BentallGreenOak & Fitwel championing healthy buildings

As a Fitwel® Champion and Industry Advisor for the Viral Response Module, BentallGreenOak is helping to ensure evolving health and wellness demands are met in Canadian real estate.

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Cleanliness and safety have long been priorities for real estate landlords and facility managers. In recent years, environmental consciousness and sustainability have also taken on increased importance. Now, accelerated by the COVID-19 pandemic, the spotlight has shifted towards health and wellness within facilities and communicating the steps being taken to secure a healthier building.

BentallGreenOak (BGO), a leading global real estate investment management advisor and real estate services provider, is helping to blaze the trail. With expertise in the asset management of office, industrial, multi-residential, retail, and hospitality properties across the globe, BGO has set out its stall as a primary proponent of the social aspect of environmental social governance (ESG) considerations.

To realize this goal, BGO invests in and manages sustainable spaces that deliver positive health impacts to clients, tenants, and employees, and the communities it serves.

A Fitwel Champion

One of the ways it achieves this mandate is through a collaboration with the Center for Active Design (CfAD) and its Fitwel certification, the world’s leading certification system committed to building health for all. Launched in 2017, Fitwel’s core focus is to ensure that health is a priority in the real estate sector, validated by measurable results supported by research and evidence-based strategies. The certification has a significant and expanding footprint in Canada and beyond. Between 2019 and 2020, its overall global use rose 190 per cent year on year; in Q4 2020, it soared by 640 per cent. In Canada, there was 144 per cent growth between 2019 and 2020, a demand being driven largely by tenants.

BentallGreenOak are big believers in the benefits that the certification can offer. In 2017, it signed on as a Fitwel Champion, a program for leading companies that own, occupy, or manage commercial and residential properties and that commit to using Fitwel at scale across their portfolios. BGO achieved Fitwel certification across three projects as a pilot, one of which was Two St. Thomas in Toronto, Canada’s first Fitwel-certified multi-family residential building. BGO re-signed on as a Fitwel Champion in fall 2020 with a commitment to expanding the certification across its portfolio and has since achieved certification of a number of office and multi-family residential projects, among others.

Over the years of collaboration, BGO’s Fitwel Champion leadership status has grown to the point that the real estate provider was awarded a record number of Fitwel Best In Building Health Awards in 2021. Those included the prestigious Industry Leadership Award for co-authoring the “A New Investor Consensus: The Rising Demand for Healthy Buildings” Report and applying Fitwel’s Viral Response Module (VRM) at scale across its U.S. office portfolio.

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BentallGreenOak is not only a practical proponent of Fitwel certification via its Champion status, it also plays a decisive role as Industry Advisor for the Fitwel Viral Response Module (VRM), which collates the best public health science and literature about how to mitigate the risk of contagious disease spread within buildings. In short, the Fitwel VRM provides a framework that asset and property managers can use to optimize buildings in response to the broad health impacts of infectious respiratory diseases and outlines best practices on how to promote occupant health. A key emphasis is building trust by communicating that information widely and transparently during a time when tenants are experiencing greatly increased levels of stress and anxiety. The VRM is applicable not only to the present and imminent threats of COVID-19 but, by looking at other viruses like SARS, H1N1, and influenza, also addresses the possibility of future viral outbreaks or health issues that may come down the line.

In its role as Industry Advisor, BGO provided feedback and perspective on development of the module, and its U.S. asset management team was very supportive of it as a tool to help promote occupant health and safety and build trust.

BGO achieved VRM Approval for 17 U.S. portfolio properties in fall 2020, including the first certified office buildings in nine U.S. cities. It is the largest commercial real estate portfolio in the United States to achieve the distinction in 2020 and was recognized with the Most Approved Assets Award at Fitwel’s Best in Building Health event.

