Affordable Housing and Climate Change

Ashley Becnel

Chief Zoning Official

New Orleans, LA

“Canary in the Coal Mine”



Michael Esealuka, environmental justice organizer; “Facing the Surge”, Washington Post, August 7, 2023; available at https://www.washingtonpost.com/climate-environment/interactive/2023/new-orleans-sea-level-hurricane-wetlands/

Insurance Issues

- Homeowner’s Insurance
- Flood Insurance
- Rental Impacts
- Preemption

Homeowners' Insurance Companies Exit States

It's not just State Farm. Allstate no longer sells new home insurance policies in California

Los Angeles Times, June 2, 2023

Farmers Insurance is the 4th major insurer to leave Florida, underlining insurance crisis

Now that Farmers Insurance has decided to join more than a dozen other Florida insurance companies that have stopped writing home insurance policies in the state, over 100,000 homeowners are scrambling to find new coverage in a dwindling yet critical industry.

Pensacola News Journal, July 12, 2023

Homeowners' Insurance Companies Exit States



Fox Business, January 16, 2023

What's Left?

- State Guaranty Funds
  - LIGA
    - Steps in to pay certain claims defined by statute if insurer becomes insolvent
    - Funded from assessments of member insurers
    - Maximum limits are $500,000 per accident or occurrence and a maximum limit of $10,000 for unearned premiums. Claims are also subject to $100 deductible.

What's Left?

- Insurers of Last Resort
  - LA Citizens
    - Must be denied by one or more insurers. La.R.S. 22:2302(A).
    - "As residual markets, the plans made available by the Louisiana Citizens Property Insurance Corporation are not intended to offer rates competitive with the voluntary market." La.R.S. 22:2303(A)(1).
    - Rates must exceed the highest market rates by at least 10%. La.R.S. 22:2303(A)(1).
  - FL Citizens
    - "The legislature finds that private insurers are unwilling or unable to provide affordable property insurance coverage in this state to the extent sought and needed." Fl. St. 627.351(6)(a)(1)
    - Not eligible unless the premium offered by a private insurer is greater than 20% higher than the premium from FL Citizens

Other Homeowners' Issues

- Claims Handling
  - McLenny Moseley and Associates fiasco
- City decisions
  - Case study: Mandatory Evacuations for Hurricane Ida
- Understanding of homeowners' coverage vs. flood insurance

MMA Legal Issues

Court testimony later showed dozens of cases where MMA filed lawsuits on behalf of clients without an attorney ever speaking to them, and without receiving the client's approval to file the suit. MMA filed more than 1,600 lawsuits in August 2022 for Hurricane Laura or Delta damage, in the final days before a legal two-year deadline to sue. In some cases, court records show, MMA filed against the wrong insurer, and now it's too late for those storm victims to sue the correct insurance company.

"Secret tape shows embattled Houston law firm scrambling to keep Louisiana business"; May 26, 2023; available at https://www.nola.com/news/courts/secret-tape-shows-houston-firm-scrambling-to-keep-business/article_42445be4-fbe4-11ed-9fb9-ab2a0c93d9b6.html

MMA Legal Issues

According to documents filed in federal courts in both Louisiana's Western and Eastern districts, MMA negotiated and collected the money from some insurance settlements for clients who say they never hired MMA and still don't know where their money is.

"Secret tape shows embattled Houston law firm scrambling to keep Louisiana business"; May 26, 2023; available at https://www.nola.com/news/courts/secret-tape-shows-houston-firm-scrambling-to-keep-business/article_42445be4-fbe4-11ed-9fb9-ab2a0c93d9b6.html

MMA Legal Issues



Two and a half years after Hurricane Laura, Melvin Addison's former Lake Charles home is still in tatters, with the city pressing to tear it down. Addison hired a local lawyer to support him in his insurance claim, but became tangled up in the legal scandal surrounding MMA.

Staff photo by Alena Maschke

"How a Texas Law Firm Harmed Louisiana's Hurricane Recovery"; May 7, 2023
Available at https://www.theadvocate.com/baton_rouge/news/business/how-a-texas-law-firm-harmed-louisianas-hurricane-recovery/article_8ed21386-e9d6-11ed-a409-83e57eb23826.html

MMA Legal Issues

"We know who has filed lawsuits. The big problem is: Who are the clients who have not filed lawsuits yet?" said attorney Francis Lobrano, who leads the court's settlement process for Ida cases.

Until a policyholder's suit is filed, their information won't be available to the court, making it difficult to track down how many people need new representation.

"Everybody recognizes the problem, everybody recognizes the clock is ticking," Lobrano said.

The potential scope of the issue is enormous. MMA Founding Partner Zach Moseley has claimed the firm had a total of 15,000 clients in Louisiana.

