

**ASHLAND CITY COUNCIL  
STUDY SESSION MINUTES  
Monday, June 1, 2026**

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Mayor Graham called the meeting to order at 5:31 p.m.

Council Present: Mayor Graham and Councilors Bloom, Dahle, DuQuenne, Hansen, Kaplan, and Sherrell.

Staff Present:

Sabrina Cotta	City Manager
Alissa Kolodzinski	City Recorder
Brandon Goldman	Community Development Director
Derek Severson	Planning Supervisor
Marshall Raso	Fire Chief
Mark Shay	Deputy Fire Chief
Chris Chambers	Forestry Officer

**I. Call to Order**

**II. Reports and Presentations**

- a. Update regarding State-mandated Land Use Ordinance Amendments Update – Senate Bill 974 and House Bill 2138*

Goldman and Severson presented an informational overview (see attached).

- SB 974, adopted by the 2025 Oregon Legislature, transfers "urban housing applications" from public hearings to staff-level review, with appeals to the Planning Commission and Land Use Board of Appeals (LUBA), bypassing City Council as an appellate body.
- The City's existing 120-day timeline for processing decisions remains in place for most applications; affordable housing applications are reduced to 100 days.
- Zone changes and comprehensive plan amendments present a legal conflict between SB 974 and existing ORS 227, which requires a public hearing for ordinance adoption. Pending DLCDC rulemaking guidance, the Planning Commission recommended maintaining existing procedures for zone changes.
- DLCDC will begin rulemaking in January 2027; the City is required to adopt code amendments prior to that date. The bill takes effect July 1, 2026. Staff anticipate bringing amendments to the Planning Commission in July and to Council on August 18.
- A discretionary change is proposed to raise the threshold for Type 2 subdivision review from 10 units to 20 units, allowing larger projects to receive administrative approval with lower application fees (an estimated savings of approximately \$1,500 per applicant).
- Design standards in the North Mountain Neighborhood Mixed-Use Area are proposed to be suspended consistent with SB 974's sunset date of January 2, 2033, rather than being permanently removed, in order to preserve neighborhood design continuity for the majority of the already-built-out area.
- SB 974 also includes provisions that could deter frivolous appeals: LUBA may award attorney fees against a party that appeals a decision meeting clear and objective standards without
- valid grounds.

House Bill 2138 – Single Room Occupancy Housing:

- HB 2138 requires cities to expressly permit Single Room Occupancy (SRO) housing in all zones where multifamily housing is allowed (R-2 and R-3 zones). SROs require either shared bathrooms or a shared kitchen, distinguishing them from studio apartments.
- Ashland has no current code definition for SROs, though similar housing has been approved in practice. Staff must conduct a code audit and draft amendments for Planning Commission and Council adoption. The operative date under state law is January 1, 2027, with DLCD rulemaking to follow in 2028.

Councilors asked whether these changes might meaningfully accelerate housing production. Goldman noted that market forces likely have a greater impact than processing timelines, though expedited reviews reduce holding costs for developers. Severson noted that one developer had informally indicated intent to submit applications once the new process takes effect.

*b. Community Wildfire Resilience Bond*

Cotta introduced the item and Graham provided context, noting that Woolsey McKernon of Viridian Ecosystems had approached the City about financing mechanisms for wildfire risk reduction. Chambers provided background, highlighting that the Community Wildfire Protection Plan (CWPP), signed and executed in October 2025, identified funding as its greatest barrier. Federal grant availability (particularly the Community Wildfire Defense Grant) has stalled, and state grant programs, while promising, remain limited and competitive.

McKernon presented a proposal for a Community Wildfire Resilience Bond, framed around the concept that forests and wildfire-protective infrastructure could be financed as public infrastructure through municipal bond mechanisms (presentation attached). Key elements of the presentation included:

- Approximately \$1 million per year is allocated through the existing \$7/month water surcharge, which at that rate would take an estimated 241 years to achieve full community resilience.
- Three bond scenarios were modeled: Base case: Bond the existing \$7/month fee to raise \$10 million, focused on home hardening only, with no grant assumption. CWPP case (full scope): A\$154 million bond to harden 90% of homes at \$6,600/structure and treat all remaining acreage, equating approximately \$67/month per water meter customer. Recommended middle case: A\$48 million bond (net with a \$10 million grant assumption) targeting 50% of homes at
- \$3,000/structure, treating the remaining 7,000 acres, and including 30 years of vegetation maintenance, equating approximately \$33/month, or \$392/year.
- A revenue bond (Council-authorized, faster to market, but potentially regressive) versus a general obligation bond (voter-approved, lowest interest rates, backed by full faith and credit of the City, potentially structured as a first-of-its-kind green bond). Sub 4% interest rates were cited for a general obligation bond context; slightly above that for a revenue bond. A 30-year term was referenced for modeling purposes.
- Primary outcome was framed as insurability: Ensuring residents retain access to homeowner's insurance and can continue to meet mortgage obligations.

Councilors raised concerns about the potential drawbacks of issuing a revenue bond, specifically that it could lock in the wildfire fee for the bond's duration, making it difficult for future councils to eliminate. Discussion included the need to address key design questions related to the bond structure (revenue vs. general obligation), payment mechanism (flat utility fee vs. assessed value), allocation model (grants vs. loans, and target recipients), and geographic scope (in-city vs. watershed). Financial burdens on lower-income residents were highlighted, particularly the potential increase from \$7 to \$33 per month, suggesting that such measures might be better suited for voter approval rather than Council authorization. Additionally, the importance of linking bonds to measurable outcomes was emphasized, along with exploring cooperation with fire districts or considering a county-level bond to prevent overlapping efforts.

