

## **Devastated by storms and denied by insurance, Lompico residents navigate uncertain recovery**

Lookout Santa Cruz

Since a colossal New Year's Eve storm caused part of the hillside that his house sits on to collapse, Benjamin Short has been in a constant daily battle to save his home.

The Dec. 31 storm and waves of atmospheric rivers that hit Santa Cruz County in the ensuing two weeks have left Short's Lompico home teetering dangerously close to an active debris flow. County geologists say the house he bought 12 years ago is now unsafe to live in.

From the front of Short's home, everything appears normal. A wall lining his driveway is decorated with metal figurines shaped like flowers, a sun and a lizard. A narrow wooden walkway leads to his front patio, where lawn chairs invite visitors to sit under towering redwoods. But just below the back side of his house are piles of mud covered by tarps that Short checks regularly to prevent the steep landslide from becoming more unstable.

His septic tank was damaged, so he can't use plumbing or water in the house; neighbors and friends have let him use their showers and bathrooms. Lompico was hit with power outages that lasted up to nine days, depending on the location. The storms knocked out cell service and landslides closed roads, preventing Short, 42, from traveling to his human resources job at UC Santa Cruz.

Short has continued sleeping in the house at his own risk. He can't afford to stay elsewhere, and he wants to protect his home to make sure the landslide doesn't get worse for his house, and for others who use the roadway at the bottom of the hillside. He sleeps each night with his car keys, wallet and cellphone in his pants so he can sprint out of the home if part of the house were to collapse. Walking

away, he said, would feel like abandonment.

“I’m devastated,” he said. “All I really want to do is curl up in a ball and sob.”

What has made the experience particularly devastating is that just days after the first New Year’s Eve storm, Short’s insurance claim had already been denied. Short thinks it will cost about \$250,000 — by his own estimates — to repair the hillside to make it safe again, money he doesn’t have.

“I don’t know if it’s because I used the wrong words,” he said. “I don’t know if that makes any difference whatsoever. But they seem to have 10 million different things that they said they wouldn’t cover.”

Lompico, a mountain community of over 1,000 people about 10 minutes northeast of Felton, is among the areas of the county hit hardest by a parade of storms that hammered the Central California Coast over the first two weeks of the year. Across Lompico, there are signs of wreckage from the storms: bent fences and caved-in roofs where trees fell, along with rocks and debris littering the roads’ shoulders.

Santa Cruz County spokesperson Jason Hoppin estimates that more than 1,000 structures across the county were damaged in the storms — the majority of them in the mountains. That includes 180 buildings that have been yellow-tagged, meaning they have sustained significant damage, and 10 that have been red-tagged, meaning they are dangerous to occupy.

Within the county’s jurisdiction, the region with the most structures that were red-tagged was the Santa Cruz Mountains — with three homes in Lompico and three structures in other parts of the San Lorenzo Valley.

“There’s been no area that has suffered more than the San Lorenzo Valley,” Santa Cruz County Sheriff Jim Hart told about 100 local residents who packed into the Zayante Fire Department on Thursday for a storm recovery meeting.

“I know there’s people in this room that are hurting. I know that people without power, propane or water,” he said. “We know that you’re going through a lot right now.”

The extent and type of the storm damage varies widely across the region, but Short and others say one shared experience is that people feel they’ve been left to fend for themselves to navigate the complex

financial road to recovery.

It's a situation that nonprofit United Policyholders Executive Director Amy Bach says is unfortunately quite common. The nonprofit, based in San Francisco, offers guidance on filing claims after a disaster. After his insurance claim was denied, Short attended an info session led by Bach and hosted by local nonprofit Community Bridges.

Bach said that unless homeowners specifically have flood insurance, most policies don't cover flooding, and most also don't cover landslides. "Insurance companies are poised to reflexively deny these claims," she said. "Their instinct is going to be [to] deny. Then it's on the homeowner to push and try to get a reconsideration. That's a reality."

Kenneth Duran, who lives about a five-minute drive from Short, also has a notice on his home declaring it unsafe.

A series of landslides on New Year's Eve has made the hill behind his home unstable. While the home hasn't been severely damaged, the hill behind it could continue to collapse.

