

Queensland Floods: Disaster Recovery Procedures and Best Practices



Introduction

The entire state of Queensland experienced extreme weather conditions in December 2010 and early 2011. Severe rain caused an area the size of Germany and France to be inundated by flood waters at the height of the crisis in early-2011. Brisbane and Ipswich experienced the most significant flooding since 1974. The flooding event was followed by Tropical Cyclone Yasi that hit the North Queensland coast between Townsville and Cairns in late January 2011.

Jones Lang LaSalle has partnered with our corporate clients to prepare for these natural disasters (where possible) and seek to restore properties to functioning order as soon as possible. From Cairns to Townsville, Rockhampton to Toowoomba, Stawell to Ballarat, our facility management teams have in many instances worked around the clock to help our clients minimise damage, undertake recovery works and implement plans to mitigate the risk of any future natural disasters.

The Queensland floods impacted nearly 100 client sites in Jones Lang LaSalle's facilities management portfolio, the majority of these being cut-off by rising waters, with nine of them suffering minor or major damage. A number of sites were also impacted in Victoria as a result of the flood waters moving south. Cyclone Yasi impacted almost 50 sites across the portfolio in a similar fashion with thankfully only two suffering minor damage.

In this report Jones Lang LaSalle will share what worked well in the lead-up to and following these natural disasters, what some of the lessons learnt were and what we consider to be best practise preparation for natural disasters in the future.

We would like to recognise our facility management teams who worked tirelessly through the crises, as well as our clients who engaged with us so we could together minimise the outage of the sites impacted.

What Worked Well

Communication is a critical factor influencing success or failure in a crisis. Our disaster communications teams worked hand in hand with those of our clients to ensure that updates were being regularly dispatched to all stakeholders. Some of the communication elements that worked well in our experience were:

- A **single point of contact** for all communications – to streamline the dissemination and collection of information
- A **daily update call** to take place at the same time with the same teleconference number to make the process as simple as possible for all stakeholders
- Daily reports to be released at the **same time** each day so that interested parties could know when to expect them
- A **two-tiered approach** to communication – with people onsite able to gather ‘up to the minute’ information which was fed back to a centralised communications hub for analysis and distribution to all stakeholders
- **Mapping all relevant stakeholders** – not just simply the real estate team or even the broader business leaders, but inclusion of other stakeholders who may have the ability to help the site become business-ready as soon as possible such as the landlord, electricity supplier, insurance provider
- **Co-location of communications teams** (Jones Lang LaSalle and client teams) into a disaster headquarters to ensure all information was being shared as quickly as possible and facilitate faster decision making
- All communication that is issued from a communication centre, should include a range of communication channels such as SMS, email and all communications should be **posted on the company website**
- A **robust after-hours** communications platform to be able to support the disaster management effort

In instances (such as cyclone Yasi) where forewarning was available, making preparations to have **essential services on standby** proved to be effective in bringing sites back to operational readiness more quickly. Our facility management teams in some cases were able to work with their preferred suppliers to have contractors on standby ready to commence work or provide services as soon as it was declared safe to do so. This included making sure that interstate resources were ready to go into action when it was required. Essential services that we were able to place on standby included:

- Generators (along with fuel)
- Emergency response teams (to ‘make safe’ sites)
- Waste arrangements including port-a-loos
- Handymen
- Drinking water
- Basic building materials
- Electricians
- Plumbers
- Air conditioning techs
- Security companies

In addition, where we had time, we were able to prepare sites to minimise damage from strong winds and rising waters. We ordered in generators, taped and boarded windows where possible and sand-bagged along the entrances to a number of sites which significantly lessened the impact of cyclone Yasi.

Given the damage suffered to a number of sites under Jones Lang LaSalle management, we had to secure short-term accommodation for our clients very quickly. In one instance we were able to lease emergency space and have it operational with all services two days after it was requested by our client. In another, we secured a 12 month lease 10 days after instruction from our client, with occupancy granted another three weeks later. Our connectivity to landlords through our Tenant Representation team and our ability to mobilise our Projects team to undertake fit-out work compressed the timelines significantly.



