

Terranea Resort associates celebrate reopening under the pandemic. Photos courtesy of Terranea Resort

by Rachel Reeves

Twelve years ago, Terri Haack captained a sinking, \$480 million project safely to shore. She had recently taken the reins of a development that was to be Terranea Resort and recruited a top-tier staff from all over the country when the 2008 Great Recession struck, threatening to unravel the threads of a 102-acre dream.

"We thought, financially we couldn't hang on," Haack said. Some evenings, she cried in her car on the way home from work, but in the presence of her staff and of doomsayer neighbors, she projected a logic-defying optimism.

Over the next decade the resort would become a focal point for the Palos Verdes community and became recognized as one of the best hotels in the world by U.S. News & World and Travel + Leisure Magazine. Conde Nast Traveler added Terranea to its "Gold List."

This year, the coronavirus pandemic has presented a challenge equal to the Great Recession. In January, Haack instructed them to be cautious as they worked. She believed she was being "very conservative."

On Monday, March 16, Los Angeles County Health officials announced the closure of restaurants to deter the spread of the pandemic. Two days later, Terranea closed.

"I never thought, in my wildest dreams, that I would open a world-class resort and then close one a decade later," Haack said. "I just never imagined that that could happen."

But Haack believed that within two weeks, or perhaps three, the resort would

be operational again and her staff of 1,100 would be coming back to work. She willed herself to "lead with great inspiration," knowing that if she lost her sense of direction, others might also.

Two weeks passed, then three. The statewide, shelter-at-home order, issued on March 21, remained firmly in place. Haack recalled sitting at her desk and feeling like she was starring in "The Shining," the classic horror film set in an eerily empty, haunted hotel.

Haack's priority was to ensure the people who worked for her — she calls all staff "associates" — understood she cared about them. Associates often speak about her culture of kindness, expressed by an open-door policy, handwritten cards, and addressing her 1,000 associates by name.

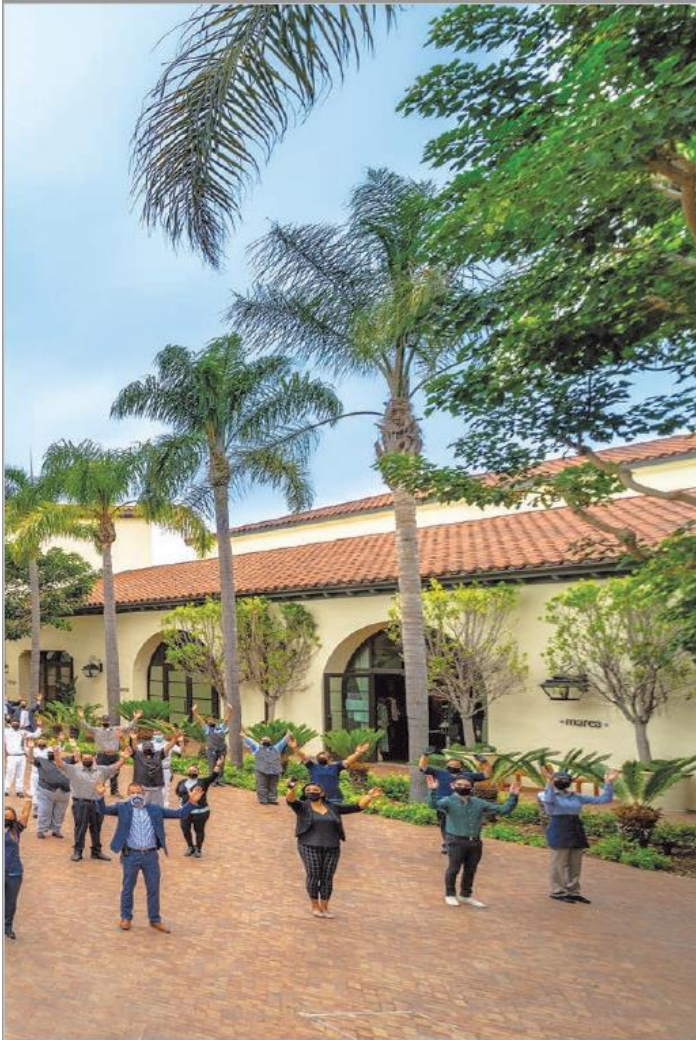
The week she furloughed the staff, Haack organized a makeshift grocery store where associates could buy bulk eggs, milk, and vegetables. Proceeds went into a fund for anyone struggling to buy food and pay bills.

Haack also continued to pay for her staff's health insurance and paid for their unused vacation.

"That was an enormous check to write," Haack said. As time wore on, the tension between compassion and cash flow intensified.

"It's a very fine line balancing caring and the simple survival of the business," Haack said. "As a businessperson operating an entity for a group of owners, I had to make very difficult economic decisions to enable this asset to survive on to 2021 and beyond."

In May, after two months of no guests, and facing the slim likelihood of



re-opening the resort before summer's end, Haack made what she describes as "a heartbreaking decision." She laid off 60 percent of the staff, which had furloughed, from such departments as spa and banquets, neither of which appeared likely to be able to open in the foreseeable future.

Haack promised the laid off employees they'd be approached first when she was able to rehire. She delivered, at least in part, on that promise when Gov. Gavin Newsom relaxed regulations for spas.

Terranea Resort reopened on June 19, almost exactly 11 years after opening its doors for the first time, with 408 employees, almost exactly the number that worked there in the very beginning.

The marketing team produced a four-page document to explain the changes: new protocols based on guidelines from the American Hotel & Lodging Association, new standards for cleanliness and hygiene set by industry expert Eco-lab, new procedures for Clean + Safe certification by the California Hotel & Lodging Association. Staff received more training for the reopening than they receive as new hires.

Temperature checks and symptom screenings were administered to staff at the beginning of each shift, and to overnight guests. Check-in times were to minimize contact between guests.

Staff wears masks and gloves and maintains social distance. Surfaces are cleaned more thoroughly and more often. Deliveries to rooms are contactless.

Terranea cont. on page 22

Terranea cont. from page 21

Some services have been suspended for now, including bell service, daily housekeeping, the kids' club, and valet parking.

Four restaurants, including the popular Nelson's, are open for take-out. Buffets have been suspended and menus are either disposable or sanitized after each use.

Pools are open; poolside service is no. But takeout food can be enjoyed at the pool, at picnic areas and in guestrooms, and their patios and balconies. The golf course is open; lessons and rentals are not. Guests must make a reservation to use the gym, undergo temperature checks and screenings before working out, and wear a mask during exercise.

To review the full list of the resort's new standards of care, visit terranea.com/promise. Peninsula residents are being invited to stay for 20 percent off the best available rates through the end of December.

"Many, many people thought we would not survive [in 2008] and we did because of the sheer fortitude of the young women and men that were working here," she said. "We're going to do that again," Haack said. **PEN**