



## **REAL ESTATE WEEKLY**

# Interior design a priority in a city of soaring rents

By TIM MORAN

April 26, 2006

Many large companies with offices spread out across the nation have set guidelines for office densities—for how many square feet of office space must be available for each worker. Once these companies enter the New York City market, however, the rules change.

"Often, density guidelines are the first thing out the window," said Todd DeGarmo, CEO of STUDIOS Architects, whose company has presided over many build-outs and interior redesigns in the city, including the design of Adidas' space at 610 Broadway. "Companies come, look at the cost per square foot and decide on a New York standard different than in other cities."

Welcome to Manhattan, home to the most expensive commercial and retail space in the country. The reality of soaring cost per square foot in the city makes it all the more important for companies to have a well-designed interior that maximizes useable space while remaining pleasant for those inside, who are crammed together in

densities inconceivable in other U.S. commercial real estate markets.

This creates a great challenge for architects, designers, builders and their clients, all of whom play their part in the careful balancing act between maxing-out and respecting their spaces.

"What you notice with a lot of the new build-outs is fewer walls and lots of furniture," said Michele Medaglia, president of ACC Construction. "So many of these companies are growing so fast they don't know what they might need the space for in a year or even a month, so they go with open space and furniture you can easily move around."

But that's not to say New York's savvy commercial tenants are simply pushing couches around will-nilly. Most often, the noted interior designers—along with the client and ideally the broker—have painstakingly mapped out what to do with their tiny little piece of the skyline. The reason for this often-significant investment, DeGarmo says, is the well being (read: sanity) of workers.

"In New York you have people liv-

(OVER)

ing in tiny apartments and commuting to work in overcrowded subway cars," DeGarmo said. "New Yorkers don't have much space and because of that, space becomes sacred... Any space must be well designed, particularly if your company runs on intellectual capital."

Both DeGarmo and Medaglia say while the need for optimally designed work and retail spaces is well known, there is no "magic bullet" for solving crunch.

"One of the big things is natural light," Medaglia said. "If they've got any of that, companies try to share it around now, using low divider walls and lots of glass."

DeGarmo said that there are hun-

dreds of considerations to make when considering commercial space in the city.

"You have to consider things also like the age of the building," DeGarmo said. "You could have a beautiful space with lots of light, but then you have to consider the infrastructure—the electric loads, elevators, water needs—healthy enough to accommodate the densities you want... It's very important to consider all of these before making a move."

DeGarmo added. "If you don't get natural light the project changes completely. Then you have to make the focus of your space inward rather than outward and it's a whole different story."

*"New Yorkers don't have much space and because of that, space becomes sacred."*

TODD DeGARMO