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## **Building repositioning: Navigating today's real estate market - by Irem Yildiz**

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Irem Yildiz

### The Future is Now

The real estate industry is in a state of flux as technology continues to impact how people work and live at an ever-increasing pace. These advancements in connectivity - accompanied by a diversified workforce, a new culture of integration between work and personal life, as well as physical and virtual worlds, and new work styles - have resulted in a paradigm shift for the real estate market. As a result, tenants are demanding more flexibility in their leases, spaces, and within the buildings they occupy.

### Employees: The driving force in the real estate market

In today's competitive environment, every company wants to attract and retain the top talent across different demographics. As observed over the past decade, the workplace has proven itself to be a strong asset for an engaged workforce. Therefore, companies are looking for buildings that respond to the needs and desires of their employees, in addition to being utilized as an advantage for attracting new talent. To ensure maximum tenant retention, building owners must deliver an experience that will satisfy all stakeholders involved.

Crafting a building repositioning strategy starts with developing a deep understanding of the specific trends, needs, demographics, and requirements that pertain to the unique sector(s) that building owners are looking to target. Whether it is design aesthetics, the type of amenities and services, or the required infrastructure, every business sector has different expectations and needs. However, there are also types of upgrades, such as renovations to the building façade and lobby, which will increase the value of the property and attract all types of tenants.

TPG was approached earlier this year by a New York building owner to help increase and enhance the everyday tenant experience through renovating the lobby and creating an amenity space on a higher-level floor. Bringing to the project a deep understanding of the design aesthetics that would align with TAMI clients' expectations and values, TPG designed an inviting lobby and entrance. To further increase the visibility of the lobby, a new lighting system was incorporated along the

perimeter and columns drawing attention to the entrance from passerby. Transitioning inside, the lobby was re-designed to incorporate a great composition of different materials while respecting the authentic qualities of the building. TPG's design team was also tasked with converting an underutilized floor into a functional amenity floor. Employing the knowledge acquired from working with a variety of TAMI clients over the past four decades and seeing the various shifts in the organizational culture and changing demographics, TPG designed a variety of collaboration areas that allow for choice and flexibility, including a meeting space with moveable glass walls. Understanding the value of having a connection to the nature to promote human well-being – especially in the New York real estate market – a furnished outdoor terrace was designed adjacent to the amenity floor.

#### A Shift in Real Estate Strategy: Placemaking

This new strategy of leveraging local assets and unraveling potentials into public areas that will then impact the health, happiness, and well-being of its users can be associated with placemaking – the human-centric approach to planning, design, and management of public spaces.<sup>1</sup> In the context of real estate, as the boundaries of the traditional workplace expand, they move into new territories and experiences, permeating into the building and the surrounding neighborhood, further emphasizing the importance of placemaking for occupants.

To differentiate themselves, building owners should create unique experiences such as building a strong and secure technological infrastructure, designing a well-branded façade and interior spaces, providing a variety of amenities and services, and creating a sense of community through different space activations.

#### Increasing Property Value

Recently, TPG utilized the placemaking approach to create a compelling workplace for Mack-Cali Realty Corp. aiming to push the organization forward. Located off the Garden State Pkwy. at 331 Newman Springs Rd. in Red Bank, River|Centre consists of six class A office buildings and offers tenants a campus environment with great access to amenities. TPG worked with Mack-Cali to reimagine the tenant experience by creating a bright and contemporary space with an emphasis on employee well-being.

TPG's design team worked alongside the property owner to enhance the experience in existing common areas, in particular through the repositioning of Building 4 into a dedicated amenity building that supports the entire campus. The new amenity building features a ground-floor full-service café with a variety of seating options; a lounge area with a TV, pantry, and game room; and a fitness center with showers and locker rooms. By consolidating amenities for the complex into a single location, TPG was able to maximize rentable square footage in the remaining buildings. Updating and providing a new range of amenities has given Mack-Cali a better position within the competitive market to attract prospective tenants.

Following the success of the River|Centre project, TPG collaborated with Mack-Cali to create a modern food-hall on the ground floor of the company headquarters in Jersey City, NJ. Influenced by the diversity of the demographics in the neighborhood, the goal of the project was to create a

destination that would bring together local residents, workers, and daily commuters. Further expanding Mack-Cali's presence along the Jersey City Pier, District Kitchen offers approximately 12,750 s/f of flexible dining space – designed with local vendors in mind. The new 230-seat food-hall features an assortment of dining options and provides an immersive culinary experience.

The design honors the early 20th century industrial neighborhood and promotes a sense of community within the neighboring buildings. The interior reflects the industrial architectural qualities of the area and the history of Harborside site, originally constructed in 1930 as a waterfront dock and warehouse building for the Pennsylvania Railroad. TPG provided all of the food vendors with a clean, uniformly designed area, with room for each vendor to customize their station to reflect their individual brand identity. Furthermore, the flexibility of the design allows users to activate the space in different ways for a variety of programmed events including private events, comedy nights, and movie screenings.

Whether activating underutilized spaces or redesigning the exterior image of your building, there are a wide range of upgrades to consider when looking to increase the value of your property.

To learn more about our work and our approach to building repositioning for navigating today's real estate market, please contact us at [www.tpgarchitecture.com](http://www.tpgarchitecture.com).

1. "What Is Placemaking?" Project for Public Spaces, 2007, <https://www.pps.org/article/what-is-placemaking>

Irem Yildiz is a design strategist with TPG Architecture, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540