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NYC End User Roundtable Learnings

Optimizing **Workplace Strategies** in a Changing Market

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The Future of Work: A Roundtable Discussion

At the NYC End User Roundtable, industry leaders—including Vestian Real Estate, Mark Urbanowicz, Jason Carter, Steve Paramski, Anthony A. Parzanese, Eric K. Doninger, and Josh Scofield, SLCR—came together to discuss market trends, hybrid work strategies, and the role of workplace design in shaping the future of office environments. The discussion focused on optimizing real estate investments, improving employee engagement, and creating spaces that balance collaboration, flexibility, and efficiency.





Key Roundtable Insights & Takeaways

Market Trends & Space Utilization

Companies now hold greater leverage in lease negotiations as office demand shifts. Older buildings are being repurposed or converted to prevent vacancies, while Class A co-working spaces are here to stay.

Distressed properties are being sold at steep discounts, creating opportunities for investors looking to buy and reposition assets. However, Local Law 97 adds regulatory challenges, making strategic investment decisions more complex.

NYC's office market is stabilizing, but Chicago and San Francisco remain weak, with smaller office spaces becoming the norm in New York. Meanwhile, Texas—especially Dallas—is emerging as a key logistics hub, port markets like El Paso are thriving due to incentives, and sleeper cities such as Louisville, Memphis, and Indianapolis are seeing positive growth.

Economic & Construction Considerations

- Tariff uncertainty: Potential cost increases of up to 25%.
- Faster project timelines: Reduced from 120 to 80 days.
- Turnkey vs. TI Allowance: Cost pass-throughs are reshaping lease negotiations.
- Back-up generators: Supply chain issues have extended delivery to two years.
- Class C buildings adaptation: Refreshing buildings for \$45/sf rents rather than full conversions remains viable.
- Companies that have the pro forma to infuse cash into building the capital stack will be successful, as more equity and multiple lenders are required

Workplace Strategy & Occupancy Trends

- Live/work/play model faces challenges: Rising crime impacts urban office demand, even as housing continues to expand.
- C-suite prioritizing occupancy strategies: Executives want clear road maps for space utilization.
- Scenario planning is critical: Companies should proactively plan instead of waiting for market clarity.
- Industrial tenants prefer ownership: More businesses are opting to buy rather than lease.
- Non-dedicated desks require management: Companies must accept that desk-sharing won't satisfy everyone.
- Agile workplace strategies are struggling to accommodate contracting workforces.

Workplace Policies & Hybrid Trends Panel

- Hybrid work is now an operational mandate, not just a workplace solution.
- Companies vary in enforcement: some strictly require in-office days, while others remain flexible.
- Downsizing and shedding office space is common, often to optimize per-employee costs.
- Space design must accommodate both collaboration and individual work needs.
- Employers must clearly explain the value of coming into the office (mentorship, culture, collaboration)
- Free perks aren't enough to bring employees back—experience and engagement matter.



Employee Experience

- Technology & sensors are used to track space utilization and test new workplace models.
- Wellness spaces (fitness centers, mother's rooms, prayer rooms) are a growing priority.
- Desk reservations create stress for employees—behavioral and tech solutions must align.
- Offices are shifting toward a hospitality-driven model (better reception, security, and admin support).
- Standardized metrics and workplace satisfaction scores are being used to influence policy changes.
- Meetings need structure—agendas and assignments improve productivity.
- External perspectives and continuous testing of new workplace strategies are crucial for success.

Workplace Strategy & Design

- Interviews, floor studies, and surveys help assess employee needs and inform workspace design
- Focus on collaboration spaces, aligning office layout with job functions and branding.
- Reconfigurable furniture and data-driven optimizations maximize space efficiency.
- Employees often prefer working from home, making privacy solutions like phone booths essential.
- Connecting with colleagues enhances mentorship, career growth, and engagement.
- Hospitality teams provide simple "how-to" guides for office technology instead of complex manuals.