The ongoing COVID-19 crisis presents a public health emergency, and has been declared a pandemic with significant implications for both communities and workplaces. Public health agencies continue to closely monitor the situation and issue frequent updates which has resulted in the temporary suspension or closure of businesses.

State of the Industry

The real estate industry hosts many avenues for foot traffic every day. There are commercial shopping and business plazas, large and small residential properties, industrial spaces, and various other types of properties hosting both commerce and people each day. Properties in which individuals are confined or in close proximity to each other for work, living, shopping and more, are spaces where the virus has the opportunity to spread rapidly.

Residential properties are faced with unique exposures as business owners, and large corporations are telling employees to stay home if they do not feel well. Building residents may be hosts to the virus, leading to the need for controls to prevent the spread of the disease to others within the property.

As the situation is changing daily, real estate owners and managers must find the best ways to keep those who rely on them, including their employees, tenants, and communities, safe. Preparing for a threat, such as a pandemic, is critical to minimize potential impact. Having a well-designed plan in place allows for a flexible response, no matter of what level of severity is reached.

Unlike companies with a single workplace location, real estate managers are typically spread across many properties. This makes planning and preparedness even more vital in the event of a pandemic. Property owners and managers should do everything in their power to plan ahead for emergency situations as well as be able to implement those plans if necessary. Increasing awareness about COVID-19 through communication with staff is a good place to start.

Transfer of the Virus

Infected individuals can spread COVID-19 through various methods:

- 1. Respiratory secretions from a cough or sneeze may produce airborne droplets. These droplets can land in the mouth or nose of persons nearby or may be inhaled into the lungs.
- 2. Person-to-person among close contacts (about 6 feet). Person-to-person spread is thought to occur mainly via respiratory droplets produced when an infected person coughs or sneezes, similar to how influenza and other respiratory illnesses spread.
- 3. There is evidence that a person can get COVID-19 by touching a surface or object that has the virus on it and then touching their own mouth, nose, or eyes.



The COVID-19 virus is spreading rapidly in many geographic areas. The best way to prevent the illness is to avoid being exposed to the virus. Additionally, be sure to follow the guidelines and recommendations from authoritative sources, such as the Center for Disease Control and Prevention (CDC).

Center for Disease Control (CDC) Recommendations

Strategies for Minimizing Workplace Exposure

- Ensure flexible sick leave policies consistent with public health guidance and encourage sick employees to stay home.
- Separate sick employees who appear to have acute respiratory illness symptoms upon arrival to work or who become sick during the day.
- Emphasize good personal hygiene practices including frequent hand washing, sneeze & cough etiquette, and social distancing as much as possible.
- Perform routine environmental cleaning of frequently touched surfaces.
- Advise employees to take certain steps before traveling to minimize exposure to the virus.
- Employees who are well but who have a sick family member at home with COVID-19 should notify their supervisor and refer to CDC for guidance. Similarly, employees exposed to a coworker with confirmed COVID-19 should do the same.

Tips for Real Estate Owners & Employers

PLANNING

- The goal of a pandemic plan should be to reduce the spread of infection among your employees, residents, and tenants while minimizing the impact on business operations.
- Involve representatives from all departments in the planning process.
- Assess your workplace exposure by identifying the health risks your employees might face.
- Solidify back-up suppliers for critical building operations.
- Anticipate absenteeism and cross train employees to ensure continuity of business operations.
- Identify remote capabilities for employees (i.e. phone, computer systems) and how much on-site support will still be necessary.
- Failure to plan and act could create legal and liability exposure.

STAFF COMMUNICATION

- Encourage good personal hygiene and provide additional hand sanitizer.
- Remind staff of social distancing: keep 6' whenever possible, limit vendor/3rd party contact and avoid shaking hands.
- Communicate sick leave policies and consider adapting them as the pandemic evolves.

CLEANING

- Implement increased cleaning schedules for high touch surfaces & objects.
- Provide employees with extra cleaning supplies and possibly hire additional outside parties to assist in this increased cleaning effort.



RESIDENTIAL PROPERTIES

- As sick employees are told to stay home, consider taking extra precautions. These may include temporarily closing property community rooms, fitness centers, etc. to prevent the risk of spread to other residents or property managers in common areas.
- Communicate to residents the importance of staying inside their unit if they feel ill or show any symptoms of the coronavirus.
- Determine if someone in a unit is ill before completing a maintenance request and consider delaying all requests other than emergencies. (For emergencies, staff should wear single-use protective gear while in unit, and wash hands thoroughly afterwards).
- Leasing staff should adhere to governmental mandates if showings are prohibited. If leasing staff will be holding showings, ask visitors if they are sick or consider the delay of showings.

COMMERCIAL PROPERTIES

- Make sure leases address potential business disruptions during a pandemic.
- Update "force majeure" clause (unforeseeable circumstances) in all contracts.
- Encourage your tenants to create their own business continuity & pandemic plan.

TENANT COMMUNICATION

- Offer staff contact information if there are questions or concerns.
- Provide dependable resources for the most up-to-date information.

Additional Resources

- The World Health Organization (<u>WHO</u>) has developed programs to train incident managers and other stakeholders in preventing the spread of the virus.
- The Centers for Disease Control and Prevention (<u>CDC</u>) website has multiple resources on various topics for protecting yourself and your businesses.
- The Occupational Safety and Health Administration (<u>OSHA</u>) has guidance on control and prevention measures and employer can undertake.
- The Institute of Real Estate Management developed the Pandemic <u>Guide</u> For Real Estate Managers to help in planning efforts for this Coronavirus outbreak and to guide preparations for future pandemics when they occur.

Summary

Do all that you can to follow the safety measures presented by civil authorities, and take precautions to avoid exposure and help reduce the threat to your operations. Planning ahead will help protect your business, your employees and the general public. Educating and communicating to employees and tenants is essential. Continuously assess the risk and update your plan when necessary. Pandemics can be unpredictable but your response doesn't have to be. Evaluate your current policies and procedures to help you and those around you stay safe.

For additional support, please reach out to your PBC representative.