

[Garden Grove Evacuation Highlights Insurance Claim Challenges Following Chemical Tank Emergency](#)

Program Business

Residents evacuated during last month's chemical tank crisis in Garden Grove, California, are reporting difficulties recovering evacuation-related expenses, with some insurance claims denied despite mandatory evacuation orders.

On May 22, authorities ordered evacuations in parts of Orange County after firefighters warned that a tank containing toxic chemicals at GKN Aerospace could explode or spill, posing a public safety risk. Approximately 50,000 residents were affected by the evacuation order.

In the aftermath of the incident, many residents sought financial assistance for expenses incurred during the evacuation. According to the Orange County United Way, a relief fund established to support affected residents, stopped accepting applications after receiving more than 6,000 requests.

With community assistance no longer available, some evacuees turned to their insurance providers for reimbursement of out-of-pocket costs.

Among them was Cypress resident Jeff Goddard, who evacuated with his wife, three children, and pets. The family secured accommodations in Manhattan Beach and remained there for four nights until officials determined it was safe to return home.

According to Goddard, lodging and food expenses totaled just under \$2,000.

After unsuccessfully attempting to access community assistance funds, Goddard reviewed his renters'

insurance policy and found a loss-of-use provision. He noted that explosions were listed among the policy's covered perils and expected his claim to qualify for coverage.

However, Goddard said his claim was denied shortly after he explained the circumstances to an insurance adjuster.

According to a denial letter he received, the possibility of an explosion did not satisfy the policy's coverage requirements.

The case has drawn attention from consumer advocates who question how policy language is being applied in evacuation-related situations.

Amy Bach, executive director of the nonprofit United Policyholders, expressed concern about claim denials involving mandatory evacuation orders. She suggested that policyholders may face challenges when seeking reimbursement for evacuation expenses if no actual explosion or physical loss occurs.

Bach also raised questions about the practical implications of denying claims tied to official evacuation orders, noting that affected residents were complying with directives issued for public safety.

As a result, some policyholders may pursue additional steps to challenge claim decisions.

Goddard has filed a complaint with the California Department of Insurance regarding the denial of his claim.

The situation underscores the complexities that can arise when policyholders seek coverage for evacuation-related expenses following emergency orders. It also highlights the importance of understanding how loss-of-use provisions and covered perils may be interpreted during claims reviews.

While some residents pursued assistance through community relief programs, others have relied on insurance coverage to help offset costs associated with temporary displacement. The differing outcomes reported by evacuees illustrate the varied experiences policyholders may encounter following large-scale emergency events.