Cotta indicated that staff would need clarity on which financing mechanisms to model before committing resources. Graham asked the Council whether it wished to authorize a working group to assess multiple pathways and come back with clarified options for the Council's further consideration and decision.

*The Council decided unanimously to extend the meeting by 15 minutes*

Graham conducted an informal poll of Council members on authorizing a working group. Each Council member except DuQuenne agreed with the creation of a working group. Graham indicated she would serve on the working group and invited one to two additional Councilors to join, with interested members asked to contact her directly.

### **III. Adjournment**

The meeting was adjourned at 7:15 pm.

### **III. EXECUTIVE SESSION**

To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing pursuant to ORS 192.660 (2)(i).

In attendance: Mayor Graham and Councilors Dahle, Bloom, DuQuenne, Hansen, Sherrell, and Kaplan. Staff Present: Johan Pietila and Carmel Zahran. Media present. Kayla Heffner from Ashland.news and Emma Maple from the Daily Courier.



City Recorder Alissa Kolodzinski



Mayor Tonya Graham



Ashland City Council  
June 1, 2026

# SB 974 Implementation

- **Overview of Senate Bill 974**
  - How does SB 974 change local land use decision making procedures
  - Challenges for implementation
  - Outline the next steps in the legislative amendment process
- **Overview of House Bill 2138**

SB 974



Senate Bill 974

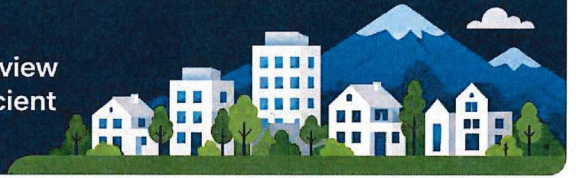
# SENATE BILL 974: OVERVIEW

A 2025 State Housing Legislation Focused on Process

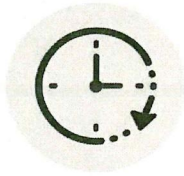


## LEGISLATIVE INTENT:

Reduce delays in local land use review and create more predictable, efficient pathways for needed housing.



## SB 974 IS ABOUT PROCESS, NOT STANDARDS



### REDUCE DELAYS

Limit multiple hearings and lengthy discretionary review processes.



### CREATE PREDICTABILITY

Establish clear, consistent procedures for qualifying housing applications.



### STREAMLINE REVIEW

Shift qualifying applications to administrative review with appeals.



### EXPAND HOUSING OPTIONS

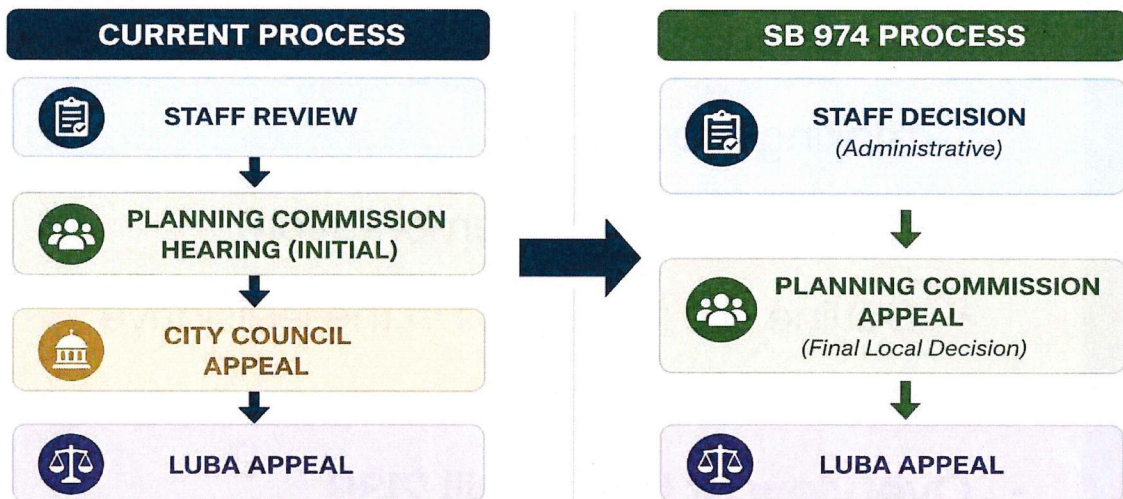
Remove procedural barriers that slow the production of needed housing.

SB 974



## HOW DOES THIS CHANGE ASHLAND'S PROCESS?

SB 974 changes the local decision-making process for qualifying Urban Housing Applications.



Planning Commission becomes the final local decision maker for qualifying Urban Housing Applications.

SB 974



## SB 974 - URBAN HOUSING APPLICATIONS (UHA)

Prohibits certain zone changes (upzones), planned unit developments, and variances from being subject to quasi-judicial review. Creates appeal pathway for these decisions.

### WHAT APPLIES

Only applies to land that is:

- Inside the urban growth boundary (UGB), and
- "Zoned primarily for residential use or mixed residential use or planned for residential use"

### WHAT DOESN'T APPLY

Does not apply to applications:

- That reduce minimum residential density of land
- For final subdivision or partition plat
- For a residential construction permit under the building code
- For final engineering review
- Subject to ministerial or other expedited approval procedure, including outright permitted uses

### ZONE CHANGES

- Minor Zone Change - Type II
  - PC is Approving Authority
  - Appeal is made to City Council
- Major Zone Change - Type III
  - PC makes a recommendation to Council
  - City Council is Approving Authority
  - Appeal is made to LUBA

### PSO Subdivisions

- Outline Plan Subdivisions under the Performance Standards - Type II
  - PC is Approving Authority
  - Appeal is made to City Council
- Final Plan Subdivision - Type I
  - Staff Advisor is Approving Authority
  - Appeal is made to PC

### VARIANCES

- Variances - Type I or II
  - Dependent on details of request
- All Exceptions (SDUS, Street Standards, Hillside Development Standards) - Type I
  - Staff Advisor is Approving Authority
  - Appeal is made to PC

CURRENT CODE

CURRENT CODE

### Define UHAs

- Create definition of Urban Housing Application (UHA), which would include certain zone changes, PSO Subdivisions, Variances and Exceptions
- Amend procedures for UHAs involving zone changes, PSO subdivisions and variances - make Type I Procedure

### Amendment Option 1

- Zone changes (upzones) that qualify as a UHA would be processed as Type I.
- All other Zone Changes would follow existing procedure (Type III)

### Amendment Option 2

Retain Zone Changes codes as is until conflicts with ORS 227.186 are resolved or at least addressed through rulemaking.

