



The Real Estate Roundtable

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**ON BEHALF OF  
THE REAL ESTATE ROUNDTABLE  
REAL ESTATE BOARD OF NEW YORK AND  
BUILDING OWNERS AND MANAGERS ASSOCIATION, INTERNATIONAL**

**BEFORE THE  
SENATE COMMITTEE ON HOMELAND SECURITY & GOVERNMENT AFFAIRS**

**HEARING ON  
LESSONS FROM THE MUMBAI TERRORIST ATTACKS, PART II**

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## Introduction

Thank you, Chairman Lieberman, Senator Collins, and members of the committee for the invitation to address the committee and discuss lessons learned from the Mumbai terrorist attacks. My name is Michael Norton. I am responsible for managing and directing all global property management activities at Tishman Speyer. Tishman Speyer ([www.tishmanspeyer.com](http://www.tishmanspeyer.com)) is one of the leading owners, developers, operators, and fund managers of first-class real estate in the world.

Since 1978, Tishman Speyer has acquired, developed and operated over 320 projects totaling over 115 million square feet and more than 92,000 residential units, and a property portfolio of over US\$72 billion in total value across the United States, Europe, Latin America and Asia, including signature properties such as New York's Rockefeller Center, the Chrysler Center and the Met Life Building in New York, Berlin's Sony Center and Torre Norte in São Paulo, Brazil. Today, our in-house property management specialists are responsible for more than 200 buildings reflecting 84 million square feet of Class A office, residential and mixed-use properties in 34 markets around the world. In 2005 Tishman Speyer became the first U.S. Real Estate Company to sign a joint venture agreement to develop in India. Today we are pursuing projects in multiple cities including, Mumbai, New Delhi, Bangalore, Hyderabad, Tellpur, and Chennai.

I am testifying today on behalf of The Real Estate Roundtable<sup>1</sup> ([www.rer.org](http://www.rer.org)) where our company's Co-Chief Executive Officer, Robert Speyer, is chair of the Homeland Security Task Force. I am also testifying on behalf of the Real Estate Board of New York<sup>2</sup> ([www.rebny.org](http://www.rebny.org)) and the Building Owners Managers Association (BOMA) International<sup>3</sup> ([www.boma.org](http://www.boma.org)) two organizations where I personally sit on senior governing boards and councils. In addition to my work with these organizations, I am a Lieutenant Colonel in the U.S. Marine Corps Reserves.

## Key Lessons Learned

Looking forward, for the owners and operators of high profile commercial buildings, there are at least five priority areas for continued concern in light of the Mumbai attacks.

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<sup>1</sup> The Real Estate Roundtable is comprised of senior principals from America's top public and privately owned real estate entities that span every segment of the commercial real estate industry. These leaders of the nation's top public and privately-held real estate ownership, development, lending and management firms join with the leaders of 16 national real estate trade associations to jointly address key national policy issues relating to real estate and the overall economy including homeland security. The Roundtable provides day-to-day operational staffing of the Real Estate Information Sharing and Analysis Center ([www.reisac.org](http://www.reisac.org)).

<sup>2</sup> As the oldest and most influential real estate trade association in New York City, The Real Estate Board of New York represents over 12,000 major commercial and residential property owners and builders, brokers and managers, banks, financial service companies, utilities, attorneys, architects, contractors and other individuals and institutions professionally interested in the city's real estate.

<sup>3</sup> Founded in 1907, the Building Owners and Managers Association (BOMA) International is an international federation of more than 100 local associations and affiliated organizations. BOMA International's members are building owners, managers, developers, leasing professionals, medical office building managers, corporate facility managers, asset managers, and the providers of the products and services needed to operate commercial properties. Collectively, BOMA's 18,000 members own or manage more than nine billion square feet of office space, which represents a \$100 billion marketplace and more than 80 percent of the prime office space in North America.

- The need for ever-improved communications capabilities – both in-house and with local law enforcement and emergency response agencies.
- The still not fully tapped potential of employees at commercial buildings to help law enforcement/homeland security officials detect threats and assess vulnerabilities
- More fully addressing our interdependence and co-location with mass transit and other major soft-targets
- Acknowledging and improving our role as the *first*, first responders in the period between the initiation of an attack and the arrival of law enforcement; and
- Acknowledging our dependence on well-informed and well-equipped law enforcement and homeland security/emergency response officials for effective deterrence *and* response.

Shortly I will suggest some specific ideas for making progress in each of these areas. But first let me talk a little more about the changing threat environment, particular vulnerabilities of iconic buildings, and some of the steps our company and others in our industry have taken since 9-11 to better manage those threats and vulnerabilities.