Zach Flora, Director of Market Growth for CfAD, explains that when the world changed in 2020 in light of COVID-19, BGO “stepped up to the plate” by joining the Industry Advisory Group. “They have always been instrumental in helping to inform the Fitwel standard and platform to meet the needs of the real estate and design community and continue to collaborate and build off the research to drive those unique features,” he adds. “It’s a true testament to the strength of the partnership.”
Major notes that BGO focuses on four key pillars of internal best practices, finding the recognized and trusted certifications within the industry, independent validation, and practicality of implementation. While many certifications give you some combination of those things, Major says, the VRM finds equilibrium between those goals and helps to breed confidence with tenants and employees, who can be reassured that their landlord has made a commitment to following these best practices in a verified manner.

"Some people can get fearful of communicating these things to tenants given the difficulties of sorting information and misinformation in times like these," notes Major. "But this collaboration and certification allows us to not only take these steps behind the scenes but tell people that we have done it. It offers a different level of accountability if you’re forced to communicate that back out and certification gives you a structure and a guardrail around that."

Another component is consistency. Different cities, organizations, and facilities have introduced different measures and processes in response to COVID-19. Certifications like Fitwel and its VRM allow real estate providers like BGO to implement a relatively homogenous response, and across widely ranging portfolios. Whether your building is 100 years old or 18 months old – and BGO has examples of both – Fitwel certification can be achieved. “That’s an important piece to not lose sight of,” emphasizes Major. “It has a broad range of appeal, and you know that all managers will be professionally adhering to an agreed standard. The more confidence we can build, the quicker we can all get ourselves back to some form of normal.”

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**Emphasizing Social Governance**

https://www.reminetwork.com/articles/bentallgreenoak-fitwel-championing-healthy-buildings/
Another element that drew BentallGreenOak to Fitwel and its VRM was the importance placed on the social factor in ESG. One of the many changes that COVID-19 has accelerated within real estate and facility management is the increased recognition of the need for landlords to address social issues in their buildings and for their tenants, whether that is mental health, physical health, or other factors.

Even prior to implementing VRM, BGO was already responding to that shifting demand through measures such as social support groups, quarantine fitness programs, and virtual meditation, explains Ailey Roberts, Vice President of Sustainable Investing at BentallGreenOak. This was all done outside of the prompting of the VRM, she says, so that when BGO went to apply it within its portfolio, the company was able to leverage many of those initiatives that had already been implemented.

“We knew that all the things our team had done organically really fit the mould of the Fitwel VRM, and it’s all absolutely supported by science-based evidence,” Roberts adds. BGO’s Canadian portfolio was able to achieve entity-level certification with distinction with a score of 93 per cent. “A lot of that went back to those social initiatives that started within the company.” BGO has also introduced or ramped up various equity, diversity, and inclusion initiatives since 2020. “So the VRM really helped to tie together our focus on the social element,” notes Roberts.

**Making Progress**

BentallGreenOak’s primary aim is increased adoption of Fitwel certification across its portfolio, and plans are already afoot in Canada to replicate the steps taken in the United States. Following its Fitwel Viral Response entity-level certification, BGO is pursuing asset-level approval for a number of its office and enclosed retail properties across Canada over the summer. It is also looking at re-signing as a Fitwel Champion for a two-year commitment of 10 certified projects and 20 properties to be benchmarked. In Canada, specifically, BGO intends to certify one of its recent multi-family developments in Toronto as well as large office buildings in Vancouver.

“Our initial scan of our tenant base in our U.S. office portfolio proved to be very favourable,” notes Roberts. “It’s really about those tenants then communicating their confidence in returning to the office back to their employees, who are really the biggest stakeholders in all of this. In Canada, we’re just embarking on this.”

Major adds that while the response from BentallGreenOak tenants and stakeholders has been positive or neutral, the neutral responses were born out of primarily a lack of education or recognition about the program. Those things will come with time and understanding – indeed, there is already significant interest across BGO’s North American portfolio, with investors increasingly asking about the program.

Ultimately, Fitwel has a primary goal of achieving greater adoption and impact in the Canadian market and wants to be the leading source of information on health and wellness for the Canadian real estate industry. BentallGreenOak is there to work with it every step of the way.