



Ordinance Fact Sheet

October 6, 2026

TO: Honorable Mayor and City Council

FROM: City Attorney/City Prosecutor Department

**SUBJECT: AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA
EXEMPTING QUALIFYING EATON FIRE REPAIRS FROM
CONSTRUCTION TAX**

TITLE OF PROPOSED ORDINANCE:

**AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA EXEMPTING
QUALIFYING EATON FIRE REPAIRS FROM CONSTRUCTION TAX**

PURPOSE OF ORDINANCE:

The purpose of this ordinance is to exempt qualified Eaton Fire-damaged residential structure repairs from the City's Construction Tax. In addition to the qualification criteria approved by the Council, this ordinance requires payment of the construction tax if an owner sells their property to a non-family member prior to final building inspection. The fee and tax waivers are intended to assist homeowners who were directly impacted by the fire in repairing their home and keeping their families in the community, and therefore payment of the construction tax will be required if the property is sold to other buyers.

REASON WHY LEGISLATION IS NEEDED:

On January 7, 2025, the Eaton Fire began and caused significant damage to private property. The Eaton Fire damaged and destroyed 185 structures in Pasadena, a majority of which were single family homes and accessory structures. On August 17, 2026, the City Council approved the waiver of specified fees, reduction of deposits, and waiver of the construction tax for owners who are seeking to repair their single-family properties and condominium units that meet the qualifications set by Council.

MEETING OF 10/06/2026

AGENDA ITEM NO. 8

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

The Planning and Community Development Department will implement this ordinance.

ENVIRONMENTAL DETERMINATION

The actions proposed herein are exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061 of the State CEQA Guidelines. The City Council found on August 17, 2026, that it can be seen with certainty that there is no possibility the reduction of fees may have a significant effect on the environment. The adoption of an ordinance to effectuate this action was fully covered within that finding and is exempt from CEQA.

FISCAL IMPACT

The City's Construction Tax imposes a tax of 1.92% on the value of structures included in a building, swimming pool or similar permit. The waiver of the Construction Tax will reduce City revenue.

Respectfully submitted,


Michele Beal Bagneris
City Attorney

Prepared by:



Caroline K. Monroy
Assistant City Attorney

Concurred by:



Matthew E. Hawkesworth
Interim City Manager