



ScratchThat Podcast Episode 14: We Are Family

- Emily: Gensler is a global design and architecture firm with experience across all modalities of design and clients across the globe. Gensler has record breaking revenues in the U.S. and can be considered at the forefront of new design. Given the fact people spend 90% of their time in buildings and the way that we use those buildings impacts our lives so directly, I thought it would be important for us to sit down and talk about the importance of good design and the trends that you might see coming on the ground. I sat down with Brooks Howell, Residential Leader and Principal with Gensler, and Stephanie Wherry, an Architectural Designer, to talk about the trends and coming-ups in residential design.
- Emily: Why don't I start with you, Brooks? You're the most tenured of the two of you. Tell me a little bit about your passion for architecture overall. Tell me about you.
- Brooks: I have been an architect for 25 years. I started, first day at my freshman year at The University of Texas in architecture. I haven't really done anything else for the last 31 years. It's interesting, you start out as an architect, thinking that it's all about building monuments and that you'll see this amazing thing on the side of the road, which is great, but in the end of the day, it's all about the people. The people that you meet in this business are amazing. It's, uh, you know, you work with someone different every day and that's really kind of what gets me up in the morning is all of this interaction, the, you know, just a lot of different exciting and interesting people over the course of a given day.
- Emily: Yeah, that sounds very much like real estate. It's kind of familial in, in an aspect. Stephanie, what about you? How did you come at this business?
- Stephanie: I've been working in the business for almost six years now. I went into architecture because I originally was really into art and architecture seemed a lot more structured.
- Emily: You might be able to pay the bills in architecture.
- Stephanie: Yeah. Yeah. And honestly though, it's just, it's been, it's—it's a really thrilling business to be in because you get to make spaces for people that, like, can really make their lives better and then

on top of that you get to draw something and then one day you get to walk on it and that moment is really cool.

Emily: Yeah, I can only imagine.

Stephanie: Yeah. When you go from seeing something on a piece of paper that you've been looking at for months, or years even, to like walking across it. Yeah, that is like a high point and then just being able to go and visit and see how it affects people and basically shaping the community for people is kind of what I think drives me when it comes to architecture.

Emily: I love that. One of the things that I've been thinking a lot about, or at least something that's important in our business as REALTORS® is that technology has changed the way that their business is conducted and my sense is that the same is probably true for you in similar but different ways. I read a quote on an article about the technological disruption in your business. It said that new technology is allowing buildings to interact with occupants in more robust and intimate ways. And my sense is that that used to be the job of the designer or the architect to anticipate an occupant's needs, but now the buildings are kind of getting so smart that they, they take on aspects of that. Do guys feel like that's diluted your purpose in, in your industry?

Brooks: I would say it's actually the opposite because what's happened inherently over time, with buildings and architecture in general, and this is true even of, you know, single family houses, is that buildings are getting more and more complicated. And they're complicated in terms of, uh, you look at all the mixed-use projects that are being built, when you're stacking a residence on top of a hotel on top of an office building. That's a much, much more complicated project. And the technology, layering that technology on top of that makes it even more complicated. So it's actually the opposite to where architects are even more relevant now than they, than they might've been because, just because of the complication of implementing the projects.

Emily: Mhmm, that makes sense to me. The equal of that in real estate, is that REALTORS® and consumers have access to mounds, and mounds of data, but learning how to leverage that so that it's actionable is, is very tricky. And something that is an expertise just as managing these really complex architectural design jobs is more complicated than it was when we were just building simple structures in single uses, right?

Brooks: Yes. Yes.

Emily: That makes sense to me. Okay, so talk to me a little bit about what kind of commercial architectural trends you see that you think are bleeding into residential. What should we expect is coming?

Brooks: I mean, I think mixed-use is probably the biggest one.

Stephanie: And I think compacting space, like, spaces are getting smaller.

Brooks: Technology's a big one. I think that--

Emily: Yeah. Yeah.

