

About Laguna Canyon Road – Fall 2025 Update

By Dave Kiff, City Manager, City of Laguna Beach

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It's been about a year since we updated the community with some facts (and opinions) about **Laguna Canyon Road (LCR)**¹, and whether the City should agree to accept the "relinquishment" of LCR from Caltrans. This Update tries to let you know what's gone on in a year, as well as where this might be headed.

I appreciate all who have taken the time to weigh in on this - with good questions, ideas, and comments. We had a Town Hall on September 16th where we at the City presented an update, and then we all spent about 90 minutes on Q&A with a group of about 50 people. The presentation and follow-up Q&A is [here](#).

So where are we? We're at a mid-point in a years-long "relinquishment" process. The immediate and upcoming question for the City Council will be whether to agree with Caltrans that \$14.4 million is the value that would bring the road up to a Caltrans' "state of good repair."² In August 2025, Council held off on agreeing to that amount, as Council wanted more research and information done.

I'll reiterate this again – this is a midpoint in the process. It's also a process we can pause or stop at any time.

If the Council agrees that \$14.4 million is the "state of good repair" amount, then Caltrans would work on lots of paperwork and would take an item before the California Transportation Commission. Then it would come back to the City Council for final public consideration (up or down) of a relinquishment agreement. This process can take two to three more years. That's a long time – and it also means that the \$14.4 million will be worth less in 2027/2028.

The things that Council wanted more research done about include:

- Different approaches to **reducing fire risk** via power line undergrounding, system hardening, or pole relocations.
- Actual **liability exposure**, along with estimated changes to our insurance costs.
- Options for **road safety improvements** – either as a Caltrans road or as a City road.

¹ The stretch between El Toro Road and Coast Highway (including where LCR is called Broadway).

² Caltrans would pay this "State of Good Repair" amount to the City at the end of the relinquishment process. It is Caltrans' way of saying "the road isn't in top shape - here's what we (Caltrans) think it will take to bring this section of Laguna Canyon Road up to a state of good repair in our (Caltrans') eyes. We (Caltrans) are not going to do the improvements, but you (City) can – using this \$14.4 million."

I think we all agree that having Caltrans retain ownership and make the improvements we want is the best case. But it's very unlikely that Caltrans is going to make the improvements we like, as the improvements don't follow their standards.

Fire. Above-ground power lines can cause fires. If you include the 2025 Eaton Fire, according to CalFire³, at least nine (9) of the 20 most destructive California wildfires were caused by electrical equipment. Given this statewide history and the local fire data discussed below one of the main goals for LCR is to underground the overhead utilities to reduce fire risk. Undergrounding, if we can achieve it, will also help ensure that this important evacuation route is not limited by a pole or wires falling and blocking the road for residents seeking to evacuate and for first responders coming to the aid of the city.

We've been able to track down what we think is good local information⁴ as to the number of fires caused by overhead electrical line failures including around Laguna Canyon Road. Our summary table is here:

Laguna Beach Area Wildfire Information - Selected Events			
Date	Involved Above-Ground Power System	Involved LCR Above-Ground Power System	Notes
10/27/1993	No	No	The Big 1993 Fire - arson at edge of Laguna Canyon
8/31/2007	Yes	Yes	Tree falls on line along LCR
9/8/2011	Yes	Yes	Power line arced, started fire
9/16/2012	Yes	No	Transformer blows near Ruby's - burns hillside
7/3/2015	Yes	Yes	Canyon Acres Fire
10/27/2015	Yes	No	small Bluebird Canyon fire
6/26/2016	?	?	Laguna Fire -- "sparked off of Laguna Canyon Road." "suspicious" origin (but possibly never determined)
6/2/2018	No	No	Near SOKA University - unknown cause
11/16/2018	Yes	Yes	"three vehicles were on fire at the base of a large power pole and the pole was on fire to the top. "
2/10/2022	Yes	No	Emerald Fire - "sparking from OH power lines."
5/11/2022	Yes	No	Coastal Fire - power line near SOCWA, impacted L Niguel

As noted, a big part of the impetus to take over the road is to **underground the utilities** – both the high-powered **transmission lines** and the lower-voltage **distribution lines**. In roads that we own and control, we can put the lines underneath the roadway. Generally, Caltrans doesn't allow utilities to be placed within their roadway if they see another feasible alternative. To date, Caltrans has been unwilling to retain the road and put the lines underneath the roadway despite our efforts to persuade them to do so and to provide

³ <https://www.nytimes.com/interactive/2025/01/13/us/los-angeles-fires-cause.html>

⁴ Records come from our own fire department, from press accounts, and from contacts within Orange County Parks.

a waiver to their policy. Caltrans appears to believe that the open space lands are a feasible alternative for undergrounding – others disagree.

The infrastructure (vaults, access roads to the vaults, and trenches) for the transmission lines alone is quite large. For example, a single vault for an undergrounded transmission line is 10' wide by 20' long – serviced via open maintenance areas that are supposed to be 80' long and 14' wide.

