

[Haiti quake stirs concern in California](#)

Napa Valley Register

The devastating 7.0 earthquake in Haiti last month has shaken up residents in other earthquake-prone areas, including the Bay Area, prompting renewed interest in earthquake insurance.

“The horrible tragedy in Haiti has focused people a little more on earthquake risk,” said Glenn Pomeroy, the CEO of the California Earthquake Authority, a nonprofit, state-regulated earthquake insurance provider. It’s too early to tell if it will prompt more policy purchases, he added.

Napa, while at less risk than other parts of the region, has its own faults to contend with, said Jack Boatwright, a geophysicist with the U.S. Geological Survey.

The biggest threat isn’t actually within county borders. The Rodgers Creek fault runs north and south through Sonoma County and slips about 8 mm per year, which builds up strain and increases risk of a major quake, Boatwright said.

The West Napa fault is a relatively short fault that runs on the west side of the county, in and around Browns Valley and up into the mountains. Geophysicists said they haven’t studied it closely enough to know its slip rate.

Along the east side of the county is the Green Valley fault, which moves about 6 mm per year, he said. It has had three or four tremors in the past five years, but nothing greater than a magnitude 3.5, Boatwright said.

The last sizable earthquake in Napa County was the Yountville Quake in 2000, registering at 5.2.

It injured a handful of people and caused \$65 million in damage, according to local officials.

Industry officials estimate about 10 to 12 percent of residents have earthquake insurance — both locally and statewide.

In Napa, 1,612 property owners have policies with the California Earthquake Authority, which holds about 70 percent of policies statewide, officials said. The authority was created after the huge losses from the 1994 Northridge quake drove many private firms to get out of the earthquake insurance business in California.

The average annual cost of earthquake insurance in Napa County through the authority is \$882, compared with a statewide average of \$724, statistics show.

Seeking a guarantee

Traditionally, the high cost of insurance paired with high deductibles has caused homeowners to shy away from earthquake insurance, earthquake authority officials said.

To address this, the authority is asking Congress for a federal guarantee on any money it borrows should a catastrophic event occur, Pomeroy said.

This would allow it to reduce the amount of money it pays for reinsurance — or insurance policies it buys to protect itself, he said.

Reinsurance amounts to about 40 percent of what policy owners pay for earthquake insurance, he said.

With federal backing, the CEA could cut deductibles by about 50 percent and lower premiums by 30 to 40 percent, Pomeroy said.

It is important that homeowners consider earthquake insurance, he said.

“In a state like California, which is home to about two-thirds of the nations’ earthquake risk, we think it’s a really important thing for people to analyze their own situation,” he said.

Seismologists say there’s more than a 99 percent chance that California will have an earthquake of 6.5 magnitude or larger in the next 30 years, he said.

“Events like Haiti do remind us that events like this do happen, and they can happen any time,” Pomeroy said.

Boatwright said U.S. Geological Survey representatives said Californians are underinsured for earthquakes.

“Earthquake insurance is actually a very important component of being able to rebuild,” he said.

However, not every homeowner needs it, he said. He encouraged residents to consider their individual risk, based on where they live, the soil or rock under their home or neighborhood, the distance from major faults and the materials or design of their home.

Another option is to take the money a resident would spend on insurance and use it to strengthen a home, Boatwright said.

This includes making sure foundations are tied in correctly, constructing “cripple” walls — short walls between the first floor and the foundation — and bracing the cripple wall.

These improvements will increase the resale value of a home, he said.

Without insurance, people often are slow to rebuild after a large earthquake, which can affect the local economy, Boatwright said.

“Insurance is one of the tools that we have speeding recovery from earthquakes,” he said.

Dan Kavarian, a city of Napa senior building inspector, said most of the homes in the city are framed with wood, which is known to better withstand earthquakes than other materials, such as brick.

Kavarian acknowledged that earthquake insurance policies aren’t cheap, but said they are key to quick rebuilding of homes and cities. He also said given the uncertainty about when and where quakes will hit, residents are reluctant to invest in insurance policies.

Someday, he said, seismologists will be able to forecast earthquakes within a 100 miles of their origins, giving people a better idea of their earthquake risk.

“Until that time, I don’t think there’s going to be a rush” to buy earthquake insurance, he said.