### Amendment Option 1

- Separate PSO Subdivisions into Non-residential (Type II) and Residential (Type I)
- Residential would fall under definition of UHA

### Amendment Option 2

- Make all subdivisions (standard and PSO) a Type I procedure subject to appeal to the Planning Commission.

### Amendment Option 1

- Variances that meet UHA criteria would be a Type I procedure
- Retain Type II procedure for other Variances

### Amendment Option 2

- Make all Variances a Type I procedure subject to appeal to the Planning Commission

### Other Items

- SB 974 also requires some design standard flexibility for development of 20 or more lots.
- In all amendments, need to consider clear & objective standards for residential projects.
- Do we want to look at other areas of procedural distinction between Type I & Type II?

### Considerations

- SB 974 as written conflicts with ORS 227.186(2) & (5) which requires notice, a hearing and adoption by ordinance.
- Non-UHA Zone Changes, including residential downzones would follow existing procedure (Type III).

### Considerations

- Do we retain the two-tiered Outline/Final PSO process?
- Should number of lots for concurrent review increase? Currently 10, should be at least 12.
- With amendments, we need to look at more clear & objective standards.

### Considerations

- How do we apply more clear & objective standards for Variances.

SB 974



## Implementation Challenges

- Limited guidance from the State
- DLCD rulemaking not anticipated until 2027
- Potential conflicts with existing statutes remain unresolved
- Cities must implement before State rules are adopted

## Ashland's Approach

- Adopt code amendments necessary for compliance
- Retain existing procedures where legal uncertainty exists
- Monitor future DLCD guidance and court decisions
- Applicants may utilize applicable state authorization provisions under Oregon law prior to completion of local code amendments, consistent with DLCD guidance
- Anticipate future ordinance refinements following rulemaking

SB 974



## Challenges for implementation



## Planning Commission review

### April 14, 2026

- Initial discussion of SB 974 implementation approaches

### May 26, 2026

Study session reviewing draft ordinance concepts and implementation options:

- Urban Housing Applications
- PSO subdivision procedures
- Variance procedures
- Residential design standards
- Related code amendments

Planning Commission completed study session review and provided implementation feedback.

## Next Steps



## Prepare adoption-ready ordinance amendments

- Planning Commission public hearing and recommendation
- City Council public hearing and ordinance adoption
- Ongoing monitoring of DLCDC guidance, rulemaking, and case law

### Goal

Bring the Ashland Land Use Ordinance into compliance with Senate Bill 974 and related state housing legislation.

- PC Public Hearing – July/August 2026
- CC Public Hearing – August/September 2026

## Next Steps

# HB 2138: LEGISLATIVE INTENT

*Expanding Housing Options Through Statewide Authorization of SRO Housing*



The Legislature enacted HB 2138 to increase the supply of lower cost housing by removing local barriers to the development of Single Room Occupancy (SRO) housing.



HB 2138



## WHY SRO HOUSING MATTERS



### INDIVIDUALS EXITING HOMELESSNESS

Stable, affordable homes can support successful transitions.



### SENIORS ON FIXED INCOMES

Smaller units help stretch limited incomes.



### YOUNG WORKERS

Housing near jobs supports local economies.



### PERSONS WITH DISABILITIES

Accessible, affordable homes promote independence.

## WHAT IS AN SRO?

A Single Room Occupancy (SRO) is a type of housing in which individuals rent their own private room and share common facilities.



### PRIVATE ROOMS

Each resident has their own private sleeping/living room.



### PRIVATE BATHROOMS

Each room may have its own bathroom.



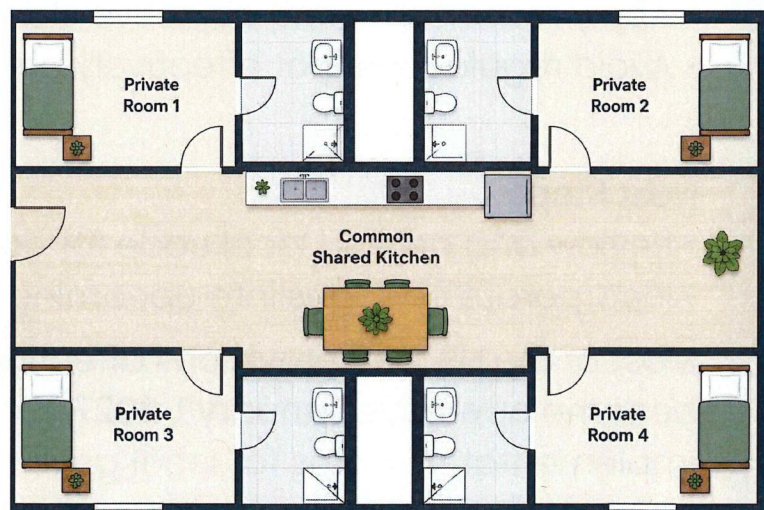
### SHARED KITCHEN

Residents may share a common kitchen.



### LOW COST HOUSING

SROs are often one of the lowest cost forms of permanent housing.



