

# Neighborhood Risk Management Corp. HUB International Ltd.

## Emergency Preparedness and Getting to the CORE of Crisis Management

NTI – KC May 6, 2015



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# AGENDA



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1. Disaster Basics



2. Duties owed to tenants and others



3. How people *really* act in emergencies



4. Planning made easy

# DISASTER BASICS



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# WHAT IS AN EMERGENCY?



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An actual or impending situation that has the potential to cause injury or loss of life, property damage, interrupt operations, or contaminate the environment



# WHAT IS A DISASTER?



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A serious disruption of the functioning of society, causing widespread human, material, or environmental losses which exceed the ability of affected society to cope using only its own resources





# 2013 DISASTER MAP

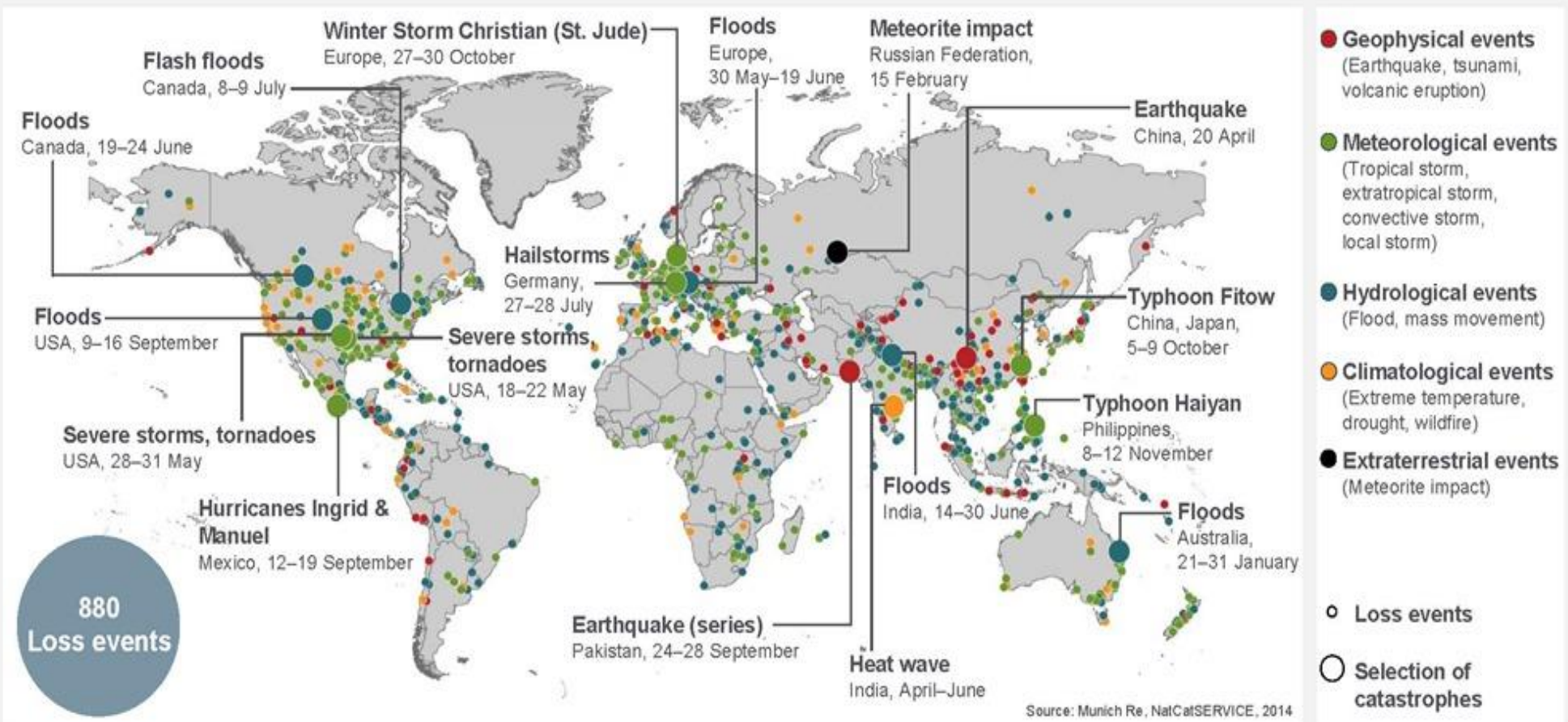


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NatCatSERVICE

## Loss events worldwide 2013 Geographical overview



# ARE DISASTERS HAPPENING MORE?



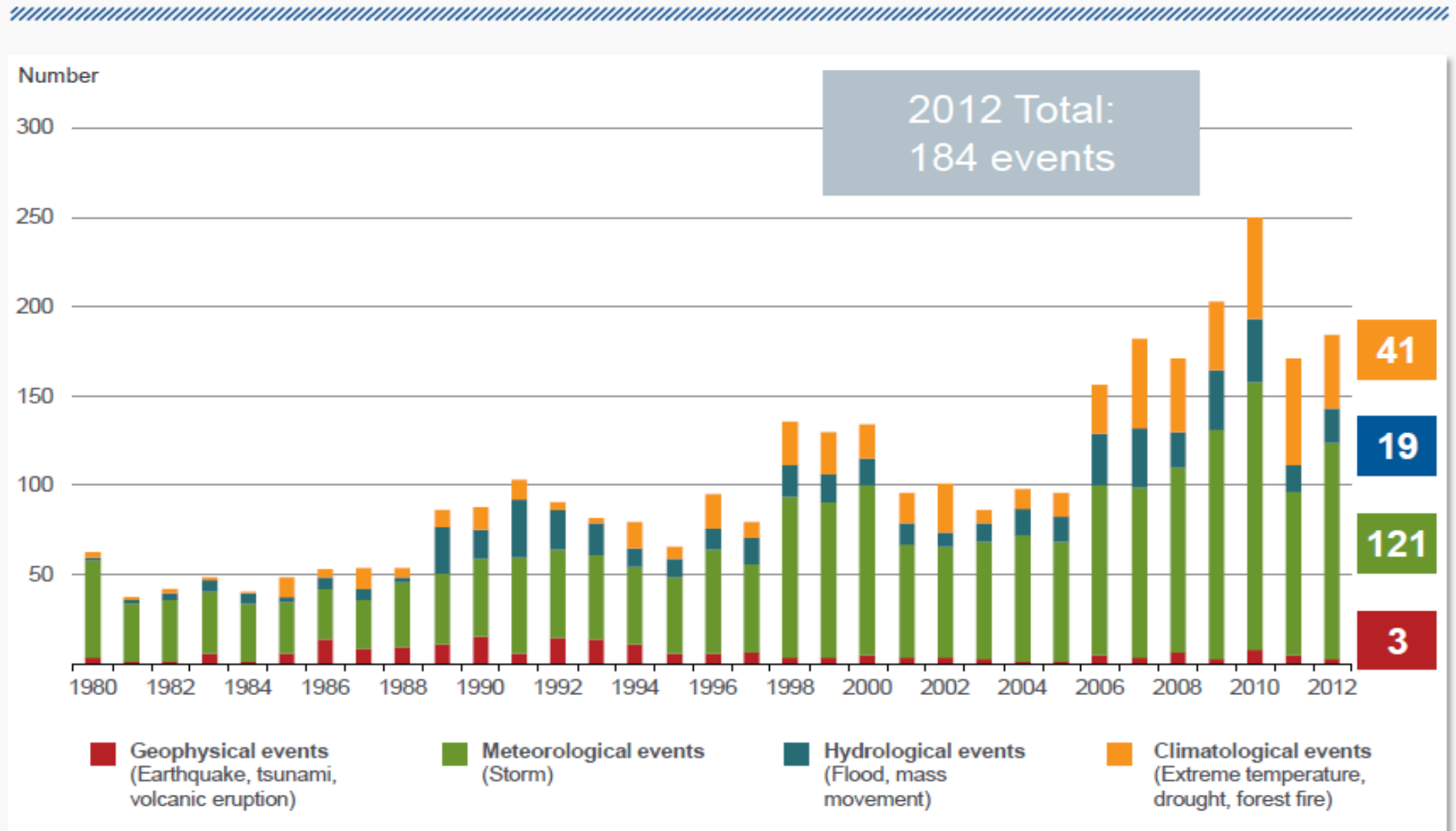
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US Natural Catastrophe Update