Brooks: We're still sort of in the early innings of how technology is going to be implemented in residences. It's almost like the, the companies, like, you know, Nest, or so on, who are making these devices are just making them and then everyone's sort of trying to have to, they're trying

to figure it out how to actually use them. One of the discussions that's going on really in the industry is—it's sort of the future of, you know, what does the future of, let's say a rental apartment for instance. What is the proper smart home technology for that kind of a project? I mean, does the refrigerator talk to you? Or you know, does the stove turn on at five o'clock and heat up the whatever? We've had that for a long time, but we didn't necessarily have it connected to wi-fi and the like. And, so, I'm not sure anyone has quite figured that out yet. And there are a number of people that are working on it right now.

Stephanie: I would say like in the immediate future, though, mixed use residential or multi-family residential is going to become more and more like living in a hotel. In that like...

Brooks: Yeah.

Stephanie: All of those amenities and all those pieces and parts that you see in a, in a hotel experience you're going to have in a residential experience.

Brooks: And that's really the other piece, which is sort of the amenities, arms race. I mean, every kind of residential environment you see, I mean the clubhouses are getting bigger, the pools are getting bigger, it's all getting bigger.

Stephanie: But the residents are getting smaller.

Brooks: Correct.

Emily: That makes me think a little bit about the way that shared economy has scaled in other industries and where it could potentially go in your industry. I understand that there's a concept of communal apartment living that's launching in London, where there's essentially, to your point, that shared communal amenities space and then independent, much, much smaller residential space and from a real estate perspective, the question is which piece of that pie do I own? What do those transactions look like? That's as complicated for them as it is for you guys probably to design spaces like that. Are you seeing more and more of it?

Brooks: So, look on West Campus in Austin, and there's a number of new student housing towers. And those towers are generally, oftentimes, four-bedroom apartments where you, essentially, you have your own bedroom, and you do share the living space. And that's, that's really a co-living concept. I mean we call it student housing but it's really co-living. And so now, what's beginning to happen is that the, the developers that are building those student housing projects are beginning to realize that they aren't really serving the 18 to 22-year-old crowd. They're actually really serving more of the 18 to 28-year-old crowd. And, so, the same people that were--might've been living together in college, they're, they're now looking for a similar living arrangement. And you know, the four-bedroom apartment is really the equivalent of the old four-bedroom house or, or we've even done up to six-bedroom apartments. Which is a six-bedroom, six-bath student apartment. And you know, post-college, these young professionals and young adults, they want to continue to live that way. Instead of renting a 600 square-foot apartment. Now those, those projects, you might only have a 400 square-foot average per bed and so your rent is a lot lower, so you can live in a high rise in a great location with a great view. Sharing that with four friends and it doesn't break the bank.

Emily: Do you think that what's driving that though is just purely the affordability factor? Or is it also a desire to be in community in those shared spaces and to change the way that we live a little bit?

Stephanie: I think that overall people are becoming more community minded. You kind of get used to it. You know, I've, I've always had a roommate. Maybe, maybe I need to become more of an adult, I don't know. But it's nice to have someone to share a space with to, to cook with or--

Brooks: Yeah, as opposed to Gen X, which is what I am, which we never had roommates after college. I mean, we got outta college, like thank God I don't have to have a roommate anymore. But that's changing.

Emily: So, are we saying co-living with full family experience?

Brooks: It could be. If you could rent a four-bedroom apartment that's maybe 1500 square-feet, I mean typical four-bedroom apartment might be 2,500 square-feet. Well the rents are crazy for that size of an apartment. Then you end up buying your house. But the potential to sort of, you know, move into this smaller apartment and, and again, it's all about access to, you know, services and amenities. Location is becoming much, much, much, I mean, it's all, you know, real estate, it's always been about "location, location, location." But even looking at, you know, Austin or Houston or Dallas, I mean as traffic gets, it's harder to commute and you might work downtown and the opportunities to live downtown, as you know, once, you know, you have children and so on. They're limited because they're really only a two-bedroom apartment. So these co-living models are interesting in that they start to address a number of other items. And when we talk about amenities, I mean we have a project going right now, it's in downtown Los Angeles. It has an entire K-5 charter school in the base of the building. And they're larger apartments and so people can move in downtown and get their kids through elementary school in downtown. That's a true amenity. I mean, yeah, we like to have all the bars and restaurants, but Turner school was actually an amazing amenity for an urban, you know, living arrangement.

