Boulder County Wildfire Partners: Fire Risk Mitigation

Saneta deVuono-powell

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75 YEARS LINCOLN INSTITUTE OF LAND POLICY

While wildfires have always been a feature of the American West, climate change and sprawling development have increased the risks and exposures faced by many communities. Most of the large fires in the West occur in the wildland-urban interface (WUI), which refers to areas where development is adjacent to undeveloped natural areas. About 99 million people in the United States live in WUI areas, and 43% of all new homes are built in the WUI. Part of this development is the result of people desiring to live close to nature, but it is also a consequence of exclusionary housing and land use policies that mean affordable housing is increasingly found at the outskirts of sprawl. Unfortunately, this encroachment into undeveloped areas is increasing vulnerability to wildfires.

After the 2010 Fourmile Canyon fire destroyed more than 150 homes in the foothills of Boulder, Colorado, the county decided they needed to be more proactive about wildfire mitigation. In 2014, they started Wildfire Partners, a public-private partnership led by the county. While the program is staffed by fire protection experts, insurance companies were also involved in the program design.

The program includes a home and property assessment, personalized fire mitigation recommendations, lists of qualified home retrofit and forestry contractors, and subsidies for forestry work (supported by grants from the Colorado State Forestry Service and FEMA). Program participants who complete the recommended changes receive a certificate that is accepted by home insurance agencies Allstate, State Farm, and USAA, creating an incentive for participation.

When the 2016 Cold Springs fire hit the region, 281 homes had been certified and all the certified homes within the burn zone survived the fire. By 2019, almost 2,500 homeowners were participating in the program, and over 1,000 had been certified.

CalWood fire near Boulder, Colorado
Cover Photo: David

Financing

Wildfire Partners started with grants from FEMA and the Colorado State Forest Service totaling $3.8 million. It is currently funded by a FEMA grant and the county. Homeowners are charged a participation fee that also helps cover some costs, although fees can be waived.

The Wildfire Partners certification program is often the only pathway for residents in high-risk areas to obtain fire insurance, which increases interest in participation. As certified homes withstand fires, confidence in the program grows.

What made this work?

Boulder County has required residents to do wildfire mitigation for decades, but before this program was put in place, it was unclear what type of mitigation was needed and how effective mitigation could be. In 2013, Governor Hickenlooper convened a statewide task force on wildfire insurance. The group recommended requiring wildfire risk ratings and disclosures as well as creating a statewide mitigation program and charging a fee to homeowners in high-risk areas. At the time there was intense political backlash from real estate groups and homeowners, who were concerned that low ratings would decrease property values and argued that insurance policies were already rating risk.

In the past eight years, insurance companies have started to recognize that current policies are unsustainable. Because of the local fire risk and its partnership with insurance companies, the Wildfire Partners certification program is often the only pathway for residents in high-risk areas to obtain fire insurance, which increases interest in participation. As certified homes withstand fires, confidence in the program grows. Programs like Wildfire Partners show how compliance can be implemented and fire risks can be reduced, which may pave the way for greater regulation of wildfire mitigation.

Smoke rises into the sky just hours after the Left Hand Canyon fire broke out in Boulder, Colorado
Photo Credit: Joseph Gruber

Other Communities

In many communities, market conditions continue to incentivize development in areas with a high fire risk as individuals seek affordable housing and local governments collect tax revenue from these developments. The ongoing crisis around housing affordability has made progress around wildfire mitigation a challenge with complex equity implications, given the many people with low incomes and communities of color who are pushed into housing at high risk of wildfire exposure.

In Sonoma County, the connection between affordable housing and wildfire vulnerability was made clear when the 2017 Tubbs Fire destroyed more than 5,000 homes, including a 162-unit mobile park in Santa Rosa. While the majority of homes destroyed in the fire were owner occupied, many more renters were uninsured than homeowners, and they had little support for recovery. Meanwhile, the desire of local residents to stay in the area and the ongoing regional housing crisis led to a 36% increase in rents. In response to the post-fire housing needs, the City of Santa Rosa and Sonoma County created a joint powers authority, the Renewal Enterprise District (RED), to coordinate producing affordable housing units that increase density and incorporate wildfire mitigation. The RED provides gap financing for housing development that meets key criteria, which include equity and climate considerations. Sonoma County also consulted with Wildfire Partners after the Tubbs Fire to learn about their program.

While wildfire mitigation and planning are essential, there is still an urgent need to rethink development in high fire risk areas, especially after fires like the 2018 blaze that destroyed 95% of homes and killed at least 86 people in Paradise, California. Paradise is emblematic of the growth of WUI development, where new homes continue to be built at an alarming rate. Despite its deadly risks, between 1990 and 2015, 32 million new homes were built in WUI areas nationwide. Unfortunately, many state regulations do not encourage insurance companies to implement sound policies around fire risk. In 2019, after multiple years of paying out more in claims than they generated in premiums, California insurance companies dropped coverage for more than 200,000 policies. In response, the state passed legislation issuing a one-year moratorium on non-renewal of coverage in areas affected by wildfires, choosing the political expedience of keeping homeowners happy over admitting that certain regions may be too risky to develop. In February 2021, California created a partnership to establish state standards for wildfire protection that may begin a move towards longer-term wildfire planning in the hopes of influencing insurance policies. Currently only 13% of California insurance policies incentivize wildfire mitigation.

View of the October 2020 Cameron Peak fire from Estes Park, an hour from Boulder.
Photo Credit: Art Messal via Estes Park Trail-Gazette

Lessons

- **Programs crafted to address local climate risks can illustrate the feasibility of better climate management.**
    - Political will for climate mitigation strategies will change as climate risks increase and can be influenced by the implementation of effective programs.
- **Insurance companies are important stakeholders in the design and implementation of programs for rethinking disaster risk.**
    - As the costs of claims increase, insurance companies have an existential interest in identifying and developing good tools for assessing and ensuring risk management.
    - It is important to protect under-insured residents of low-income communities that may be at higher risk of losing insurance and to devise and/or subsidize new programs that meet their needs.
- **Perverse financial incentives must be remedied.**
    - Current policies like lower land values in the WUI and lack of attention to rebuilding costs obscure the dangers of developing housing in areas of high fire risk. Long-term planning and political will are needed to rethink where housing is built.
    - Government and industry have resisted strong information requirements that could help home buyers understand and price fire risk. Currently only two states require wildfire risk disclosures.
    - Affordable housing is most available in places that are vulnerable to climate risks, which means that policies attempting to limit development in areas with high climate vulnerability can have a greater impact on households with limited incomes, especially in areas where affordable housing needs are greatest. Therefore attempts to limit high climate risk development should also resource low climate risk affordable housing.

About the Author

Saneta deVuono-powell is a co-founder and partner at Ground Works Consulting, where her focus is supporting equitable community development and climate justice. Saneta has over a decade of experience working on issues of racial justice, housing, and health and conducting community-based participatory research. She serves on the Oakland Rent Board, sits on the boards of the Texas Observer and The Safe Return Project, and is a contributing editor at Stranger's Guide. Saneta received her bachelor's degree from Sarah Lawrence College and both her law degree and her master's degree in city planning from UC Berkeley.

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https://centerforcommunityinvestment.org/resource/seeding-climate-resilience-through-equitable-investment

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