

## **Notices—Correction to ferry schedule added**

**The conditions at HBBC are critical and dangers are present. We strongly encourage owners do not access HBBC until an all clear is given. This is consistent with governmental mandates for public safety. Anyone accessing the property does so at their own risk. HBBC disclaims all liability from resulting injury.**

Please consider all of HBBC to be an active construction zone.

Anyone wanting to remove items from their units should be getting those items moved. ADU is beginning the drywall demo process.

Here are the guidelines for using the skiff to access HBBC:

- Only six people will be transported per trip with only what they can carry. No carts will be brought down to the dock.
- Transportation of reasonable amounts of construction materials, generators, and supplies will be allowed.
- Schedule:
  - 8AM from mainland to island only
  - 9:30AM from island to mainland to island
  - 11AM from island to mainland to island
  - 2PM from island to mainland to island
  - 3:30PM from island to mainland to island
  - 5PM from island to mainland only

As always, the captain on call has final say with regards to what can be taken to the island on each trip. We understand that this may cause some inconvenience, but the safety of the passengers, crew and vessel will always take priority. Thank you for your understanding.

Pickup of normal household trash has been suspended until further notice. Please take your household trash to the mainland dumpster instead of the trash bins located behind the buildings.

Fire Suppression System:

\* There is NO operational sprinkler systems on buildings D, E, and J due to major damages. Power should not be left on in these buildings when no one is in residence.

\* Building I had a drain pipe knocked off during the storm and Piper fire will be returning to make this repair. We are still waiting to hear when we are scheduled for repair. Following the repair, Piper will retest the building and see if any other areas will

hold pressure. Until the system is fixed, no power should be left onto this building when no one is in residence

The swimming pool is closed until further notice. The bathrooms at the pool are being reserved for the construction workers. Please consider all of HBBC to be a construction site. We do not expect the pool to be open for quite some time.

## **Here is your Monday Recovery Update:**

From All Dry USA (ADU):

- The big push right now is to build the temporary roofs needed on buildings units (E 5-10) (D 1-4) & (J 3-4) by approximately October 30th. Initially, the direction was to get the needed trusses and get the basis structure put back. The inability to get trusses caused the focus to change to temporary closure of those roofs.
- They will begin the drywall demo in building E on Monday. Next in line is buildings D and J.
  - ADU will begin contacting the owners that have contracted with them for those units and will work with them on an individual basis.
  - For the owners that have not specifically signed with them, ADU will move their content into the center of the room and cover it all prior to drywall demolition.
  - They will be moving at the rate of 2 days per unit with four dedicated teams.
- The caretakers unit work will run simultaneously while the other work is ongoing so as to ensure they stay on schedule with the 10 buildings.
- All work will be in phases. The current phase includes demo of wet drywall, drying of wall substructure, and structural cleaning. ADU will continue to the next phase once this phase is complete in all buildings. The next phase will involve any additional cleaning allowed by unit owner's insurance benefits. The following phase is reconstruction. Those plans are being formed and details will be provided when available.

Fire Sprinkler Systems:

- Piper Fire will be working on buildings D, E, I, & J on Monday, Tuesday, and Wednesday. They will be identifying any pipe breaks in those buildings that need to be capped. Then they can re-pressurize the remaining units in those buildings.
- Repair of the units with capped lines will be scheduled at a later date after the roof permanent repairs are completed.

Assistance in Turning on Air Conditioning:

Anyone who would like our caretaker, Steve Lohr, to turn on their air conditioning should send him authorization to do so by email. His email address is

[HBBC2015@yahoo.com](mailto:HBBC2015@yahoo.com). It is recommended that you have an air conditioning mechanic check out your unit if you think the system might need repairs prior to authorize Steve to turn it on.

#### Debris Removal:

- Debris removal is still on hold. The hope is that FEMA will be pressured into providing the same debris removal service to Little Gasparilla Island that they have provided other county residents.