Emily: That is amazing. The stickiness, right, of a community. Can I live, work, play, do all of the things that I need to do in an environment where I'm in community with the people around me. What other trends do you feel like you're seeing bleed from commercial into residential design these days?

Stephanie: If we're going to talk about aesthetics or something like that, you could say that the more, like, loft feel is, is becoming more and more a demand, right? Uh, exposed concrete, exposed structure.

Brooks: Yeah. From an aesthetic standpoint, I would say that sort of this, this boutique, I'll call it the boutique hotel idea.

Stephanie: Yes.

Brooks: Or transitional contemporary. Just sort of another word for it is really bleeding over from the commercial and hospitality market into, really, into everything. I mean, it's, it's bleeding into residential, but it's also bleeding into offices and law firms and everything else.

Stephanie: It's the concept of something that feels authentic and more individual in the sense that like, it's not a cookie-cutter version of something you've seen everywhere else. I think that kind of experience is, is what is a, is becoming, is bleeding over throughout just architecture, culture, all of those things.

- Emily: What about in terms of sustainable design? I noticed that Gensler has a strong emphasis on sustainable design practices overall. What's shaping sustainable design decisions in the residential space?
- Brooks: On a large multi-family side, there are certain developers, we work with a client and they certify all of their buildings as lead projects, which means that we're, you know, we're, we're using less water. Probably the biggest impact is on air conditioning, especially in Texas. A few years ago, 16 SEER was kind of a luxury on a, on a unit. And now it's becoming much more mainstream. And, um, the buildings are getting tighter. They're quieter. Uh, but ultimately, it really boils down to, you know, a cheaper power bill every month, which everybody loves. Usually the less water is, of course, a good thing. It's very much showing up sort of on an in an individual unit basis I guess is the best way of putting it. Uh, rather than, cause that's the way most, again, I'm thinking about multi-family residential, but we're looking at, you know, better mechanical systems for the buildings, which lead to, again, this just leads to a lower bill, lower energy uses across the board for everyone and everyone benefits from that.
- Emily: Yeah. Do you feel like there's just a broader understanding too, of those technologies? Like that infrastructure is becoming something that is understood by the day-to-day developer, the day-to-day-consumer?
- Stephanie: It's almost becoming a rule, you know what I mean? In some, some countries it is, some places it is, I think it's the only a matter of time before it's required to be a certain way. You know?
- Brooks: And what's happened is that the, the, the codes have really gotten very strict about energy usage. And, so, it's interesting what, you know, 10 years ago what we would call, you know, "that's a green project." The reality is today it's just required by code. You just have to do it. And so, and especially in Texas, they've been fairly aggressive about requiring, you know, this much higher energy efficiency of projects.
- Emily: So, it's just the regulatory environment drives the understanding and the demand.
- Brooks: Yes.
- Emily: That makes sense to me. So, one of the things too, we've thought a lot about, and I'm speaking with another guest who is a physician who believes in the value of housing as important as a vaccine in a child's life. And she talks about the impact of, of housing and the design of buildings on the overall health of our community. And I pulled a quote from a blog on Gensler recently that said, "People spend more than 90% of their time indoors. So, the design of buildings and how we use them has a significant impact on people's health and wellness." What projects have you done where you feel like you made a decision as a team that moved that ball forward? That might've had a really positive impact on somebody's health and wellness.
- Stephanie: Even on a project that both Brooks and I worked on, we had these small units, they were micro-units, but the natural light that came into those spaces was really nice to where you didn't feel like you were in this dark cave. And I think, I think making that choice to, to increase natural light is a easy way of making someone feel better.
- Brooks: Right. And you know, it's interesting. So, the building codes have reached the point where you see, you'll see a building, it's, it looks like an all-glass building. It's really not an all-glass building because, pretty much you're at a point now where you can really only have maybe 40 to 45% of the facade as glass on a building. That's what, and that's all the codes will allow now. Well, that