Jones Lang LaSalle was able to leverage knowledge across our portfolio of client sites, to share ideas on how to ensure operational readiness as quickly as possible, as well as sharing resources where available. For example inspections that were carried out in flood-affected areas were shared with other occupiers that also had facilities in the location. Similarly, companies could have the same results working with major contractors, achieving not only economies of scale, but also sharing information and services with other organisations in the disaster zone.

Lessons Learnt

One of the clearest lessons learnt through the recent disasters is the need to **incorporate short-term flexibility and tactical plans into the long-term real estate strategy**. This is also something that was witnessed during the Global Financial Crisis. Given the nature of the assets they manage, CRE executives have historically been very good at preparing long-term, strategic real estate plans – generally having a three-year plus planning horizon. But many were caught short and not able to implement tactical responses in the face of a crisis, either economic or a natural disaster. Whether it be a requirement to dispose of space quickly or in the case of a natural disaster, acquire new space, having a short-term contingency already in place can save significant

time and money. CRE teams should develop a short-term tactical plan for each 12 month period under their long-term strategic plan that will allow for flexibility when unforeseen circumstances arise.

In any situation where communities and businesses are impacted by disaster, there is a desire to return to normality as soon as possible. We experienced a number of situations where pressure was applied from the business to the real estate team to declare the site fit for occupancy. **It is critical that the in-house real estate team** (or their outsourced provider) **have the final say on declaring a site operational again**, ensuring that all items on the pre-occupation checklist are completed prior to anyone accessing the site. However, it is noted that these checklists need to be practical and focus principally on restoring essential services, where some other works can be undertaken once the business has resumed occupancy. Making them too cumbersome will frustrate both landlord and tenant.

Similarly, immediately following a disaster, it should be the sole responsibility of the real estate team to liaise with emergency services to undertake an inspection of the site prior to clean-up. Here liaison with the landlord is critical to making this happen as quickly as possible.

Having an **agreement with preferred suppliers** that they will have dedicated resources in the event of a disaster was shown to significantly reduce site closure time. This is something that organisations should consider putting in place with their suppliers, it saves a lot of time and negotiation at the time of the event. Building working relationships across different property disciplines (for example between our facility managers and project managers) ensured that sites were habitable faster after the flood event.

Social media proved to be a powerful communications tool. As organisations lost power, their servers and IT systems failed in many instances and social media networks such as Facebook and Twitter allowed them to post

messages to employees informing them of the situation. Many organisations have restrictions on the use of social media within business hours, but need to have a strategy for tapping into these networks as an essential communication channel in the event of a disaster.

Preparation is critical. The recent natural disasters exposed under-preparation in many organisations across the country. Ensuring that Disaster Management and Business Continuity Plans are up to date, tested, communicated across the business and housed online is essential. Understanding the capacity of back up services such as water tanks, diesel fuel capacity and generator run times should be part of the process. Testing should include loading the recovery facilities to full capacity, and understanding the grid capacity and alternate feeds. It is those companies that had a robust Business Continuity Plan in place that were able to best navigate through the disasters.

Corporates can be proactive in approaching the landlord and work together with them prior

to cyclone or bushfire season to have the site as best prepared as possible for any disaster. Another learning was to develop ‘**crisis kits**’ for properties in flood prone locations to include tape and sandbags that can be used in the event of an emergency.

With the majority of essential services dependent on electricity, think through back-up solutions for each of these services. For instance across a number of sites during the floods automatic security systems failed which prompted a requirement for additional mobile patrol units. Being prepared for this situation, with resources on standby, saves critical time during the actual event.

Post Flood Event

Based on our experience across numerous retail and commercial sites in Queensland, in particular, we have developed a recommended checklist of building considerations post a flood event. These (shown overleaf) are elements that tenants and landlords should work on together to address and rectify or prepare against future events.



