

## Frustration Leads Quake Victims to Join Forces - Coalition: Thousands of angry Valley homeowners form a new group to face off against insurers and elected officials.

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Six months after the earthquake, their homes and lives still a shambles, thousands of San Fernando Valley homeowners are turning their frustration into political action, hoping to give insurers and elected officials a good jolt of their own.

Banded together in a grass-roots coalition that is part activist and part educational group called Community Assisting Recovery (CARE), these quake victims are fighting back against those they feel have abandoned them.

"God bless CARE for what they're doing," said Gabriela Segal after the group's executive director, George Kehrer, inspected the quake damage to her Northridge home last week.

Kehrer, who is both a lawyer and a licensed general contractor, also went over her insurance policy with her.

"There's nobody else to tell me what to do," Segal said. "Nobody else to help. I called the insurance commissioner's help line last week and said, 'I need somebody to help me read my policy and tell me what my rights are.' He said, 'We don't do that.' All they do is send out forms.

"I understand they're (help line workers) overwhelmed," she added. "But there should be somewhere we can go for advice."

Young and old, first-time home buyers and retirees with paid-off mortgages, many CARE volunteers don't fit the usual activist mold.

But circumstances have made them reluctant warriors. They want their homes and lives back the way they were before that awful January morning.

All of them say they are exhausted, stressed out, fed up with living in motels with small children, and tired of dealing with insurance adjusters, contractors and others whom they don't know if they can trust.

"I've heard 'Trust me' and then been sorry I did so many times in the past few months I can't stand it," said a Northridge woman. "At this point, the only people I trust are my husband and two children."

And so they are willing to learn the business of organizing protests, gathering signatures on petitions and writing complaint letters to their representatives in Sacramento and Washington.

They are also learning to draft press releases and make colorful protest signs that look good on television.

And at large public meetings, with fire in their eyes, these property owners have excoriated State Insurance Commissioner John Garamendi for caving in--as they see it--to powerful industry interests, in part to further his own political career.

"I'm one of those people who believed my insurance agent when he told me I was covered," said an Encino grandmother. "Now it looks like \$50,000 is going to have to come out of my pocket and I don't have it."

Garamendi "isn't doing anything and I can't afford to hire an attorney," the silver-haired woman said, shaking her head. "Who does somebody like me turn to? Thank God for this group."

Elena Stern, a spokeswoman for the insurance commissioner, said, "John Garamendi caving in or siding with insurance companies to further his career is absolutely ludicrous. For the last 3 1/2 years, John Garamendi has been the insurance industry's worst nightmare. The insurance department represents consumers' interests, not insurance industry interests, under this commissioner."

Yet, the Encino grandmother and other angry homeowners interviewed for this story who are still waiting for insurance checks did not want to give their names. Their fear? That the insurers would somehow retaliate.

"That's the level of fear and distrust that's out there," said Kehrer. "It's terrible."

So far, CARE volunteers have blown the whistle on questionable insurance practices and vowed to boycott some companies, mostly those that now claim they can no longer afford to offer quake and homeowners coverage. These quake victims say insurance companies are pressuring them to hurry up and settle their claims, perhaps for less than they might be entitled to.

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"They say, 'It's been six months and you have to act in good faith too,' " said a woman who lives in Chatsworth. "You aren't acting in a fair and reasonable manner. But I'm not ready and they aren't going to push me around."

Hundreds of disgruntled policyholders have turned out for each of the more than 30 major meetings CARE has conducted in the hard-hit San Fernando Valley since April.

Most of them have also organized into smaller groups made up of people who all have the same insurer. They meet every two weeks to share problems and air grievances against 20th Century, Allstate, Farmers, Republic, State Farm, United Services Automobile Assn. and Western Republic insurance companies.

Representatives of Woodland Hills-based 20th Century Insurance Co. said last week that they are sorry the company's policyholders are unhappy. Like several other companies, 20th Century has also said it has settled most quake-related claims.

Based in Northridge, CARE set up its headquarters in April in an office suite donated by the Porter Ranch Center, a mini-mall at Tampa Avenue and Rinaldi Street that was also damaged by the quake.

Since then, the consumer group says it has attracted 2,000 volunteers and claims to represent at least another 2,000 victims of the January disaster.

"We know that for every name on our mailing list, there's at least one person and probably more who has come to one of our meetings or workshops," said Kehrer.

"But I know we're making a difference by the number of thank-you calls we're starting to get," Kehrer said.

"People call us and say, 'Thank you, my insurance company just conceded it will cost \$50,000 more to fix my house than they thought,' " he said. "Or, 'Thank you, now they are going to cover asbestos removal. Thank you, the damage to my pool or fence or deck is covered.' It's very satisfying."

On average, the phone rings 25 or 30 times a day, said CARE office manager Marcy Contreras, the organization's only paid staffer.

One recent week she and several volunteers answered more than 100 calls after state Sen. Art Torres (D-Los Angeles) held a well-publicized meeting on quake-related insurance problems. Many called to sign up for the free workshops Kehrer and other CARE volunteers conduct. Subjects have included how to fill out a so-called "scope of loss" form for an insurer itemizing quake damage, how deductibles work, what personal-property coverage includes, and dealing with a contractor.

The organization, which is applying for nonprofit status, depends entirely on donations. So far, it has received about \$7,000 in cash, Kehrer said. Others have donated supplies or services.

The group received its first corporate donation last week from Hughes Aircraft Corp. "They asked us to make a list of things we needed," said Marcy, who told the company the organization needs tables, chairs, copiers and fax machines.

One volunteer also offered to donate printing services, until now one of the organization's biggest expenses. Kehrer, who has become an advocate for disaster victims since he lost his home in the 1991 Oakland Hills fire,

understands what quake victims are going through. And since moving to Northridge--specifically to help quake victims--he has seen much of the devastation first-hand.

The Oakland Hills house he was sharing with a friend burned to the ground in 10 minutes. The pair is still battling with Allstate, their insurance carrier, two years later.

Early on in that battle, Kehrer heard about an Oakland-based consumer group, United Policyholders, and decided to attend a meeting.

"It changed my life," he said. "Suddenly, I discovered all these people who were dealing with the same problems, the same difficult recovery process I was."

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Both a general contractor and a lawyer, Kehrer discovered it was the perfect combination of skills to make him an effective advocate for disaster victims.

Since the Oakland fire, he has worked as an unpaid volunteer with victims of Hurricane Andrew, last fall's brush fires in Laguna Beach and Malibu--and, now, the Northridge quake.

Kehrer and his Scottie dog, Spider, whom he saved from the fire, are staying with John and Kathy Trapani.

The Northridge couple helped persuade Kehrer to move to the Valley from Oakland so he would be more accessible to quake victims. They also helped talk him into running CARE for three years.

"George is just great," said Kathy Trapani, currently the group's president. "We are very, very lucky to have him."