## The Boston Globe

## What if returning to the office doesn't involve an 'office'?

Companies are experimenting with new sorts of places to work, from apartments to auto shops

By Janelle Nanos Globe Staff, Updated December 24, 2021, 4:04 p.m.



Marlo Fogelman, the founder of Marlo Marketing, leased an apartment in the Seaport as a new office. She also hosted a Christmas cookie exchange and a Yankee swap at her Seaport building. JONATHAN WIGGS/GLOBE STAFF

In Back Bay, a real estate brokerage has taken up residence in a former restaurant. In the South End, a marketing firm now pitches clients from a former design studio. Over in Inman Square, a robotics team is working from an auto body shop. And in the Seaport, a public relations firm is being managed from a luxury high-rise apartment.

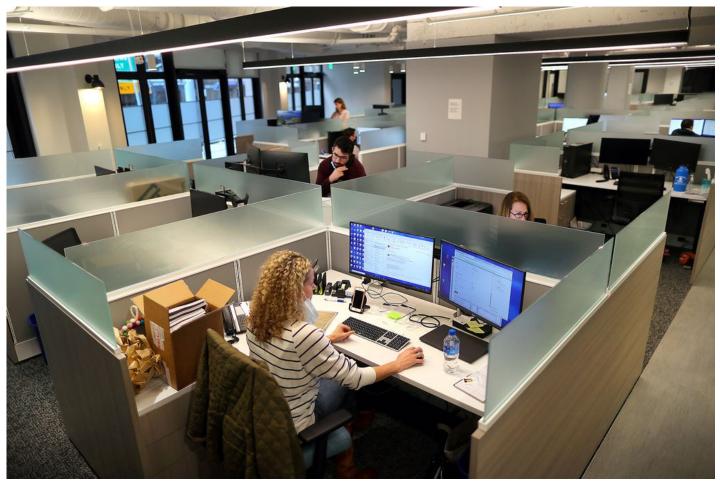
It's been nearly two years since the pandemic closed offices and upended the way we think about work. Now, as companies strategize (and restrategize) when and how they'll

bring people back, some are rethinking the traditional office entirely, and seeking out new homes that better reflect the way we work today.

After all, when you can work from anywhere, just about anywhere starts to look like a potential office.

That's the pitch Prudential Center owner Boston Properties made to real estate firm Atlantic Retail when it offered up the former Haru restaurant site on Huntington Avenue for Atlantic's new headquarters. Atlantic, which caters to retailers, had been in a Needham office park before it merged with Dartmouth Company last year, but they were "itching to get back into the city," said managing director Brian Roache.

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The former Haru Restaurant is now home office to Atlantic Retail on Huntington Avenue. JOHN TLUMACKI/GLOBE STAFF

In early November, the company moved its 50 employees into the space, and now the kitchen of the former sushi restaurant has been repurposed as a place to entertain clients and provide an amenity for employees, said Roache.

"It's the perfect marriage of what we do being retail brokers," he said. "The pandemic kind of forced everyone to think differently. We thought it would be a cool and unique opportunity to experience what retail would experience."

For Chris Needham, the hollowed-out retail market provided an opportunity for her and her cofounder, Daren Bascome, to <u>purchase a ground-floor commercial condo</u> in the South End for their marketing agency, Proverb.

"We wanted a retail space because we want people to come in." she said. "We kind of

want Proverb to be a storefront, our work is so visual and conceptual."

The company had been leasing a space around the corner on Albany Street for the past ten years, she said, but after seeing how hard the South End was hit by the pandemic, they wanted to invest in its future.

"We wanted to step it up and recommit to the neighborhood," Needham said. The new space, which they moved into this summer, is built for collaboration — "high ceilings, no walls, no names on the doors." Workers sit wherever they want, picking "nooks and niches of coziness," she said, and if they're not at Art Basel or working out of a Tatte, most people have been coming in up to three days a week.

Engineering consulting firm LeafLabs had already begun outgrowing its space in Cambridge when COVID hit, said executive vice president Jami Friedman. And with so many employees working from home, LeafLabs chose to vacate its office when its lease expired in 2020.

"We were in limbo for six months when we didn't have an office at all," said Friedman.

When the time came to lease something new, the company wanted to stay in Inman Square, but struggled to find a space nearby that fit its needs. It ended up landing in a former auto body shop on Cambridge Street. LeafLabs bought the building, renovated part of it for the company, and turned the rest into a co-working space for four other small businesses. The company plans to convert a former car elevator into a conference room.

Friedman said the team loves being on street level in the heart of the neighborhood.

"We're a bit more in the center of Inman Square, so we're often popping out and doing team lunches at the local restaurants," she said. Having their own space also means more autonomy, she added.

That autonomy has been a common theme as companies seek out smaller office footprints that better fit the needs of a hybrid workforce while also offering a bit more

control over who's coming in and out, said Jesse Baerkahn, president at real estate firm Graffito SP.



The former sushi kitchen of Haru restaurant is now an open meeting and entertainment area for Atlantic Retail. JOHN TLUMACKI/GLOBE STAFF

Small offices have historically been a bit harder to come by in Boston's office market, so he's noticed a "tremendous amount of interest" in the scaled-down offices he's been leasing in the recently opened Charles River Speedway development on Western Avenue in Brighton.

"When the acute health crisis of the pandemic subsides, I still think there will be this lingering feeling that they're not as comfortable with that big office tower — the big lobby, the elevator line," he said. "The trauma of the pandemic makes some of these

And in some ways, the search for nontraditional office space represents a larger shift in thinking about how we use space, said Liz Berthelette, a research director at commercial real estate firm Newmark.

"We have a lot of offices becoming labs. We have offices becoming distribution centers, we have malls becoming distribution centers, or housing," she said. "So there's a lot of redevelopment and purposeful reuse of space."

Downtown Boston's office market is still dealing with a 12 percent vacancy rate — which is up from a 15-year-low of 7 percent just before the pandemic — but Berthelette said she's been noticing a "pretty significant uptick in subleasing, with companies looking for shorter terms, or something a bit more creative that's plug-and-play."

"The best of the best options are leasing up pretty quickly," Berthelette said. "And that could be driving some of these companies to these more alternative office operations."

A search for alternatives is what drove Marlo Fogelman to lease an apartment in the Seaport as a new "home office" for her firm Marlo Marketing. Before the pandemic, Fogelman's gleaming-white, nearly 10,000-square-foot office in Downtown Crossing featured kombucha on tap and a resident mascot: Lulu the Shih-poo.

But as her hospitality clients faced tough times during COVID, Fogelman felt the pinch. Her landlord refused to offer her a break on rent, and after protracted negotiations she left her space. A legal battle ensued, one that she finally resolved this fall.

The feud soured Fogelman on commercial landlords, and since her employees didn't want to come to the office anyway, she rented a sleek Seaport apartment instead. Now she uses the two-bedroom unit as her makeshift office, holding occasional client meetings or monthly team-building sessions on the roof deck or in the building's conference rooms. She stays at the apartment several times a week, and ves. Lulu is still a

mainstay.



Marlo Fogelman leased an apartment in the Seaport as a new office for her marketing firm. JONATHAN WIGGS/GLOBE STAFF

Fogelman says the decision to forgo a traditional commercial lease has been liberating, and lets her do what's best for her and her employees in these uncertain times. "My team is stronger now than they've ever been," she said.

"The pandemic has taught us that the traditional way of working is over," Fogelman said.

"The real lesson we've learned is that the trappings of success that at one point felt so important actually aren't; it's about a quality work product, caring about your colleagues, and passion for your craft. No office needed for that."

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