### **A Diverse and Changing Threat Environment – Measuring up to Market Standards**

As others have also testified to here today, in recent years, most high-profile terrorist attacks on “soft targets” have involved *improvised explosive devices (IEDs)* including vehicle borne IEDs (VBIEDs). The terrorists have often been willing to lose their lives in the resulting explosions.

In Mumbai, we saw a radically different mode of attack and one that harkened back to the commando style hostage taking incidents of the 1970s and 1980s. Well trained and heavily armed ‘walking teams’ caused an extraordinary – and deeply tragic – loss of life and destruction of property before law enforcement and military personnel were able to neutralize them.

As a company we are continuing to build business and personal bonds with the citizens of India and I want to take this opportunity to express my sincere condolences to those who lost loved ones during this horrific incident.

We own and manage some of the highest profile office buildings in the world, including Rockefeller Center, the MetLife Building and the Chrysler Center in New York City. Rockefeller Center, for example, is the number one tourist destination in New York City with all the pedestrian traffic that comes with that status. The Chrysler Center is a worldwide icon that, together with the Empire State Building, defines the New York skyline. All these buildings — and many others in our portfolio — sit atop mass transit and, in the case of the MetLife Building, Grand Central Station itself.

Many of our tenants are Fortune 500 companies or other high-visibility institutions with strong commitments to managing terrorism-related risks. We are also deeply influenced by the expectations or demands of these companies as well as those of our lenders, investors, insurers, legal advisors and local, state and federal government partners. They are certainly demanding a high and consistent standard of security for their employees, guests and customers. In the case of lenders and insurance companies they have a substantial interest in the continued security of our buildings. It is to these market based standards that we are held.

### **The Respective Roles of the Private and Public Sectors**

Many of the initiatives implemented by our company and other major real estate companies are relevant to managing the risk of a Mumbai-style terrorist attack. More significant, however, are the initiatives taken by local law enforcement to try and prevent or disrupt these kinds of attacks. Certainly a group of terrorists with AK 47s pursuing a water-landing at a major U.S. city would have found themselves in a distinctly more challenging law-enforcement environment.

Police in most of our major metropolitan areas are trained to deal with multiple active shooters and have the means of getting into position quickly. Terrorists would not enjoy the luxury of moving about as freely as they did in Mumbai. That does not mean that soft targets would not have faced grave risks. In all likelihood, roving bands of heavily armed terrorists in a U.S. city would have been engaged more quickly by well armed police and would have sought to obtain cover and concealment. Of course the softest of commercial facilities including restaurants and retail facilities might have made for attractive places to seek cover.

Given the primary role of local law enforcement in deterring terrorists from commencing a commando-style attack, the core mission for building owners in the event of such an attack should be to limit loss of life and property for as long as it takes law enforcement to control the situation. To that end, security and building staffs will be acting as ‘first, first responders.’ It is important to remember, however, that unlike traditional first responders from the police force, our personnel are unarmed. In our view this critical interim role requires more attention.

While our personnel have limited ability to impact a military style attack once it has commenced, we do have the ability to assist the government in helping them detect the prospect of such an attack in the first place. Building personnel can and should be trained to identify suspicious behavior – especially behavior consistent with surveillance or casing of our facilities.

### **Improved Security Measures Taken Since 9-11**

When we look at some of the post 9/11 office building initiatives that are now set in place, we see many that will assist us in meeting our goal of protecting the lives of our tenants. These initiatives or practices can be organized into six basic categories: communications, training programs, emergency response, target ‘hardening’ techniques, information sharing, and coordination initiatives. While all of these play a significant role in managing the risk of a Mumbai type of attack, I would like to focus principally on communications, training and target hardening.

### *Communication*

The single greatest lesson learned from 9/11 was the need for robust *local* communication channels with emergency response officials. We have made significant progress in achieving this goal in many of the larger cities where we own property. New York City has, in my opinion, become the “gold standard” in this regard. Its Area Police-Private Leadership Security Liaison (APPL) has evolved into what is now known as the NYPD Shield program. The program incorporates the best of APPL’s communication capabilities and now includes regular private sector briefings by the police on national and international events with implications for security in New York. As an example, the NYPD gave a briefing on the Mumbai incident to security directors just a week after the attacks that included a live commentary from an NYPD captain that was still on-site in India. Any and all lessons learned by NYPD were quickly and generously being shared by our partners in the police force. To varying degrees, this kind of public-private communication is happening in Washington DC, Chicago, and LA. More can and should be done to improve the programs in those cities and to bring a similar spirit of partnership to other major U.S. cities.