Single Room Occupancy defined

# HB 2138: SINGLE ROOM OCCUPANCY (SRO) HOUSING

Expanding Housing Options Through Statewide Authorization

## WHAT HB 2138 REQUIRES



### ALLOW SROS WHERE MULTIFAMILY IS ALLOWED

Cities must permit SRO housing in areas where multifamily housing is permitted.



### REASONABLE STANDARDS ONLY

Cities may apply objective, clear, and reasonable development standards.



### NO EFFECTIVE PROHIBITIONS

Cities may not adopt standards or requirements that effectively prohibit SRO development.



### SAME PROCEDURES

SRO applications must be processed using the same procedures applied to comparable multifamily housing.

## LIMITS UNDER HB 2138

Cities may regulate SRO housing, but may not adopt standards that effectively prohibit SRO development. Examples of prohibited limitations include:



Requiring all units to have private kitchens or bathrooms



Minimum unit size requirements that cannot be met by SROs



Occupancy limits that prevent SRO operations



Parking requirements that make SROs infeasible



Other standards that single out or unduly restrict SRO housing



## Requires Cities To

- Allow SROs where multifamily housing is permitted
- Apply reasonable and objective standards
- Avoid regulations that effectively prohibit SRO housing

## Next Steps

- Review and amend local code for compliance
- Incorporate changes into upcoming ordinance package

**Most of the HB 2138 provisions affecting middle housing and SROs become operative January 1, 2027.** The bill specifically establishes implementation dates for local governments and directs LCDC/DLCD to complete additional rulemaking by January 1, 2028.





Questions?...

Ashland City Council  
June 1, 2026

**SB 974 and HB 2138**

# Building on Ashland's leadership

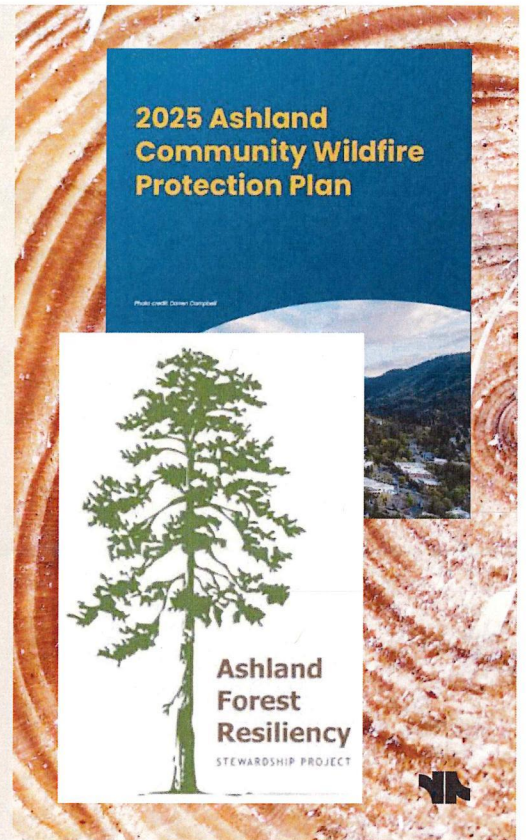
Deputy Chief Mark Shay, Ashland Fire & Rescue

## What has already been built

- Ashland Forest Resiliency (AFR) - Decades of collaborative work with \$35M raised and 14,000 acres treated.
- A community-rooted, science-backed, ambitious CWPP.
- Council-approved Wildfire Risk Reduction Fee - community resolve made into policy.
- \$963k/year in dedicated local revenue against a ~10 year plan to be ready for the next big fire.

## The gap - what's not funded yet

- CWPP identifies critical work measured in the tens of millions of dollars across housing, business, and critical infrastructure.
- Utility surcharge revenue alone will take decades to deliver and outside grants are dwindling and unreliable.
- Wildfire will not wait decades.



# City of Ashland

## Community Wildfire Resilience Bond

City Council Study Session: June 1, 2026

Presented by Woolsey McKernon, Ashland Resident

**Disclaimer — Role of Viridian Ecosystems.** This presentation is prepared by Viridian Ecosystems LLC ("Viridian") in its capacity as a wildfire mitigation bond program developer and policy design consultant. Viridian is not acting as, and nothing in this memorandum constitutes the advice or services of, a municipal advisor, financial advisor, or underwriter as those terms are defined under Section 15B of the Securities Exchange Act of 1934 and MSRB Rule G-36. Nothing contained herein constitutes investment advice, a recommendation to issue or purchase securities, or an offer of municipal advisory services within the meaning of applicable federal securities laws or MSRB rules. The analysis and legislative recommendations in this memorandum reflect Viridian's program development expertise and are intended solely for internal strategy purposes; they should not be relied upon in lieu of advice from qualified legal, financial, or municipal advisory counsel.



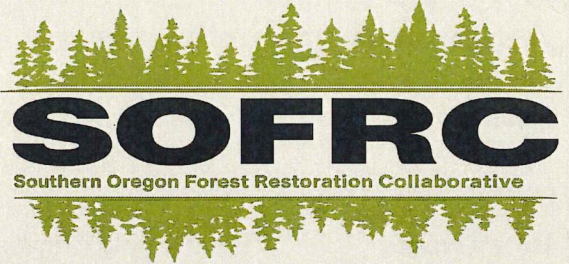
**VIRIDIAN**

# Why us? Why now?

## Viridian's Position

- We treat **forests and the communities they shelter as critical infrastructure** – like roads, hospitals, and utilities.
- We finance their maintenance and protection the way America has always financed infrastructure – through municipal bonds.
- We're your neighbors. We live with the same risk you do.
- We're already working with the partners Ashland trusts — TNC, SOFRC, and Oregon State.
- We can build resilience now, not over decades.
- Federal and state funding cycles come and go. A municipal bond doesn't.

