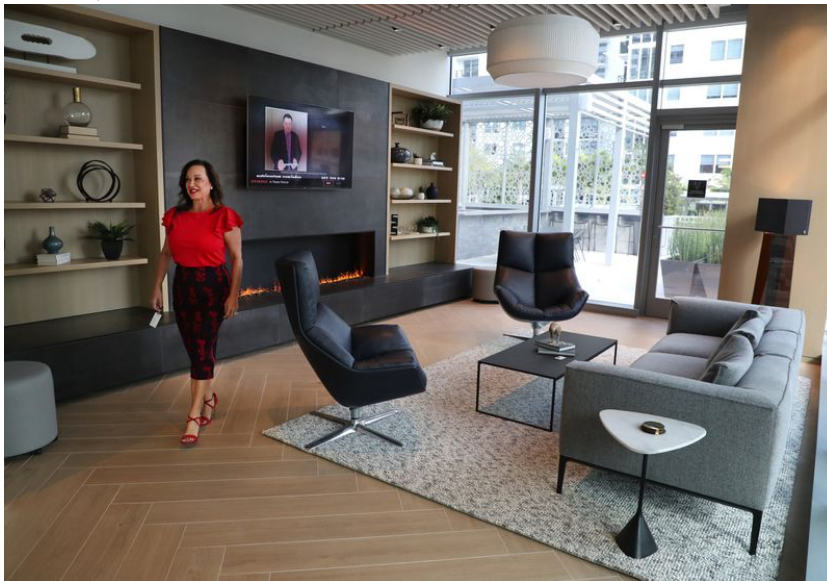


Writing is on the wall for remote working, as companies sign new leases for downtown offices

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Heather Nowell walks through the lounge deck portion of the posh The Main Las Olas in Fort Lauderdale, owned and developed by South Florida based Stiles Corp. and San Francisco-based Shorenstein Properties LLC. Some professional service employers are leasing new office spaces to make it easier for employees to return to work during the pandemic after spending months at home. (Carline Jean / South Florida Sun Sentinel)

Employees who are skittish about returning to the office may have an incentive to go back, even as COVID-19 continues to be a menace.

Some companies are moving into new buildings with lots of space, amenities and a greater regard for employee health and comfort.

In fact, more companies are leaning toward bringing their workforces back to the office, according to a recent survey by Robert Half, the national staffing firm. Ultimately, many people who have worked at home for months will end up working remotely less than they'd like, analysts say.

The survey of senior company managers [suggests that hybrid work](#) may be the exception rather than the rule, as social restrictions associated with the pandemic are eventually lifted.

The survey found that when managers completely lift restrictions:

- 84% would require their employees to be fully in the office.
- 10% would allow a hybrid arrangement of office and remote working.
- The balance would allow employees to decide whether to work at home or in the office.

“There is the increasing trend of more and more companies moving back into the office,” said Chad Leibundguth, director of Florida and Louisiana for Robert Half. “Assuming we are on the other side of the pandemic, I think that will continue.”

He said his own firm, which occupies a downtown Fort Lauderdale office for 50 employees, will be scouting the area for alternatives when its lease expires. “Health and safety are certainly important,” Leibundguth added, “and being in a building that has great [air] filtration.” Other factors the company will consider include the cost and availability of parking and the length of commuting times from home.

Locally, some firms have already signed up for prime locations such as newly built The Main Las Olas in downtown Fort Lauderdale. [The entire project](#) is a full city block of mixed-use office, residential and retail community spaces that includes destinations for gathering, dining and shopping. Opened in late 2020, it's now more than 50% leased, according to Blanca Commercial Real Estate, which is signing up tenants.

James L. Berger, managing partner of Berger Singerman, said his firm, which decided to make the move to The Main from a nearby Las Olas Boulevard building before the pandemic, now has a workplace where its lawyers and staffers are eager to be.

“We did not insist that people return to work,” he said. “But it’s really bringing people in.”

“We’ve worked very hard during the pandemic to make sure those who came to work are very comfortable,” Berger said. “We continue that in our new space. So far, their reaction is they are very excited to come back to work.”



