

GAD Report August 2023

Locally the City of Manteca is facing a referendum on their General Plan. The Delicato Winery is gathering signatures to place the matter on the March 2023 ballot which could result in the entire General Plan being set aside and the city would have to start over again on getting an updated General Plan. If this happens it will slow down the development of new housing for at least a 12-month period.

All cities in our area are updating their Housing Elements and so far with the minor exceptions of Patterson and Modesto all cities are on track to approve new housing elements on time. Modesto and Patterson have some minor issues with their plans that will need modifications but they shouldn't be too difficult to overcome.

The Legislature has been on recess from July 14 and will return on August 14. All bills have been dormant in their absence.

Update from CAR on two critical statewide issues:

To address growing concerns surrounding finding and maintaining homeowners insurance coverage in California, experts at the California Dept. of Insurance, CALIFORNIA ASSOCIATION OF REALTORS® and United Policyholders, a nonprofit that advocates on behalf of consumers, recently gathered for an insurance townhall briefing for REALTORS®.

The discussion was led by Julia Juarez, Director of Community Outreach at the California Dept. of Insurance, who began the event by providing welcome remarks and introducing C.A.R. 2023 President Jennifer Branchini. Expressing appreciation to the organizers for their support and continued action to help REALTORS® assist their clients, Branchini acknowledged how many homeowners are finding it increasingly difficult to locate and keep insurance coverage in areas throughout the entire state, not just wildfire prone regions. She highlighted the consumer fact sheets and other resources that C.A.R. has prepared for its members on the topic, available at [SmartZoneCAR.org](https://www.smartzonecar.org) and the Wildfire Disclosure Report (WFDR) Program, a new tool C.A.R. is launching with FortressFire, a wildfire analytics and managed services provider. The WFDR defines the wildfire vulnerability risk for a property, actions that can be taken to mitigate risk and how much those mitigations will cost. It will be offered to clients starting in August and can be ordered as part of escrow services.

Amy Bach, United Policyholders Executive Director, spoke about the complexity of the problem and referenced how advancements in technology such as improved imagery services, for example, have provided insurance companies with more bases on which to assess risk and

deny consumers coverage. The costs associated with climate change, Bach said, are especially impacting wildfire prone areas, thus contributing to insurers limiting coverage in those regions the most. Bach went on to convey the importance of mitigation efforts, not only for individual homes, but also community-wide, and she advocated that all stakeholders — including REALTORS®— work together to encourage more cooperative mitigation, as supported by the [Wildfire Prepared Program](#), a voluntary, research-based mitigation and assessment program designed to meaningfully reduce wildfire risk. She highlighted the multitude of resources available on [United Policyholders' website](#), including the [Wildfire Risk Reduction and Asset Protection \(“WRAP”\) Initiative](#), which is supported by a statewide network of resiliency advocates and the Governor’s Office of Emergency Services and the recording and resources from the United Policyholders hosted webinar, [Keeping Your Home Protected When Insurance Options are Limited and Expensive](#). She also provided some [actionable steps](#) consumers can take to bring insurance costs down including finding a good insurance agent, bundling auto and home insurance, reducing unnecessary coverage, and raising your deductible.

Insurance Commissioner Ricardo Lara began his remarks noting the influence REALTORS® have in their communities stating that often, they’re who people look to for answers as community experts. He spoke about the new [Safer from Wildfires](#) regulations his office has passed to help homeowners and businesses qualify for insurance discounts through mitigation efforts such as home hardening. According to Commissioner Lara, not only is California the largest insurance market in the nation, but it’s also the fourth largest in the world. He pointed out that while State Farm and Allstate are pausing issuing new policies in the State, they’re not leaving California altogether. Currently, according to Lara, 100 companies continue to offer coverage in the state and new insurers are continually entering the market, thus increasing entrepreneurial competition, which will enhance consumers’ business offerings. Lara spoke about his office’s efforts to expand the [California FAIR Plan](#), which provides fire insurance coverage as a last resort option to those having difficulty securing a policy elsewhere. Lara called for REALTORS® to be ambassadors for wildfire safety by letting consumers know about the multitude of resources available, especially those at [Insurance.CA.gov](#) where a department of available live experts are dedicated to helping provide support to consumers navigating the complex home insurance market.

The panel concluded with an emphasis on the multitude of [resources](#) available to help consumers and the continued commitment on behalf of the Dept. of Insurance, C.A.R., and

United Policyholders to work together alongside insurance companies and other key stakeholders to help improve the process of finding and securing coverage throughout the state.