**VIRIDIAN**



# Options to fund the CWPP

## Status Quo

- \$963k annually from the water fee
  - Will take decades to harden the community at this rate

## Other Options

- Bank Loans:** Individual property owners leverage HELOCs or available capital.
  - What % of the community have the economic wherewithal?
- Commercial PACE:** Property Assessed Clean Energy loan program for wildfire mitigation.
  - Only available in 6 counties across OR (not Jackson) and wildfire mitigation not eligible in OR.
- BlueForest Bond:** a forest resiliency bond model operating in the Rogue Basin.
  - Could fund forestry work at the edge of Ashland's WUI, but doesn't cover home hardening or community outreach
- Federal and State Grants:** Ashland has had a history pursuing publicly available grants
  - Less available, highly competitive and solely hoping for public funds is not a strategy.

## Proposed

- Community Wildfire Resilience Bond:**
  - Leverages any and all sources of cost effective capital to best achieve the goals of the CWPP.



# What is a municipal bond?

## A 200+ year proven framework for community infrastructure finance

<b>What it does</b>	Front-loads capital today to accelerate Ashland's CWPP from a 10+ year pay-as-you-go program into a 3-5 year coordinated treatment effort to dramatically reduce wildfire risk.
<b>How it works</b>	Bond is sold to investors; proceeds fund treatment; the existing water surcharge (plus any approved supplement) services the repayment over the bond's term.
<b>Bond term</b>	Up to 30 years of resilience.
<b>Repayment Source</b>	Existing water meter surcharge ± modest supplement, depending on path chosen
<b>What it is not</b>	A blank check. A federal or state program. An obligation on the City's general fund - structure depends on the path the City chooses (slide 14).

**In a word:** city-issued bond - **secured by existing water meter surcharge** - raises capital today to fund decades of wildfire mitigation and is repaid over time from the fee residents are already paying.



# Municipal bonds fund American infrastructure

- Since New York's 1812 Erie Canal bond, municipal bonds have funded the projects **no single generation could pay for in cash**
  - Golden Gate Bridge
  - Denver International Airport
- Used not just for concrete, but **a tool of environmental action**
  - Great Lakes restoration, Chicago water diversion
- **Ashland's place in this lineage:**
  - Big infrastructure isn't only for big cities.
  - Town of 21,000 has every legal tool a city of 2 million might have.
  - And in this case, Ashland has something most don't - a CWPP, a dedicated revenue stream, and a community that already pays - with their water bills - to protect itself.

A community the size of Ashland pioneering an approach - **residents and private markets filling a gap federal and state government cannot close alone. We the People!**

## Ashland's profile

- Strong municipal balance sheet
- Conservative existing debt utilization
- Surcharge revenue already authorized
- Creditworthy platform for a new issuance

## Current credit profile

- \$26M in outstanding debt\*
- 28% lower than median/comps
- Measure 5/50 headroom: \$2.661/\$1k vs 3% cap on True Cash Value of property
- Aa3 credit rating (Moody's)

\*The recently approved WIFIA loan at \$73M will increase overall indebtedness

# Ashland is largely on its own

## Federal

- USFS pivoting to timber output (EO 14225); FY2026 proposes ~65% USFS cut and eliminates State, Private & Tribal Forestry.
- CWDG: \$1.6B in applications chasing \$200M; Round 4 delayed.
- BIL sunsets end of FY2026. IRA forestry funds rescinded by OBBBA (July 2025).

## State

- Oregon's "Zyn tax" and Rainy Day Fund interest diversion (HB 3940) adds ~\$60M for prevention statewide.
- ~100 local measures (many for fire districts) on May 2026 ballots across 30 counties.

## Local

- Fiscal challenges everywhere... Asante, SOU, discretionary programs, social services, library hours being cut, etc.

**The conclusion:** Reliable capital for community wildfire resilience comes from the community itself, paired with the private capital markets. That is what a municipal bond unlocks.



# Forest → Interface → Home

The FIC model finances the full continuum - from the forest to your front door

## Forest Resiliency

(public lands)

- Mechanical thinning and prescribed fire across CWPP-identified gap acres for climate change adaptation from AFR.
- Executed with AFR partners and SOFRC with existing local contractors.

## Wildland-Urban Interface

(public and private lands)

- Establish local fuel breaks cutting off ignition pathways to neighborhoods while attaining science-based, lot-level defensible space that works to prevent structure ignitions.
- Mapping and prioritization grounded in cutting edge OSU science using Ashland's own data.
- Property-level work occurs in concert with private property owners.

## Home Hardening

(neighbor-led)

- Fully subsidized assessment for best aligned science recommendations, and contractor matching.
- Residents participate and are provided a base budget to achieve base resistance for the community (anything above a defined threshold becomes the resident's responsibility).
- Neighbor-led outreach.
- Bond pays for the program, the contractors, and the materials.

**Note:** Code enforcement is a separate authority that resides with the City of Ashland.



# Precedents; It works

## Flagstaff, AZ

### \$10M General Obligation Bond

- Voter-approved for watershed and forest restoration.
- Post-treatment wildfire events confirmed measurable reductions in spread and severity.
- Stops at the forest boundary.

## Rogue Valley, OR

### Forest Resilience Bond (2023)

- Already operating next door.
- Conservation-aligned, community-comfortable.
- Outside of Wildland Urban Interface and in the interstitial forests

## Marin County, CA

### Measure C — \$19.3M Annual Revenue

- Parcel-tax-funded JPA for county-wide wildfire mitigation.
- ~71% voter approval; bipartisan and locally accountable.
- Annual revenue model rather than front-loaded bond.

