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Navigating the built environment

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Topic: **Access – the key to growing the CT jobs market**

Everyone seems to agree on the following three points:

1. We need to support job growth here in CT. Particularly in the small business arena.
2. CT needs to retain its highly educated college graduates. They are leaving for jobs located outside of CT – hence # 1
3. Transportation is a top priority and TOD (“Transit Oriented Development”) is considered a meaningful pathway to address #1 and #2 while alleviating congestion pressures on the transportation system.

Here is one solution to address this - **Reactivate the Wall Street Train Station to provide access to the skilled labor market.**

At a recent real estate conference in NYC the top real estate leaders all spoke about the changing commercial property landscape due to the “lack of loyalty” among the millennial generation. Wait...lack of loyalty? How does that translate into changing the commercial real estate marketplace? Or a train station on Wall Street?

The reason is simple, but not obvious – for a business to attract and keep their technically skilled millennial workforce, a business needs to locate in a cool workplace in an edgy downtown populated by like-minded people with numerous housing options, restaurants and ready access to NYC via the train. However, places like this are few and far between.

At first I thought that was a bit extreme but research bears this out. Clearly the occupancy statistics of train station office markets are much stronger than non-train station markets. This has a spillover effect of revitalizing a whole area. But when a group of grey haired real estate pros from NYC start using words like “hip”, “cool”, “trendy” you know something tangible is happening.

In addition to the NYC Real Estate Conference noted I contacted Tim Hunter, head of UCONN’s Digital Media Design (“DMD”) program, a top producer of tech- savvy millennials, and discussed this “millennial influence” on our commercial markets.

Tim concurred whole heartedly with this assessment – to the millennial, lifestyle matters, why spend 8-10 hours a day in a bland office space surrounded by trees when you don’t have to.



In fact he went one step further and suggested that to stop the millennial “brain drain” in CT we should establish areas suitable to hosting creative/tech startup businesses. He noted that the startups are the foundation of a true tech hub. Without their on-going creative nature, a tech hub does not flourish.

Tim also noted that one-third of the graduates from UCONN’s undergraduate DMD program go straight into a creative/tech start-up. The other two-thirds go to more traditional and established companies. However Tim noted “we are also seeing a number of those that started in established companies move to the start-up space as they become more confident in their entrepreneurial skills.”

To use a “pie” analogy, CT leadership often acts as if there is only one “pie” and fights accordingly for its share which misses the bigger point - there are many more “pies” in the oven and we need to make suitable “counter space” for them in CT or they will go elsewhere.

Let’s do this in Stamford you say. Good point, but Stamford is better suited to hosting more established companies. Besides the cost to operate anywhere near the Stamford train station is prohibitive with rents often double what is achieved in SoNo or almost quadruple what is achieved on Wall Street.

What about SoNo? SoNo’s success has been largely driven by the creative/tech marketplace and stands as a testament that this works. However, the office market here is largely tapped out, existing office space is uncomfortably far from the station, and the competing interests a bit too entrenched. Furthermore redevelopment efforts here are focused on housing.

This brings us to Wall Street. Reactivating this station in the heart of downtown creates the “counter space” needed – a place for startups to land. It’s an edgy, historic district with ample funky space, great housing options, and the right atmosphere with lots of room to grow.

A key concept that keeps emerging from those interviewed is the need to “define an area” to do this within, not just one building. Wrap in some incentives, now in process via the enterprise zone, and marketing/collaboration with CT’s higher education system and, when combined with Stamford and SoNo, all the elements for a true regional tech hub come into focus.

The private sector is ready to establish a viable, durable, job-creating, small-business, live-work tech hub somewhere outside of NYC in the metro area.

The question is - are we going to make some “counter space”?