

Their homes torched amid a housing crisis, L.A. residents wonder where to go

With thousands of houses destroyed by fire, the most populous county in the United States must confront the fraught logistics of rebuilding.

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By [Daniel Wu](#) and [Rachel Siegel](#)

LOS ANGELES — LaNiece Carpenter fled with her siblings, parents and pets from her Altadena home at 4 a.m. Wednesday as flames raced across the tops of the hills behind them. Now, with the family home turned to ash, she must confront the question facing every Angeleno displaced by the fires: Where to now?

She doesn't want to leave the city she grew up in, but it might be too costly to return. "It is an impossible decision either way," Carpenter, 30, said.

Los Angeles County, the nation's most populous, faced an unprecedented housing crisis even before the past week's fires destroyed an estimated 12,000 structures, including thousands of homes, and forced mass evacuations. The disaster has already been pegged as the costliest blaze in U.S. history, with analysts projecting total economic losses of \$50 billion to \$150 billion.

"If you were suddenly to become homeless and displaced, the housing market in L.A. is not the one you want to end up in," said Cynthia Strathmann, executive director of Strategic Actions for a Just Economy, a nonprofit that researches housing policies to benefit low-income Angelenos.

Across California, housing shortages were already acute in part because of land costs, a strict regulatory environment and limited supply. Rent in Los Angeles averages \$2,820, according to Zillow, much higher than the national average of \$1,983. That could spike further after the fires.

When Carpenter and her family evacuated, they drove west out of Los Angeles to escape the raging Eaton Fire. Now they're crammed into her aunt's home about an hour away in Simi Valley.

Carpenter worried she wouldn't be able to finding affordable housing that would allow her parents, in their 60s, to commute to their jobs in Pasadena. They're considering moving to Ohio or Indiana, where they'd find extended family and cheaper rent.

"We don't have a lot to pack," she said.

Bungalows, mansions and mobile home parks burned in the Los Angeles-area fires. So did new rental developments, senior homes and celebrity hideaways. Fire wiped out much of the Pacific Palisades — a coastal community of 23,000 people — where the median sale price of a home was \$3.3 million in November, according to Redfin. Meanwhile, the \$3,800 median rent in Altadena is still 90 percent higher than the national median, according to Zillow figures as of Saturday morning.

That market would leave people like Marianna Montgomery with few options. She lived in a Santa Monica rent-controlled apartment that cost about \$600 a month when she moved into it around 30 years ago, and that rose over the decades to a little over \$1,000. She said she evacuated Tuesday, slept in her car for a night and ended up on a cot at the Westwood Recreation Center gymnasium, now converted into a Red Cross emergency shelter on the west side of Los Angeles.

Montgomery, 61, said she spent those days racked with anxiety because if her apartment burned, she couldn't afford anything else in the city.

"I think I might be homeless," Montgomery, a bank analyst, said Friday. "The options are to go live somewhere as far as three hours away in Lancaster or three hours, like Ontario. I don't know. I have no clue."

She learned Saturday morning that her home survived, but fires continued to rage nearby in Brentwood.

Los Angeles has taken steps to address its housing shortage in recent years. Voters passed measures at the city and county level to fund affordable housing and anti-homelessness programs through property transfer and sales taxes. Mayor Karen Bass signed an executive order in 2023 to streamline affordable housing production.

But rebuilding after a major disaster brings new problems. Experts warn of the thorny logistics and complicated construction work that still lie ahead — made harder by the challenges of working in dense cities. Debris needs to be hauled from hundreds of side-by-side lots. Thousands of building permits will need to be processed, all while local governments lose much of their tax bases. There have to be enough construction workers, electricians and plumbers for reconstruction, but workers in those trades are often in short supply, experts said.

Los Angeles wildfires

We're tracking the Palisades Fire and other wildfires around Los Angeles. See maps of where the fires have spread and follow live updates.

“Where do you stage materials?” said Andrew Rumbach, an Urban Institute expert on natural disaster risk for housing. “How do you organize 30,000 homeowners needing a permit in short order? L.A. is going to be dealing with that starting very soon.”

Phillip Cohen, 68, ran from the flames as they reached the lobby of his Pacific Palisades condo — his dream home overlooking Sunset Beach. The building is still standing, he said, but it may take a month for authorities to determine whether the scorched structure is salvageable. Even if it can be saved, he’d have to invest in costly repairs.

“I’m sure every square inch has smoke damage and ash,” Cohen said.

The construction industry was already trying to keep pace with demand for new homes. But in the wake of a fire, flood or hurricane, there’s a rush on all of the parts, and workers need to start over — typically sending prices up. Lauren Finegan, a research associate at the MIT Humanitarian Supply Chain Lab, called it the “sheer magnitude of demand happening all at once” as people and businesses clamor for materials, skilled labor and building permits.

“You need all of that to surge to keep everything moving,” Finegan said.

It’s a process communities such as Maui, Hawaii, and flood-ravaged parts of North Carolina — know all too well. In California itself, parts of the Paradise area are still rebuilding years after the Camp Fire decimated the town in 2018.

In Colorado, the Marshall Fire destroyed 1,105 properties three years ago, the Urban Institute’s Rumbach said. In the city of Louisville alone, 550 homes were destroyed in that blaze, according to Robert Zuccaro, community development director. About 500 homes have been rebuilt since then or are in the process of reconstruction. But reaching that milestone involved more than 90 different builders, adding bureaucratic hurdles.

To help keep costs in check for residents, Louisville tried to work with larger builders who could develop hundreds of homes at a time, but the bigger companies wouldn’t bite, Zuccaro said. Instead, much of the rebuilding process has come from smaller builders that can work on a few dozen homes a year, he said.

“It’s more of a challenge to build a more affordable home in this type of environment,” Zuccaro said.

At the Red Cross emergency shelter, Cohen considered what he would do if he couldn’t move back into his home, and what he could afford to rent or buy if there was a fire sale of his property. He wants to stay as close to the Palisades as possible.

“I’m still in a daze,” said Cohen, a retired educator living on his pension. “I never imagined this.”