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Andrew Challenger's urban Chicago neighborhood is buzzing, but not with office workers.

"I live 15 minutes' walk from my office building, and every restaurant, every bar and gym and store is packed 100%," Challenger said recently. "When I get to my building

it's still pretty much empty. So much of normal life has come back, but not that.”

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they keep backing off those plans. People are just going to quit and go somewhere else if they do that.”

Nationally, people were working remotely about 39% of the time as of April, after peaking at around 62% in mid-2020 at the height of coronavirus pandemic-related closures, according to a national survey by the University of Chicago and three other universities.

The new realities are likely to force cities and states to shift their emphasis from supporting commuter transit and dense housing around it to promoting shared workspaces, broadband availability and more competitive tax rates as they contend for workers who can live anywhere.

States and smaller cities also are likely to react with new zoning policies, which Chicago-Kent College Law Professor Stephanie Stern calls “untransit” in a paper published in April by the Stanford Law and Policy Review.

Instead of concentrating on building dense housing near commuter transportation, as cities recently have done, many will shift their focus to broadband access and more spread-out housing, Stern writes. They also should plan for public remote work sites, she writes, citing studies showing remote workers want the social interaction and the break from household distractions that such centers can provide.

“Remote work is poised to transform land use law by untethering labor from centralized workplaces and blurring the boundaries between work and home,” Stern writes.

There are work-from-home variations among states, though, according to the University of Chicago survey. The rate was less than 25% in states with fewer white-collar workers such as New Hampshire, Iowa, South Dakota and Wyoming.

But workers remain at home more than 45% of the time in California, Colorado,

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The percentage of people working from home in large cities such as Chicago is higher than the national average. Ten of the largest metro areas have workers still spending about 57% of their workdays outside the office as of May 11, according to building access card-swipe data from Kastle Systems, ranging from 41% in Austin to 66% in Silicon Valley's San Jose, California.

Downtown businesses are taking a hit as workers spend less money near jobs. In normal times, a single worker spends as much as \$15,000 a year on food, shopping and entertainment near their job in New York, or \$12,000 in Alaska and California, according to the working arrangements survey.

The shift to remote work also is depressing commercial property values, reducing property tax revenues for cities. "Cities are doing their best to bring people back to the office" to combat revenue hits, said Lucy Dadayan, a senior research associate at the Urban-Brookings Tax Policy Center.

In New York City alone, the market value of office buildings fell \$28.6 billion in 2022, bringing about the first drop in taxable values in more than 20 years, and causing more than half of the city's \$1.7 billion decline in property tax revenue from the previous year.

Apple's headquarters in the San Jose area was one of the places that retreated from a back-to-the-office plan under pressure from employees. Apple repeatedly has postponed its plans to bring employees back for three days a week. The company has cited COVID-19 surges, but employee resistance also has been a factor.

"Office-bound work is a technology from the last century," Apple workers wrote in an open letter signed by 1,445 current and former employees. "Commuting to the office, without an actual need to be here, is a huge waste of time. ... Many of us spend

several hours every day commuting to and from the office, only to be in an

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These were places that said, 'You never have to leave our campus to do personal business.' That was their business model. They have foosball tables and Slurpee machines and dentist appointments," Malesic said. Traffic in the area is much lighter now, and expansion plans for tech campuses are on hold, hurting local construction businesses, he added.

Austin, the big city with the most in-office work according to the card-swipe data, has a lot in common with Silicon Valley on the surface: It's a car-commuting area with liberal politics and a burgeoning tech sector.

But many new businesses in the area value in-office work. Austin and other Texas cities have seen influxes of new people from California, New York and other coastal states, and some may be looking for work in "tech-adjacent" jobs such as sales and marketing that require more face-to-face interaction, or in legal and finance companies that are increasingly calling workers back to the office nearly full time.

In the past year, companies such as Charles Schwab, MOCA Financial, Peak6 and Shop LLC have added hundreds of thousands of square feet of office space in the Austin area, said Bryce Bencivengo, a spokesperson for the Austin Chamber of Commerce. Even tech firms such as Facebook, TikTok and Amazon have more than a million square feet of office space in the area, he said.

Attorneys' firms also are well ahead of others in going back to offices. The card-swipe data shows rates of working from home for the legal industry at 25% nationwide and as low as 19% in Chicago as of May 5.

As working from home encourages more office workers to live in small cities, service workers in big cities might lose their jobs if their employers are dependent on office workers who commute into downtowns, according to a Princeton University study published in March.

To combat the economic damage, downtowns might have to attract more employers

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