Post-Flood Considerations: Tenants and Landlords Working Together

Flood investigation study	<ul style="list-style-type: none"> • Commission an independent flood investigation report, including a structural and hydraulic assessment of the causes of the flooding and possible prevention measures for future flood events
Electrical installations	<ul style="list-style-type: none"> • Review the location of critical electrical installations to avoid inundation in future • Check if the emergency generator or any of its components are a flood risk zone of the building
Heating, ventilation and air conditioning (HVAC) installations	<ul style="list-style-type: none"> • Review the location of the HVAC installations • Consider installing any supplementary equipment should the landlord's equipment go down
Hydraulic installations	<ul style="list-style-type: none"> • Investigate if the sump pumps need to be resized and connected to emergency generator supply, and pits redesigned • Check to see if the control panels can be located out of the flood zone • Consider plugging or isolating terminal manholes for sewerage or stormwater in the event of an emergency
Fire protection system installations	<ul style="list-style-type: none"> • Locate the fire protection systems can be located outside of flood-prone zones
Building Control Management Systems	<ul style="list-style-type: none"> • Ensure the building management system head end is not in the flood zone • Check that the head end and the network controllers are supplied via UPS / generator
Security access system installations	<ul style="list-style-type: none"> • Ensure the security systems has UPS or generator support • Check if the critical electrical installations associated with the building's security system can be located outside of flood-prone areas
Flood management plans	<ul style="list-style-type: none"> • Review or develop in conjunction with the landlord a flood emergency response plan based on lessons learnt
Mould	<ul style="list-style-type: none"> • Seek advice for mould growth from an environmental consultant if there is visible mould growth or visible water damage
Corrosion	<ul style="list-style-type: none"> • Investigate additional corrosion risk caused by flood waters and ensure the landlord budgets for any necessary maintenance to plant and equipment
Environmental contamination	<ul style="list-style-type: none"> • Consider the installation of underground storage tanks to prevent leakage and potential migration of contamination from generators
HazMat (asbestos) disturbance	<ul style="list-style-type: none"> • Where hazard materials have been identified on impacted sites, assessment of potential disturbance is essential before reoccupation

In addition, tenants are advised to review their insurance policy arrangements with their broker to determine if any matters caused by the flood will impact policy exclusions and premiums. It is critical to maintain both documentary and photographic evidence of all matters relating to the property over the next 12 months.

For companies that do business in flood or bush-fire prone areas (and there are many), there are some basic due diligence that should be done up-front prior to any lease agreement being signed.

This includes:

- Review flood zone level with local authority
- Review level of building/plinth with respect to roads/drains/rivers
- Adequate storm water draining available
- Capacity and location of back up services
- Review of easements
- Do due diligence early

Best Practices

Best practice management of disasters or crises comes down to being prepared. Having a robust Business Continuity Plan in place with detailed processes to follow will help to facilitate quick decision making to minimise the impact to property and business. There is no one-size-fits-all solution and Corporate Real Estate teams need to be prepared to adapt to situations that change very quickly. We have developed a number of tools that could be included in these disaster recovery plans based on our experience in recent months.

They are:

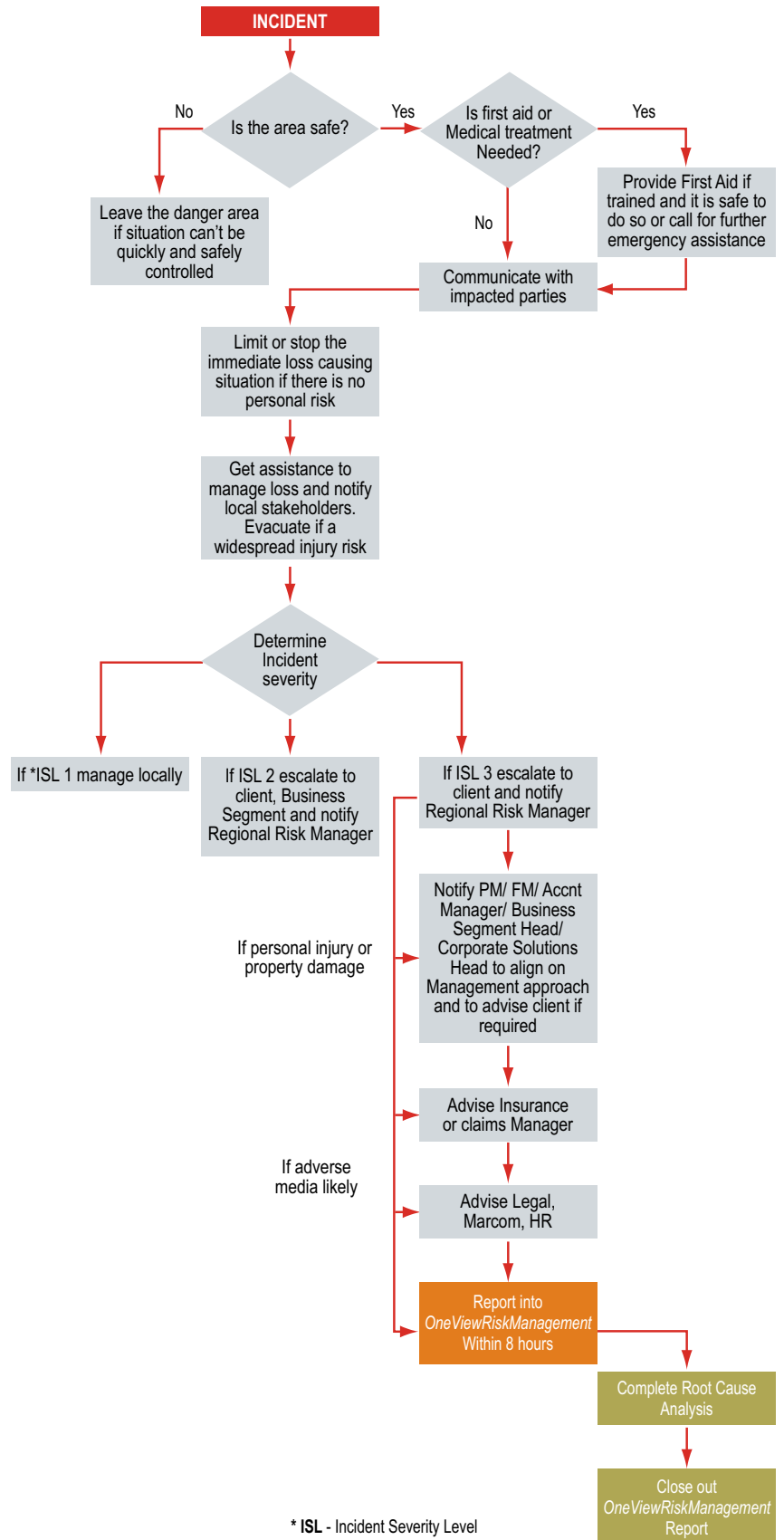
- Escalation processes
- Detailed site information checklists
- Post-flood inspection checklists
- Operational readiness checklists
- Post disaster re-occupation checklists
- Cyclone readiness guides
- Post earthquake guides

