

DRIP committee STAFF

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MANAGING YOUR MONEY,
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Spending Well

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Building Lessons in the Ashes



PHILIP CHEUNG FOR THE NEW YORK TIMES

Property insurers are trying to force changes in construction standards.

The insurance industry is setting homes on fire — to make a point.

The fires are controlled, kindled in a research lab or staged at training facilities. They are designed to simulate the conditions that help wildfires spread through neighborhoods and cause what the insurers call a “conflagration event,” like the one that killed 102 people and destroyed the town of Lahaina on Maui last August.

The message to homebuilders: Homes in certain parts of the United States must now be constructed with wildfires in mind, or they most likely will not be insured, which would mean they couldn't be bought with a mortgage.

In part because of climate change and the resulting increase in catastrophic storms and fires, insuring homes in some parts of the country has become a money-losing proposition for the industry. Across the United States, insurers lost \$33 billion in 2023 on personal home and auto insurance, according to AM Best, a ratings agency for the industry.

In California, where fires have consumed more than 220,000 acres of land just this year, major insurers like State Farm, Allstate and Farmers have all pulled back. In some areas, they have stopped writing new policies and have can-

celed some existing policies. State Farm recently asked California's insurance regulator to approve a 30 percent rate increase for the owner-occupied home insurance it still provides in the state.

“We've always had insurance. It's just been there; it's been included in our everyday processes like getting a mortgage,” said Josh Wilkins, a retired firefighter in Idaho who now consults with insurers and property owners about reducing fire risk. But “that business model is dying,” he said. “The end users — the insurance customers — are actually going to have to do something to make sure that they keep the business model going.”

That “something” could be the biggest overhaul of building standards in more than 30 years. After Hurricane Andrew devastated part of Florida in 1992, pressure from the insurance industry compelled homeowners and builders in the state to switch to stronger windows and roof ties. The industry is applying a similar kind of pressure now.

Leading this effort is the Insurance Institute for Business & Home Safety, or I.B.H.S., which is backed by more than 100 insurance companies. The I.B.H.S. is advocating new standards for landscaping, fencing and building materials that it says can help prevent a wildfire from ripping through a neighborhood. It is also staging side-by-side burn demonstrations.

A recent burn took place in June at the Pacific Coast Builders Conference, a trade show in Anaheim, Calif. In a concrete lot used as a

training ground by firefighters and emergency medical workers, two newly built one-room structures stood side by side.

The wildfire-resistant building had a five-foot “moat” of pavement around it. Stretching off one side was a fence made of a noncombustible metal made to resemble wood, and the house had protective coverings to stop burning embers from getting into roof vents and eaves.

Ten feet away, the other building was ringed by shrubs and mulch, resembling a home typical of suburbs across the country. It

\$33 Billion

Amount lost by U.S. insurers in 2023 on personal home and auto insurance.

30%

State Farm's requested rate increase for homeowners' insurance in California.

had a wooden fence to one side.

The new standards worked as advertised: After a blaze started by local firefighters, all that remained of the conventionally built structure was a single, smoldering plank. The fire-resistant building stood untouched.

There were oohs and aahs from the audience of architects, investors and lobbyists for some of the country's largest homebuilders, but not everyone responded positively. A landscape architect complained that builders were “not going to be happy” to have to cede

valuable space around a house for a fire-resistant ring of concrete.

An official from California Department of Forestry and Fire Protection responded that architects and designers would have to “reimagine beauty.”

Insurers don't just want builders creating new developments to adopt the standards; they want property owners to retrofit their buildings to the wildfire-resilient specifications. Owners are being asked to cut down trees, tear up shrubs, replace windows and gutters, and remove wooden decks and fences and rebuild them with things made out of metal, stone or other noncombustible materials.

Through the I.B.H.S., owners can have inspectors certify that their retrofitting efforts worked. Such certification can help lower their insurance bills.

Wildfires are increasing in frequency and severity because of widespread droughts, hotter temperatures and stronger windstorms. Between 2018 and 2022, wildfires around the world caused \$39 billion in losses for insurers, and four of the five costliest fires during that period were in California, according to a report by Munich Re, a reinsurance company. Spooked by these numbers, insurers are declining to write policies in parts of the American West.

Regulators have the power to approve or block insurers' rates, and to keep them from earning excessive profits. But if insurers decide to pull out of an area, regulators are virtually powerless to stop them.

Mr. Wilkins, the consultant in Idaho, estimates that insurers

want to reduce wildfire risk by 20 percent before they will consider returning to a region. To assess their risk, insurance companies are using powerful prediction models, which synthesize information about rainfall, vegetation, wind, topography and human activity to make detailed analyses.

Dan Dunmoyer, the chief executive of the California Building Industry Association, said he learned how serious insurers were about the need for change when he saw the yearly premium on a new condominium development near San Diego spike last year from \$40,000 to more than \$2 million. The condos were destined to be the most reasonably priced in the area — around \$500,000 per unit compared with the average price of \$1 million for a single family home in the area — and the spike in insurance costs slowed the expansion of the development, Mr. Dunmoyer said.

“The most attainable product that we sell is now unbuildable,” he said.

Over the past few years the I.B.H.S. has come to see its burn demonstrations as key to getting its message across.

It's not clear how many builders are heeding the industry's message. The I.B.H.S. keeps track of how many builders and homeowners have applied for its wildfire-resilient certification, and a spokeswoman said there had recently been an uptick in applications. Since launching the certification program two years ago, the group has received 4,400 applications and has granted the certification to 600 of the applicants.

