

# ISSUE #11: ECONOMICS AND FUNDING

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## Problem #1

*San Diego County households are paying a high price, roughly a billion dollars a year, for inadequate fire protection.*

*This cost is paid in the form of higher insurance costs for homeowners, reductions in home values, high rents and renter insurance rates. There are also uncompensated losses and disruptions to San Diego's economy when fires occur as well as harm to ecosystems and mudslides.*

*Local government agencies do not directly face these costs. San Diego County households are largely unaware of the links between the various fire-related costs and the level of fire protection they expect. The end result is that San Diegans pay dramatically more in insurance and other costs than they would with the implementation of a comprehensive program to deal with the growing threat of large-scale urban wildfires.*

## Solution

**Determine true economic cost of different fire protection levels that could be feasibly implemented, and educate the public and local government agencies about the advantages of increasing protection levels.**

## Problem #2

*Each major wildfire in San Diego County tends to be viewed as an extremely rare event that nothing could stop. This view allows local officials to avoid taking the necessary steps to prevent wildfires from doing major damage to the region.*

## Solution

**Recognition that the possibility of major wildfires is a key feature of the Southern California environment. The weather conditions that give rise to such fires appear on a sufficiently frequent basis that it is economically prudent to plan on how to prevent, contain, and reduce the amount of damage they do.**

## Problem #3

*Failure to have a plan for quickly deploying resources to stop a fire while they can still be contained before hitting urban areas may save*



*money in most years but over longer periods of time is much more costly to the public.*

## Solution

**The only way to have resources available early in the course of a fire is to have them available locally or have them available for deployment on short notice.**

**The current strategy effectively calls for an escalation of firefighting resources over the course of a fire. Increasing the resources that are available at the beginning of the fire season that can be quickly deployed will decrease the likelihood that a fire will get away and actually reduce overall firefighting costs when calculated over a multi-year period.**

## Problem #4

*Local government agencies get most costs reimbursed only if a disaster is declared.*

## Solution

**Change reimbursement system. The current system of reimbursing local and state agencies only after a major disaster has been declared does not provide incentives for local and state agencies to spend resources on initial efforts that might well prevent the disaster. The Federal Government will save money in the long run by putting their assets on call during periods of high fire risk and preemptively making them available at the initial stages of a potential runaway wildfire rather than paying much larger costs for dealing with a fire after it enters an urban area.**