## Natural Catastrophes in the USA 1980 – 2012

Number of events



# ARE DISASTERS GETTING WORSE?



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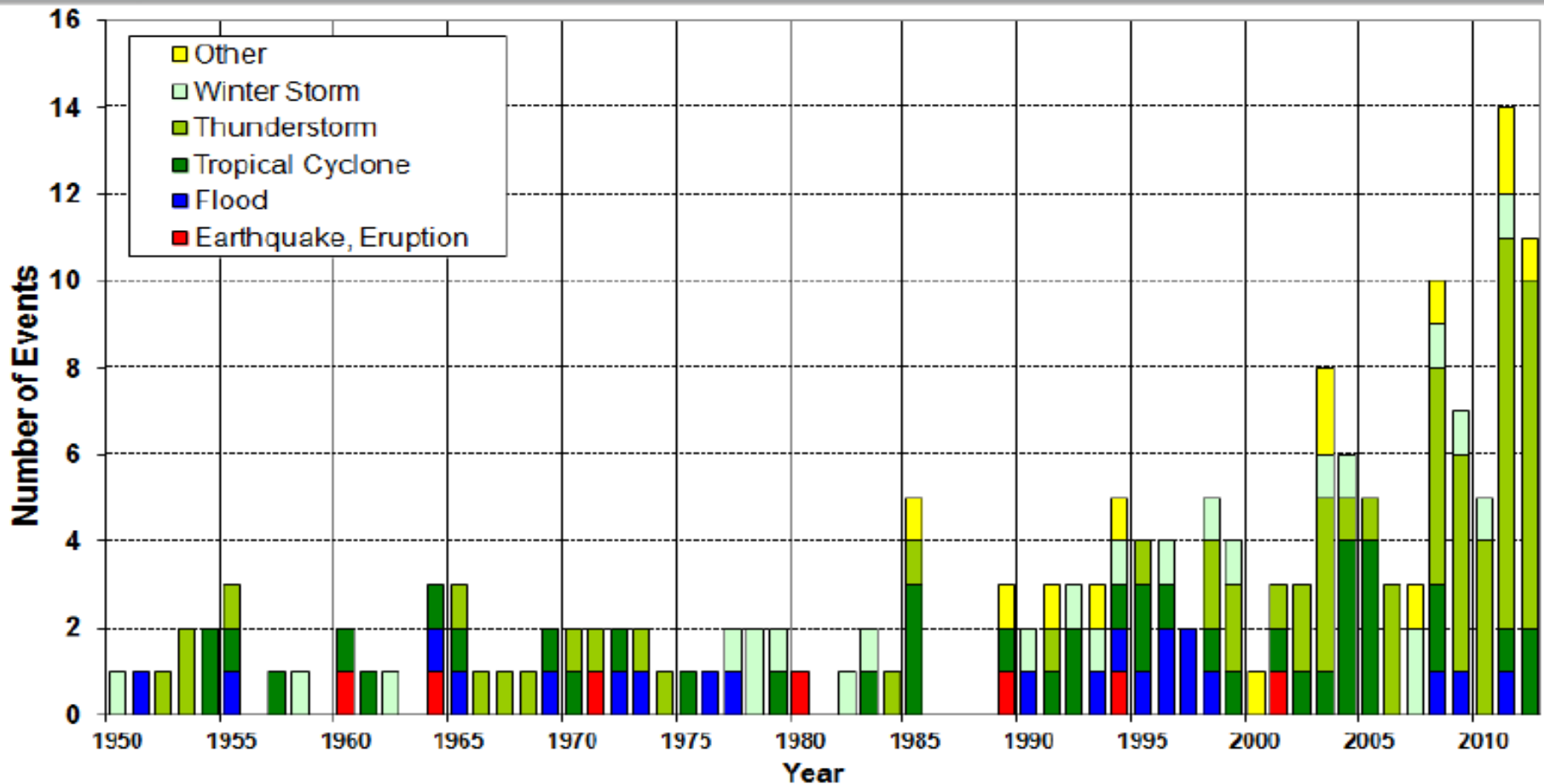
US Natural Catastrophe Update

## Significant Natural Catastrophes, 1950 – 2012



Number of Events (\$1 billion economic loss and/or 50 fatalities)

Eleven significant natural catastrophes occurred in the United States in 2012.





# WHAT DO WE KNOW ABOUT DISASTERS AND ...



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- Who they affect?
- How do they affect our properties?
- How employees tend to respond?
- How do residents tend to respond?
- How the general public tends to respond?
- How the government responds?
- What we can do about them?



