



Engineering Firm Moving Regional Operations to Downtown Los Angeles

Syska Hennessy Relocating After 10 Years in Culver City



Syska Hennessy is moving its West Coast regional headquarters in July to the downtown Los Angeles office tower at 444 S. Flower St. (CoStar)

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Global engineering firm Syska Hennessy plans to move its West Coast regional headquarters in July to an office tower in downtown Los Angeles.

The New York-based firm agreed to relocate its regional operations, including 80 employees, from the building at [800 Corporate Pointe](#) in Culver City, where it has

operated for the past 10 years. The firm signed a 15-year lease for 14,000 square feet at the downtown property at [444 S. Flower St.](#), according to a joint statement from the tenant and tower owner Coretrust Capital Partners.





The downtown tower has been owned since 2016 by Coretrust Capital Partners. (CoStar)

Coretrust acquired the 48-story, 915,000-square-foot downtown property in November 2016 for \$336 million and has since invested more than \$25 million in upgrading the building's ventilation, water systems and common areas, adding touchless elevators and restroom fixtures and secure entry points.

The property includes a sixth-floor, indoor-outdoor terrace workplace and a 12,000-square-foot conference and event center, both engineered by Syska Hennessy for Coretrust.

“These features, which enhance the health and productivity of our staff, check all the boxes an engineering firm like ours looks for when we are making a long-term real estate decision,” said John Passanante, western region managing director for Syska Hennessy, in the statement.

Passanante said the conference and event center are expected to allow the firm to reduce its overall square footage while still accommodating multiple local meetings.

CoStar data shows Syska Hennessy occupies 29,000 square feet in Culver City. The new lease represents a reduction in space by roughly half.

Thomas Ricci, managing principal and co-founder of Coretrust Capital Partners, said the engineering firm's 15-year lease commitment “is a testament to the benefits the firm sees from locating in our property and being based in downtown Los Angeles.”

The tower is at the corner of Flower and Fifth streets, across from the Central Library and adjacent to the Bunker Hill Steps.

The lease reflects a bright spot for the downtown office market, which has suffered amid the coronavirus pandemic as white-collar workers largely work from home and many downtown residents seek more spacious digs in the suburbs. Downtown Los Angeles' office vacancy rate grew to 16.6% and is above the metropolitan area's average of 13.1%, according to CoStar.

"This upward drift has been sustained since 2017, running counter to the overall L.A. office market, which saw vacancies hold near cyclical lows from 2017 through early 2020," reads a CoStar Market Analytics report on downtown. "The pandemic has only further weakened an already weak office location in the L.A. metro."

However, the downtown area has attracted some companies from other areas of Los Angeles County partly because it "provides a discount to and has typically had greater availabilities than some of the more esteemed submarkets on the Westside," such as Culver City, according to the CoStar report.

It also noted that tenants locate in downtown for several other reasons, including proximity to clients and courts, transportation infrastructure such as the subway system, and its somewhat central location and major freeway access that help give it the ability to draw labor from a wide geographic range.

In addition to Los Angeles, Syska Hennessy has several regional offices in the United States, China and the Middle East.



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