



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Lisa Soghor, Assistant City Manager

Approved by: Steve McClary, Interim City Manager

Date prepared: July 27, 2021 Meeting date: August 9, 2021

Subject: Woolsey Fire Fee Waiver Program Deadlines

RECOMMENDED ACTION: 1) Discuss the existing deadlines in place for homeowners to be eligible to waive certain fees related to the rebuilding of structures that were damaged or destroyed by the Woolsey Fire on a property used as a primary residence; and 2) Provide direction to staff regarding any proposed revisions to the fee waiver program.

FISCAL IMPACT: To date, the City has waived or refunded approximately \$4.80 million in fees associated with the Woolsey Fire. Staff estimates that the average amount of all fees for planning approval, building plan check and permits being waived is approximately \$18,000 per property.

At this time, the City has issued 314 planning verifications and 195 building permits for single family residences. In total, 265 property owners have qualified for fee waivers. Currently 127 projects with fee waivers are in the building plan check process for which plan check fees have already been waived. If these projects pull their permits by the June 30, 2022 deadline, the permit fees would then be waived for an estimated additional amount of \$1.27 million. It is unknown how many more eligible planning and building permit applications will be submitted prior to the existing deadlines, and of those, how many would actually receive their building permits by the June 30, 2022 deadline to qualify for fee waivers. The Adopted Budget for Fiscal Year 2021-2022 includes sufficient funding for the consultant services required to assist all remaining Woolsey Fire property owners and is not reliant on revenue from permit fees.

City staff monitors any changes in ownership prior to issuing certificates of occupancy. The City recovers fees previously waived for properties that have changed ownership since the time of the fire and are no longer eligible for the fee waiver program. The City has collected \$36,000 to date.

WORK PLAN: This item was included as item 2a in the Adopted Work Plan for Fiscal Year 2021-2022.

DISCUSSION: On June 24, 2019, the Council adopted Resolution No.19-30 waiving permit fees in Fiscal Year 2019-2020 for like-for-like and like-for-like plus 10% Woolsey Fire primary residence rebuilding. The Council also approved the refunding of any of these permit fees paid in Fiscal Year 2018-2019.

On February 24, 2020, the Council adopted Resolution No. 20-10 to clarify and extend the fee waiver program. Resolution No. 20-10 established that all fees for the rebuilding of like-for-like and like-for-like plus 10% Woolsey Fire primary residence would be waived so long as the homeowner was in compliance with certain requirements namely that the application for fee waiver is received by June 30, 2020, all required Planning Department applications for the project are deemed complete by June 30, 2020, and all required building permits are pulled by December 30, 2020.

In June 2020, in response to concerns raised from homeowners whose efforts to rebuild and meet the fee waiver deadlines have been negatively impacted by ongoing insurance claims, the COVID-19 pandemic and other circumstances beyond their control, Council directed staff to draft a resolution to extend the fee waiver deadlines by six months.

On June 22, 2020, the Council adopted Resolution No. 20-32 to supersede and replace Resolution 20-10 to extend the fee waiver deadlines for eligible rebuild projects and clarify that all fees associated with post-approval revisions to the project's Planning Department approval or building permit issuance will be charged in accordance the City's Adopted Fee Schedule.

On February 22, 2021, City Council directed staff to return with a resolution extending the fee waiver deadlines in Resolution No. 20-32 by one year.

On March 22, 2021, the Council adopted Resolution No. 21-10 (Attachment No. 1) to supersede and replace Resolution 21-10. Resolution No. 21-10 extends the fee waiver deadlines for eligible rebuild projects as follows:

- The application for waiver must be received by December 30, 2021.
- All required Planning Department applications for the projects must be deemed complete by December 30, 2021.
- All required building permits must be pulled by June 30, 2022.

The fiscal impact of the fee waiver program was considered as part of the budget adoption process for Fiscal Year 2021-2022. On May 5, 2021, the City Council Administration and Finance Subcommittee reviewed the proposed budget and recommended that the Council revisit the deadlines associated with the fee waivers and possibly reduce them. On May

24, 2021, Council reviewed the proposed budget and did not provide direction to staff on the fee waivers.

On June 28, 2021, the Council adopted the budget for Fiscal Year 2021-2022 which reflects the Council's direction to waive rebuild fees through the entire fiscal year. Council also directed staff to examine whether it would be fiscally prudent to revise the deadlines for the fee waiver program.

Staff has reviewed the program deadlines, the status of the program overall and the rebuild statistics to date. Certainly, curtailing the program earlier would require property owners to pay fees that are not currently anticipated to be received. However, since March 2021, staff has been working with eligible homeowners to complete the building process within the timelines established in City Council Resolution No. 21-10. All this work has been predicated on the existing deadlines and to retract or tighten the deadlines at this time would make it difficult if not impractical for applicants to achieve. Based on the existing timelines, it would also be challenging for staff to advertise and notify all impacted residents of any changes to the December 30, 2021 planning approval deadline to have any significant revenue impact.