# TWO ASPECTS OF THE ISSUE



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- Proactive/Preventative Preparation
- Preparedness for how to respond
- Properties / Residents & Staff
- Your organization



# DUTIES OWNED TO TENANTS IN DISASTERS



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# BUT REGULATIONS ARE ONLY THE START



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## Landlord of two downtown Manhattan buildings accused of gross negligence in preparing for Hurricane Sandy

In a class-action case filed Tuesday in Manhattan Supreme Court, two residents, Michael Cashwell and David Barker, accused the owners and managers of adjacent buildings at 2 Gold and 201 Pearl St. of gross negligence in preparing for the storm and dealing with the havoc it wrought.

BY BARBARA ROSS / NEW YORK DAILY NEWS / Wednesday, November 21, 2012, 2:02 AM

A A A





PROACTIVE/PREVENTATIVE PREPAREDNESS =  
RISK MANAGEMENT =  
CRISIS MANAGEMENT =  
LOSS MITIGATION







## HOW WILL YOUR ORGANIZATION KNOW HOW TO REACT IN THE FACE OF A CRISIS?



# WHO IS IMPACTED?



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- Your Residents
- Your Organization
  - Staff
  - Investors
  - Lenders
  - Regulators
  - Board
  - Vendors
  - ? ? ? ? ?



# DUTIES OWNED TO CONSTITUTENTS IN DISASTERS



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# DUTIES OWNED TO TENANTS IN DISASTERS



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**Are**  
**Expectations > Reality**

**? ? ? ? ?**

# ARE YOU AWARE OF REGULATORY REQUIREMENTS?



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Fire prevention codes  
Life Safety Code ®  
Building codes  
OSHA standards  
Environmental Law  
Local ordinances





# ARE YOU PREPARED?



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- Understand your organization, its constituents and assess the risks you face. Identify your assets and the impact of their loss – temporary or permanent.
- Organize your emergency plans based upon your organizational assessment.
- Test your procedures.



## **The Day After a Crisis, Will You Be Prepared to Answer These Questions:**

- Are we in compliance with all federal, state and local laws and regulations relating to our properties?
- Do we have a crisis communication plan?
- Who is on our crisis management team?
- Do we have the right insurance that covers a variety of emergencies and crises?
- Has any of our data or the data of our residents been compromised?



## Crisis Management Team

- Core Team:
  - Senior Management, including communications and HR
  - Corporate counsel
  - Property Managers: Internal and External
- Designate a Crisis Manager or Coordinator
- Notify and coordinate with insurers, if applicable.

# ARE YOU PREPARED?



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## Loss Mitigation Team

- Core Team:
  - Senior Management, including AM and PR (internal and external)
  - Corporate counsel
  - Those who can help deal with the emergency physical plant
- Designate a Crisis Manager or Coordinator
- Notify and coordinate with insurers, if applicable.

# YOUR PRIORITIES



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Safeguard residents,  
employees, visitors, and public

Protect physical assets  
(buildings and equipment)

