



WHERE GREEN DESIGN IS GOING

**A glimpse of what's on
horizon for sustainable
resort design**

BY KERRY MEDINA

Sustainable business practices have the potential to drive revenues—for both hotel owners and timeshare developers—by attracting more market share among eco-conscious travel consumers and reducing certain operational expenses.

The hotel industry has long recognized the financial benefits of a greener business. In its 2016 Environmental Footprint report, AccorHotels claimed a five percent reduction in energy use and an eight percent decrease in water consumption between 2011 and 2015. Marriott International's 2016 Sustainability Highlights reported 13 and 10 percent drops in energy and water consumption respectively between 2007 and 2015, while IHG's 2016 Annual Report found eight percent less water use per occupied room between 2013 and 2016.

"Green business can translate into savings, and hotels that were previously focused entirely on occupancy realize that these practices can pay on cost savings and in some cases, even create profit," said Rhiannon Jacobson, vice president of Strategic Partnerships, and lead for the hospitality sector at the U.S. Green Business Council (USGBC).

The USGBC is the Washington D.C.-based organization behind the Leadership in Energy and Environmental Design (LEED) rating system, which evaluates a real estate asset's environmental performance and encourages sustainable design. There are currently more than 660 LEED certified hotels globally and that number is expected to increase to over 200,000 in the coming years. The growing number is, as Jacobson explained, due in part to the certification's value to the capital investment.

"LEED certified buildings typically have higher sales prices," she said.

Developers can also test the LEED waters with USGBC's digital platform Arc. The fee-based program, launched in 2016, is available to both LEED certified and non-certified buildings for monitoring and improving the asset's sustainability while also progressing toward certification. The fee-based program provides real-time data and benchmarking against industry peers on energy, water, waste, transportation and human experience, rating performances for each category against a score of 100.

CATCHING THE NEXT WAVE OF GREEN

But green design is evolving well beyond Arc and LEED certification and resource-efficient hardware like low-e windows and low-flow showerheads. For timeshare developers, that can translate into more opportunity to decrease operational expenditures and greater appeal to next generation buyers of vacation ownership.

Biophilic design is one means of targeting timeshare owners at the upper end of the spectrum. Popular with tech companies, hospitals, and luxury real estate developers, this design tactic incorporates elements of the indigenous environment into a building's structural and/or interior blueprints through landscaping, materials, and patterns. According to the study *The Economics of Biophilia*, published in 2016 by sustainability consulting firm Terrapin Bright Green, hotel rooms with a view to water are priced on average 12 to 16 percent higher than rooms without a view,

while 36 percent of hotel guests spent time in hotel lobbies with biophilic design—compared with just 25 percent of guests in conventional hotel lobbies.

"That could translate into increased RevPAR because people in the lobby are more likely to consume F&B," noted Terrapin Partner Bill Browning.

Additionally, hotels with biophilic design have twice as many positive online guest reviews focused on the hotel experience, particularly as biophilic design answers Millennials' demand for accommodations with a sense of place.

Along with its research efforts, Terrapin's experience with biophilic design includes work with Starwood Hotels & Resorts brand Element Hotels and Starwood Capital's 1Hotels. Biophilic design was a component of each brand's green building standards.

Speaking specifically about timeshare developments, Browning said that biophilic design can make spaces seem more domestic. "We've also seen some evidence in the residential market of biophilic design helping to increase property value," he added.

THE CROSSROADS OF SUSTAINABILITY AND WELLNESS DESIGN

New York design group Hart Howerton integrates health and wellness facets into their eco-conscious design schemes. In fact, the firm's partnership with the University of Virginia's Center for Design & Health resulted in the 2014 white paper, "Designing the Healthy Neighborhood." The research highlights 12 commercially



viable approaches to develop real estate that contributes to salubrious living, including dedicated pedestrian and biking infrastructure and access to sources of healthy food.

The company’s work in the hospitality industry demonstrates how the experience of a property can be centered on a single element of “Designing the Healthy Neighborhood”—as is the case at Airlie, a hotel and conference center set on 300 acres in northern Virginia. Owned by American University, located about an hour away in Washington DC, the school worked with Hart Howerton to develop a fully operational farm that supplies the campus’ student dining halls with organic produce, but which also lends itself to a variety of on-property guest experiences, including farm-to-table dining, planting and harvesting festivals, culinary instruction, nutrition counseling and gardening. The hotel has also found an additional revenue stream in selling its own branded products like pesto and honey to both hotel guests as well as the local community.

But designing an eco-friendly guest experience doesn’t require significant budget. Pedestrian pathways are one simple means of enhancing a resort’s wellness offerings with a minimal investment involved.

