

PROPERTY REPORT

2.6 per cent
Biggest one-week REIT gainer, Primaris

10.6 per cent
Biggest one-week REIT decliner, Huntingdon

10.4 per cent
Biggest one-week stock gainer, MI Developments

7.8 per cent
Biggest one-week stock decliner, Homburg Invest

Corus building perks up TO waterfront
globeandmail.com/real-estate



Toronto view: Contractors repair the Globe garage.
PETER POWER/THE GLOBE AND MAIL

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OFFICE DESIGN

Workplace walls come tumbling down

Well-designed offices find favour as employees give the thumbs-up to open floor plans and tighter, low-slung cubicles

BY ANGELA KRYHUL

When Steve Andrews and about 100 fellow employees of the Town of Markham moved into their cubicles in a newly renovated office last November, he knew they would feel the squeeze on their personal work spaces.

In fact, Mr. Andrews planned it that way.

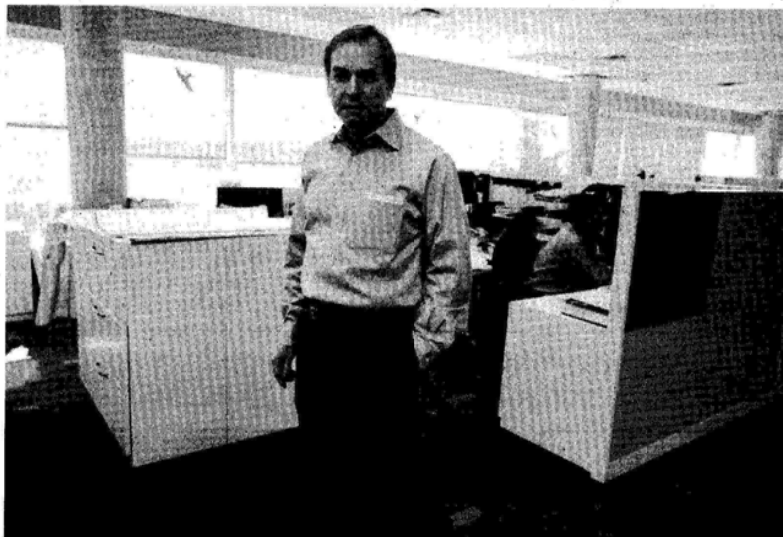
"There's nothing that catches people's attention more than their paycheck and their personal space," says Mr. Andrews, director of asset management for Markham, Ont., who oversaw the redesign of 20,000 square feet of additional office space the town decided to lease. The goals were to ease crowding at its Civic Centre, and to bring together staff from some of its other offices.

Mr. Andrews had the additional office space redesigned to meet a long list of criteria, not the least of which were space efficiency and cost savings. The workstations in the new space measure 50 square feet, 33 per cent smaller than the 75-square-foot cubicles at the Civic Centre. "Our people were a little skeptical because they didn't want to lose what they had before," he says.

Cubicle size became less of an issue once people realized how open the overall design is, Mr. Andrews says.

The project reflects the latest thinking in office design: an open floor plan with few private offices, compact workstations with low walls so that there is better air circulation and more natural light for the entire floor, and common areas where comfortable seating and wireless Internet access get people out of their cubicles and collaborating on projects.

"Now that we've moved into the space, they really love the openness," Mr. Andrews says. "They feel very much that it's a real team environment. They don't miss the perceived privacy aspect and they love that it's so bright and lively in the office because of the light that comes through. It's a real kind of dynamic that's been created."



Steve Andrews, director of asset management for the Town of Markham, Ont., oversaw the redesign of 20,000 square feet of additional office space the town decided to lease. CHARLA JONES/THE GLOBE AND MAIL

Floor plans are becoming denser and businesses are now able to function more productively in an office environment with less overall real estate.

Steven Cascone, Mayhew and Associates Inc. of Toronto

Mr. Andrews is typical of managers who are asking office designers to help solve a myriad of challenges, from how to reduce capital and operating costs, to how to create pleasant workplaces that will attract and retain talented staff.

Those challenges are growing for companies that, in a shrinking economy, are paring back and looking for efficiencies within their operations.