Minimize business impact

Environmental protection

Protect reputation and image

Avoid civil litigation

Ensure regulatory compliance

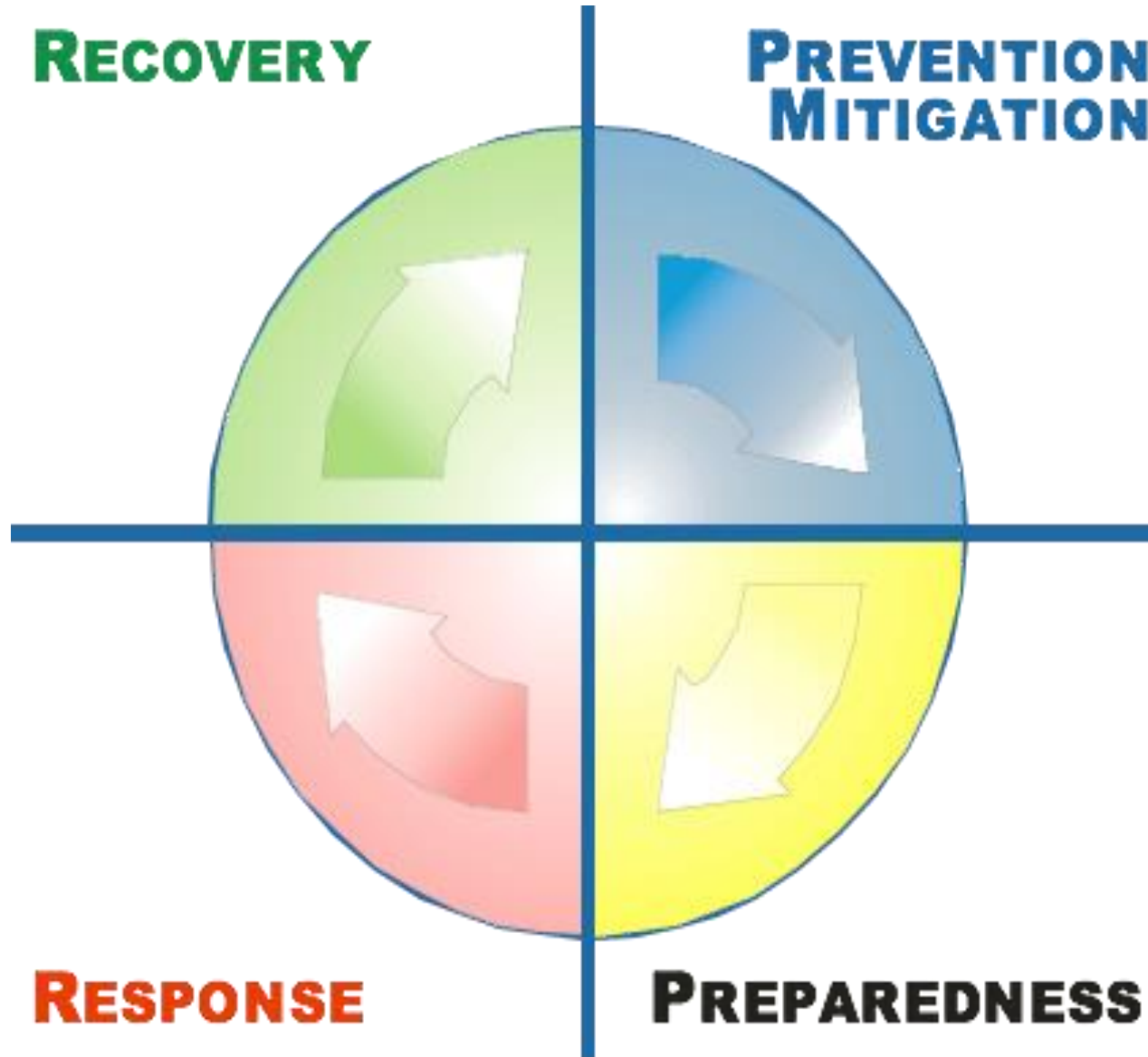




# EMERGENCY MANAGEMENT 101



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# HOW PEOPLE *REALLY* ACT IN EMERGENCIES / DISASTERS



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# WHAT IF...?



Assess the situation and ANTICIPATE



Before you plan, MITIGATE



Provide information to residents about emergency planning to help them help themselves. ENLIST their suggestions and participation



DEVELOP and MAINTAIN emergency response plans / processes specific to each property that is tailored to needs



## Know Your Insurance – Before the Crisis

- Know how to locate your insurance broker (24/7).
- Know your basic coverage terms – have a summary and know how to easily access your COMPLETE policies.
- Know your contractual risk transfer provisions
- If relying upon the insurance of others, know how to access insurance certificates and that other insurance.
- Know how to notify your insurance carrier.



