



**Chair of the Assembly Budget Committee, the Honorable Jesse Gabriel**

**Members of the Assembly Committee on Budget**

**Chair of the Senate Budget Committee, the Honorable Scott Wiener**

**Members of the Senate Committee on Budget**

**Chair of the Assembly Budget Committee, the Honorable Matt Haney**

**Members of the Assembly Committee on Housing**

**Chair of the Senate Committee on Housing, the Honorable Aisha Wahab**

**Members of the Senate Committee on Housing**

**The Honorable Assembly Speaker Robert Rivas**

**The Honorable Senate President Pro Tempore Michael McGuire**

**The Honorable Governor Gavin Newsom**

Capitol Annex Swing Space

1021 O Street

Sacramento, CA

**January 22nd, 2025**

**RE: A just and equitable wildfire recovery**

Dear Honorable Governor Newsom, Honorable Speaker Rivas, Honorable Pro Tempore McGuire, Honorable Chair Gabriel, Honorable Chair Wiener, Honorable Chair Wahab, Honorable Chair Haney, and associated committee members,

As communities come together to tend to the urgent needs in the aftermath of the devastating wildfires last week, it is imperative that community, county and state leaders come together to turn our attention to the long-term impacts this disaster will have on the people and the neighbors affected, more importantly combat speculation, prevent mass displacement, and promote permanently affordable housing and community control.

As we know, there is a growing threat of speculative real estate practices in the wake of climate-fueled disasters. Some properties in the rental market have increased by 10 to 20 percent overnight, even seeing a 64 percent spike in a one-bedroom rental in Venice ([LA Times](#)). The fire-damaged areas, many of



which have been home to long-term residents, are at risk of being bought up by corporate investors or developers seeking to capitalize on the devastation for profit, rather than supporting the communities that have called these neighborhoods home for generations. The influx of speculators and investors will change up the makeup of communities, especially the community of Altadena, a community that succeeded in creating a home and building generational wealth in an era that made it difficult for Black families to do so as a result of redlining and other exclusionary housing policies and practices. Increased housing speculation will also exacerbate wealth inequality, displacing BIPOC survivors of the wildfires and neighboring communities already impacted by the affordable housing crisis, and increasing homelessness.

It is important to acknowledge that the climate crisis will continue to have severe impacts on communities across the globe. As the recovery process begins, it is essential that we work together—community organizations, government leaders, and residents to reimagine, develop, and implement anti-speculative policies that protect the rights and livelihoods of survivors of the fires as well as long-term residents of Los Angeles County.

**Our organizations collectively request the following urgent actions from our elected leaders:**

1. **Defend and protect ULA.** Ensure that Measure ULA continues without pause. Measure ULA accounts for nearly 80% of all affordable housing production and preservation for the city of Los Angeles. A pause in Measure ULA would be detrimental to vulnerable communities already impacted by the affordable housing crisis and now the recent wildfires.
2. **Develop a local preference policy** for housing developed using public funds to ensure those displaced by the wildfires can return to their communities.
3. **Prohibit Unsolicited Offers for 6 years or up to the projected length of recovery.** Extend executive orders that ban unsolicited property purchase offers post-disaster to protect vulnerable homeowners from predatory practices. Require transparency in property transactions, including proof of buyer intent to prevent misuse by speculators.
4. **Establish a Community Opportunity to Purchase Act (COPA) policy in areas impacted by the wildfires for owners that are not interested in rebuilding.** This policy gives qualified non-profit organizations the right of first offer, and/or the right of first refusal to purchase certain properties offered for sale in the local jurisdiction. The policy must allow for those owners to offer the sale of their property to their local jurisdiction, the County, or a qualified nonprofit organization before they can offer it to a speculator.



5. **Enact a Flip Tax to go toward disaster recovery:** Implement taxes on short-term property resales in disaster-affected areas to discourage speculative buying and ensure stability during recovery. Structure the tax to escalate based on the speed of resale post-disaster, with exemptions for non-profit developers. For property flipping activity within 6 months of acquisition the speculation tax would be 10% of the property value, for flipping activity within 1 year of acquisition the speculation tax would be 8% of the property value, for flipping activity within 1.5 years of acquisition the speculation tax would be 6% of the property value, for flipping activity within 2 years of acquisition the speculation tax would be 4% of the property value, and for flipping activity within 2.5 years of acquisition the speculation tax would be 2% of the property value.
6. **Establish an Emergency Preservation Fund to provide ongoing resources for recovery over the next 6 years funded by a speculative investor surcharge.** Funding would be gathered by a speculative investor surcharge, whereby corporate owners and their subsidiaries who acquire 10 parcels in the wildfire affected area or the surrounding region would have to pay a \$200,000.00 surcharge into the fund, 25 parcels would be a \$500,000.00 surcharge, 50 parcels would be a \$1 million surcharge, 75 parcels would be a \$2 million surcharge, 100 parcels would be a \$3 million surcharge, etc. etc. This funding would go towards anti-displacement/anti-speculative strategies in wildfire impacted areas, and areas that will be impacted by ongoing speculation near future mega event locations (South Los Angeles, Inglewood, Long Beach, etc). By creating an ongoing revenue source we can mitigate disaster-fueled real estate speculation.
7. **Disaster recovery funding shall go towards:**
  - 7.1. **Investments in community land trusts and other community ownership models** to hold land in community stewardship for wildfire survivors with the goal of providing permanently affordable housing opportunities for residents. In 2020, the Los Angeles County Board of Supervisors approved \$14 million for the [LA County Community Land Trust Partnership program](#). The pilot program aimed to combat speculation during the COVID 19 epidemic and provide affordable housing in perpetuity for 110 people by acquiring and rehabbing 8 properties across LA County.
  - 7.2. **Additional funding for the LA County Affordable Housing Land Bank (LACAHLB)** to hold land for survivors who wish to stay and rebuild but do not have the funds for their residential and/or commercial properties and/or do not want to sell to speculators - potentially allow land to be directed toward community land trusts. Existing funding for the LACLB is \$22million. Boosting this to \$1 billion is necessary if the land bank is to hold



the properties for future affordable development. The LACLT coalition and allies are open to exploring potential funding mechanisms to help make this feasible.