#### Association Assessment:

- The board held a meeting on October 28<sup>th</sup> to consider the special assessment proposed for the Citizens insurance deductible. We considered a request from some owners to levy a partial assessment now and the rest later. There were many reasons for not considering a partial assessment.
  - We already have invoices for expenses that need payment.
  - We will assuredly exceed the deductible on all buildings, except maybe the swimming pool.
  - Our reserves have already been severely depleted. We paid to replace four roofs in July of 2022 without contribution from our insolvent insurance company.
  - We have large expenses that are looming. The sewer plant and the fire sprinkler system are two examples of expensive non-hurricane related projects.
  - We will have other hurricane related expenses that are not covered by insurance. Rebuilding the barge landing is one example.
  - We do know that the ferry is repairable. We don't know yet what the cost of those repairs are. There is no "replacement cost coverage" on the water craft. Instead, it is similar to auto insurance that pays actual cash value (depreciated value). We will be responsible for any repair costs beyond the policy limit of insurance determined by a marine surveyor (appraiser) conducted in April of 2022.
- The board moved to pass the full assessment of \$5,183.85. It will be due on November 4, 2022. All owners received notice of the assessment being considered on October 13<sup>th</sup> so that they would have time to plan for the assessment.

### Emergency Powers Granted to the Board:

- The State of Florida has declared a state of emergency related to Hurricane Ian damages. The emergency status will continue into late November and could very well be extended by the state. That declaration triggers emergency powers to be granted to the board in the association bylaws (pages 10 and 11).

### WiFi:

- Joe Holme is still working to restore WiFi to C building.
- Joe's team will focus on restoring F & G buildings next.

### Assistance for Unit Owners Insured by Citizens:

- Below is a contact for field operation at Citizens. You can call for assistance **if you have not been scheduled for an adjuster visit yet.**

Henry Harding  
Sr. QA Field Reinspector  
Phone: 561-262-0040  
[henry.harding@citizensfla.com](mailto:henry.harding@citizensfla.com)

### **Important Contact Information:**

Ferry Captains-- hbbccaptain@gmail.com

Caretaker--- hbbc2015@yahoo.com

Captain's cell number is 941-763-9547.

The land line in the office is still not working.

ADU email-- Hideaways@AllDryUSA.com

“The only thing that overcomes hard luck is hard work.”—Harry Golden

The Board



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Through the Roof

Florida's Property Insurance Crisis Will Likely Get Worse After Hurricane Ian

Add the homeowner's insurance crisis to Sarasota's affordable housing crisis, and you've got a situation that makes home ownership a pipe dream for many.

By [Kim Doleatto](#) October 17, 2022





Hurricane Ian caused widespread damage throughout Southwest Florida.

IMAGE: DAVID HERRING/SHUTTERSTOCK.COM

Even before [Hurricane Ian blasted ashore in September](#), my home insurance was set to spike by 40 percent this year. I don't live in a flood zone and I have bare-bones coverage. What is going on? It's a question many homeowners across the state are asking, and the issue is even more pressing [in the wake of Ian](#), which caused an estimated \$67 billion in insured losses, making it the costliest storm in Florida history.


Nationwide, home insurance costs roughly \$1,600 on average each year. But Florida has the priciest policies in the nation, with some areas more than tripling that. In Miami-Dade County, it's \$5,093 a year, rising to \$6,729 in the Florida Keys. In Sarasota County, our average rate is roughly 35 percent more than the national average, at \$2,470. And the numbers are going up.

"Over the last year, I've seen 10 to 50 percent rate increases. Last year, one company had a 111 percent increase," says Paul Jorgensen, a local agent with Florida Farm Bureau Insurance. Tanis Perez, executive vice president for the southeast for Premier Concierge Insurance, has seen a similar trend, with the price of some policies doubling overnight.

According to Jorgensen, rates were climbing before Ian in part because of the increased cost of building supplies and labor, but he says that's negligible in the face of other factors, like the decreasing number of insurance providers willing to do business in Florida. Six companies have recently gone insolvent, and others are not renewing policies for next year.