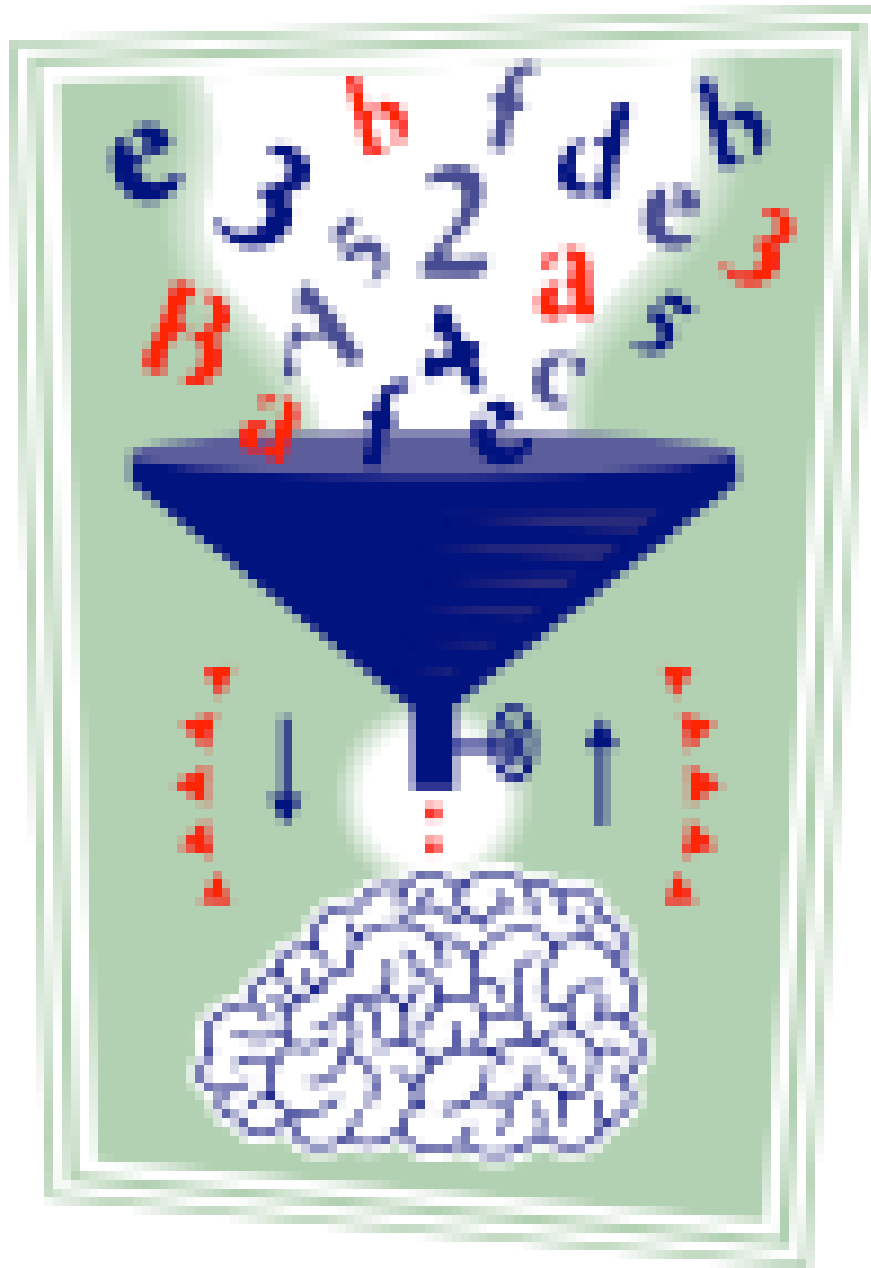
## Know Your Insurance – Before the Crisis

- Maintain receipts for emergency repairs.
- Know how to obtain police and fire department report.
- Know how to access your organization's internal records 24/7.
- Maintain an inventory of your property to have a baseline of your property damage.
- Be prepared to devote resources to dealing with the crisis.

# PROVIDE INFORMATION TO RESIDENTS - PREPAREDNESS



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- Know where key plans and key keys are located. How to turn off: water, alarms, electrical
- Residents with special needs.
- Conduct periodic fire, safety and evacuation drills.
- Broadcast systems/ Intercoms
- Reverse 911
- Buddy Systems / Floor Captains



# DRILL & RE-EVALUATE WITH YOUR RESIDENTS AND PROPERTY STAFF THROUGHOUT THE YEAR

## Preparedness is a Team Sport!

# DEVELOP ALL-HAZARDS EMERGENCY RESPONSE PLANS / PROCESSES



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- Develop your plans
- Validate your plans
- Communicate your plans
- Keep your plans current and accessible.
- Reevaluate your plans, especially as your organization changes.
- AND, make sure your plans are accessible when the crisis hits.



# DEVELOP ALL-HAZARDS EMERGENCY RESPONSE PLANS / PROCESSES



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- Crisis APPS
- Accessible Lists
- Validate your plans



# WAIT! I CAN'T DO IT ALL MYSELF!



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## You don't have to!

- Determine Needs
- Provide Evaluation
- Help Construct a Plan
- Provide Training
- Test / Exercise the Plan

## Preparedness is Key