"This is totally unprecedented," Lobrano said. "This has never happened before on this scale."

"How a Texas Law Firm Harmed Louisiana's Hurricane Recovery"; May 7, 2023
Available at https://www.theadvocate.com/baton_rouge/news/business/how-a-texas-law-firm-harmed-louisianas-hurricane-recovery/article_8ed21386-e9d6-11ed-a409-83e57eb23826.html

Hurricane Ida’s Voluntary Evacuation

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HURRICANE IDA

Voluntary Evacuation for Orleans Parish, Mandatory Outside of Levee System

The City of New Orleans is calling for a voluntary evacuation parish-wide and a mandatory evacuation of areas outside the levee system, including Irish Bayou, Venetian Isles, and Lake Catherine.

NolaReady

Hurricane Ida's Voluntary Evacuation

An alarming feature of Hurricane Ida, which devastated Louisiana on Sunday, was how quickly it evolved from category 1 status in the Gulf of Mexico to category 4 at landfall. The storm's sustained winds spun up from 85 miles per hour on Saturday to 150 mph the next day when they galloped onshore. The escalation in power was so quick and extreme that the National Oceanic and Atmospheric Administration's National Hurricane Center (NHC) described Ida as a rapidly intensifying storm.

Scientific American, "How Hurricane Ida Got So Big So Fast," August 31, 2021; available at https://www.scientificamerican.com/article/how-hurricane-ida-got-so-big-so-fast/

Hurricane Ida's Voluntary Evacuation

"We didn't have the time with Ida to safely call for a mandatory evacuation where we would be putting over a million people on the road," Collin Arnold, Director of New Orleans Homeland Security and Emergency Management said.

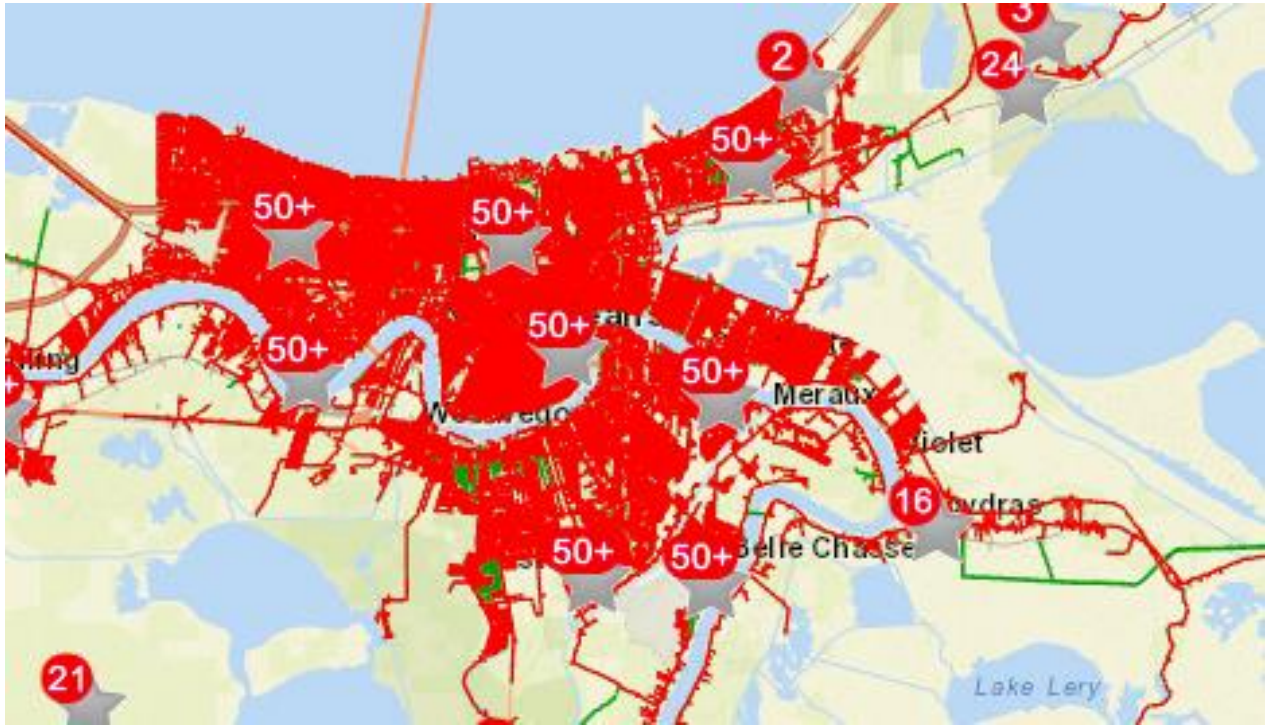
There wasn't enough time to coordinate contraflow and although officials throughout the area encouraged voluntary evacuations, they say as many as 50-70% of residents in Orleans and Jefferson Parishes stayed through the storm.

