These amenities could help draw workers back to the office

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As more companies look to potentially return to the office in the new year, amenities may be the thing to lure workers away from home offices.

And a new study from <u>JLL</u> has identified the most popular amenities in the Columbus region. The top five are fitness centers, retail and restaurants, conference centers, updated lobbies and tenant lounges.

"To give people a reason to come back to the office, you have to amenitize," said <u>Clayton</u> Davis, managing director at JLL.



TRISTAN NAVERA

The Huntington Center rooftop has lots of gathering areas with views.

Landlord investment has grown significantly in the last five years, the study found, as landlords seek to attract new tenants.

Davis said the Huntington Center's 2019 renovation is a prime example of this. The building's ownership added a tenant lounge, gym and a rooftop amenity.

In Franklinton, Kaufman Development's Gravity includes a coffee shop and bar on the ground floor, and also has about 10,000 square feet of shared amenity space for offices in the building. Downtown, 0 W. Broad recently got a new lobby and tenant lounge. The building went from 71% occupied in 2017 to 85% today, according to JLL.

Before the Covid-19 pandemic, amenities were popular, but the pandemic and many working from home has placed an even bigger importance on having amenities at the office.

"It's not just placing a couple of couches in the lobby," Davis said. "It is about having all the other parts and pieces, too."

According to JLL, 17 new or existing buildings in the Columbus central business district have gotten an amenity investment since 2017. The average increase in occupancy post-upgrade is 18% and rents on average increased about 8% post-upgrade, according to that data.

But amenities within the building are just part of the picture, said <u>Matt Gregory</u>, senior vice president at NAI Ohio Equities.

Gregory said in addition to amenities within an office building, tenants are looking for "external amenities" in a good location or mixed-use environment.

What is around the building is something that is top of mind for tenants, Gregory said. This includes being walking distance from restaurants or bars and having convenient parking or access to bus lines.

"The No. 1 most desirable things is to be next to a mixed-use environment," Gregory said.

Davis said developments like the Arena District and Grandview Yard are seeing occupancy rates over 90%.

"It's no secret why these areas are as successful as they have been, you don't have to get in your car every time you want to grab coffee or go to the gym."

Gregory said it is all about convenience.

"If people have to get in the car and drive to work, they don't want to have to drive elsewhere for those other things throughout the day," he said.

According to data from <u>Colliers</u>, tenants are also increasingly seeking patio space or outdoor gathering space at the office.

"The majority of new construction has outdoor space," Gregory said. "There is the Covid impact; people working from home can work all over their house and in whatever environment they want. Having a number of different spaces can emulate that."

Bonnie Meibers

Staff reporter

Columbus Business First

