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City of Tustin Incurs \$48 Million in Costs to Date from the Navy North Hangar Fire; Navy Pledges \$11 Million

The City has received \$1 million to date from the Navy; a new pledge for an additional \$10 million will cover less than 25% of the over \$45 million of costs incurred by City in responding to the incident.

(City of Tustin, CA – 12.18.23) -- The US Navy has pledged to provide the City of Tustin with \$11 million to help partly repay the over \$45 million in costs to date that the City has incurred due to the Navy North Hangar Fire, the City announced today.

Following recent talks with the City, Navy representatives committed to adding \$10 million to the \$1 million they previously agreed to provide the City. However, once received, the \$11 million pledged to date from the Navy will cover less than 25% of the costs to City taxpayers in responding to the fire at the Navy-owned former Marine Corps Air Station Tustin.

On Dec 13, the City received the initial \$1 million of the pledged Navy funding, but the City has been forced to access its own reserve funding to ensure work continues and timely payments are made to the many contractors serving the community as part of the response and recovery efforts.

An additional \$10 million has been pledged by the Navy. Preliminary estimates and projections indicate the costs associated with recovery operations in the aftermath of the fire may exceed \$100 million.

“The City must remain fiscally solvent so we can serve our residents and business community in the aftermath of the Navy Hangar Fire and maintain our regular day-to-day operations,” said Tustin Mayor Austin Lombard.

“Recent comments by a Navy spokesperson that ‘Sometimes the wheels of government turn slowly’ are beyond disappointing. The Navy has not explained how or when additional funds will be provided to reimburse the City. The City responded without hesitation to the emergency. It’s time the Navy stepped up and did the same,” Mayor Lombard said.

The Navy owns what remains of the North Hangar structure and the 85-acre parcel at the former MCAS Tustin.

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