Fox 8, "Evacuation lessons learned from Ida", June 2, 2022; available at https://www.fox8live.com/2022/06/02/evacuation-lessons-learned-ida/

Hurricane Ida's Voluntary Evacuation

All of New Orleans without power after Hurricane Ida leaves 'catastrophic transmission damage'

New Orleans Times Picayune, August 29, 2021



Hurricane Ida's Voluntary Evacuation

Three Weeks After Hurricane Ida, Parts of Southeast Louisiana Are Still Dark

As businesses and schools have reopened in New Orleans, ongoing power outages in communities just beyond the city put recovery out of reach.

New York Times, September 18, 2021

Hurricane Ida's Voluntary Evacuation

Three weeks have passed since Hurricane Ida knocked down electric wires, poles and transmission towers serving more than one million people in southeast Louisiana. In New Orleans, power was almost entirely restored by Sept. 10, and businesses and schools have reopened. But outside the city, more than 100,000 customers were without lights through Sept. 13. As of Friday evening there were still about 38,000 customers without power, and many people remained displaced from damaged homes.

New York Times, September 18, 2021

Hurricane Ida's Voluntary Evacuation

Are rapidly intensifying storms becoming more common with climate change?

Yes, and that's one of the clearest signals that we have of how climate change is affecting tropical storms. We're warming the atmosphere with the burning of fossil fuels, and we're warming the oceans. With those two factors, there's more moisture in the atmosphere now because it can evaporate from the oceans more readily into a warmer atmosphere that can accept more water vapor. And this is all contributing to the fuel that tropical storms need to intensify.

Scientific American, "How Hurricane Ida Got So Big So Fast," August 31, 2021; available at https://www.scientificamerican.com/article/how-hurricane-ida-got-so-big-so-fast/

Hurricane Ida's Voluntary Evacuation

Insurers not required to cover evacuation costs for some policyholders who fled Ida, judge rules

Louisiana Insurance Commissioner Jim Donelon overstepped his authority when he ordered insurers to cover evacuation expenses for policyholders who fled Hurricane Ida from parishes that didn't issue mandatory orders to leave, a judge has ruled.

The ruling means that policyholders in parishes that didn't issue mandatory evacuation orders -- including all or parts of Jefferson, Livingston, Orleans, St. John the Baptist, St. Tammany and Tangipahoa -- aren't entitled to reimbursements for expenses like food, gas and hotels during their stay out of harm's way.

New Orleans Times Picayune, July 14, 2022

Flood Insurance: Risk Rating 2.0

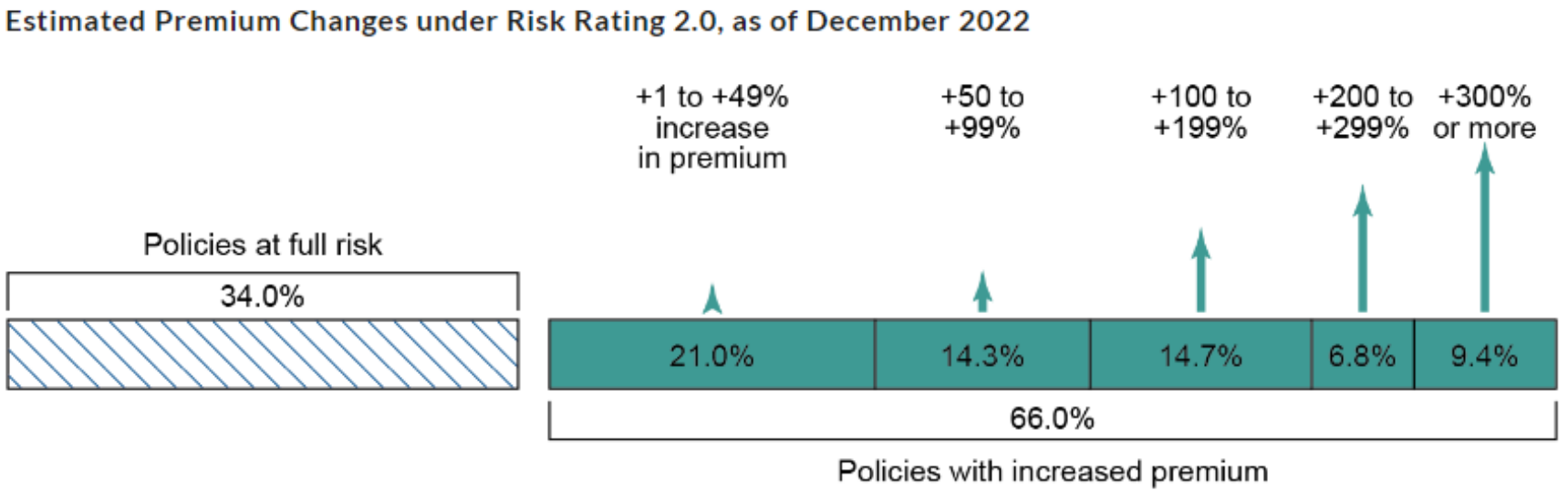
David Maurstead, FEMA's Assistant Administrator of the Federal Insurance Directorate and the senior executive of the National Flood Insurance Program (NFIP)

