apply to the following (eligible sites):

1) Single-family properties and condominium units that were owner-occupied as of January 7, 2025, and the same owner (or a member of the same owner's family) is the applicant;

<sup>\*\*</sup>Most electric service costs will be \$2,766-\$6,200, though some may be higher.

<sup>\*\*\*</sup>Most water service costs will be \$200 or \$952, though some may be higher.

- 2) The reconstruction of 'like-for-like' single-family properties as allowed under the City's Rebuild Ordinance adopted March 24, 2025. Applicants who select either a relocated home or a prefabricated, modular home may exceed the 10% or 200 provisions (height, setbacks etc.) and the allowed square footage permitted under the Zoning Code; and
- 3) The reconstruction of red-tagged structures (primary dwelling and required parking) and not to the construction of new detached structures such as an accessory dwelling unit (ADU) that did not exist prior to the fire.

# Fee Waiver Application Requirements

Owners requesting a waiver of fees must complete a Fee Waiver application form and demonstrate that the property destroyed by the Eaton Fire was their primary residence as of January 7, 2025. Fee waivers would be available to eligible sites as outlined in this report including those that have already paid their fees (a refund can be issued).

# **ENVIRONMENTAL ANALYSIS:**

Find that the recommended actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061(b)(3). The reduction of plan check and permitting fees for the reconstruction of fire-destroyed homes is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

### FISCAL IMPACT:

Staff is researching potential ways that the City could recover waived permit fees, such as through subrogation or from insurance carriers. Separate from the fee waivers but still related, the City is actively seeking other funding sources to offset costs. It should be recognized that the waived fees must be offset by other funding sources. The recommended fee reductions will impact the following:

Table 5 – Summary of Waivers by Fund (for 125 Rebuilds and 2/3rds Rebuilds)

Fund/Fee Type	125	Rebuilds	Rebuilds s of sites)	Funding Source
204 – Building Plan Check & Permit	\$	2,004,750	\$ 1,336,367	Fund 204 Accrued Interest
204 – Fire Sprinkler & Landscape Review	\$	303,625	\$ 202,397	Fund 204 Accrued Interest
101 – Building Plan Check & Permit	\$	1,146,875	\$ 764,507	Fund 204 Accrued Interest

406 – Refuse Collection Admin Review: Nonrefundable	\$ 51,875	\$ 34,580	Fund 406 Public Works Permit Fees
406 – Refuse Collection Deposit: Refundable	\$ 1,500,000	\$ 125,000	N/A
301 – Sidewalk Inspection & Repair Fee	\$ 239,250	\$ 159,500	General Fund
411 – Electric Service Fund	\$ 504,000	\$ 336,000	Fund 411 Accrued Interest
ESTIMATED TOTAL COST OF WAIVERS:	\$ 4,250,375*	\$ 2,833,351*	

<sup>\*</sup>Includes Refundable Refuse Deposit collected in Fund 406

Respectfully Submitted,

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City Manager

Attachments (2):

Attachment A - Map of Fire Impacted Areas

Attachment B - Summary of Plan Check Submittals for Fire Rebuilds