## \* AS-DELIVERED \*

## **Testimony by David A. Schwarz**

## Before the U.S. Senate Special Committee on Aging and the Homeland Security and Governmental Affairs Committee (HSGAC) Permanent Subcommittee on Investigations (PSI) on the Palisades Fire

## **November 13, 2025**

Mr. Chairman, thank you for the opportunity to discuss the impacts of the Palisades Fire on my neighbors, and to suggest a path forward in resurrecting our community.

My name is David Schwarz. I am Chairman of the Rebuild Committee of the Pacific Palisades Community Council ("PPCC"), an NGO created over fifty years ago to advocate for Palisadians. I am here today in my personal capacity, as PPCC has not yet taken an official position on aspects of what I'm going to discuss.

Until January 7th, my family lived less than a half-mile from where we are meeting today. Our home was one of the few houses in our neighborhood to survive the fire. Because we are in the epicenter of the burn zone, the thermal damage and fire-related contamination renders our home presently unsafe to inhabit.

My written submission discusses what from my perspective went wrong. I'd like to focus on what it will take to get this community back on its feet.

- First, without expediting infrastructure repairs and construction permitting, vacant lots and unoccupied houses will give license to squatters, petty crime, and vandalism.
- Without fire resiliency infrastructure improvements, the cost and availability of fire insurance will remain a barrier to obtaining construction financing or home mortgages.
- Without insurance, many people will refuse to reinvest in a designated Very High Fire Hazard Severity Zone.
- Without federal support to fund these repairs and improvements, the Palisades will remain a
  disaster tourist destination and an embarrassment to the host city of the 2028 Summer Olympic
  Games.

I am also going to say something that may buck the orthodoxy around federal disaster relief: Don't write L.A. a blank check. Before another dollar is appropriated, Congress should insist on four conditions to ensure that federal funding will actually be used to rebuild my community, on-budget and on-time.

*First*, Congress should insist that Governor Newsom exercise his executive power to create an *independent* Pacific Palisades Reconstruction Authority (PPRA), much as New York Governor Pataki created the Lower Manhattan Development Corporation (LMDC) to oversee the

rebuild of Ground Zero after 9/11. Gov. Pataki knew that ceding control over the World Trade Center reconstruction would devolve into a political negotiation. So, he bypassed the State Legislature and the City Council, constituted the LMDC to oversee reconstruction, and appointed a board of directors comprised of business leaders who were not beholden to interest groups to administer the distribution of federal HUD Community Development Block Grants. That can work, here.

**Second**, Governor Newsom must delegate to the PPRA certain of his emergency powers to oversee reconstruction logistics, including supply chain management, facilities construction, and street improvement sequencing, and to accelerate the pace of rebuilding, including by cutting through burdensome permitting requirements or by providing contractors a safe harbor from some of California's most punitive wage and hour regulations.

**Third**, while the PPRA must be independent from City Hall, its board must be accountable to residents *and* to the federal government. There should be strings attached to each tranche of federal funding so the Authority will remain focused on the economic and infrastructure needs of Palisades residents and business owners. It also means President Trump and Governor Newsom need to agree on the Authority's board of directors, much as Governor Pataki and Mayor Guiliani did when the LMDC was created.

**Fourth**, while Palisadians should not be asked to repair our streets, water systems, and utilities after being so grievously let down by their elected and public safety officials, they should be willing to co-invest alongside the federal government as the long-term beneficiaries of fire resiliency **improvements**, such as undergrounding utilities, including through bonds backstopped by tax increment financing, modest special property tax assessments, and federal loans and loan guarantees.

These are the sort of conditions President Trump insisted upon when he visited the Palisades nine months ago. **It is also what our community wants.** 

According to a survey conducted this fall by NORC on behalf of PPCC, almost nearly **two-thirds** (63%) of residents are *somewhat to extremely confident* in the ability of a community-based rebuilding authority with an elected board of directors to lead a coordinated and effective rebuilding effort. Conversely, about 75 percent of residents are *not very or not at all confident* the ability of state, county, or city government to lead this effort.

When he visited the Palisades in January, we cheered when President Trump said "[w]e're going to get it fixed — though we'll get it permanently fixed *so it can't happen again*." As far as we know, neither Mayor Bass nor Governor Newsom has asked President Trump how he fix the Palisades. So, Mr. Chairman and Senator Johnson — we're asking that you take this message back to President Trump: Bring us your ideas, your impatience with the status quo, and your willingness to set aside the business-as-usual federal disaster relief playbook — so that, in partnership with the federal government, together **we** can fix our community.