- "We also recognized that the old way of conducting business was not fiscally sustainable to withstand the frequency and intensity of weather events in recent years or the storms we know will strike in the months and years to come due to climate change."
- "FEMA now has the capability and tools to address rating disparities by incorporating more flood risk variables, such as multiple flood frequencies. Not just the 1% annual chance event, but multiple flood types from river overflow, storm surge, coastal erosion, heavy rainfall and distance to a water source. It also considers property characteristics such as elevation and the cost to rebuild."
- "It is a methodology in which all policyholders pay premiums based on the unique characteristics and risk of their individual property. The skewed risk sharing of the old system is no more."

Wharton Risk Management and Decision Process Center, available at: https://riskcenter.wharton.upenn.edu/lab-notes/riskratingmaurstad/

Flood Insurance: Risk Rating 2.0

- New algorithm effective April 1, 2023 for determining flood rates
- 77% of policyholders nationwide will see increases per FEMA
- Annual increases limited to 18% by statute
- 9% of policyholders will require increases of more than 300%



Flood Insurance: Risk Rating 2.0

- “Contrary to information provided by FEMA, Risk Rating 2.0 is anything but fair and equitable. This program will make people who have worked their whole lives to build and maintain their homes to turn in their keys.” Archie P. Chaisson, III, Lafourche Parish President.
- “FEMA’s Risk Rating 2.0 puts an unbearable financial burden on homeowners. They are moving the goal post on homeowners who have previously built to their standards and now this new policy will price people out of Southeast Louisiana. FEMA needs to reverse this policy and with local leaders to implement a policy that maintains affordability.” Matthew Jewell, St. Charles Parish President
- “In Southeast Louisiana, affordable flood insurance rates are a necessity and I will take every available step to ensure that our citizens are protected. An inconsistent and unfair increase to our neighbors’ flood insurance rates could price them out of their homes. I look forward to working with Congressman Scalise, legislators, fellow elected officials and providers to safeguard the future of our citizens.” Mike Cooper, St. Tammany Parish President

Coalition for Sustainable Flood Insurance, available at https://gnoinc.org/news/csfi-risk-rating-2/

Flood Insurance: Risk Rating 2.0

- “The significant premium increases that hundreds of thousands of Louisiana policyholders will see under Risk Rating 2.0 may lead to a lot of folks dropping their flood insurance altogether,” said Insurance Commissioner Jim Donelon. “Many property owners are still dealing with the major expense of rebuilding from the four hurricanes that hit our state in 2020 and 2021, so it’s important that the NFIP be mindful of the stresses policyholders on our ‘working coast’ are facing in these challenging times.”

Coalition for Sustainable Flood Insurance, available at https://gnoinc.org/news/csfi-risk-rating-2/

Flood Insurance: Risk Rating 2.0

- Currently, FEMA does not have the authority to account for ability to pay when setting rates. If authorized by Congress, FEMA could establish a means-tested affordability program to allow for a focus on low- and moderate-income households, enabling FEMA to account for such policyholders' ability to pay when setting their flood insurance premiums. (Coalition for Sustainable Flood Insurance, available at https://csfi.info/tips-for-policyholders/)

Rental Impacts

Pardon the bad analogy, but a "perfect storm" of factors is creating a new headache for apartment owners – soaring property insurance premiums. In some cases, premiums have more than doubled over the last two years due to natural disasters and energy grid issues, combined with soaring replacement costs and property values. And in a handful of markets, the challenges are further exacerbated by insurance carriers exits, leaving property owners with few options.

"The Latest Challenge Hitting Apartment Owners: Soaring Property Insurance Premiums"; RealPage Analytics, May 5, 2023; available at https://www.realpage.com/analytics/soaring-insurance-premiums-hitting-apartment-owners/

Rental Impacts

The cost of insurance on an apartment complex, for instance, has increased in the past couple of years to about $2,500 annually per unit from $600 per unit, according to broker Larry Schedler, a specialist in the multi-family sector.

"People say just raise the rent," Schedler said. "Well, you can't do that because you price your tenants out of the market. You hit a tipping point on some of these properties."