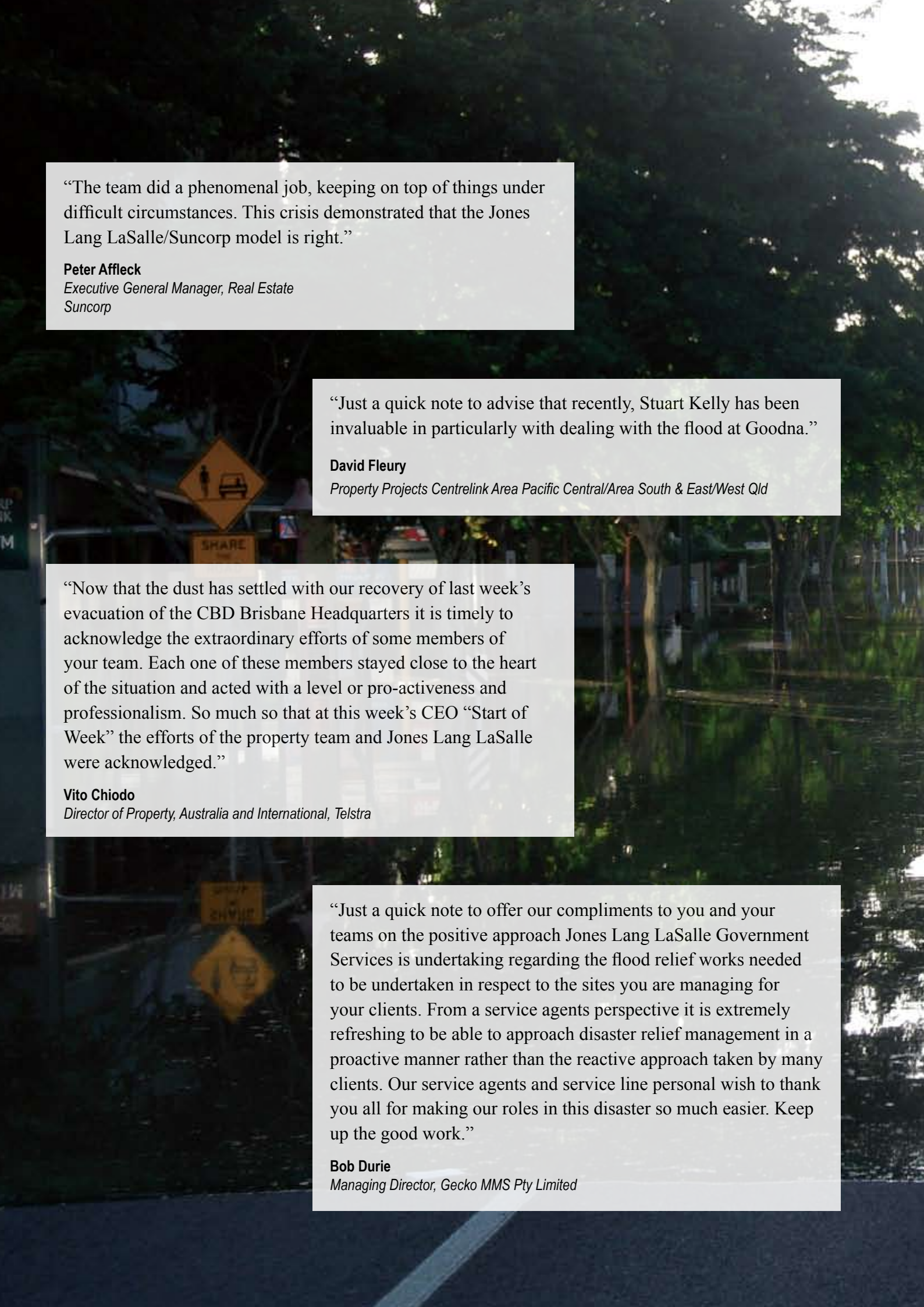
A crisis management or incident response team should include a wide variety of skills sets to ensure the best outcome, with representatives from the following disciplines:

- Senior Management
- Engineering and Risk Management teams
- Health & Safety
- Human Resources
- Specialist Risk Management professionals with access to government and environmental experts
- Legal
- Marketing & Communications

In our experience we have developed a number of processes to respond to incidents in the quickest possible way to minimise damage to property and danger to employees at the facilities that we manage. Adjacent is an example of an incident management process. Overleaf is some recent feedback from our clients on our disaster management response.

Incident Management - Non Critical Sites





“The team did a phenomenal job, keeping on top of things under difficult circumstances. This crisis demonstrated that the Jones Lang LaSalle/Suncorp model is right.”

Peter Affleck

*Executive General Manager, Real Estate
Suncorp*

“Just a quick note to advise that recently, Stuart Kelly has been invaluable in particularly with dealing with the flood at Goodna.”

David Fleury

Property Projects Centrelink Area Pacific Central/Area South & East/West Qld

“Now that the dust has settled with our recovery of last week’s evacuation of the CBD Brisbane Headquarters it is timely to acknowledge the extraordinary efforts of some members of your team. Each one of these members stayed close to the heart of the situation and acted with a level of pro-activeness and professionalism. So much so that at this week’s CEO “Start of Week” the efforts of the property team and Jones Lang LaSalle were acknowledged.”