means that it's a lot of solid walls, but there are things you can do such as, you know, if you do deep balconies around a building, then you can actually double that. You can get up to 80% glass. And, so, I have several projects that we're working on right now where we've done that where we've been able to, you know, essentially take the unit itself and make it smaller and make the balcony larger to create more outdoor space. Also, the net effect of that is that you've doubled the amount of glass that you can actually put on the unit itself. Because of that, the, you know, the space may be smaller, but it actually feels larger because the balcony really becomes an extension of the indoor space as opposed to what you see on most projects where it's a little, sort of, diving, concrete diving board, you know, with a rail around it hanging off the side of the building. And so that's one thing that we've done in a couple of projects recently too, which, which it makes a big difference in sort of the perception of the size of the space. As well as keeping the sun out, but also bringing in additional natural light.

Emily: Yeah. That, that makes sense to me. And then I think, too, about with those micro-units that they don't have to be ugly just because they're small, right? Or, or just because it's sustainable doesn't mean it has to be crunchy. There's a way to make really beautiful things with these smart strategic decisions alongside.

Stephanie: Exactly. And I think like, honestly, I was actually, before I got on this call, I was talking to this, this guy he's visiting from, he just graduated from MIT. He wants to do this start-up about micro-units. And the thing is like you can only be in one room at a time, right? It's all about having clever uses of storage, having um, like just maximizing how you organize the key points that, you know, need to take up space like kitchen, restroom, like trying to optimize the amount of open space. In order for a small, tiny space to feel big is to have as much open space as possible. You know?

Emily: Brooks, how do you think you've seen that evolve? You've been in this business 25 years, all in or somewhere near that. And so obviously you know bigger was better before. Big ranch homes spread out and they had rooms for days, but now we've evolved into these open spaces and at one point they were very large open spaces and now we talk even about micro-units and shared living. What do you make of that transition and how vastly it's changed?

Brooks: It's in many ways, it's a move towards the city and a move towards density that comes with that and people want to live in the city. People want to live adjacent to the activity. I lived in New York City for three years and it's interesting, it's a very small living space, but you don't spend any time in that living space. And I think people will, once they begin to realize how little time they actually use all that space and the fact they're actually out doing other stuff, they realize that they can actually live in a much smaller space. In New York it's all about the clothing. Everyone always had a really nice wardrobe. That's because that was-- your perception of a person was not their house anymore. It was actually, it was their clothing, ironically, which is sort of an interesting development and in some ways in Texas it's your car. 'Cause people see you and then they'll see your car but they may not necessarily see your house. People are still moving to suburbs and it's driven by schools. I mean you've got to solve the education problem. Again, the, the idea of the charter school in the base of the building is a really good one 'cause it starts to address that. But that's probably one of the, that's really one of the biggest issues about people moving into the cities because it tends to be young folks and old folks. But the in-between are still living in the suburbs actually. They're still moving to the big house, you know, the bigger houses and such.

Emily: Well and even in the context of the suburbs, I mean I worked for a master plan community developer at a time that those McMansions at 3-4,000 square-feet were all the rage. And even in the short time that I was there and, and heading out, '08, '09, the size of demand was, was

shrinking. I mean, people wanted a smaller home even where they had the land and the ability to have something larger.

Brooks: Right. Well, I mean, if you've ever tried to repaint the inside of a 5,000 square-foot house and you realize how much that costs, and then you've got to put a roof on it. And then the windows have to be replaced and it just, it gets out of control really quickly from a cost standpoint.

Emily: Yeah. Or air condition that sucker in August in Texas.

Brooks: You know, right now I live in a 1700 square-foot house in Houston and it's great. I don't want a bigger house.

Emily: Yeah.

Brooks: I love it.

Emily: Yeah. We've really, we've evolved even in Texas where everything's bigger and better. We're evolving to understand that that smaller space can be a value to us. So, some of the micro-units are coming out in this almost utilitarian design. So, I'm thinking of like the 3-D printed homes that Icon is building in Austin and the shipping container properties. And does it make you nervous as designers, who value the trade and the artistry of the home, that it's becoming that utilitarian, potentially?