Caroline Whiddon sits in the lounge deck, part of the Stiles Corp.'s posh The Main Las Olas high rise in downtown Fort Lauderdale on Friday. The 1.4 million square foot mixed-use office building is expected to be 80% leased by year's end, brokers say. (Carline Jean / South Florida Sun Sentinel)

The building’s tenants have access to a fitness center with lockers, showers and restrooms; a lounge and conference center; a balcony with surrounding covered terrace; and a covered plaza.

The project is a welcome addition for a city seeking to stay competitive with other cities in the race to recruit more companies from other part of the U.S. “Downtown Fort Lauderdale needs more office space,” said Jenni Morejon, CEO of the Downtown Development Authority.

Danet Linares, executive vice chairman of Blanca Commercial Real Estate, said the building is 71% leased. She expects that figure to exceed 80% by year’s end as many companies seek more modern spaces.

While new buildings bristle with innovations, owners of existing buildings are renovating their properties “and adding amenities they didn’t have before,” Linares said. It’s all geared to encourage employees to remain with their companies, “make them come back to work” and offer them a chance to re-engage with colleagues face-to-face.

“That human interaction – there is no substitute for that,” she said. “You can only get so far with Zoom.”

Upgrades and a hot market

The quest by South Florida employers for safe and modern workplaces is complicated by the [strong demand for space](#) by financial and technology companies seeking to relocate from the Northeast and elsewhere around the nation.

Tere Blanca, CEO of Blanca Commercial Real Estate, said “many global companies” are looking at [Miami, Fort Lauderdale and West Palm Beach](#) as potential landing spots.

“I think you’ll see quite a bit of leasing where companies are committing to long-term leases,” she said.

Some tenants whose leases are expiring are taking smaller spaces, while some are subleasing existing space to other companies.

Stephen Bittel, founder of the Terranova real estate services firm in Miami Beach, said Terranova [remained open during the entire pandemic](#) as its property management services were deemed as an essential by the government.

“We had a rotational plan where everyone was required to be in the office two days a week,” he said, with everyone required to wear masks.

“We upgraded the filtration capacity of the air conditioning systems in the building,” he added. The company also increased the amounts of fresh air. After Memorial Day weekend, Terranova returned to full occupancy at its Miami Beach headquarters for its 18 employees. [There are no employee vaccine requirements](#) as management believes only one person is not inoculated against Covid.

Bittel believes that around the region, employee office occupancies are “probably in the one third to 50% range,” with people working on site two to three days a week.

“Certain businesses have been successful operating remotely,” he said, with operating expenses being reduced among professional service firms by cutting costs for travel, entertainment and attendance at professional conferences. But those same firms have been “incredibly slow in replacing employees” who leave for family or other reasons.

“A number of law firms who have taken new spaces and a number of partners have said, ‘I don’t need an office anymore — I am very comfortable working remotely.’”



Downtown Fort Lauderdale is in the market for more office space as out of town companies scout for South Florida locations and others seek to upgrade their work spaces to accommodate the return of employees who worked remotely during the COVID-19 pandemic. (Fort Lauderdale DDA and Sublime Imagery/Courtesy)

Moving in

Still, downtown business operators are encouraged by the site of moving vans lined up at office buildings where tenants are moving in, not out.

Morejon of the Downtown Development Authority indicated the [residential towers rising in Flagler Village](#) are filling up with younger, higher-paid professionals who are working either in Fort Lauderdale or in the downtowns of other nearby cities.

She said 13% of those households have annual incomes exceeding \$200,000. Half of the population earns \$75,000 and up. Half have an income of \$75,000. And more than a third of the resident are aged between 20 and 34 years old. Between now and next year, five more residential high rises with 1,162 units are scheduled to be open for prospective renters who are likely to join the local work force, according to a report released Friday by Colliers International.

Another three projects with 760 units will come online at later dates. Eventually, many of those residents will be walking to work as more office buildings rise in Flagler Village.

It's a prospect not lost on Abe Ng, who is getting closer to opening his Sushi Maki restaurant on Las Olas Boulevard. He is among a number of business owners who are [betting on the growth ahead](#), as employees return in force to their downtown workspaces.

["Anecdotally, we see more people on the street,"](#) he said.

"I feel that restaurants are part of the worker experience," Ng said. After all, it's over lunch and dinner that mentorships evolve and brainstorming gains momentum.

"I think everybody realizes the importance of that," he said.