At this time, staff is requesting direction from Council regarding the fee waiver program and any potential revisions to the previously established deadlines.

ATTACHMENTS: City Council Resolution No. 21-10

RESOLUTION NO. 21-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU SUPERSEDING AND REPLACING RESOLUTION NO. 20-32; DIRECTING THE CITY MANAGER TO WAIVE CERTAIN FEES RELATED TO THE REBUILDING OF STRUCTURES THAT WERE DAMAGED OR DESTROYED BY THE WOOLSEY FIRE ON A PROPERTY USED AS A PRIMARY RESIDENCE; AND FINDING THE ACTION TO BE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council of the City of Malibu does hereby find, order and resolve as follows:

SECTION 1. Recitals.

- A. The 2018 Woolsey Fire destroyed at least 488 single-family homes in Malibu.
- B. In the public interest of encouraging the rebuilding of homes in the City that were lost in the Woolsey Fire, the City desires to waive certain planning and building permit fees related to the rebuilding structures that were damaged or destroyed by the Woolsey Fire.
- C. The waiving of fees will only be applicable to owners of properties that are being rebuilt as a like-for-like or like-for-like plus 10% rebuild and were used as a primary residence by such owners as of November 8, 2018.
- D. Property owners requesting a waiver of fees must demonstrate primary residency with an active voter registration, a valid driver's license or other government-issued identification card with the address of the property that was destroyed by the Woolsey Fire acceptable to the City Manager and file an affidavit with the City on the form specified by the City Manager.
- E. Building permits eligible for fee waiver shall include grading, foundation, building, plumbing, mechanical, electrical and Onsite Wastewater Treatment System (OWTS) permits.
- F. The City cannot waive permit fees required by other agencies including, but not limited to, the County of Los Angeles and the State of California.
- G. On June 24, 2019, the City Council adopted Resolution No. 19-30 authorizing the waiving of fees from November 8, 2018 through June 30, 2020.
- H. On February 24, 2020, the City Council adopted Resolution No. 20-10 authorizing the waiving of certain fees related to the rebuilding of from November 8, 2018 through December 30, 2020.
- I. On June 22, 2020, the City Council adopted Resolution No. 20-32 authorizing the waiving of certain fees related to the rebuilding of structures that were damaged or destroyed by the Woolsey Fire on a property used as a primary residence. The City Council now desires to modify and replace Resolution No. 20-32 as herein described.

SECTION 2. Action.

The recitals above are adopted and, based thereon, the City Council directs the City Manager to waive the necessary planning and building permit fees for projects rebuilding a like-for-like or like-for like plus 10% structures that were damaged or destroyed by the Woolsey Fire where the property owner demonstrates to the satisfaction of the City Manager that the property was used as the primary residence by the property owner on November 8, 2018, subject to the following requirements and limitations:

- (1) an application for waiver is received by December 30, 2021,
- (2) all required Planning Department applications for the project are deemed complete by December 30, 2021,
- (3) all required building permits are pulled by June 30, 2022 (fees will have to be paid for any building permit pulled after June 30, 2022, before it will be issued),
- (4) all fees associated with post-approval revisions to the project's Planning Department approval or building permit issuance will be charged in accordance the City's Adopted Fee Schedule.
- (5) in no case shall any fees be waived after June 30, 2022, and
- (6) fee waivers are not transferable. If a waiver is obtained, a Certificate of Occupancy will only be issued to the property owner who filed the affidavit establishing primary residence at the time of the Woolsey Fire with the City. All fees that were waived must be paid to the City before a Certificate of Occupancy will be issued to an owner other than the one listed on the fee waiver.

This resolution supersedes and replaces Resolution 20-32.

SECTION 3. Environmental Review.

The Council finds that the adoption and implementation of this resolution is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment, section 15064(e) which exempts purely economic regulations, and Public Resources Code Section 21080(b)(4) regarding actions to mitigate or prevent an emergency.

SECTION 4. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 22nd day of March 2021



MIKKE PIERSON, Mayor

ATTEST:

Heather Glaser for:
HEATHER GLASER, City Clerk
(seal)

APPROVED AS TO FORM:

John C. Cotti
JOHN COTTI, Interim City Attorney

I CERTIFY THAT THE FOREGOING RESOLUTION NO. 21-10 was passed and adopted by the City Council of the City of Malibu at the Regular meeting thereof held on the 22nd day of March 2021 by the following vote:

AYES:	4	Councilmembers:	Farrer, Silverstein, Grisanti, Pierson
NOES:	0		
ABSTAIN:	1	Councilmember:	Uhring
ABSENT:	0		

Heather Glaser for:
HEATHER GLASER, City Clerk
(seal)