Coworking Space
Market Feasibility Study

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FORA
Fort Ord Reuse Authority

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MONTEREY BAY
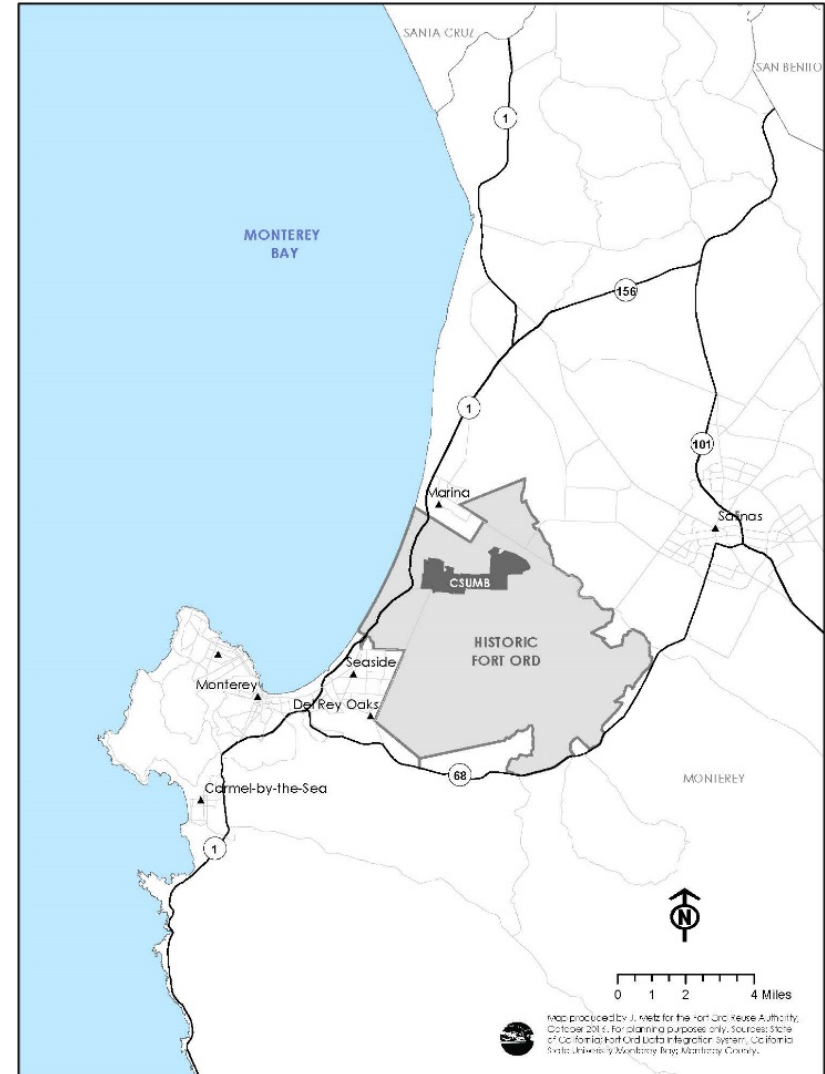Extraordinary Opportunity

Overview

- FORA
- CSUMB IIED
- Coworking
- Methods
- Findings
- Recommendations

Historic Fort Ord

- Army Training Center 1947-1994.
- Home of **Lightfighters** (infantry)
- Largest west coast Army base (28k acres).
- Officially closed 1994.
- Major impacts on **local communities** and **regional economy**

Fort Ord Reuse Authority (FORA)

- **Regional Agency** created in 1994 to oversee economic recovery from military to civilian conversion

- **Authority:** Adopt base wide regional plan, review jurisdiction programs for consistency, finance mitigations/ infrastructure, property transfer

- **Obligations:** Building removal, munitions clean-up, roadway construction, fire equipment purchase, habitat restoration, storm drainage system upgrades


25 Board Members

- 8 Local Cities

- 3 State/Federal Elected Reps

- 9 Local Public Agencies

Base Reuse Plan

The 1997 Fort Ord Base Reuse Plan (BRP) directs FORA's statutory mission

"The vision…is that a community will grow up on the former base, having a special character and identity…it will provide a diversity of experience and opportunity, with a development approach that is sustainable and appropriate." – 1997 BRP

Established 3 E's:
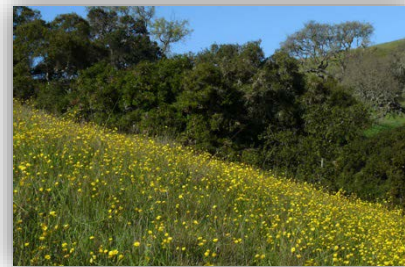
Environment

Education

Economy

What is IIED?

- Collaboration between **CSUMB** and **MCBC**
- **Vision:** To lead in business and social entrepreneurship, research, and regional economic development
- **Mission:** To create and support a vibrant entrepreneurial Tri-county region

IIED Collaborates regionally, privately, and globally to connect the local economy to the *global* market place.

What is Coworking?