New Orleans real estate market shows signs of stress, few bright spots as insurance premiums rise; New Orleans Times Picayune, April 4, 2023; available at: https://www.nola.com/news/business/new-orleans-real-estate-outlook-signs-of-stress-emerging/article_1b75b338-d32f-11ed-83b4-134069c5c466.html

Rental Impacts

Climate change is on a collision course with the affordability crisis in U.S. housing — and renters are poised to fare the worst. That's the conclusion of a new report from Harvard University's Joint Center for Housing Studies, which found that renters face the greatest risk from climate-related disasters striking their homes. Renters are also largely left behind in efforts to upgrade and fortify U.S. housing stock. As rental demand reaches an all-time high (and prices skyrocket in tandem), the report calls for a "permanent, fully funded housing safety net" and firm measures to protect existing housing from the next major disasters.

"Why renters are uniquely vulnerable to climate disasters," Grist, January 25, 2022; available at https://grist.org/housing/climate-disasters-american-housing-crisis-renters/

Rental Impacts

In Houston, Texas, where 60 percent of housing units are rented — nearly double the statewide rate — rents jumped 10 percent last year, and thousands of tenants were evicted, according to Princeton University's Eviction Lab. Meanwhile, wages in the Houston area increased by just 2 percent.

Adding fuel to the fire is the fact that, of America's largest cities, Houston faces some of the most acute threats from climate change. Tens of thousands of rental units in the city are at risk of being destroyed or severely damaged by climate disasters, according to the Harvard center's analysis of the Federal Emergency Management Agency's National Risk Index. Nationwide the figure stands at 18 million units, or 40 percent of the country's rental stock.

"Why renters are uniquely vulnerable to climate disasters," Grist, January 25, 2022; available at https://grist.org/housing/climate-disasters-american-housing-crisis-renters/

Rental Impacts

However, in predominantly renter-occupied cities like Houston, protections from these disasters are threadbare, and recovery funds tend to favor homeowners. In the face of emergency, renters are more than three times less likely to be able to afford to flee — and the ones who can are at greater risk of being kicked out of their homes if they become damaged, according to the report. Historically, landlords have been given free rein to evict tenants under the guise of remodeling and rebuilding battered homes and apartments following disasters.

Not only are rental units (and renters) more threatened by climate change — they're also less likely to see the improvements the housing sector needs to adapt to and slow global warming. Lacking ownership rights, tenants have little power to push for their homes to be retrofitted either for energy efficiency or disaster resilience. According to the report, landlord surveys over the last two years have suggested that some owners have deferred maintenance spending, including structural repairs, since the pandemic began.

"Why renters are uniquely vulnerable to climate disasters," Grist, January 25, 2022; available at https://grist.org/housing/climate-disasters-american-housing-crisis-renters/

Preemption

- South Dakota: “The state hereby preempts the field of regulating insurers . . . and all political subdivisions of the state are prohibited from requiring of any insurer . . . any . . . permit . . . for conducting transactions lawful under the authority granted by the state under this title.” S.D. Codified Laws § 58-6-3
- Louisiana law: creates the Commissioner of Insurance position in state constitution

Louisiana Case Studies

- Isle de Jean Charles
- Grand Isle
- Senior Housing Disaster Issues

Isle de Jean Charles

The People of the Isle de Jean Charles Are Louisiana's First Climate Refugees—but They Won't Be the Last

Whether and how to uproot communities are difficult and painful questions, and we need to get better at answering them.

National Resources Defense Council, September 23, 2019
Available at:
https://www.nrdc.org/stories/people-isle-jean-charles-are-louisianas-first-climate-refugees-they-wont-be-last

Isle de Jean Charles



Photo credit: New York Times, “Resettling the First American ‘Climate Refugees’”, May 2, 2016; available at https://www.nytimes.com/2016/05/03/us/resettling-the-first-american-climate-refugees.html

Isle de Jean Charles



Photo credit: New York Times, “Resettling the First American ‘Climate Refugees’”, May 2, 2016; available at https://www.nytimes.com/2016/05/03/us/resettling-the-first-american-climate-refugees.html

Isle de Jean Charles

- New site purchased 40 miles north of Isle de Jean Charles: the “New Isle”
- Includes around 120 houses when fully developed
- Eligible families enter into forgivable mortgages, forgiven at a rate of 1/5 every year for 5 years as long as the resident maintains primary residency and required insurance
- Funded by $48.3 million in CDBG funds through the state
- Moving and closing cost assistance provided to some participants

Grand Isle

Grand Isle sees post-Hurricane Ida building boom, but will working class be priced out?

Many longtime islanders can't afford to rebuild

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Grand Isle

But against expectations, the island is experiencing a boom in new construction, thanks in part to wealthy out-of-towners who can manage the expenses associated with living on the front line of storms made more intense by climate change.

