

Earlier last week Alexis Garrett and Carrie Jeske from Jones Lange Lasalle pulled together a panel of industry experts from the Sacramento Commercial Real Estate Community to discuss Workplace Re-Entry, a topic which seems to be on everyone's mind right now. The discussion addressed how these experts were helping clients navigate the "new normal" today and provided solutions how to prepare for re-entry into the workplace.

For those that are not familiar with Jones Lange LaSalle or JLL - JLL is global solution-based professional services firm that specializes in Real Estate and Investment Management with an office located downtown on Capitol Mall. Whether you are an owner of real estate or a Tenant, JLL is happy to be a resource to the FEI Sacramento community.

First and foremost, no-one is "behind the curve". This is new to everyone and the best practices on how to approach re-entry is continuously changing. With exception to essential workers and some non-essential retail opened last week-end, most all of us are still in the Workplace Continuity phase. We have figured out how to work remotely, using ZOOM and WebEx and invested in the necessary technologies and equipment to get us through the day to day. Through this process, some of us have determined that we work quite well remotely; while others are inefficient and cannot wait to return to the office.

No matter what your experience has been working from home, as we move more closely to re-entry, there are four key factors that all organizations need to consider:

1. Governmental mandates: the national, state, and local guidelines and requirements. Many of you have likely noticed that Governor Newsom's daily press briefing are giving reason for optimism but it's still only one consideration.
2. Understanding your landlord actions, or what's happening at the building level – which Brenda will discuss.
3. Developing an action plan for within your space - which Valerie will touch on.
4. Considerations on the individual level, for the employee. Individuals must have confidence in the health, safety and wellness plans that your organization has put into action before folks are comfortable returning to the workplace.

Getting buildings ready for Re-Entry:

Office Building Protocols and Best Practices provided by Brenda Daigle - Senior Vice President of Operations for JLL. Brenda oversees the Property Management Team in Sacramento

Brenda:

There are 3 pillars to re-entry:

(re)Activate our Spaces – Every building that we work with is unique and how we determine the best protocol for re-entry for that space. Our team is putting together what this will look like with our tenants and owners.

With this we are adjusting and communicating expectations around new behaviors that will increase safety, security, productivity and wellness

(re)Health and Wellness – Creating and monitoring effective guidelines for our common area spaces to ensure not only the health of our tenants and visitors but also for our staff such as select health screenings (taking temperature upon entering the building), janitorial and housekeeping, PPE and social distancing.

(re)Vitalize our Property and Operations – Confirming that our building including common area spaces and amenity spaces are safe to enter and new operation procedures are being adhered to.

While we are anxious to get tenants back into the buildings we manage, we must keep in mind that this next normal and re-entry is a complex process. Local government mandates and tenant policies must be adhered to, along with proactive approaches to maintain social distancing, promote health and security for our building communities and ensure tenants' confidence in building safety.

Communication with the landlord and tenants is critical as they resume their business operations. We are having calls with each of them to understand their re-entry plans.

Some examples of things we are implementing now:

- Sneeze guards at security desks and masks for tenants and visitors
- Comprehensive signage encouraging social distancing
- Markings to show you where to stand when you are waiting in the common areas
- Increased and enhanced cleaning schedules to address frequency of cleaning of restrooms and high-touch areas
- Increased hand sanitizer stations
- Employers will stagger times for their employees to come back to work
- Building access will be limited and there may be designated entrances for tenants and visitors
- Limiting congregating areas found in lobbies or by reception
- Hours of amenity centers, conference rooms will be limited
- HVAC systems maintenance practices are being updated to ensure clean air practices are being met
- Touch free entry points
- Designated delivery points for food and service delivery along
- Designated lockers installed for fed ex or other deliveries

There are still many questions that need to be answered but at minimum we suggest employees take their temperature before coming into work.

Office Space Design and Workplace after Covid-19:

Workplace in the post-covid world from an office design perspective provided by Valerie Hoffman who oversees Interior Architecture for NORR Architecture located in Sacramento.

Valerie:

While this is new to everyone there are 3 things that are on their minds as they consider re-entry.

Educate - Employers are going to look at best practices and guidelines that employees can follow to manage a safe workplace environment. Employers recognize changing habits is not easy and might be specific to a company's culture; therefore, tools and protocols utilized will vary from employer to employer.

***Prevent** - There will be a heightened focus on designing environments that will prevent the virus from spreading. Our professional team has amassed a list of workplace behaviors that consider tactile items with high-touch points.*

***Implement** – Our team is prepared to provide workplace strategy design solutions for both short and long term and how will this work.*

Employers will need to create environment employees feel safe and practical, but at the same time will not compromise productivity and collaboration. Employers are re-evaluating how they work and what makes sense for the short term. Polls are still indicating that over ½ of employees are not ready to go back to work and are more comfortable in their home.

What our clients are talking about as it relates to the Office Environment:

- Entry, Reception and Lobbies – removing some of the furniture in the lobbies and reception areas. Lobbies will not be used to congregate but utilized only to get in and out of the building. Touchless entry points and sign-free deliveries and drop offs are being implemented.*
- Conference Rooms – Limiting access and the number of people that can be in the room at one time. Hiring a day porter that will clean the room regularly. People will have their own pens and materials for meetings. Social distancing guidelines will be in place.*
- Breakrooms and Kitchens – Some Employers are closing the breakrooms completely or will utilize a day porter to clean the space regularly.*
- Private Offices – Limit number of individuals in offices at one time. If it is a shared office, the space will be reconfigured, and furniture will be removed from the area to support social distancing guidelines.*
- Collaboration and Lounge Spaces – Use of these types of work solutions will be limited for the time being. In many cases, furniture will be removed to support this.*
- Furniture Workstations and Benching – Employers are eliminating benching or moving to alternate benching (every other seat used) for the time being. Some are considering add-on glass kits, panels or more moveable / free standing options for workstations. Changing out fabric to wipeable surfaces are being considered for long-term solutions.*
- No hotel station use at this time.*

Currently clients are finding ways for them to operate for the next 8-12 months and most do not see these changes as permanent. The clients I am working with are not ready to change the design of their space completely until this plays out a little bit more. With that being said, every client and every company culture is different. It really comes down to what works for them.