7.2.1. In order to do this, **the LA County Affordable Housing Land Bank (LACAHLB) must establish a secondary pilot program, unrelated to the LA River Master Plan** specifically tailored to residential and commercial properties in disaster-stricken communities **and expand the consideration zone to encompass all of Altadena (only works for Eaton Fire victims, not Palisades Fire)** The creation of a new pilot program must be accompanied by additional funding to finance the acquisition of sites that fell victim to the Eaton and Palisades fires.

7.2.1.1. The **new pilot program** can largely mirror existing programs created under the LA River Master Plan. That being said, the LACLB would likely need to eventually be relocated from the County of Los Angeles Homeless Initiative to the Los Angeles County Affordable Housing Solutions Agency (LACAHSa).

7.2.1.1.1. Seeking state approval to grant LACAHSa the authority to create a land bank in the traditional sense - e.g. stripping liens or encumbrances on properties, avoiding paying property taxes on held properties, first-purchase rights on foreclosed properties and abandoned properties.

7.2.1.1.2. The ordinance carry-over would also need to re-write the rules for parcel acquisition to prioritize the redevelopment of sites which previously had affordable housing. Rather than be a land-bank aimed at maximizing value, the land bank would need to be viewed through a restorative lens that emphasizes the restoration of Black and Brown wealth.

7.2.1.1.3. An alternative would be to establish a county land bank that epitomizes COPA by allowing residents to pool land and resources for rebuilding while maximizing economies of scale and ensuring community governance. The land bank would function as a vehicle for the stripping of liens and the avoidance of taxes.

### 7.3. Investments to restore mobile home parks



- 7.3.1. Tahitian Terraces and the Pacific Palisades Bowl Mobile Estates were two manufactured home communities in the Pacific Palisades that represented some of the last remaining affordable homeownership opportunities in the coastal zone of LA County. These two communities represent around 420 homes, the majority of which were lost to the Palisades Fire.
  - 7.3.2. Due to the City of L.A.'s adoption of [an ordinance enforcing the Mello Act](#) in 2021, affordable housing in the coastal zone must be replaced on a one-to-one basis, on-site. With city and county assistance, these mobile home parks can be restored and placed within a CLT that ensures that the neighborhood sites remain affordable for decades to come.
- 7.4. **Investments to rebuild homes with climate resistant materials** and create energy efficient homes.
  - 7.4.1. California's Safer from Wildfires designation, pushed by the Department of Insurance, is unpopular with the insurance industry because the piecemeal approach to home hardening and the lack of emphasis on community-wide wildfire preparedness does little to limit the risks homeowners face. By encouraging homeowners to pursue heightened wildfire preparedness designations such as the Insurance Institute for Business and Home Safety (IBHS) Wildfire Prepared designation and to pursue community-wide wildfire safety designations during rebuilding, communities can not only live more efficiently, but they can also better insulate themselves from risk and provides models for how to rebuild better.
- 7.5. **Investments to ensure nearby properties are not abused by insurers** by directing California Wildfire Mitigation Program funds to areas most at risk of losing insurance and low income families within those areas.
- 7.6. **Land remediation and restoration, in coordination with state and federal resources.**
8. **Enhance emergency communication networks** by making sure that all future emergency alerts are translated into various languages that can help notify residents. At the minimum emergency alerts should be translated into Spanish, Korean, Tagalog, and Mandarin for a start.
9. **Monitor Speculative Activity:** Develop a real-time monitoring system to track land and property transactions post-disaster, flagging trends that indicate speculative behavior or price manipulation.
10. **Monitor and Regulate Rental Markets Post-Disaster:** Implement measures to prevent rent gouging and displacement, drawing lessons from the significant rent increases observed in Maui



post-wildfires. Following the August 2023 wildfires in Lahaina, Maui, some landlords evicted existing tenants to accommodate wildfire survivors at higher rental rates offered by FEMA and other aid programs. This practice, termed "FEMA fever," led to significant rent increases, with median rents rising by 44% from early 2023 to June 2024, exacerbating the housing crisis on the island.<sup>1</sup>

The Los Angeles Community Land Trust Coalition is committed to working in partnership with leaders in this moment of crisis. We are committed to supporting the San Gabriel Valley Community Land Trust and support in the creation of emerging CLTs in disaster stricken communities, like the Altadena Community Land Trust, to aid in recovery efforts along with helping actualize community control for low and moderate income residents impacted by the fires .

Sincerely,

The Los Angeles Community Land Trust Coalition (LACLT)  
Alliance for Community Transit – Los Angeles (ACT-LA)  
Neighborhood Partnership Housing Services (NPHS)  
The California Community Land Trust Network (CACLTN)

Cc: Amy Hines-Shaikh, Legislative Advocate for the California Community Land Trust Network  
Ryan Sears, Policy and Impact Intelligence Associate, NPHS

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<sup>1</sup> <https://www.propublica.org/article/maui-wildfire-evictions-fema>