Changes in the 2006 model building code have enabled the use of combustible framing material in the construction of mid-rise residential buildings in Los Angeles County. Recent history in both Los Angeles and in dozens of cities across the state and nation suggests that such framing increases the risk of fires, which has an adverse economic impact, primarily borne by the local government, businesses and residents.

**LOSING $22.6 BILLION FOR LA COMMUNITIES?**
**THAT’S A LOT OF MONEY TO BURN.**

Fires in mid-rise residential buildings with combustible frames could have a negative impact of **$22.6 BILLION OVER 15 YEARS** including $17.14 billion in direct losses from property damage.

These fires could cost the County between **$347.9 AND $410 MILLION** in foregone tax revenues over 15 years.

On average, fire in a mid-rise residential building constructed using combustible framing material could cost the Los Angeles County a total of **$141.81 IN ECONOMIC IMPACT** and **$2.38 IN LOST TAX REVENUES, PER SQUARE FOOT.**

Potential impact the County may face in a single year could be **$1.7 BILLION** including $1.3 billion in direct property damage.

The County could lose **$28.9 MILLION** in tax revenue in one year.

Potential Economic Impact of Fires from Use of Combustible Material Frame Construction in Mid-Rise Residential Buildings in Los Angeles County, California, Urvashi Kaul, Consultant and Adjunct Assistant Professor, Columbia University, May 2018