“Altogether, it’s almost 10 fewer companies doing business in Florida in the last year—that’s a lot,” says Jorgensen. In July, state regulators placed 27 companies on a watch list because they were deemed financially unstable. Two significant culprits are litigation costs and roof fraud.

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“Florida is the most hurricane- and litigious-prone state in the country,” says state Sen. Jeff Brandes, a Republican from Pinellas County. “Other states had less than 1,000 homeowner’s insurance litigations last year. We had 107,000, even though there was no storm. As a result, the insurance industry lost \$1 billion each of the last two years. Even before Ian, they were on the path to losing that amount this year.”

Nearly 80 percent of all homeowner’s insurance lawsuits nationwide are filed in Florida, which accounts for just 9 percent of all homeowner claims, according to the office of Gov. Ron DeSantis.

Why so many lawsuits? “Public adjusters and roofing companies team up with attorneys and offer free roof inspections and unassuming home-owners let them,” says Jorgensen. “They’ll find some damage and tell the homeowner, ‘We’ll take care of it,’ and ask for them to sign off on an assignment of benefits agreement to the roofer.” That signature effectively removes the homeowner from the equation. Communications from then on happen between the roofer and the insurance company.

“The insurance company then receives an inflated cost to repair the roof and if they refuse to pay it, it moves to litigation,” says Jorgensen. “So now the insurance company is paying attorneys, even though maybe the roof is just old. And if insurance companies have to replace everyone’s roofs and pay for litigation, everyone’s rates go up.”

Another factor contributing to the rise in costs is that insurance companies also purchase their own insurance, called reinsurance, to pay out claims after sweeping disasters like Ian. Just like consumer-facing insurance companies, some reinsurers are pulling out of the state, while others are raising rates by as much as 50 percent. As Florida homeowners repair damage caused by Ian, it will likely push many toward what industry insiders call the “insurance of last resort,” Citizens Property Insurance Corporation, a state-backed, tax-exempt company that often offers the cheapest, most lax coverage available to consumers.

Like private insurance companies, Citizens is funded by policyholder premiums. However, state law requires that Citizens levy assessments on Florida property insurance policyholders—meaning they have access to the premium pools of private insurance companies to draw on—if it experiences a deficit in the wake of a storm, potentially raising rates for everyone. As private insurers tighten requirements and increase their prices, Citizens is growing quickly, covering 1.1 million policyholders statewide—a number that jumped by 300,000 in just the past year. But Citizens insists it can shoulder the growth.

“Citizens is in a strong financial position and will be able to pay claims from Hurricane Ian and still have reserves left over for the next storm,” says Michael Peltier, a spokesperson for the company. But as the number of Citizens customers rises, so does the company’s exposure and so does the possibility of rates going up for all Floridians. “That is the risk,” says Peltier.



In May, state lawmakers passed a bill addressing roof fraud. Championed by state Sen. Jim Boyd, a Republican from Manatee County, the law created a \$2 billion reinsurance fund to help insurers pay potential hurricane damage claims, put new limits on insurance lawsuits and attorney fees, circumvented the lure of roof companies by offering hurricane mitigation inspections and allowed policies with separate deductibles for roof damage, which will leave some homeowners shouldering more of the cost of roof replacements.

“Insurance companies are prepared for these storms,” says Boyd, “but are not prepared for fraudulent claims that drove costs up dramatically.” He believes the changes will lead to reduced rates for consumers. Although the bill passed with bipartisan support, Democrats say the move falls short and fails to grant immediate financial relief to homeowners with ballooning premiums. Republicans acknowledged it will take 12 to 18 months before prices may drop.



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Willis Smith Construction, Inc., the region's largest commercial construction company.

Presented by Willis A. Smith

Add the homeowner's insurance crisis to [Sarasota's affordable housing crisis](#), and you've got a situation that makes homeownership a pipe dream for many.

“For now, I think this is going to hit your local homesteader hardest, the person who is trying to afford a home to live in,” says Jorgensen. “I’m talking about the people who check you out at Publix, fill your Starbucks in the morning and teach your kids.”

Filed under

[Hurricane Ian](#), [Insurance](#)

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