**20 other measures:** Oakland, California (Special Parcel Tax), Truckee, California (Parcel Tax), Northstar, California (Parcel Tax), Santa Cruz County, California (Parcel Tax), Berkeley, California (Perpetual Parcel Tax), Nevada City, California (5-Year Sales Tax), Grass Valley, California (7-Year Sales Tax), Orinda, California (Sales Tax Increase), Boulder County, Colorado (Sales Tax), Aspen Fire Protection District, Colorado (Combined Sales & Property Tax), Marin County, California (10-Year Parcel Tax / Structure Fee), State of Utah (Structure-Based Annual Fees), Vail, Colorado (Real Estate Transfer Tax), Flagstaff, Arizona (General Obligation Bond), Colorado Springs, Colorado (Excess TABOR Revenue Retention Fund), Ventura County, California (Enforcement Liens), San Diego County, California (Hazard Abatement Liens), Portland General Electric, Oregon (Wildfire Mitigation Surcharge), State of California (Catastrophic Liability Wildfire Fund), and Ashland, Oregon (Utility-Based Water Fee).



# Base level inputs to the City Bond

Data the model runs on and the activities the bond pays for

## City Input Data

### Home Hardening Parameters

Structures within city limits	12,203
Water meters (all sizes)	6,700
Tax lots	9,824

### Forestry Parameters

Fire Influence Area (acres)	52,000
AFR Treated Acres to Date	13,796
Remaining acres to be treated (TNC)	7,004
Maintenance return interval	Every 10 years

## Required Activities

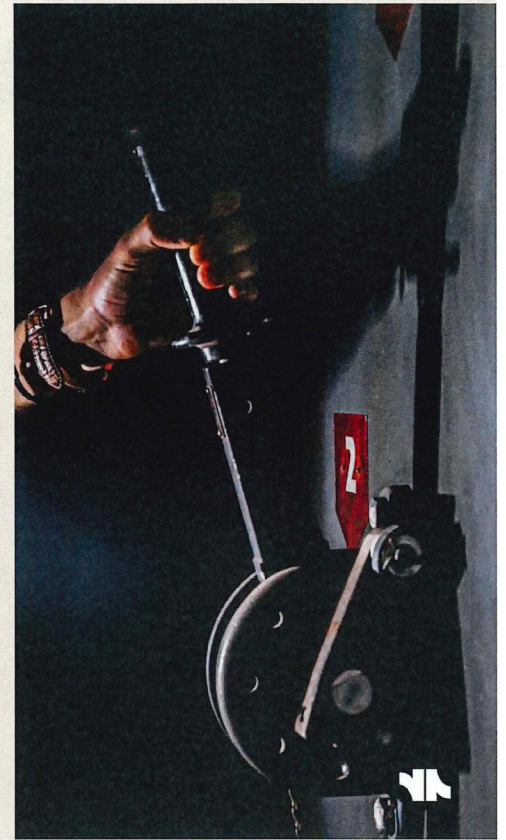
<b>Forest Vegetation Mgt</b>	Following AFR Model: Mechanical + hand-crews, and prescribed fire
<b>WUI Defensible Space</b>	Contractor-delivered clearance, inspection protocol
<b>Public Outreach</b>	Education, community meetings, door-to-door engagement
<b>Admin &amp; Inspection</b>	Trust/servicing, program management, bond reporting, code enforcement
<b>Insurance Market</b>	With risk reduction should come rationalization of premiums. Examples exist.



# Ashland Bond Levers

## Primary drivers behind each scenario

1. Number of homes to harden and universal scope
  - o Variability based on IBHS versus changing science and CA's recently released standard (Zone Zero Defensible Space Regulations)
2. Hardening cost per home
  - o CWPP assumes \$6,600
  - o Industry consensus at \$3,000 to achieve baseline
3. Vegetation management
  - o Acres we can afford to treat and maintain for resilience
  - o Spend per acre rationalization
4. Public Outreach and Education
5. Administrative layer(s) - city staff vs NGO vs for profit
6. Availability of grant funding to buy down project costs



# Scenarios to consider

## Balancing revenue and treatments to accelerate wildfire risk mitigation

	Base Case at \$7/mo	CWPP Case	Recommended Path
Structures	30% with \$3,000/structure	90% with \$6,600/structure	50% with \$3,000/structure
Vegetation	None	All acres +10yrs maintenance	All acres +30yrs maintenance
Bond	<b>\$10.3M bond</b> (assuming no further grants can be secured)	<b>\$154 million bond</b> (ex grants. CWPP states \$80M grant need)	<b>\$36M bond</b> (net of \$20M in CWDG grants)
Fee	<b>\$7/month</b> , \$84/year	<b>\$67/month</b> , \$806/year	<b>\$27/month</b> , \$324/year
Completion	<b>241 yrs</b> <u>without</u> a bond+grants	<b>10 yrs</b> per CWPP, 45yrs if purely voluntary (defensible space only)	<b>5 yrs</b> , then maintenance
Out of Scope	Forestry work, Outreach and Education, Administration O/H	N/A	Focus is on rationalizing scope, high risk fire pathway neighborhoods vs 90% target

**Still under review:** Financial bond modeling, Potential Operational Delineations (PODs) boundaries and sequencing, timber economics, insurance modeling, burn-probability, structure-to-structure modeling, grant probabilities, etc.