We have also improved our communication channels with our tenants. The “Send Word Now” (SWN) program is one means of sending messages on multiple communication modes simultaneously. In the event of a terrorist attack within a property or a city, this can effectively and quickly apprise tenants of what is going on. Among the broader industry, communications have been strengthened via our industry’s Information Sharing and Analysis Center (ISAC) which provide a two-information sharing portal with DHS and coordinates industry wide exercises in tandem with the federal governments Top Officials or Top Off exercises. Over the last four years, hundreds of industry security officials have leveraged those government terrorism simulation exercises to test and improve their own emergency preparedness and response plans.

In a spirit of mutual respect, the DHS has provided scores of industry security experts with the same kind of Secret level security clearances offered to senior state and local government security personnel. This has been done as part of the ever-evolving matrix of critical infrastructure and key resource coordinating councils supported by DHS. These councils, together with the cross-sector coordinating council know as the PCIS, have great potential (only partially realized) to ensure greater cross-industry and cross sector-communication. My top security executive has participated in some of the classified briefings offered to members of the commercial sector coordinating council. These briefings, while a major step in the right direction, have room for improvement. As DHS comes to better understand our industry they will be able to offer more ‘actionable’ intelligence and to focus these briefings on more regional concerns.

### *Training*

Since 9/11 the security industry has improved the training of its employees in key areas such as surveillance techniques, observation skills, and building layout designs. For example, Service Employees International Union (the largest security union in the U.S.) has developed a 40 hour course for their officers in NYC. Almost every terrorist attack requires a great deal of planning and preparation including site visits to determine how the target is protected both during business hours and after business hours. If trained in how this surveillance is likely to occur, our security

personnel will be in a better position to act as the eyes and ears of the police and to detect this kind of suspicious behavior.

In all of our properties, we have developed an Emergency Procedure Guide Book which offers building management personnel critical information including floor plans of the building. This serves as a quick and valuable resource to police and fire personnel if they are ever needed.

Because terrorists can select a wide range of weapons, including interior and exterior use of bio/chemical agents, we have begun to develop training to address sheltering-in-place needs. Unfortunately, it is often the case (and clearly the events in Mumbai point this up) that it is often difficult to determine whether “sheltering in place” or evacuation is the better course of action.

Training is not just given to security officers but to the staff of our buildings. Here in Washington D.C., we recently conducted a two hour tabletop exercise for all property managers, chief engineers, and security personnel. While the subject of that exercise was violence in the workplace, it involved an active shooter bent on killing as many as he could.

In the last few years, we have participated with members of the real estate industry and the United Kingdom’s National Counter Terrorism Security Office (NaCTSO) in a tabletop exercise involving a multi-media terrorist attack simulation that allowed participants to make decisions about what should be done. The target in the exercise was specifically a high rise office building near a rail transportation facility. Property managers, building engineers, and security personnel all participated. Through the leadership of another real estate company, Beacon Capital Partners, this course was given in six US cities in late 2007.

As a company, we have provided top notch fire safety training for our tenants. As an industry, we need to take this level of commitment and apply it to training that is appropriate to the most significant terrorism related risks. Tishman Speyer asks its tenants to consider storing Red Cross type “ready bags” in their space. These bags contain tools and water to help sustain a person for a period of time. We have received excellent feedback from our tenants with respect to our guidance in this area.

Local law enforcement also needs to train in a way that is geared toward specific types of buildings or even specific iconic structures. As Police Commissioner Raymond Kelly said in testimony before this same committee earlier this month, “In Mumbai, the attackers appeared to know their targets better than responding commandos.” At the very least, local police should be aware of the layout of all high profile buildings and who owns or manages them. DHS has conducted threat assessments of many iconic properties, and in some but not all cities local police do as well. I believe this is an extremely important pre-attack planning need. Just as terrorists conduct pre-raid surveillance acts and intelligence gathering operations, we need to do the same.

#### *Target Hardening – Before and During an Attack*

After 9/11, building owners have hardened many commercial office properties in ways that could assist, in limited ways, in defending against a Mumbai type of attack. But we must be realistic and recognize that our security officers are all unarmed and most building lobbies are accessible

to the public. Well armed walking terrorists would have no trouble gaining access. This is why, the key to preventing a Mumbai attack in major cities will be our reliance on the quick actions of our local police and regional law enforcement. However, as I previously mentioned, until the police arrive, our security and property staffs will be our first responders. To that end, they will need to afford some protection and information to our tenants and visitors. We need to quickly evaluate and implement appropriate building measures to best ensure tenant and visitor safety. This will undoubtedly involve preventing attackers from getting easy access to the tower portion of the property. As in a fire, elevators should quickly be recalled, lobby fire doors locked from the outside, loading dock gates in place, quick release buttons implemented and notification to the tenants to advise of an evolving situation.