Undergrounding is not the only way to improve fire safety, but Southern California Edison (SCE) and other experts agree that it is the best form of protection from wildfires. The other methods (insulating the lines with covered conductors, hardening poles) leave lines and transformers in the air, where they can be vulnerable to wind events, vehicle crashes, and movement from earthquakes and mudslides.

One way we hope to fund the roughly \$70 million (in 2020 dollars) undergrounding is via SCE's Targeted Undergrounding program or "TUG." But the latest news on TUG isn't good. In September 2025, the California Public Utilities Commission (CPUC) rejected SCE's request to increase rates regionwide in part to fund more TUG miles – miles that could have included LCR.

As it stands right now, we don't expect to see TUG miles being awarded to the lines along LCR for at least three years when the next CPUC SCE rate case may be decided.

We were hoping to fund the utility undergrounding not covered by TUG with a Federal Building Resilient Infrastructure and Communities (BRIC) grant and were encouraged when the California Office of Emergency Services recommended to the Federal Emergency Management Agency (FEMA) that our grant request be approved. BRIC's concept – envisioned during the 1st Trump Administration - was to avoid paying out FEMA dollars after disasters occur by funding efforts that attempt to avoid the disaster in the first place. But the 2nd Trump Administration essentially canceled BRIC.

Liability exposure is next. We've struggled to get the actual cost of claims paid by Caltrans from fatalities, injury accidents, or other events along that stretch of Laguna Canyon Road. You've seen reports we've released that show an estimated \$11 million in liability exposure each year - that's a lot.

It's also almost certainly inaccurate. The problem with the \$11 million estimate is this: While it's based on the actual type and number of accidents along LCR between January 2009 and December 2018, the dollars assigned per accident are not tied to the actual events. The dollars are tied to Caltrans' *average statewide exposure* by type of event (for example, death cost exposure statewide is "\$10.8 million" per event). But we've seen evidence, for example, that the two deaths which occurred along LCR following a racing accident in 2019 may have resulted in one claim payout of \$80,000 – not \$21.6 million.

We have asked Caltrans again for actual claim data for 2014 – 2024’s events on LCR. That data will be critical, too, when talking to the City’s insurers about what the City’s insurance could look like post-relinquishment—in terms of coverage, policy amount, and self-insured retention. One fact we do know: there were approximately 1,000 police reports involving incidents on LCR during that time period. But that isn’t to say that they all involved claims against Caltrans (most didn’t) or even injuries. That’s why the Caltrans claim data is key to this complete analysis.

Lastly, **roadway improvements**. To help address liability exposure, engineering can make roads safer. A lower speed limit, different lane widths, a different curvature at Big Bend, consolidated driveways, safer bike lanes, and traffic signals may help here. All tend to be outside of Caltrans guidelines though. In our *Protect and Connect* project, we envision a significant reconstruction of the road, with multiple safety amenities. That of course comes with a significant cost – upwards of \$45 million when last estimated in 2020.

We were hoping to fund much of the roadway improvements with Federal grants such as BUILD (Better Utilizing Investments to Leverage Development – later changed to RAISE in 2021) and PROTECT (Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation). Similar to the BRIC grants, the Administration paused PROTECT indefinitely, and we were not awarded a BUILD/RAISE grant earlier this year (but we intend to reapply).

You can see where I’m going right now. On the one hand, not good news on the Federal grants and TUG fronts. Our options seem more limited than a year ago.

But on the other hand, the fire and road safety risks remain – and funding strategies from Washington seem to change rapidly as leadership changes (when LCR’s relinquishment effort concludes in 2027/2028, the TUG and RAISE/PROTECT picture could be totally different).

What’s Next? To me, the City Council still has good options. The option I may recommend for Council consideration is one that includes this approach:

1. Respectfully let our Caltrans colleagues know that more information is essential before we take any more steps towards relinquishment. Information like:
 - a. Actual accident numbers and claim costs
 - b. The viability of alternatives that keep Caltrans as the owner of the road but allow us to implement modest wildfire safety and roadway safety improvements, such as smaller scale or different undergrounding designs.
2. A legislative effort. Explore whether a bill could be introduced which declares LCR to be a place where, given its uniqueness, there are no feasible alternatives to in-roadway undergrounding such that Caltrans must allow undergrounding to proceed.
3. Advocacy. We should be as direct as possible with all of our elected and appointed leaders in Sacramento. We need to reduce fire risks in the Canyon for the sake of the

residents and businesses located there, and to protect it as an evacuation route for the entire city. The likelihood of a fire starting in the Canyon and hitting us hard is significant – it happened in 1993 and it's highly likely to happen again. Maybe pressure and concerted advocacy can still help.

As always, we at the City welcome your questions and input. Thanks again for reading and for learning about this issue with us.

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