"This is a pretty severe economic downturn, and we're going to see people reacting to that," says Peter Icely, president of the Canadian region of CoreNet Global, an association

representing corporate real estate executives and service providers.

"I think they're going to look at everything, including their space and their staff. Certainly, in an economic downturn, companies find they can use spaces more efficiently. It allows you to reduce your real estate costs."

Organizations are also investing in workplace design to help staff work better and smarter, Mr. Icely adds. "Twenty years ago, they built spaces, and people had to fit into those spaces. Now, we design workspaces around the way people actually work. The workplace becomes an asset to enhance productivity, like a computer."

Mr. Icely also says that landlords need to ensure any space they have on the market is desirable to potential tenants, and office design can help achieve that goal.

"I think landlords are looking at the space they've got and figuring out how they can make it more efficient and attractive to tenants. And that includes how the space is configured: Are there a lot of private offices in the space that

most companies aren't looking for any more ... and what kind of technology is in the space to support computers, telephones, telecommunications? Is my building configured to support the modern workplace?"

That modern workplace often means less, but more efficiently designed, square footage.

"Floor plans are becoming denser and businesses are now able to function more productively in an office environment with less overall real estate," says Steven Cascone, director of design for office design and consulting firm Mayhew and Associates Inc. of Toronto, which undertook the Markham office redesign project.

Mr. Cascone says that the design trend for offices is to include homey touches, such as lounges with comfortable sofas and chairs and eating areas with access to WiFi, in order to attract workers in their twenties who were accustomed to working in groups while in college or university.

Many younger staff think nothing of working at the office until midnight, "as long as they have those comforts of

home in the work space," Mr. Cascone says.

When Mayhew's designers looked at the Markham project, they tailored all of the new workspaces to job functions that range from managerial to engineering to general office staff.

"We went through an elaborate consultation process with each manager of each department to make sure the design met the needs of the individuals working in the space," Mr. Andrews explains. "Mayhew got a good understanding of the duties of each of the positions, the amount of desk space they needed, the amount of storage they needed and any kind of fixtures on the workstations that would help facilitate the duties of the job."

The new Markham office allots less than 185 square feet of total space for each employee, factoring in workstations, enclosed offices, hallways, foyers and other common areas. That's down from 200 square feet each at the Markham Civic Centre.

Yet the new space has a more open feeling, Mr. Andrews says, because there are fewer filing cabinets and none of the cubicles has overhead storage bins, which tend to block light.

The Markham Civic Centre office space, staffed by about 450 workers, will get a similar makeover this year.

Markham's compact cubicles, priced at \$2,500 each, or about half of what the town has paid for workstations and furniture in the past, contributed to overall cost savings, Mr. Andrews says. "The beauty of the way we've laid out the office is that all of our furniture is modular. It's all pieces that can be dissembled and re-oriented in a different format if we grow in the future."

Markham has clued into a key factor that is dominating office design these days, and that, Mr. Cascone says, is flexibility.

"People are changing, work habits are changing, businesses are changing," he says. "The space should be as fluid as their business."

Special to The Globe and Mail

TOP 10 FEATURES THAT CLIENTS WANT

1. Access to natural light
2. Better air quality/circulation and temperature control
3. More meeting spaces
4. Open areas that accommodate employee collaboration and teamwork
5. A greener, more sustainable office environment, such as reusable interior architectural wall systems, materials with low VOCs (volatile organic compounds), materials with high recycled or biodegradable content, and products with "Cradle to Cradle" environmental certification.
6. Increased flexibility of furniture components, such as mobile tables, furniture systems consisting of a limited kit of parts, etc.
7. An aesthetically pleasing environment that would attract and retain highly skilled labour
8. More staff amenity spaces, such as lounge areas, cafeteria and fitness facility.
9. The ability to work away from an office or workstation through wireless technology
10. Incorporation of outdoor elements within office space, such as living walls

Source: Mayhew and Associates

Trends in office design

- Alternative work strategies, such as the ability to function away from the office, or the use of shared work settings
- Smaller individual workstations
- Increased meeting and collaboration spaces
- A "greener" office environment
- More flexible work areas, such as a formal meeting room that can be reconfigured into a training room or other purpose
- Increased use of natural light
- Inclusion of colour and texture in office decor

Source: Mayhew and Associates