

Sun-Sentinel

Associations need a storm plan

Advice includes: Obtain an engineer's report on the building, line up contractors, review association's insurance policy

Daniel Vasquez on condos | Condo columnist
May 27, 2009

By now, most of us should be prepared for the upcoming hurricane season, which begins Monday. That may be asking a lot of condominium and homeowners associations, however, because they have more to do than just stock up on flashlights and batteries.

Associations need battle plans that involve selecting people to take charge in an emergency and making advance financial decisions that could help save the day -- even if that day brings a hurricane.

"The biggest problems for associations pop up ... when they have done no planning. They're looking at a building with severe wind or water damage and have no idea what to do next," said **Kyle Hooper**, an attorney with Fort Lauderdale-based **Atkinson, Diner, Stone, Mankuta & Ploucha**. The firm specializes in construction litigation and real estate law and represents community associations in Broward, Palm Beach and Miami-Dade counties.



"Having a hurricane preparedness plan helps get associations out of shock mode and into action mode," Hooper said.

National Hurricane Preparedness Week runs through Saturday, making this a great time to develop or refine your association's plan. Here's what you should do now:

Obtain an engineer's report on the structural components of the building, such as the roof, windows and doors, certifying the integrity of each. This is important because insurance companies often look for pre-existing conditions that may have caused structural failure to deny a post-storm claim. Reports can cost \$500 to \$2,500 depending on the size of the building being inspected. Ask the association's insurance company to recommend an engineering company to make it harder for the insurer to deny a claim later.

Line up contractors. Negotiate contracts with repair contractors in advance so that work can begin immediately after the hurricane. Contractors can be difficult to find after a storm. With a preplanned contract, the association will have someone making repairs while others shop, as well as an idea of the cost of repairs and supplies.

Review your association's insurance policy with your insurance agent and make sure the

board understands the policy's coverage and its exclusions. Increase coverage if necessary. Reconsider if your association has cut back on coverage in recent years to beat the bad economy.

Establish an emergency reserve account or a line of credit to provide cash for emergency repairs after a storm. This will keep financing from becoming an issue. Associations should consider whether owners can afford increased or special assessments to build an account, Hooper said. The trick is to start with a small account and build it over the years, he added.

Choose a point person. The board should appoint one or two board members to have emergency powers to protect the integrity and safety of the association's property and residents, as well as to answer questions from residents, city and county officials, and repair contractors.