

Napa Wildfire Resilience System

Legislative & policy engagement summary

Moving investment upstream: from prevention and resilience to durable funding - and, where justified, investment



North Star

Move more capital and funding upstream, before disaster strikes, and deploy it in the forms that deliver the greatest equitable resilience impact.

The proposition

Napa already has a strong wildfire-resilience platform. Phase 2 would test where maintained interventions create measurable value, who benefits, and how that value can support more durable upstream funding.

What we mean by the Optimization Bond

An Optimization Bond is an organizing financing architecture - not a predetermined bond issue. It coordinates grants, public budgets, philanthropy and institutional resources first; uses working-capital support where reimbursement timing blocks delivery; and tests repayable capital only where a real need and durable cash flow justify it.

1 Use what already exists	2 Verify value and outcomes	3 Identify who benefits	4 Test lawful commitments	5 Finance only if justified
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Central Phase 1 finding

Napa has substantial resilience activity and potential value. The challenge is to verify where that work delivers benefits, who gains, and whether lawful, durable resources can sustain it.

PHASE 1: WHAT NAPA ALREADY HAS - AND WHAT IT FOUND

Napa is unusually well positioned to test upstream resilience finance

Phase 1 found a working delivery system, a substantial treatment history, a defined Enhanced Resilience Site (ERS) engagement pipeline and real insurer and utility interest. The next step is to validate maintained outcomes and the resources needed to sustain them. Potential benefits also extend to water services, public health, agriculture, local livelihoods and vulnerable communities, but are not yet quantified for a selected package.

552 ERS records (551 unique parcels)	54 recorded wildfire treatment projects	~6,200 all-years recorded treatment footprint, acres	10-15 new ERS landowners monthly (Aug 2026)
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Four findings matter most

1. Maintenance is the investment challenge Fuel treatments, access, utility corridors and home hardening lose value without inspection and renewal. Phase 2 must define and cost a maintained resilience service.	2. The highest value is often shared Lake Hennessey offers a candidate test linking forest management, drinking water and utility assets; maintained corridors could support evacuation, containment and grid safety. Verify benefits without double counting.
3. Insurance value requires separate evidence AB 1960 creates a community mitigation validation pathway, not automatic insurance credit. Test whether verified community-scale outcomes inform insurer portfolio decisions; assume no premium or payment outcome.	4. Use the right financing layer Napa Firewise reports a secured reimbursement bridge for upfront delivery costs. Phase 2 must test the separate maintenance gap, lawful local funding, service payments and whether debt adds genuine value.

Benefit ≠ funding ≠ repayment cash flow

What Phase 1 did not prove No issuer, durable repayment source or investable cash flow has yet been established for a Napa-scale resilience proposition. No insurer or utility payment is assumed. That is a financeability finding, not a judgment on resilience value.	The investor lens There is no investment to buy today. Phase 2 should test verified performance, beneficiary value, lawful institutional commitments and lifecycle costs; full legal and financial feasibility, and issuance, follow only if justified.
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Figures describe the Phase 1 evidence base, not independently verified risk reduction or avoided losses. ERS records, historical dissolved treatment acres and the August 2026 landowner-intake rate have different evidential limits; see the full Phase 1 report.

WHY THIS MATTERS TO CALIFORNIA POLICYMAKERS

Napa can turn a statewide policy direction into a practical local test

California now has stronger tools. AB 1960 and SB 973 advance verifiable community mitigation, county coordination and data; AB 888 supports home hardening; SB 429 provides for a public wildfire model still in development; SB 894 creates a conditional home-hardening loan route. The 2026–27 budget allocates \$328m from Proposition 4 to wildfire/forest resilience and allows departments to combine grants for landscape-scale projects; recent laws also streamline prevention delivery. SB 1153 strengthens water-system preparedness. SB 254 adds utility wildfire-mitigation cost-efficiency measures, while its [April study](#) recommends more equitable financing. Climate Resilience Districts (SB 852) offer local options; SB 782's special post-disaster district pathway excludes operations and services from eligible bond expenditure. None guarantees long-term maintenance, insurer contributions or repayment cash flow.

Locally, Napa adopted its 2026 hazard mitigation plan and extended Hennessey/Milliken water monitoring through 2029. Measure B proposes a half-cent sales tax estimated at about \$23m annually over 18 years, but its 3 November outcome and any allocation remain uncertain.

Three questions Napa can help answer

- 1 How do we fund maintenance and verified performance after grants end?
- 2 How do we coordinate beneficiaries without double counting or unfair cost shifting?
- 3 When does private capital improve timing, scale or durability - and when does it add complexity?

What Phase 2 would test

- **Select one maintainable package with named owners, baseline and counterfactual.**
- **Test water, utility and insurer value only where relevant to that package.**
- **Test evidence standards, equitable costs and lawful, durable contributions.**
- **Use existing grants and bridges first; open full feasibility only if justified.**

Policy engagement

Napa can test how California's wildfire policies work together. State and local partners can align programmes, evidence standards and funding; identify barriers to maintenance and shared investment; and use the findings to develop more effective, equitable and replicable upstream resilience.

Five talking points

- **Move investment upstream, before disaster - and maintain the result.**
- **Napa has a strong delivery platform; Phase 2 should verify where additional value lands.**
- **AB 1960 recognition alone does not justify insurance rates or mitigation credits.**
- **The Optimization Bond coordinates existing resources first; issuance is conditional.**
- **Test lawful, equitable Napa-scale funding now; scale only when evidence supports it.**

Policy sources (15 Oct 2026): [Sept 2026 laws](#) | [AB 1960](#) | [SB 973](#) | [LAO Prop 4](#) | [SB 254](#) | [SB 852](#) | [SB 782](#) | [SB 1153](#) | [SB 894](#) | [CDI model](#) | [Napa 29 Sep](#) | [Measure B](#) | Phase 1 report (15 Sep 2026).