

ERFORTH QUAKE '89 - Santa Cruz County

# Quake aid funds just sit there

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SANTA CRUZ — Nearly three months after the earthquake, officials are still running into bureaucratic complications and a lack of money while trying to help those left homeless by the disaster.

"We're going to lose the ability to fill needs if we don't get money soon," said Rep. Leon Panetta Saturday morning after a meeting of government officials working on the earthquake recovery effort.

The Monterey Democrat and others discovered Saturday that federal funds handled by the Department of Housing and Urban Development have been sitting in San Francisco for the past few weeks instead of being released to the communities that need them.

Panetta and others said that scandal-wracked HUD, which allowed vast amounts of money to be misused repeatedly during the Reagan administration, is simply too scared to release funds quickly, even in the face of a disaster.

Panetta said that this week he will put pressure on President George Bush, who visited Santa Cruz and promised aid two days after the quake.

"I think the president's presence was nice, but it's time for him to live up to his promises," Panetta said.

According to Mary James, executive director of the county's Housing Authority, about 500 vouchers which would help subsidize rent for families who lost property in the quake have been at HUD's San Francisco headquarters since before Christmas. James said she has a list of more than 500 families here that could use those vouchers right now.

In addition, HUD money that would have helped local landlords repair rentals without incurring great expense has also been held up in San Francisco. That money is intended to help landlords avoid raising rents to cover repair expenses.

James said that about 300 landlords expressed interest in that money immediately after the quake. But the money has been so long coming that she said landlords have begun to finance repairs themselves — and those expenses are expected to mean higher rents.

The HUD hangup was only one of a number of housing problems that surfaced at the Saturday morning meeting. Among the others:

- Christine Johnson-Lyons of the Community Action Board said that funds which are paying for more than 300 people to live in local

motels awaiting more permanent housing are expected to run out by mid-April.

According to Johnson-Lyons, about 50 percent of those people are expected to eventually qualify for some kind of Federal Emergency Management Agency aid. But the balance will probably fail to meet FEMA guidelines for aid. She said that most of those now registered in local motels under the program are families with children.

"We have a serious problem here," Johnson-Lyons said. "When these funds run out, this ship is going to run up against rocks."

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"What then happens to these people?" Panetta asked. "Basically, you're talking about a new homeless population."

- Some local rentals have been closed after the quake when inspectors found the buildings failed to meet local codes or that people were living in illegal units. People who have lost their homes as a result of these discoveries are not eligible for FEMA aid, since the reasons they lost their homes are not directly related to the quake.

There were charges that local landlords are also refusing to let multiple families share residences that they used to share and are raising rents. But FEMA official Frank Kishton said that those were long-term, affordable housing issues that FEMA is not charged with solving.

"If landlords choose to use the earthquake to deal with local laws and density issues, FEMA is not designed to deal with that," Kishton said. "It's a local issue."

- Some families who are living in mobile homes provided as temporary housing by FEMA are saying they want to stay in those homes as long as possible.

Many of those families, virtually all of whom are Latino and Spanish-speaking, were sharing homes with other families before the earthquake. Now they are living in three-bedroom mobile homes of their own. FEMA has said that families may be eligible to stay in those mobile homes for up to 18 months.

"We have already had families that have told us 'We're not doing anything for the next 18 months,'" Kishton said. "The federal government is going to subsidize us and we're going to stay here."

But Kishton said the families are supposed to move out of the trailers if their former homes are repaired or if new, affordable homes are found. He also said that families are supposed to actively be seeking permanent housing.

"We're not going in there with whips and chains to drive them out," Kishton said. "But families need to know there has to be an ongoing effort to find permanent housing."

Panetta, though, said he could understand how low-income families might not want to leave the trailers.

"That's probably some of the best housing they've ever had," Panetta said.

"To think about moving people out and back into a closet somewhere is going to be hard," Panetta said.