

Florida Realtors®

Hurricane Preparation and Recovery Plan

Introduction

When four hurricanes struck Florida in 2004, most local boards and associations were not prepared for the disruption and, in some cases, the damage. As a result, 2005 Florida Realtors® President Frank Kowalski formed a task force of the Association Executives Council composed of executives from organizations greatly impacted by the storms.

The task force prepared these guidelines to help organizations prepare and weather hurricanes. While this plan is structured for associations, the task force encourages brokerages and agents to refer to it in their disaster planning.

Before the Hurricane Season

1. Meet with the MLS vendor

This important service needs to be operational as soon as possible after the storm.

Ask the vendor if they can host your MLS data off-site, preferably out of state. There is probably a charge for this service. Inquire as to the location of the vendor's back-up system. Is it also housed in an area prone to hurricanes?

Be familiar with the clause covering "natural disaster" in the MLS contract and review with the vendor and your attorney.

2. Meet with your insurance agent

Include an officer and/ or member familiar with insurance jargon. Update the agent on recent equipment purchases or modifications to the building. Check on the following:

- Flood Insurance
- Policy Exclusions
- Replacement Coverage
- Modifications made by the insurance company to your policy since last review, if any.
- Amount of deductible (look at pros and cons of decreasing/increasing deductible)
- Is Business Interruption Insurance available?

Some companies offer mortgage disaster insurance that covers mortgage payment in the event of a disaster. Discuss the pros and cons of this with your insurance agent.

3. Meet with the landlord or management company if renting space for your association office to determine who is responsible for pre-hurricane preparation and storm recovery. Some leases hold the tenant responsible for securing property and/or repairs to the interior of the building. Check your renter's insurance policy with your agent.

4. Meet with the Leadership Team (elected officers) and decide the following: (Expand on this for your needs)

- a. Who and what conditions will determine when the office will be closed?
- b. Does the association have sufficient funds to repair the building in the event of major destruction or should the association secure a line of credit (offered through most banks)?
- c. Who will be responsible for the office preparation in the event of a hurricane?
- d. Review what is important to the association to safeguard and how/where it will be stored?

e. Discuss staff/leadership responsibility

5. *Contact at least one AE or association in your area* and create a partnership for member services in the event of a storm. You may be unable to conduct business for weeks and may need meeting space, lockbox service, MLS, CE classes or someone to process new members. Some associations may want to partner with another association outside of the area if the storm has widespread damage. Brainstorm with your partner on what would happen if you were out of business for an extended period of time.

6. *Video record and photograph* the building and the contents. Store copies of recordings and photos offsite.

7. *Update the office inventory list* including the date of purchase and the amount paid.

8. *Update home addresses, cell and land phone numbers* for staff, key leadership and vendors. Request emergency contact phone numbers for staff.

9. *Make a list of local, licensed repair and service companies.* These would include but not be limited to a roofer, plumber, tree service, electrician, water/mold remover, carpet cleaner, computer technician, mobile office provider, portable storage, dumpster, back hoe operator, trash remover, general handyman, portable potty provider, public adjustor, and/or mental health counselor. Your large property management companies may provide you with names of licensed individuals. If you have a list with telephone numbers it will save you hours of time if you have storm damage.

10. *Scan or make copies* of your insurance papers with policy numbers and store one copy offsite.

11. *Purchase basic supplies* that could include: heavy duty trash bags, plywood, waterproof storage for office papers, heavy duty extension cords, bottled water, duct tape, rubber gloves, bleach, plastic sheeting, maps of the area (for insurance adjusters) flashlights and batteries, portable radio, fire ant killer, manual telephone, hammer and nails, disposable cameras, cleaning supplies, mosquito spray, first aid kit, tarps (preferably blue), chain saw and gas. If you purchase a generator, be sure to know your needs and the capacity of the machine you purchase. Most generators require an industrial extension cord.

12. *Copy or scan* your office building plans and store offsite.

13. *Price and review* the benefits and costs of hurricane shutters or hurricane film for your windows.

14. *Review the association hurricane procedures,* especially with new employees. Give everyone a copy of the plan.

15. *Start a hurricane notebook* and write down everything. This will be your most valuable tool if a hurricane hits.

16. *Work with Florida Realtors* on the temporary emergency residential rental database to serve members and the public. In the event of a storm, this information will be important. This is an excellent project for the Property Management Committee.

17. *If you have an old roof, consider replacing it.* New roofs usually survive the storm and protect your building.

18. *Trim any large trees or hanging limbs.*

19. *Contact the telephone company* about establishing a dedicated emergency phone line.

Also consider outsourcing the telephone system.

20. Offer downloads of the *Florida Realtors Disaster Fund application* on your website and email a copy to each office with instructions.

21. Ask your *commercial brokers* to identify potential space in your community in the event the association headquarters and brokerage offices experience extensive damage during a storm and need to relocate.

22. Develop a *news media kit* - this would include radio spots, news releases on Using a Realtor and advising consumers not to panic sell. Florida Realtors offers radio spots for your use.

23. Review *hotel and speaker contracts* you have signed which occur during the hurricane season for cancellation penalties.

24. Schedule an *education program* for your members with a local attorney on handling contracts, closings and damaged properties after a storm.

When a Storm Is in the Box

1. Building and Equipment

Computer System

The association must decide what they want to protect: the hardware, the data or both. Some considerations:

- Laptops go home with the employees
- For desktops, take the PCs offsite and leave the keyboard and monitor wrapped in plastic and stored away from windows.
- Back up data and store offsite.
- Remove the network server from the building and put in secure location.
- Store computers in waterproof storage bins or fishing coolers.