Navigating Construction projects through the “next normal”

Danny is a Senior Project Manager for JLL’s Project and Development Services Team and is involved mostly in the physical changes to our workplaces – construction.

Danny:

Construction in CA considered an essential business and the actual work cannot be done from home and as many of you may know has not stopped in Sacramento.

While there has not been a lot of changes to the architecture of the space, practices have been put in place for those on the construction site.

- *Remote Technology* – Wherever possible, we are keeping people from the office or jobsite. Increased use of jobsite cameras and solutions like Ring, Next, OpenSpace – makes it easy to see the progress of a project without a site visit.
- *Transportation* – For people who do need to go to work, increase single occupancy vehicles or carpooling with masks & gloves are being utilized.
- *Controlled Access* – If people need to be on site, set up a system to control access - whether to the jobsite, parking lot, elevator, office door. Approved workers will be the only ones allowed on site and touchless thermometers are becoming commonplace at construction gates.
- *Social Distancing* – Once inside, create a space where people can work but maintain at least 6' from others. Offices may stagger home/office schedules. Construction is looking into more work done off site, limiting the number of crews and people on site. No shared tools or plans.
- *Increased Sanitation* – Increased masks, installing hand sanitizers and hand wash stations, more regular restroom cleaning, designated people to wipe things down.

A topic that I have not seen addressed as much is the Emergency Response protocol. If you come across someone that is sick - what is the protocol, who is in charge of this and how will you isolate them? As it relates to a construction site we have placed rules and procedures right alongside the other safety procedure signage.

Whether it is an office environment or a construction site, additional people or shifts to support social distancing and safety may result in increased costs.

Change Orders: As it relates to construction, I have seen both ends of the spectrum. While I have seen some contractors cut their costs to ensure they keep their team busy there have been others that continue to bill for these additional costs associated to extra contractors or supplies to keep the worksite safe.

Delays in the project: The delays I have seen thus far are related to delays in the “approval process” from the entities that typically review the plans rather than from the General Contractors themselves.

Eventually these costs will be wrapped up in the cost of the project; however, right now people are just trying to adjust and incorporate the new protocols, keep the environment safe and keep the project moving!

CLOSING COMMENTS – What do we think our “new normal” will be?

Alexis: *I have had a handful of clients who have expressed interest about subleasing a portion of their space because working from home is seemingly working so well. While I do anticipate that some organizations will explore this, I believe many will find that over time they may see a loss in productivity, struggle with retainment, and find challenges with maintaining company culture.*

Carrie: *As many of us on this call are aware, there has been a huge migration of people and companies moving or expanding into the Sacramento Region from the Bay Area. I believe this number will only increase. As a company we have discussed the possibility of more companies spreading out their workforce resulting in a smaller footprint in areas of congestion (like SF) and choosing areas like Sacramento where many of their employees are migrating to or normally reside.*

Valerie: *As I said earlier, I do not see this as a forever thing. As of now I am not seeing long-term design changes or change requests because of this. I do agree with Alexis that while working from home might seem to work for the short term, company culture might be compromised if they choose not to have an office. I believe in 18 months or so things may be similar to the way it was. We all tend to gravitate to what we like.*

Brenda: *Re-Entry is going to be slow. Employers are going to allow small groups coming back gradually and it might be in shifts. Eventually we will get back to a place where we can work together and work together because for many that is what we like to do. Everyone needs to be patient and with time we will get there.*

Danny: *While a lot of what we discussed was related to office re-entry. As it relates to construction - you can't hang drywall or pour concrete from home. We need to remind ourselves that as happy as we are that construction is still moving, construction workers are putting themselves on the front line every day to keep a project on schedule or to get it done.*

Moderator and Panelist Contact Information:

Alexis Garrett – *Alexis is a Senior Vice President at JLL where she has over 12 years of experience in the leasing and sales of office properties in the Sacramento area. She currently oversees the marketing of over 2.5 million square feet of Class A and B office space and represents several significant tenants throughout the region. Her clients include private and institutional owners of real estate and a wide array of public and private companies in the high-growth, technology, legal, governmental affairs, healthcare, education and non-profit sectors.*

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Carrie Jeske – *Carrie is a Senior Associate at JLL who has over 20 years in the Real Estate and Computer Software industries. Carrie recently joined forces with Alexis Garrett to launch JLL's High-Growth Business Practice to support the increased growth and innovation in the region. Carrie and Alexis new team help companies of all sizes and stages navigate the real estate complexities often associated with expansion and change.*

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Brenda Daigle – Brenda is a Senior Vice President of Operations with JLL is a 33-year veteran of the commercial real estate/property management industry and brings a diverse background in corporate and institutional grade real estate management to the Sacramento region.

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Valerie Hoffman – Valerie is the Principal of Interior Design for NORR Architecture. Valerie has 25 years of experience in architectural and interior design, commercial tenant improvements and project management. Valerie has successfully created design solutions for numerous project sectors including commercial, healthcare, civic and hospitality, ranging from 1500 square feet to 1.5 million square feet.

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Danny Milman – Danny is a Senior Project Manager for JLL's Project and Development Services Team. Danny brings over 20 years of experience at all sides of the construction table including Developer's Representative, Construction Project Manager, Superintendent, and Operations Manager.

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