"It's kind of strange, ain't it?" said David Michel, who heads the town's Building Department. "Normally we struggle to build back. Now, you have people coming here building half-a-million-dollar homes, at a minimum."

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Grand Isle

Faced with skyrocketing insurance costs and rising interest rates, however, many longtime islanders simply can't afford to rebuild. So, they sell. Many of these are "hand-me-down" camps, passed down through generations of families.

The buyers swooping in to purchase those properties, meanwhile, have the means to self-insure and often pay in cash, real estate agents said.

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Grand Isle

Affordable housing?

The real estate market has been less kind to working-class islanders, who keep the community's restaurants, gas stations and grocery stores running. With a shortage of affordable housing, many have fled the island for good.

"A lot of the poor people got washed away with Ida," said Chuck LeBlanc, a real estate agent who works part-time at Hurricane Hole. "The blue-collar parts of Grand Isle are shrinking, while the wealthy areas are growing."

At its last count, Grand Isle had 1,005 permanent residents, down from around 1,800 prior to Ida.

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Grand Isle

The population loss has had a major impact on local businesses. Grand Isle Mayor David Camardelle said he had to close down his sno-ball stand on the Fourth of July because nobody was available to work.

And the popular Starfish Restaurant, which used to be open seven days a week, is now closed on Wednesdays. Michele Theriot, the manager, said the Starfish has lost almost half its workforce since the hurricane.

"We're a skeleton crew," she said. "I finally convinced the boss we have to do one whole day off."

Camardelle is hoping Grand Isle can acquire several buildings from the U.S. Coast Guard to provide permanent housing for locals. The military branch is downsizing its footprint on the island, freeing up at least 14 housing units, Camardelle said. The Coast Guard didn't respond to requests for comment.

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Grand Isle

What Camardelle really wants, however, is to access federal grants to build affordable housing. But federal funds for low- and moderate-income housing projects aren't available to coastal communities prone to flooding like Grand Isle.

"I want to build like the millionaires are building," he said. "I just want to bring my people back."



The Coast Guard Station photographed in Grand Isle, La., Wednesday, July 26, 2023. (Photo by Sophia Germer, NOLA.com, The Times-Picayune)

STAFF PHOTO BY SOPHIA GERMER

New Orleans Times Picayune,
August 7, 2023; available at
https://www.nola.com/news/jefferson_parish/grand-isle-sees-post-hurricane-ida-building-boom/article_f58cea28-32f2-11ee-93bc-a37f054522d2.html

Covering the Gap: Senior Living After Ida

The New Orleans elderly community ‘left to die’ after a hurricane

After Ida made landfall on August 29, 2021, residents of a senior living facility were plunged into ’12 days of hell’.

Al Jazeera, August 29, 2022

Covering the Gap: Senior Living After Ida

He couldn't know it then, but the water – though it ruined his shoes, clothes, towels, bedsheets, and many of his belongings – was not the danger. Boyd Manor was about to experience what one resident called "12 days of hell": no power, no lights, no air conditioning in 38C (100F) heat; no way to get food or water or charge medical devices. Boyd's manager, typically on site during the day, would leave the property and ignore all pleas for assistance. Some residents would collapse. Others would be forced to ration medicine. By the time power was restored, at least 19 people around the city would be dead from the heat, according to data provided by the New Orleans coroner's office. Almost all were seniors, but everyone at Boyd Manor survived.

Al Jazeera, August 29, 2022

Covering the Gap: Senior Living After Ida

Unlike nursing homes, senior-living facilities aren't regulated by the state. Arnold says some have generators and operational emergency plans. Some have neither. After Hurricane Ida, 10 facilities had to be evacuated and shut down. In some cases, management abandoned the properties, leaving residents to fend for themselves in what city leaders called unlivable conditions.

WWL, "City leaders vow new approach to senior living spots during hurricanes," June 1, 2022; available at https://www.wwltv.com/article/weather/hurricane/hurricane-ida-senior-living-deaths-new-orleans-2021/289-a4b5889e-46d6-47e0-a76a-cd4292515ede

Covering the Gap: Senior Living After Ida

"They're hiding under the loophole of 'independent living,'" Palmer said. "It's not independent living if there's no power and you're in a wheelchair on the fourth floor."