Telephone System

Phone systems and needs vary depending on the association size. Some considerations:

- Outsource your telephone system out of state.
- Forward your phone system to voice mail.

Secure Windows

Most damage in a hurricane is caused by wind and water. Consider shutters, plywood or other method of securing the windows. Do not use duct tape on the glass or you will be scraping off the tape for the next 6 months.

Move all equipment away from the windows and wrap in plastic sheeting. The best spot is the center of the building and where there are no windows. If possible, do not store on the floor. Tape shut drawers of file cabinets.

Protect important documents

Determine what documents are considered critical to your operation. This may include a copy of your membership application, bylaws, articles of incorporation, major contracts (MLS, lockboxes) financial records, recent tax return, IRS exemption letter, staff files, health insurance and building insurance policies. These documents may be taken offsite, placed in a bank deposit box or in a fire safe in the office.

Checks and Cash

At least a month's worth of blank checks should be stored in a secure place. In the event of a severe hurricane, the association will need access to cash so it needs to be determined how much cash will be withdrawn and who will hold the cash.

Cancellation of Programs

If education or membership programs are scheduled, be sure to cancel with the speaker and the hotel. Notify all members who have pre-registered and any sponsors both electronically and by telephone.

Before the last person leaves the building:

- Clean out the refrigerator and leave the refrigerator door open.
- Take down the American flag.
- Bring in any outside debris or items such as benches, ashtrays, trashcans or recycle bins.
- Place sandbags in front of the doors.
- Turn off gas, electric and water to the building
- Regarding the security system, if the electricity goes out the system will probably go to a back-up battery. Check with the security company to determine whether or not to turn off.

- Concerning electric doors, check how these operate when the power is off as most batteries only are operational for 12 hours.
- Tape emergency contact names and phone numbers to the door.

2. Working with Staff

The safety and well being of your staff are primary concerns. Remember to be flexible as each staff member has different needs. Leave in plenty of time to get home safely.

- Review the association's hurricane procedure with the staff including closing, reopening, and duties of each person.
- Employees may need time off to arrange for childcare and to prepare their homes.
- Consider closing the office to coincide with the closing of area schools.
- Remind the staff to get gasoline and cash early. ATMs or credit cards at gas pumps don't work without electricity
- A hurricane can have a financial impact on the staff. Assure them the association will pay their salary if the office is closed.
- Check with each staff member personally to be sure they have a safe place to stay and/or if they have plans to leave the area. If leaving, get a telephone number where he/she can be reached and also give the staff person your contact number. Some associations allow the staff and their families/pets to stay in the board office overnight if no other shelter is available. This is important if staff lives in a mobile home or in a flood zone.
- Instruct staff to secure their work area. Personal items should be removed from the desk and everything picked up from the floor.
- Some large associations have telephone trees for reporting to supervisor

3. Member Outreach

- Communicate preliminary information about operations of the association and MLS in the event of a hit. This could be a forced message on MLS. This would include the emergency contact number and the website address to use after the storm. Remind them to remove yard signs if the hurricane is expected to hit their area.
- Distribute the Florida Realtors Disaster Relief Fund applications to each office prior to the storm and post on the website.
- Publish general hurricane information on the website, especially for new transplants.

After the Storm Clears

Wait for the all clear from the County Emergency Management before venturing out.

1. Staff

- Check on your staff first to determine priorities. Remember each staff person will handle the situation differently. Even if the person is not directly affected by the storm, there could be emotional trauma. Some may need an advanced or given money to make immediate repairs or to have trees removed.
- If staff has damage to their home, no electricity or water, or no place to stay, work with them to find alternative housing.
- Give clear direction on the office operations. Be flexible with work schedule.
- If building is damaged, staff may need to work from their home.
- If school is not in session, staff may need flex time or time off to care for their family.
- Set up a relaxation room.

2. Building

- Check building and assess damage. Best is an appraiser or home inspector (affiliate member) reviews the damage with you.
- Put up American flag if the flagpole is operational.
- Take photos and videos of damage before any repairs are made.
- Contact insurance company claims division and report the damage and record the claims number and the name of the representative.
- Make necessary repairs to secure the building and prevent future damage. The roof is the most critical. Do not make interior repairs until the roof is secure.
- Contact Leadership team and schedule emergency meeting to prioritize. In the event of heavy damage, be patient.
- If you have extensive damage consider hiring a public adjustor.
- Rebuilding is a slow process...

3. Members

- Contact members any way possible to assess damage. This may mean driving by the offices to see the damage. Distribute the disaster forms to those in need.
- If there is widespread damage, consider renting a hotel room(s) for your members to use to shower and cool off.
- Post FEMA forms on the website.

- If the association office is not damaged, set up some space for members to use the computer, fax or local telephone.
- Communicate as often as possible with your members any information on the real estate activity, MLS and general recovery efforts.
- Set up a collection/distribution system for food or other supplies for your members in need.
- There will be an influx of out of town brokers who will converge on your area wanting to list and sell property. Let the brokers know the policy regarding cooperation and compensation outside of your MLS.
- The association should be the source of information for the news media about real estate recovery.
- During storm recovery, there are many legal problems with real estate transactions and postponed closings. Schedule an education forum that could include an attorney, title company, appraiser, and mortgage representative to help with special problems.
- Encourage members to become involved in community redevelopment.
- Coordinate with Florida Realtors and ensure that the members receive disaster funds.
- Publish a list of licensed contractors from the builder's association.
- You will have many offers of help from around the state/nation. Organize this and use them.