David Rau, a principal with Hart Howerton, explained the firm spends a lot of time working with clients to develop networks of walkways and hiking and adventure trails and even zip lines,

“which don’t actually cost a lot, but which are becoming an important part of guest experience.” Walking or hiking trails can be created with gravel, mulch or by simply clearing a path. The key, he noted, is creating programming around it, whether that’s a fitness trail with various stations or signage that tells the story of local flora and fauna, a bocce ball court or a hammock set against the backdrop of a scenic lookout.

“If there are ‘Instagrammable’ moments that get guests onto the path, they’re more apt to take the initiative and enjoy it,” Rau said. “The cost is pennies compared to the guests’ perceived value and the social media marketing that comes with that.”

The agency is currently working with a luxury spa resort in Austin to create a hatchet throwing experience that will promote active movement among guests,

but also distinguish the property from its competition by creating a unique and memorable sense of place.

However, Rau is also careful to point out that sustainable design is not the exclusive domain of luxury real estate. “Midscale and value-conscious brands also have an opportunity in this space because travelers at all levels expect health and wellness to be part of their experience,” he said.

“WHAT’S OLD IS NEW”

In South Florida, the site of 349-room Margaritaville Hollywood Beach Resort was originally a public parking garage. But a team of design companies joined forces to prove that successful adaptive reuse projects are not limited to historic structures that come with a hefty purchase price and a litany of locally mandated restoration requirements.





According to George Fletcher, CEO of the Adache Group, the architectural design firm behind the Margaritaville Hollywood Beach, existing structures with an insipid past can still have value.

“Often, existing properties have reduced zoning and so they have advantages, especially as a lot of municipalities are rezoning and for developers, that comes with a new set of guidelines that relate to density, parking, building height and setback,” Fletcher said.

The hotel was built with standard green hardware such as low-flush toilets and beachfront lighting conducive to sea turtles during nesting season. But the resort’s design accentuated public spaces, which Fletcher said are changing with Millennial travelers.

“With fractional developments and timeshares, the units are becoming a little smaller in size and scale because most of the square footage and the experience is in the public space. It’s all about the lifestyle,” he said.

The emphasis on lobby design at this Margaritaville resort was also driven by the fact that the 5,300-square-foot space spans the footprint of the 1,100-space parking garage that sits above it. But Adache and interior design company The McBride Company brought Jimmy Buffet’s “escapism” brand to life with niche spaces. Three beach cabanas, each surrounded by potted palms, offer seating for more intimate conversations, and face a larger, open seating area, most of which sits under a signature chandelier made of margarita

glasses. The lobby fronts the resort’s fine dining restaurant JWB and Pat McBride, CEO of The McBride Company, said this also serves as alternative seating for patrons of the restaurant’s bar.

“The cabanas are meant as a nod to the Floribbean lifestyle and also as points of differentiation from the open area in the center of the lobby, which also has some bold design and communal spaces to make it more personal,” he said.

The room tower sits above the garage, on floors 11 to 17. Situated on five acres between A1A and Hollywood Beach, the elevated room block means all accommodations have water views of the Atlantic or the Intracoastal Waterway or both.

The challenges of rehabilitating an existing structure into an inviting hospitality asset can also extend into operations. Fletcher admitted that it can be more difficult to work with an existing structure because the original architecture doesn’t always account for the ways in which back-of-house facilities and service are managed in today’s hospitality market.

“It can also be a more expensive undertaking for an owner and developer to bring an older building up to code,” he said. ■

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A Hub of Community Activity

The Margaritaville Hollywood Beach was actually developed as a public-private partnership between the city of Hollywood Beach and developer Lon

Tabatchnick who spent six years working with the city to build a hotel that would include the public parking lot that served beachgoers in the local community.

Tabatchnick not only expanded the lot, but also included separate entrances for guests accessing the hotel and for local beachgoers. The hotel, too, has multiple entrances, allowing locals access to seven of the resort’s eight restaurants as well as its spa and FlowRider surf simulator in the pool area. Tabatchnick said that the local business to the hotel “exceeded his expectations.”

As an economic driver for the community, the original parking lot was a 9-to-5 business venue. Now with restaurants, bars, and convention space, the lot generates revenue 24-7.

Tabatchnick’s community commitment extended to the “Broadwalk” on the resort’s perimeters. More lighting was added and the bandshell was refurbished so that guests and locals now gather five nights weekly for the resort’s free entertainment. Surrounding businesses renovated in lockstep, transforming the economically depressed area into a thriving intersection of tourism and community.

For area residents, the resort provides additional dining and evening entertainment options that don’t require much travel.

“You don’t necessarily want to encourage vehicle traffic on a barrier island,” said Tabatchnick. “You want to encourage public transportation.”

And so the Margaritaville Hollywood Beach also became a stop on Fort Lauderdale’s Water Taxi service.