# Potential bond structuring

## Two structural paths

- **Revenue bond:** secured solely by surcharge revenue already in place
  - Pros: City Council authorization, faster to market (and resilience)
  - Cons: Higher interest rates, regressive on low-moderate income residents
- **General Obligation bond:** full faith and credit of city
  - Pros: lowest interest rates, broad-based funding use case (align cost to community protection), extremely marketable
  - Cons: voter approval, increase in property taxes, impacts legal statutory debt limits

## Other Options for Discussion

<b>Flat meter charge vs. Assessed Value</b>	¾" meter may not be the most equitable approach
<b>Flex the \$3k/house capex amount</b>	Based on Ability-to-Pay
<b>City-supported partnership with bank partners</b>	Create a line of credit facility for city borrowers to obtain cost effective loans for mitigation (above city agreed standard?)
<b>City-supported loan loss reserve fund</b>	Buy down the interest rate for residents
<b>On-bill financing</b>	Invoiced through utility bill or real property tax and/or administered by a third party
<b>Debt collection</b>	City or third party

*Illustrative only: Final structure subject to City of Ashland, financial, actuarial, legal, and credit review.*



# What residents actually get

## Protected homes

- Peer-reviewed research on California's WUI showed structure losses reduced by roughly half when defensible space and home-hardening measures are combined.
- The bond pays for the program that helps Ashland residents achieve this on their own property.

## Faster, broader treatment

- The first real-world randomized study of fuel treatment (2024) estimated roughly \$3.73 in expected benefit per dollar spent. Landscape-scale work delivered in years rather than decades.

## Local jobs

- Treatment dollars flow to local foresters, contractors, and crews - not to out-of-state vendors.

## A better insurance trajectory — framed honestly

- Aggregate research shows treated communities have seen carriers re-enter markets and premium pressure ease.
- This is evidence that the category of work pays off - not a promise that any individual homeowner's premium will fall by a specific amount. Insurance pricing is set by carriers, not by the City or any private party.
- The aim is to keep insurance available and pricing rational in Ashland over the term of the bond.

## Lower borrowing costs over time

- Research has linked higher wildfire risk to higher municipal borrowing costs. Demonstrated risk reduction becomes a balance-sheet asset for the City.



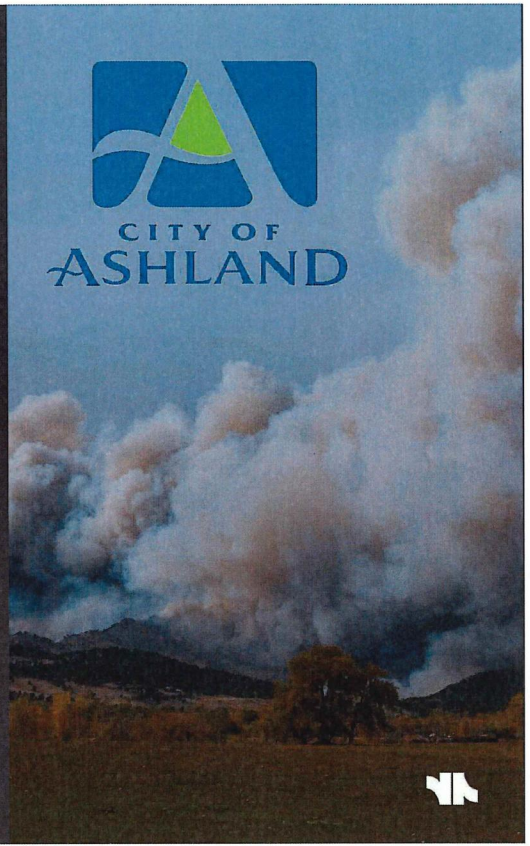
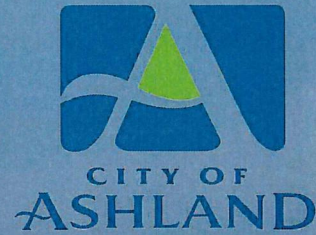
# The win

Ashland has the plan, the revenue authorization, and the community will.

What's missing is the capital to act at the pace the threat demands. A community wildfire resilience bond closes that gap.

**A \$36M investment to protect \$2.75B in property value and \$90M in annual economic tourism creation - and lives in our community.**

A local initiative - by the community, for the community. *Made in Ashland, Oregon.*



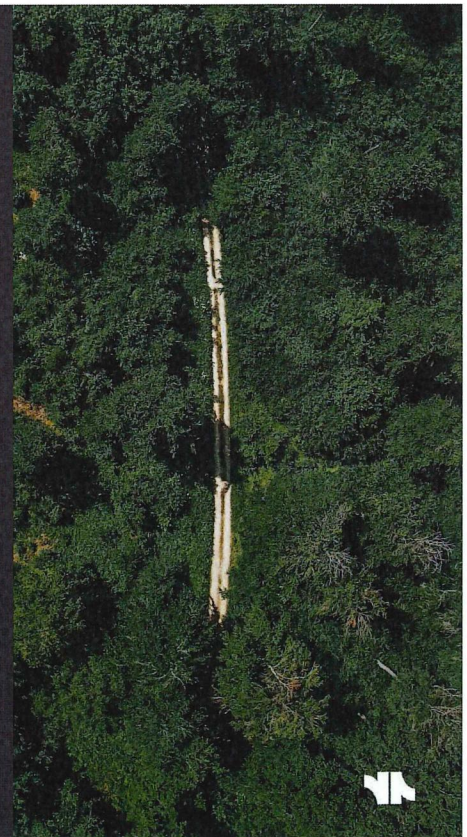
# The ask

## To our Mayor and City Council

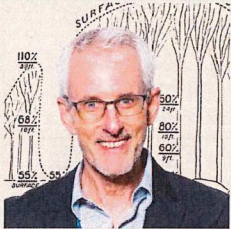
Continue the study session and **authorize a working group** to develop a perfected Community Wildfire Resilience Bond plan for the City of Ashland with a full suite of third party financial support considered.