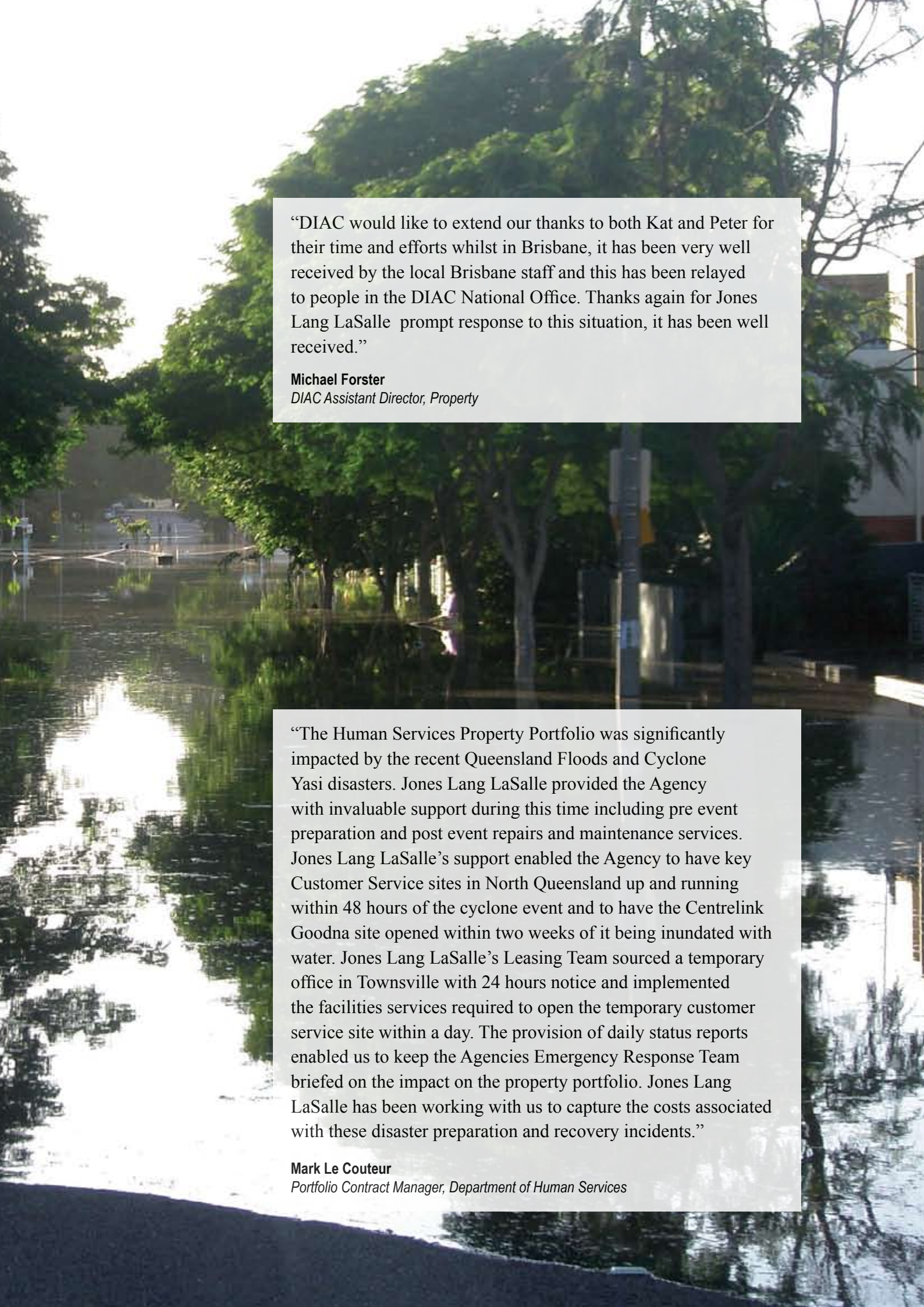
Vito Chiodo

Director of Property, Australia and International, Telstra

“Just a quick note to offer our compliments to you and your teams on the positive approach Jones Lang LaSalle Government Services is undertaking regarding the flood relief works needed to be undertaken in respect to the sites you are managing for your clients. From a service agents perspective it is extremely refreshing to be able to approach disaster relief management in a proactive manner rather than the reactive approach taken by many clients. Our service agents and service line personal wish to thank you all for making our roles in this disaster so much easier. Keep up the good work.”

Bob Durie

Managing Director, Gecko MMS Pty Limited

A photograph of a flooded street with trees and buildings in the background. The water is murky and reflects the surrounding greenery. The scene is captured from a low angle, looking down the length of the flooded road.

“DIAC would like to extend our thanks to both Kat and Peter for their time and efforts whilst in Brisbane, it has been very well received by the local Brisbane staff and this has been relayed to people in the DIAC National Office. Thanks again for Jones Lang LaSalle prompt response to this situation, it has been well received.”