The Best Time to Save

DRIP Committee

From: Tamara A. Paltin
Sent: Wednesday, August 21, 2024 3:04 PM
To: DRIP Committee
Subject: Fwd: In California, wildfires are prevented by crews of unlikely firefighters: goats

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From: maui@hbl.org <maui@hbl.org>
Sent: Wednesday, August 21, 2024 2:59:22 PM
To: Tamara A. Paltin <Tamara.Paltin@mauicounty.us>
Subject: In California, wildfires are prevented by crews of unlikely firefighters: goats

Aloha Council member Tamara,

<https://www.npr.org/2023/08/10/1192905277/goat-grazing-california-wildfire-prevention>

Just wanted to share

Mahalo!
Saman



Together, we can make our streets safer for everyone.

Saman Dias
Chair Maui Bicycling League
808-209-2542
maui@hbl.org

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DRIP Committee

From: Tamara A. Paltin
Sent: Wednesday, August 21, 2024 3:04 PM
To: DRIP Committee
Subject: Fwd: article from Maui Now from 2017 pilot goat project

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From: Ann Viera <annviera@gmail.com>
Sent: Wednesday, August 21, 2024 2:48:50 PM
To: Tamara A. Paltin <Tamara.Paltin@mauicounty.us>
Subject: article from Maui Now from 2017 pilot goat project

You don't often get email from annviera@gmail.com. [Learn why this is important](#)

Aloha, retired veterinary librarian here. (<https://peerj.com/blog/post/115284882845/meet-ann-viera-a-veterinary-medicine-librarian-who-has-dedicated-35-years-to-all-of-those-served-by-the-university-of-tennessee-libraries/>)

I have family in Haiku.

I am in the DRIP meeting 8/21/24

There is a lot more to goats than the elected officials understand.

We need evidence based solutions.

HWMO Elizabeth Pickett mentioned the importance of a transformational approach to land management to reduce fire. In a previous meeting I attended. She included grazing as one of the needed strategies.

I did some looking around during the meeting.

Here is a helpful handout: [https://pacificfireexchange.org/wp-content/uploads/2022/07/PFX FactSheet Grazing Final.pdf](https://pacificfireexchange.org/wp-content/uploads/2022/07/PFX_FactSheet_Grazing_Final.pdf)

Please involve UH extension, veterinarians, native plant experts, and Beyond Pesticides, and librarians (agriculture librarians, public librarians. Example--many people have the wrong idea about goats. Here is Michigan Extension on goats:

<https://www.canr.msu.edu/news/invasive-plants-got-your-goat>

It's REALLY hard to contain goats. We already get too many feral goats in the islands.

<https://mauinow.com/2017/05/25/pilot-program-employs-goats-to-manage-invasive-weeds/>

On the Feral goats front --Dan Rubinoff at UH could be a resource person:

<https://cms.ctahr.hawaii.edu/nrem/NremNews-Details/ArtMID/60543/ArticleID/2839/Feral-Goats-and-Wildfires>

This is what I can find quickly on the topic. Involve librarians they can help put together a resource guide for the public.

Mahalo,
ann viera
865-406-9374

DRIP Committee

From: Tamara A. Paltin
Sent: Wednesday, August 21, 2024 3:31 PM
To: DRIP Committee
Subject: Fwd: Fire prevention plans and link to Wildfire Grants

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From: maui@hbl.org <maui@hbl.org>
Sent: Wednesday, August 21, 2024 3:28:27 PM
To: Alice L. Lee <Alice.Lee@mauicounty.us>; Yukilei Sugimura <Yukilei.Sugimura@mauicounty.us>; Tasha A. Kama <Tasha.Kama@mauicounty.us>; Thomas M. Cook <Thomas.Cook@mauicounty.us>; Gabe Johnson <Gabe.Johnson@mauicounty.us>; Tamara A. Paltin <Tamara.Paltin@mauicounty.us>; Keani N. Rawlins <Keani.Rawlins@mauicounty.us>; Shane M. Sinenci <Shane.Sinenci@mauicounty.us>; Nohe M. Uu-Hodgins <Nohe.Uu-Hodgins@mauicounty.us>
Subject: Fire prevention plans and link to Wildfire Grants

Aloha Council members,

Just wanted to let you know some plans that is already avilabel that you all can use as a resource.

<https://dlnr.hawaii.gov/forestry/files/2024/01/Western-Maui-CWPP.pdf>

https://www.hawaiielectric.com/documents/about_us/our_vision_and_commitment/resilience/20230101_wildfire_mitigation_plan.pdf

Wildfire Grants

<https://www.fs.usda.gov/managing-land/fire/grants/cwdg>

Community Wildfire Protection Plans

<https://dlnr.hawaii.gov/forestry/fire/community-risk-reduction/community-wildfire-protection-plans/>

Maui Nui

- [Molokai Community Wildfire Protection Plan – 2016](#)
- [Waihee Community Wildfire Protection Plan – 2007](#)
- [South Maui Community Wildfire Protection Plan – 2016](#)
- [Western Maui Community Wildfire Protection Plan- 2014](#)
- [Leeward Haleakalā Community Wildfire Protection Plan- 2020](#)
- [Upcountry Maui Community Wildfire Protection Plan -2016](#)
- [Kahikinui Community Wildfire Protection Plan – 2008](#)

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