Brooks: Design is more important now than ever, in terms of people are much pickier about what things look like. How the finish is done, flow of spaces, et cetera. I mean, way pickier now than they were 25 years ago. And, so, design isn't really going away. Design's actually getting more prominent and so 3-D printed houses and prefab and all those kinds of items, they're important and they're great because they help to drive the cost down so we can do more design on the project. And that's kind of the way we look at it. It's like we talk about structure and structure is important, but we sort of also jokingly say that the structure of the, of the building is something that no one ever sees or experiences. And so, you know, we want to do a good job on the structure, but everything we can do to sort of keep the cost of that to a reasonable number means that's something else that we can do that enhances the overall design of the project. Or maybe makes the space a little larger, or this one a little taller or something like that. We've been studying, we've done some 3-D printed houses at Gensler. Have actually done them in the um, in the Middle East and they're designed just like everything else. I mean, everything has to be, you know, and they, they're pretty cool looking houses. If you saw one, you're like, "Man, that's a cool house. I want to live in that house." It's amazing how much even just the grocery store, I mean, even look at like what HEB has done. I mean you look at, you know, HEB, if you look at the grocery stores of 30 years ago, they didn't look like that. They looked terrible. You know, HEB has got, you know, clear story, high windows, light coming in and really, you know, beautiful facades. And the like, I mean, you know, the grocery store is way more designed. And design is a differentiator in the marketplace. Having a well-designed, a well-designed house that's 5,000 square-feet next door to a poorly designed house that's 5,000 square-feet, is always going to sell for more, it's going to sell quicker. And the people are going to be happier there, generally, living there. I mean it's just, you know, design matters and design in many ways is more important now than it's ever been.

Stephanie: I think there's always going to be a demand for something that isn't so utilitarian. I think that that is a different, like that's a different way of executing a project. Right?

Emily: Yeah, that's a great takeaway too for my constituency. Just given that there, there is sometimes a question of how much staging matters and how much, you know, those extra touches of design make calm happen in a, in a listing. We've all learned that it's worth it in the end because you can create a unique experience in that manner.

Brooks: Right. And I think that the, you know, builders have made for many years, sort of some builders out there, I won't to say, all, will just sort of, you know, "let's, let's just get it up and get it built." And you know, "we don't want to spend any money on the, on the design of the house, you know, we want the cheapest possible design we can get." And I've seen how they do it. Cause I've, in the past, been in the single-family design world and you know, again, the guy that's willing to make the investment and get the best design and he, and the builder, it may not be him. You may have to actually hire somebody else. They usually are going to sell faster. It's usually going to be a better house. And you know, and I think the most people would agree with me on that.

Emily: Yeah. So, design matters, so that's the take home and that makes sense to me.

Brooks: It absolutely is, yeah.

Emily: Um, so let's leave our REALTOR® listeners with this. What, as a partner to you in this industry, you guys, um, really do work within the same sphere. What would you want them to think about when they think about the importance of design in their everyday?

Brooks: It's just that it adds value on, on many different levels. It adds value in, from a financial standpoint, um, and the return on your investment. And that's really what we, we, we preach that every day here at Gensler. But that also it has a direct impact on the occupants of the space too. I mean, you know, if you want to look at productivity in offices, look at a well-designed office that's got good lighting and great furniture and you know, great finishes and everything else versus an office which is not. And you'll find that the productivity is higher, and the general overall happiness level is higher than the bare design office.

Stephanie: I think you don't have to be a designer to appreciate design. People don't realize it sometimes.

Brooks: Right.

Stephanie: But they are, you know what I mean? People understand it's happening.

Emily: Yeah. They know they like it, or they don't, and they can't always put their finger on why.

Stephanie: Sure.

Emily: Awesome. Well, thank you guys so much for joining me. I really appreciate your time.

Brooks: Thank you.

Stephanie: Thank you, this was fun.

Emily: Hey, team. Let's make this a thing. If you like what you heard today, share this episode on Facebook, Twitter, or Instagram, and tag me at EmChenevert, that's E.M. Chenevert. You can also subscribe to ScratchThat on SoundCloud and iTunes and grab show notes at ABoR.com/ScratchThat. Thanks for joining me today. Now let's go get some stuff done out there.