The role of CCTV should be mentioned here. At a recent NYPD Shield meeting with security directors, information was provided on “CCTV Best Practices.” Over 14 points were made on how to get the best out of a CCTV system and what would constitute suspicious behavior. This brief lesson definitely has a place in helping to limit the impacts of a future Mumbai type attack.

Each of our properties has developed three different security alert levels of protection. These mirror the Department of Homeland Security’s model. If given enough warning, these security levels are aimed at implementing measures at a property to increase its protection. But, to be effective, we need ‘actionable’ intelligence in a timely manner. Garages and loading docks can be closed off, HVAC systems can be shut down, and patrols of outer perimeters increased. Our building staffs are trained to do this quickly.

Hardening measures are shared through the exchange of best practices both in the United States and sometimes with our counterparts overseas. In May, 2007, I chaired a meeting organized by The Real Estate Roundtable (RER) in London where we were joined by our UK colleagues. At the meeting we learned a great deal about protecting an office environment in a City that seems, like New York, to be continuously braced for a possible attack. This meeting came soon after the London metro bombings. One UK program that has gained the support of the private sector is called Project Griffin. Under this program the City of London Police and the Metropolitan Police train private sector’s security officers in a wide range of procedures to combat urban terrorism, offer them weekly intelligence briefings and “deputize” them during periods of high threat alerts to perform certain limited functions. For example, building security personnel may help the police secure areas that are cordoned off in a crisis. This kind of help allows police officers to be assigned to other higher priority duties. Our employees in London were enthusiastic about this program because it offers them an opportunity to be true partners with the local police in a way that results in a well-earned sense of pride and dignity.

### **Recommendations To Advance the Lessons Learned:**

At the beginning of my testimony, I mentioned five key areas where we need to continue to make progress. Taking these points one by one let me offer some quick suggestions.

***Communications/Information Sharing:*** Our goal in the commercial real estate high rise office industry is to best protect the lives of our tenants and visitors until our local law enforcement can appropriately deal with the situation. To that end, effective information sharing partnerships with local officials will be critical. Programs such as NYPD Shield or Project Griffin from Great

Britain need to become the norm in major urban areas. Federal and state policies should encourage the launch of such programs on an expedited basis.

***Terrorism Awareness Training and Exercises:*** Local law enforcement and emergency response officials should also be encouraged by state and federal policies to train and exercise jointly with the private sector. Just as we need to learn more about likely emergency response actions in an emergency, government officials need to better understand our facilities and our personnel's capabilities and limitations in a crisis.

***Interdependence with Mass Transit:*** One specific area that I recommend be further advanced is joint training regarding the inter-dependencies (including co-location) of iconic buildings and mass transit facilities. Specifically, we need to develop effective tabletop exercises between local police, fire, medical, public health and our building staffs using scenarios (based in part on Mumbai type attacks) that affect the government and private sector facilities. For example, the Met Life building (formerly the Pan Am building) sits on top of Grand Central Station. If an attack on either our building or the train station were to occur our personnel as well as those of the NYPD our local Metropolitan Transit Authority would all need to work together effectively. We would be happy to offer use of our buildings (and similar iconic buildings) as the site for such exercise in the future and would encourage other building owners to undertake similar joint exercises with mass transit officials.

***First, First Responders:*** I have mentioned that our building staff and security officers will be the first responders if a terrorist targets our office environment. Improving training of building staff on building operations, emergency procedures and first aid, and the means to effectively evacuate, shelter-in-place, or close off sections of a property is crucial. In addition, I believe now is the time to consider offering to these brave men and women the special financial and medical coverage that other first responders (e.g., police and fire) can obtain in the event of terrorist events.

***The Need for Well Trained and Well Equipped Law Enforcement:*** While I know you all understand this, it bears repeating that at the end of the day the private sector has a support-role in dealing with Mumbai type attacks. The primary responsibility is with local law enforcement. We have a huge stake as an industry in programs, including federal programs that offer those brave men and women the training, cutting edge intelligence and equipment they need. I believe we can and should do more in that regard.

Thank you. I'm happy to take questions.