## Proposed Next Steps

- 01 - Confirm workstream leads:** financial model (Viridian + Ashland Fire), mapping (OSU), insurance actuary (Milliman), forest and home-hardening program design (Ashland Fire + TNC + Viridian)
- 02 - Close open AFD inputs:** POD boundaries, timber partners, civil infrastructure scope
- 03 - Engage DCBS** (insurance) **and a rating agency** for pre-approval review of the bond structure
- 04 - Decide ballot pathway:** Council-authorized revenue bond vs. a November 2026 GO bond referendum



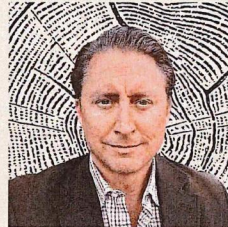
# Contact



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## VIRIDIAN.

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The 2024 Park Fire near Chico, California. David McNew / Getty Images



# VIRIDIAN

# Linked Sources

## Federal Funding Landscape

1. Executive Order 14225 — *Immediate Expansion of American Timber Production* (March 1, 2025). [\[link\]](#)
2. USDA Secretarial Memorandum 1078-006 — implementing EO 14225 (April 4, 2025). [\[link\]](#)
3. U.S. Forest Service — *FY2026 Congressional Budget Justification* (June 2025). [\[link\]](#)
4. Public Law 119-21 — One Big Beautiful Bill Act (signed July 4, 2025); H.R. 1, 119th Congress. [\[link\]](#)
5. American Rivers — “Key Takeaways from the One Big Beautiful Bill” (July 2025). [\[link\]](#)
6. Congressional Research Service R45219 — *Forest Service Assistance Programs* (BIL appropriations). [\[link\]](#)
7. USDA Forest Service — Community Wildfire Defense Grant (CWDG) Program; Round 3 awards (September 23, 2025). [\[link\]](#)
8. Headwaters Economics — “Community Wildfire Defense Grants Fill a Critical Gap for Rural Communities” (March 2026). [\[link\]](#)

## Suppression vs Mitigation Spending

1. Stanford Climate & Energy Policy Program — *California Wildfire 2025: Emerging Trends & Policy Insights* (2025). [\[link\]](#)
2. Congressional Budget Office — *Wildfires* (June 2022). [\[link\]](#)

## Oregon State Context

1. Oregon House Bill 3940 (2025) — “Zyn tax” wildfire prevention funding. [\[link\]](#)
2. Oregon Senate Bill 762 (2021) — comprehensive wildfire preparedness legislation. [\[link\]](#)
3. Oregon Public Broadcasting — “Nearly 100 local measures on primary ballots across Oregon, many to fund struggling fire districts” (May 8, 2026). [\[link\]](#)
4. Oregon Capital Chronicle — “Wildfires are torching state budgets” (May 2, 2026). [\[link\]](#)
5. Oregon Public Broadcasting — “Oregon’s wildfire bill cut landowner costs, but didn’t raise funds for fighting large fires” (July 31, 2025). [\[link\]](#)

## Ashland Foundations

1. City of Ashland — *2025 Community Wildfire Protection Plan* (adopted August 19, 2025). [\[link\]](#)
2. Ashland Forest Resiliency Stewardship Project — 10 Years Working Together for the Watershed (StoryMap, 2024). [\[link\]](#)
3. City of Ashland — Ashland Forest Resiliency Stewardship Project program page. [\[link\]](#)
4. Southern Oregon Forest Restoration Collaborative (SOFRC). [\[link\]](#)
5. The Nature Conservancy in Oregon — Ashland watershed partnership. [\[link\]](#)
6. Oregon State University — fireshed and burn-probability modeling. Scholarly paper Schmidt et al. 2022. [\[link\]](#)



# Linked Sources

## Municipal Bond Precedents

1. City of Flagstaff — Flagstaff Watershed Protection Project, \$10M general obligation bond (November 2012). [\[link\]](#)
2. University of Arizona Water Resources Research Center — Flagstaff Watershed Protection Project case study (2012). [\[link\]](#)
3. Marin Wildfire Prevention Authority — Measure C, 70.8% voter approval (March 2020); ~\$19.3M annually. [\[link\]](#)
4. Ballotpedia — Marin County, California, Measure C, Parcel Tax (March 2020). [\[link\]](#)
5. Blue Forest Conservation — Forest Resilience Bond program documentation (including Rogue Valley, 2023). [\[link\]](#)

## Outcomes & Peer-Reviewed Evidence

1. Zamanialaei, M., et al. (2025). “Fire risk to structures in California’s Wildland-Urban Interface.” *Nature Communications* 16:8041. DOI: 10.1038/s41467-025-63386-2. [\[link\]](#)
2. Strabo, F., Bryan, C., & Reimer, M. (2026). “Wildfire damages and the cost-effective role of forest fuel treatments.” *Science*. DOI: 10.1126/science.aea6463. [\[link\]](#)
3. Berry-Stölzle, T. R., & Hao, Y. (2025). “Wildfire risk and municipal bond yields.” *Journal of Risk and Insurance*. DOI: 10.1111/jori.70021. [\[link\]](#)

## Insurance & Resilience Standards

1. Headwaters Economics & Columbia Climate School — *Wildfire and Insurance: Options for Homeowner Coverage* (December 2025). [\[link\]](#)
2. Insurance Institute for Business & Home Safety (IBHS) — Wildfire Prepared Home™ standard. [\[link\]](#)
3. California Department of Insurance — Safer from Wildfires regulation (CCR Title 10, §2644.9). [\[link\]](#)

## Federal Policy Context

1. Fix Our Forests Act — H.R. 471 / S. 1462, 119th Congress. [\[link\]](#)

## Additional Viridian Analytics

2. Available by request. [info@viridian.eco](mailto:info@viridian.eco)

## CA Zone Zero Draft

3. Draft Zone 0 Guidance from various Bills and Governor Newsom’s EO: [\[link\]](#)