Michael Forster
DIAC Assistant Director, Property

“The Human Services Property Portfolio was significantly impacted by the recent Queensland Floods and Cyclone Yasi disasters. Jones Lang LaSalle provided the Agency with invaluable support during this time including pre event preparation and post event repairs and maintenance services. Jones Lang LaSalle’s support enabled the Agency to have key Customer Service sites in North Queensland up and running within 48 hours of the cyclone event and to have the Centrelink Goodna site opened within two weeks of it being inundated with water. Jones Lang LaSalle’s Leasing Team sourced a temporary office in Townsville with 24 hours notice and implemented the facilities services required to open the temporary customer service site within a day. The provision of daily status reports enabled us to keep the Agencies Emergency Response Team briefed on the impact on the property portfolio. Jones Lang LaSalle has been working with us to capture the costs associated with these disaster preparation and recovery incidents.”

Mark Le Couteur
Portfolio Contract Manager, Department of Human Services

About Jones Lang LaSalle

Our Integrated Facilities Management business has a portfolio of 3.75 million sqm across the country, as well as \$1.8 billion in operating revenue under management on behalf of our clients. We seek to drive maximum efficiency and safety while driving and measuring productivity gains from client facilities.

During the recent natural disasters, we provided the following services for our clients:

- Site evacuation
- Managed disaster management program
- Site assessment post flood
- Leasing emergency space
- Site remediation
- Capital works
- Reviewed existing disaster management plans

We were able to leverage our network of client sites to share knowledge and ideas that could be applied across other portfolios, as well as sharing resources where appropriate too.

The authors would like to acknowledge the great effort by our client-based teams throughout the range of natural disasters we have managed and for the input they provided to this paper.

If you would like further information on how you can limit damage to your portfolio in the event of a natural disaster, please contact Greg Wallace on greg.wallace@ap.jll.com or +61 2 9220 8669.

Greg Wallace

Director - Engineering and Operations Solutions Australasia
Jones Lang LaSalle

Greg in his current role provides the Engineering & Operations Management at a national level for our Integrated Facilities Management (IFM) business line. Greg is the Chairman of our Regional & Australasian Critical Environment Management Boards and is also a member of the Global Board. Greg is responsible for ensuring that Jones Lang LaSalle's engineering and operations service delivery is maintained at the highest level and continues to exceed the expectations of our clients.

**Sheryl Matthews**

Director Operations, Integrated Facilities Management, Australasia
Jones Lang LaSalle

Sheryl has 25 years experience in the property industry and has been with Jones Lang LaSalle for 12 years, working in both the Facilities Management and Property Management teams. She also has expertise across Asia Pacific, spending 18-months in Singapore leading the IFM business in South East Asia. Her management experience ensures that clients maximise the performance of their property portfolios, mitigate risk and realise productivity gains. In her role as Director of Operations, Sheryl has implemented processes and best practise across numerous client accounts in the areas of transition, reporting, risk management, client relationship management, OH&S and talent development.



Adelaide

Level 22, Grenfell Centre
25 Grenfell Street
Adelaide SA 5000
tel +61 8 8233 8888

Brisbane

Level 33, Central Plaza One
345 Queen Street
Brisbane QLD 4000
tel +61 7 3231 1311

Brookvale

1 Dale Street
Brookvale NSW 2100
tel +61 2 9938 3122

Canberra

Level 9, 15 London Circuit
Canberra, ACT, 2601
tel +61 2 6274 9888

Glen Waverley

Building 2
540 Springvale Road
Glen Waverley VIC 3150
tel +61 3 9565 6666

Liverpool

Level 5, 33 Moore Street
Liverpool NSW 2170
tel +61 2 8777 5533

Mascot

Level 3, Sydney Airport Centre
15 Bourke Road
Mascot, NSW, 2020
tel +61 2 9693 9800

Melbourne

Level 21, Bourke Place
600 Bourke Street
Melbourne VIC 3000
tel +61 3 9672 6666

North Sydney

Level 27, North Point
100 Miller Street
North Sydney NSW 2060
tel +61 2 9936 5888

Parramatta

Level 8, 79 George Street
Parramatta NSW 2150
tel +61 2 9806 2800

Perth

Level 29, Central Park
152-158 St Georges Terrace
Perth WA 6000
tel +61 8 9322 5111

Sydney

Level 18, 400 George Street
Sydney NSW 2000
tel +61 2 9220 8500