

### Do You Have a Plan?

You can't stop disasters from hitting your facility, but you can prepare for them.

By Laura Fries

It's not just a catchy motto, it's a smart business move, especially for self storage owners. The saying goes, "Hope for the best but plan for the worst." No one expects a disaster, but if you are prepared for emergencies, you can get your business back up and running quickly if you've done your homework.

Matthew Van Horn knows this all too well. Vice president of operations for Cutting Edge Self Storage, and president of the Florida Self Storage Association, Van Horn deals with lots of hurricanes. At one point in his career, he was managing properties in Joplin, Missouri, when in 2011 the town was hit by a category EF5 tornado. Although his facilities were not in the direct path of the devastating twister, the swath of damage from winds exceeding 200 miles per hour and a funnel a mile wide reverberated throughout the community.

"The first few days after a disaster are absolute chaos," he said. "You can't get food, gas or ice. Sometimes you can't even get in to your facility. Roads and airports may be

This storage facility in Joplin, Missouri, sustained damage but was fortunate to escape the full wrath of an EF5 tornado.

Photo courtesy of Matthew Van Horn

closed. Hotels are full. Communication is at a standstill. This is where disaster training comes in. You need people you trust, and you need to train them well.

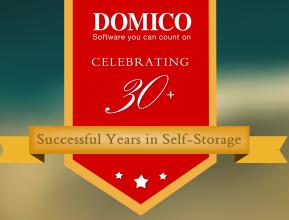
"Even if your building doesn't sustain damage, your utilities will," he added. "You won't have power, cell service—basic communications. All of our day-to-day operations are based on Internet receipts, but in events like this, everything goes old school," he said.

#### Safe, Not Sorry

Recognize that while you can't prepare for every disaster scenario, you can work to reduce your vulnerability. The most important thing, said Michele Cavaliere, vice president of Access Self Storage, is to have an emergency plan in writing and make sure all of your employees have a copy—on paper. Make a habit of regularly backing up computer files to a remote location, so that when disaster does strike, key people can access important information.

Cavaliere knows the importance of these measures first hand. In 2012, she and her team had to prepare 17 facilities on the East Coast in the face of Hurricane Sandy.

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As the storm approached, they prepped by securing outside obstacles, cleaning spouts and gutters, moving computers and filing equipment to higher floors, and sandbagging entrances. Facilities with parking tenants called each customer, advising them to move vehicles to higher ground.

She also had her teams print the rent roll, lists of vendors—including electrical, plumbing, HVAC, auto doors, security and even landscaping—as well as the company's emergency phone tree. Basic prep, said Cavaliere, also included purchasing gas for cars, charging cell phones and filling coolers with extra ice.

This kind of prep not only helps with the storm, but it ensures that your facility is accessible as quickly as possible in the aftermath. Investing in temporary lighting, generators, cases of water and non-perishable food is a smart idea. Have policies in place in case your customers' ability to pay rent is impacted because of the disaster, or if normal methods of payment, including postal service and electronic payment services, have been disrupted.

Of their 17 sites in the path of Hurricane Sandy, Cavaliere said all but two were back in business relatively quickly. The Long Island facility, however, was hit the hardest, with water reaching six feet above the facility loading dock. The resident manager was evacuated by NYFD in a rescue boat.



"A storage facility is not that different from your average home," said Diane Piegza, a vice president for Sovran, which owns and manages nearly 500 storage properties under the Uncle Bob's umbrella. "That's something that storage owners struggle to convey to the customer. If the whole town is flooded, chances are the storage facility is as well. Customers have the perception that we can prevent it from happening, but unfortunately we can't." The best you can do is make sure your facility is as disaster-proof as possible. Using impact-resistant glass when possible, and anchoring large objects and appliances, are simple but effective safety measures. If you live somewhere prone to wildfires, you may want to plant landscaping farther away from your building.

Since Hurricane Sandy, all new construction for Access Self Storage is done with lessons from that disaster in mind. "Major design, construction and investments were needed to make the facility less likely to incur that level of damage," Cavaliere said. Now, facilities are built with electrical panels and all power sources on the second floor of the building. "We are planning on waterproofing the exterior of the building as well as installing flood gates."

Van Horn's Florida properties are fitted with hurricane shutters for extra protection. "We hadn't had a hurricane hit in 25 years, but it only takes one," said Van Horn. "You learn a lot. Have supplies available. Know that you'll be doing things by hand. If you can get your tenants on some insurance plan, that's always a good legal option. No one wants to do insurance until you need it. When you get into these situations, if the building gets destroyed along with their possessions, people get upset. It helps if you have that added layer of insurance."

Piegza stands by the motto, if it's worth storing, it's worth insuring. "We require all of our customers to carry insurance. Some already have home policies with provisions on rental units, or they can purchase through a third-party provider. One way or the other, that needs to be part of the conversation."

Piegza also advised reminding customers to exercise common sense in their storage units. "All good operators take every precaution to make sure disasters don't happen, but if there isn't a cage around a light bulb and a customer lays a mattress against it, it can start a fire. If you wouldn't do it in your home, don't do it in your storage unit." Still, it's important to remember that property can always be replaced. Make sure your employees are safe. Keep updated contact information—at least two numbers for every employee (and customer)—and make your team's welfare a top priority.

Know evacuation routes in your area and keep an evacuation plan in place for employees if the worst should happen. Recognize that even if your facility hasn't been hit by a disaster, your employees may have been affected personally in some way. Have back-up or temp employees on call to help if your regular employees are facing their

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own crises. Consider housing them in nearby hotels. If your facility has been compromised by a disaster, don't delay delivering the bad news. The longer you wait, the more emotions boil over, says Piegza. Reaching out in person is the best alternative, but consider a crisis management team if the event warrants it.

#### **Know Your Resources. Be A Resource.**

A natural disaster is defined as basically nature in any extreme form, from drought and excessive heat to flooding and frigid temperatures.

A facility in Vermont won't worry about earthquakes as much as their California counterparts, but it should have a good plan in place for snow emergencies and Nor'easters. Southern regions should focus on hurricane preparedness, Midwesterners should keep on top of tornadoes, and West Coasters should pay attention not only to earthquakes but to wildfires, and, in some cases, mudslides.

Your property insurance should correctly address the risks in your area, and all construction should follow building codes and best practices for your region. Many regular policies require additional coverage for things like flooding and wildfires. It's also a good idea to know what the laws are with regard to destruction of rental property and whether you are compliant.

The Self Storage Association offers a podcast and handbook for purchase that talks about these types of disasters and offers great information on how to keep a level head in a stressful situation—not to mention preserving your income and looking to the future. (Visit selfstorage.org for more details.)

The EPA has a plethora of information on how to prepare and what do after a disaster, both man-made and natural. For instance, it might seem like a good idea to burn a lot of trash during cleanup, but that might not be legal or safe. Check your state's emergency management plan for specific information on your location.

Many people affected by disaster may need a place to store their belongings temporarily. This is not taking advantage of people in a time of need. The storage industry offers a solution at a time when there are not enough answers to an overwhelming number of problems. Do they need a storage facility or mobile storage? Peace of mind or real help? Businesses, especially storage facilities, are part of the process of rebuilding and helping people desperate for a place to put belongings.

It's not unusual for a facility to go from 70 percent to 90 percent occupancy after a disaster, so owners and managers need to be on their game and ready to help. Offer greatly reduced or donated storage for first responders or those in greatest need. Your kindness and help will not soon be forgotten by your community. ❖