NPR, “Many New Orleans Seniors Were Left Without Power For Days After Hurricane Ida,” September 7 2021; available at https://www.npr.org/2021/09/07/1034775749/hurricane-ida-power-outages-new-orleans-seniors

Covering the Gap: Senior Living after Ida

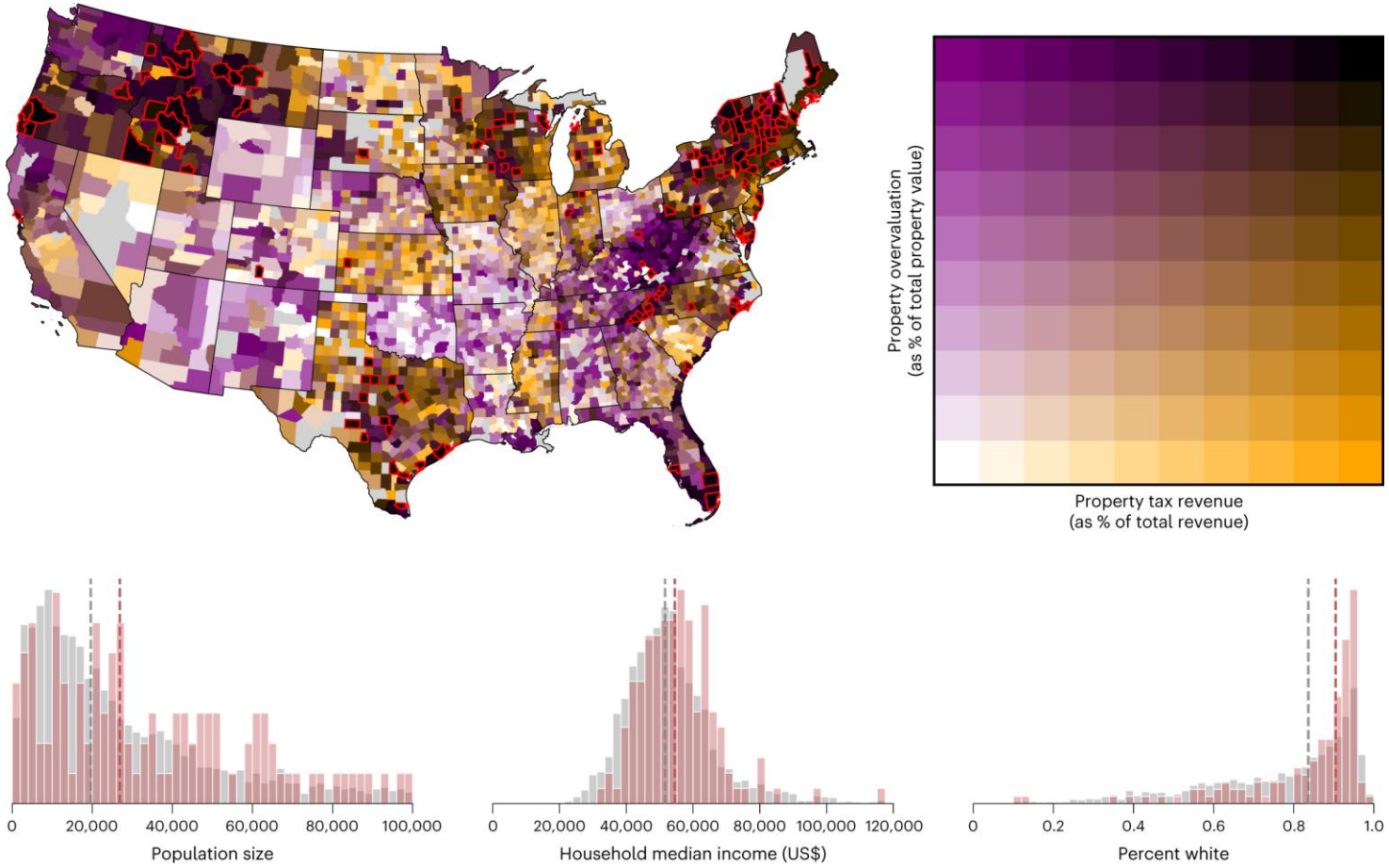
- CCNO 30-1288: residential facilities for seniors or persons with disabilities must register with the City
  - Must provide an emergency operations and evacuation plan, updated annually
  - Must provide “situational updates” including full manifest of all residents and staff on site to City every 24 hours during declared disasters
  - City may bill for incurred costs and fees if city assistance is required in evacuation

Covering the Gap: Senior Living After Ida

During a news conference Wednesday to discuss hurricane preparedness, the city's health director, Dr. Jennifer Avegno, said only 44 of the identified facilities are fully compliant. Another 11 have submitted plans for review, while a dozen have not applied for the new license, Avegno said. Applications, including annual renewals, are due June 1, and Avegno warned that non-compliant facilities are subject to code violations.