After spending about a week at a friend's home, Duran and his girlfriend, LoAnn Vo, have been staying at an Airbnb in Boulder Creek while they figure things out. Their insurance said it wouldn't cover any costs for temporary accommodation. Vo said family is helping them pay for their stay, but the cost is at least \$3,000 for the month.

Duran bought the house — his first — about 10 months ago for \$685,000. Vo, 31, is an executive assistant for a tech company and Duran, 35, is an electrician.

"I would have never, in a million years, thought I'd be a victim of a natural disaster," he said. "And here we are. It's kind of shocking."

Duran and Vo called their insurance company the day after the slides. They filed a claim over the phone on Jan. 1. The next day, Jan. 2, they were informed that their policy didn't cover landslides.

"I just laid back, like, 'Now what?'," said Duran. "You don't even have time to process the questions you should ask."

He asked the insurance company to keep the claim open and requested an adjuster to come out. An adjuster visited the property on Jan. 9. Duran said the adjuster affirmed that their policy wouldn't cover the damage but tried to help come up with alternative options. For example, the adjuster said Duran could look into whether or not there was third-party negligence that led to an excessive amount of water coming over the top of the hill.

Bach said that if homeowners exhaust their options with their insurance company, their best bets are to seek assistance from the Federal Emergency Management Agency (FEMA), take out a Small Business Administration loan, apply for a home equity loan or appeal for charitable aid.

While Duran doesn't want to go any route involving attorneys, he and Vo are doing the research and investigating all options to get their home repaired.

"We're basically on our own," said Duran. "We feel unheard by everybody. I know it's a crazy time and we're just one of the cases in this entire county, entire state, but you still feel unheard and lost."

County officials have warned that the road to recovery for Short and Duran could be long and costly. First, they need to contact geotechnical engineers to assess the hazards. Then they will need to hire a civil engineer to draft plans for the work to be done. Finally, they'll need to hire building contractors (including an additional septic contractor for Short) to do the work.

The process is complicated, and varies a lot by each site, said Jessica deGrassi, assistant geologist and resource planner in the county's planning department. Her job involves reviewing new-home applications, requests for emergency bluff repairs and — during emergency situations like the atmospheric rivers — helping people whose properties were affected by landslides, mudslides and coastal erosion. In the past two weeks, she's visited about 30 homes damaged during the storms.

"The repairs are not cheap, nor are they easy," she said. "We had several red-tagged homes from [damaging storms in] 2017 where people just walked away, or the bank reclaimed the house. That's the hardest part."

Duran recalled the day deGrassi plastered a red paper on his home, declaring it unsafe until the required work was done to repair the hillside. "She looked at me with sad eyes and said, 'Sorry for your loss,'"

recalled Duran. “It felt like, basically, somebody in your family died. It’s something you hear at a funeral.”

For now, officials are encouraging residents to visit a disaster recovery center staffed by FEMA, the California Office of Emergency Service (CalOES) and various state, local and community agencies focused on recovery services.

The first site, at Watsonville’s Ramsay Park, opened Saturday, and a second will open “shortly” in the San Lorenzo Valley, county representatives said.

County Supervisor Bruce McPherson said President Joe Biden’s major disaster declaration for California’s storms is going to be “very, very helpful” for the county.

“I hope it’s more helpful than after the [CZU] fire,” he said. “We think we are owed probably up to \$70 million by FEMA or the federal government, federal and state governments from the fires.”

He said the estimated damage of \$55 million — of which about \$30 million is county-maintained roads and parks — across the county is likely to go up.

Both Short and Duran have applied for assistance from FEMA and are waiting for responses. One of Short’s friends also launched a community fundraising campaign with GoFundMe, which had raised more than \$3,400 as of Monday morning.

Duran doesn’t want to take any loans out. “I have to do whatever I have to do to save my house,” said Duran. “I want to borrow the least amount of money possible. But I’m probably gonna burn through my savings. It’s a big mess.”

Short doesn’t think he’ll be eligible for cash assistance because his personal belongings weren’t damaged by the storms. But he hopes he’ll be eligible for a Small Business Administration loan, which he thinks has lower interest rates.

“As helpful as an SBA loan would be, I am likely to be in debt for decades due to this disaster,” he said. “I’m trying hard not to think about that and to take things one day at a time so I don’t get too overwhelmed.”