



**LOS ANGELES COUNTY**  
**ECONOMIC DEVELOPMENT CORPORATION**

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**FOR IMMEDIATE RELEASE**

**Thursday, February 27, 2025**

**MEDIA ADVISORY**

Virtual Press Conference: Southern California Leadership Council (SCLC) Releases New Study Revealing Devastating Economic Impact of 2025 Los Angeles Wildfires and Urgent Need for Action

**Who:**

- **Gray Davis**, Co-Chair, Southern California Leadership Council (SCLC) - Former Governor of California
- **Kathryn Barger**, Co-Chair, SCLC - Chair, Los Angeles County Board of Supervisors
- **Stephen Cheung**, CEO, Los Angeles County Economic Development Corporation (LAEDC)

**When:**

- Thursday, February 17, 2025 – 10:30AM – 11:00AM

**Where:**

- Media and press are invited to attend the virtual press conference by registering at the following link: [Webinar Registration - Zoom](#)

**What:**

The Southern California Leadership Council (SCLC) will host a virtual press conference to discuss the newly released study on the economic and community impact of the 2025 Los Angeles Wildfires. The report, commissioned by SCLC and conducted by the Los Angeles County Economic Development Corporation (LAEDC) Institute for Applied Economics, provides the first comprehensive analysis of the destruction and economic losses from the Palisades Fire and Eaton Fire. It also includes data-driven recommendations to accelerate recovery and build long-term wildfire resilience.

**Key Findings:**

- Total Property Damage Estimate: \$28.0 billion to \$53.8 billion
- Potential Total Job Losses: 24,990 to 49,110 jobs
- Potential Total Labor Income Lost: \$1.9 billion to \$3.7 billion
- Projected Economic Losses (2025-2029): Up to \$8.9 billion in LA County
- Key Takeaway: Speed of recovery is essential to minimizing economic harm

LOS ANGELES, CA – The Southern California Leadership Council (SCLC) and the Los Angeles County Economic Development Corporation (LAEDC) today released a new study detailing the extensive economic and fiscal impacts of the 2025 Los Angeles wildfires. Commissioned by SCLC and conducted by LAEDC’s Institute for Applied Economics, the report provides the first comprehensive analysis of the destruction and economic impacts caused by the Palisades Fire and Eaton Fire, as well as data-driven recommendations to guide recovery and resilience efforts.

According to the study, the wildfires caused between \$28.0 billion and \$53.8 billion in property damages, with business disruptions projected to result in economic losses of up to \$8.9 billion in Los Angeles County alone over the next five years (2025-2029). The report also estimates that the fires could lead to up to 49,110 job-years lost and reductions in labor income of up to \$3.7 billion, while federal, state, and local governments could experience tax revenue losses ranging from \$730 million to \$1.4 billion.

“This report highlights the staggering economic and personal toll of these wildfires and underscores the urgency of investing in wildfire prevention and recovery strategies,” said Former California Governor Gray Davis, Co-Chair of the Southern California Leadership Council. “The economic losses extend far beyond the fire zones, affecting businesses, workers, and communities throughout the region. We must act now to build resilience and ensure that Southern California is better prepared for future disasters.”

The study analyzed the fires’ impact on key industries, with retail trade, health care, professional services, construction, and educational services among the hardest hit. Disruptions to supply chains and workforce displacement could further compound the region’s economic challenges.

“This study is a wake-up call,” said Mike Roos, President of SCLC. “Beyond the immediate destruction, these wildfires pose a long-term threat to our region’s economic stability. Recovery must focus not just on rebuilding but on strengthening resilience—supporting businesses, workers, and communities in ways that reduce the impact of future disasters.”

“An important finding of the study is that the impact of the fires will grow with the length of the recovery period,” said Stephen Cheung, President and CEO of LAEDC. “For example, in our best-case scenario when recovery is achieved by 2029, the report estimates job losses of 24,990 job years, but if it takes until 2034, job losses will nearly double to 49,110 job years.”

### **Key Action Steps for Recovery and Resilience**

Drawing lessons from past wildfires—including the Camp Fire (2018), Marshall Fire (2021), and Lahaina Fire (2023)—the report outlines several recommended action steps to accelerate recovery and improve resilience:

- Streamlined Permitting & Rebuilding Support – Fast-tracking rebuilding efforts through coordinated permitting processes and financial incentives can reduce recovery timelines by up to 50%.
- Investments in Infrastructure Resilience – Strengthening fire-prone communities with improved emergency response systems, microgrids, and fire-resistant construction materials and methods, as required in California’s current building codes, have proven to reduce damage and speed up recovery.
- Financial Innovations for Disaster Recovery – Implementing alternative insurance models, such as parametric insurance, can ensure faster financial relief for affected businesses and homeowners. (Parametric insurance pays a set amount based on the magnitude of the event, rather than the magnitude of the losses in a traditional indemnity policy)
- Targeted Business & Workforce Assistance – Providing direct support to impacted businesses and displaced workers through grants, training programs, and small business recovery initiatives can prevent long-term economic decline.
- Regional Coordination & Preparedness – Establishing multi-agency wildfire task forces with clear recovery roadmaps can cut response times and improve post-disaster efficiency.

For more information and to access the full report, visit: <https://laedc.org/wp-content/uploads/2025/02/LAEDC-2025-LA-Wildfires-Study.pdf>.

### **About the Southern California Leadership Council**

Three former Governors and over three dozen President/CEOs of major companies and agencies comprise the Southern California Leadership Council, a nonprofit, nonpartisan organization formed in 2005 to provide leadership on major public policies critical to economic vitality, job growth and the quality of life in Southern California.

### **About the Los Angeles County Economic Development Corporation**

The Los Angeles County Economic Development Corporation (LAEDC) is a nonprofit organization focused on advancing opportunity and prosperity for all in the Los Angeles region. Through economic research, business assistance, workforce development, and policy advocacy, LAEDC supports a thriving and inclusive regional economy.

### **About the report’s Methodology**

For more information on LAEDC’S Methodology in comparison with other organizations’ estimates and processes in determining economic impacts of the LA Wildfires, please visit: [METHODOLOGIES](#).