The New Orleans Times Picayune, “Two years after Ida, many senior living sites aren’t complying with new disaster planning rules,” May 31, 2023; available at https://www.nola.com/news/hurricane/new-orleans-senior-housing-arent-following-post-ida-rules/article_12b84928-ffc5-11ed-8495-e7bc7f2a03e5.html

Property Tax Effects on Municipalities



Gourevitch, J.D., Kousky, C., Liao, Y.(. *et al.* Unpriced climate risk and the potential consequences of overvaluation in US housing markets. *Nat. Clim. Chang.* **13**, 250–257 (2023). https://doi.org/10.1038/s41558-023-01594-8

Municipalities must consider affordability

Factoring in the needs of low-income people is critical, because getting the right signals in place to protect the housing market from climate-change-related disruptions will make housing fundamentally more expensive. Supply will be constrained, mortgages may be harder to get, property taxes could increase, and, in many places, insurance premiums will go up. If government agencies don't explicitly help those who are already struggling with housing affordability, homeownership will become even more distant for them. Inequality will continue to grow—which, in itself, is destabilizing to society.

"How Climate Change Could Sink the US Real Estate Market", Sierra Magazine, March 15, 2023 ; available at https://www.sierraclub.org/sierra/1-spring/feature/how-climate-change-could-sink-us-real-estate-market

Solutions

- Land Use Incentives
- Financing Incentives
- Tax Incentives
  - Sales tax
  - Property tax
- Grant Programs
  - Retrofitting
  - Utility assistance
- Careful emergency management planning
- Rental Registries

State Solutions

- FL legislation (SB 2D, signed May 26, 2022)
  - $2 billion in reinsurance relief
  - $150 million for retrofitting (My Safe Florida Home program)
  - Prohibition against insurers denying coverage solely based on roof age if roof is less than 15 years old or has 5 years of useful life left
  - Requires “reasonable explanation” for claim denials
  - Limits assignment of attorney’s fees
- FL legislation (SB 7052, signed May 31, 2023)
  - Clarifications on roof deductibles
  - Requires mitigation discounts to be applied at least every 5 years with additional information for consumers
  - Increased penalties for improper claims handling
  - Prohibits officers of insolvent or impaired insurers from receiving any bonus
  - Expands retrofitting program eligibility (HB 881)

Retrofitting in Florida

- Matching grant where state funds 2/3 of project cost up to $10,000
  - Roof improvements
  - Door and window upgrades
- No state sales tax on retail purchases of impact-resistant doors, impact-resistant garage doors and impact-resistant windows from July 1, 2022 through June 30, 2024
- “Potentially” lower home insurance premiums
- Process starts with free home inspection
- Qualifications:
  - Must have less than $700,000 in homeowners coverage
  - Initial building permit for home must have been issued before January 1, 2008
  - Low income applicants must be below 80% AMI in their county
  - Must use approved contractor

Source: mysafeflhome.com

Retrofitting in Florida



Police Power Is Critical

Local land-use policies can limit construction in flood plains or encourage denser development within municipalities, rather than expanding into natural areas. Stricter building codes can ensure that a home is better constructed, so wind can't destroy it, and can demand that houses be elevated above flood levels. Floodwaters can be better managed through wider pipes and permeable surfaces and with nature-based projects like wetland preservation.

"How Climate Change Could Sink the US Real Estate Market", Sierra Magazine, March 15, 2023 ; available at https://www.sierraclub.org/sierra/1-spring/feature/how-climate-change-could-sink-us-real-estate-market

Police Power Is Critical

O'Leary credits the win to several years of slow and steady education and organizing. "Local politicians would not pick up the phone with me if I didn't have 25,000 voters," she said. Last year, Horry County Rising scored county council candidates on their "flood defender" status and narrowly kept an opponent of the group's work off the council.

The South Carolina county isn't a progressive place. Donald Trump won the 2020 election there by 33 percentage points. For years, the county council was dominated by developers' interests. Today, the area has some of the most stringent flood-protection measures in the Southeast.

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Utility Assistance

COOL LA

Beat the Heat & Stay Safe

UTILITY ASSISTANCE

Income-eligible residents of Brazoria, Galveston and Harris Counties may receive:

- **Utility assistance for electricity, gas and/or water**
- **Service or repair of your HVAC system**

Rental Registries

What's the cost to cool Los Angeles? City explores a cooling mandate for all rental units

Los Angeles Times, June 3, 2023

"At this point in the climate emergency, the ability to cool one's home cannot be considered a luxury and rather must be treated as a necessity," Los Angeles City Councilmember Eunisses Hernandez said in her motion proposing the feasibility study, which would include a cost estimate for updating the city's building code.

"Requiring cooling apparati for all residential units could be a lifesaving measure for countless Angelenos during extreme heat events."

"Many of the older buildings just don't have that cooling mechanism, and so our bill would have required to set an indoor maximum air temperature," Morales said.

Older buildings are often the only units low-income families can afford, Morales said, and they would benefit the most from updates to the housing code to require cooling standards.