- Office environments offering shared work space through open and private office work areas

- Often include community atmosphere

- Workers are individuals and businesses

- Independent professionals, freelancers, and/or remote workers

Market Dynamics

- Rapidly growing market segment
- Drivers:
  - **Technology**
  - **Changing work patterns**
  - **Affordability**

250 to 3000+ coworking spaces nationally 2010 to 2015

Methods

- **Primary**
  - Interviews
  - Survey
- **Secondary**
  - Regional analyses
  - Market Databases
  - Case Studies

SurveyMonkey™

2. Are you self-employed?
- Yes
- No

3. If you are self-employed, do you own your own business?
- Yes
- No
- N/A

4. Are you in the early stages of a new business?
- Yes
- No

5. What size is your work team?
- I work individually.
- Team: 2-3 people
- Team: 4-6 people
- Team: 7-9 people
- Team: 10 or more people

6. Have you ever worked in a coworking space?
- Yes
- No

Results: Interviews

- 7 coworking space manager interviews
- Key Findings:
  - **Increasing Demand**
  - **Increasing Competition**
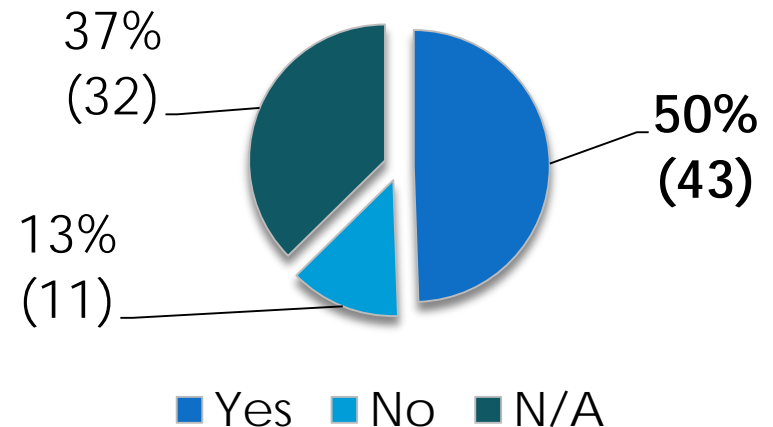 - **Community curation is key growth/ retention factor**

Results: Survey

What is your professional field? Please check all that apply.

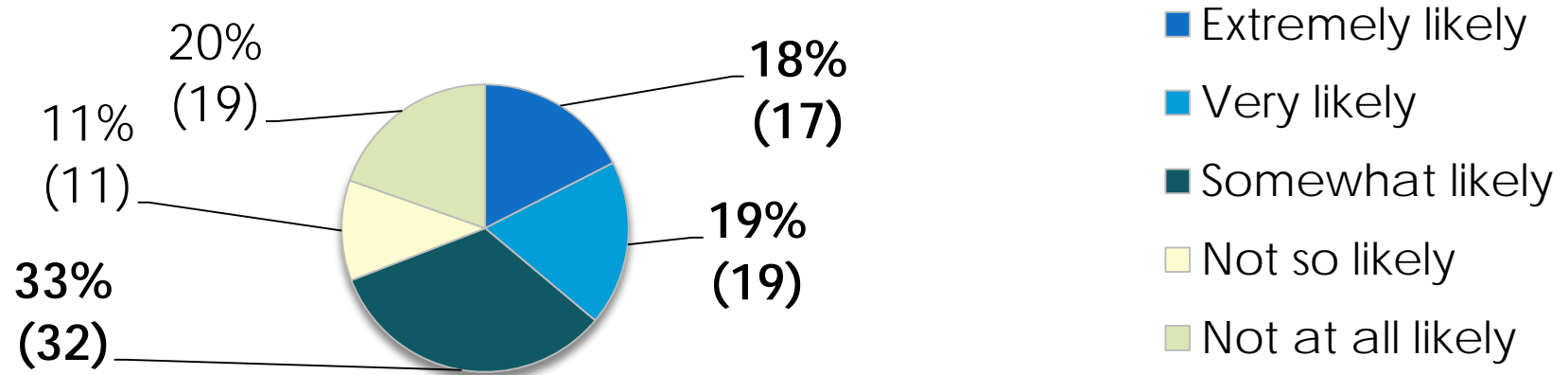| Answer Options	%	#
Professional, Scientific, or Technical Services	29.2%	**28**
Consulting	29.2%	**28**
Education (Coaching, Training, Teaching)	18.8%	18
Information (Software engineer, Web developer)	14.6%	14
Professional Association, Business Agency, Non-Profit Organization	14.6%	14
answered question		96
skipped question		3

If you are self-employed, do you own your own business?

Answered: 86 Skipped: 8

37% (32) · 50% (43) · 13% (11)

■ Yes ■ No ■ N/A

Results: Survey Cont.

FORA
ECONOMIC DEVELOPMENT

How likely are you to join (or rejoin) a coworking space?

20% (19)

11% (11)

18% (17)

19% (19)

33% (32)

- Extremely likely
- Very likely
- Somewhat likely
- Not so likely
- Not at all likely

How long would you be willing to commute to a coworking space?

1% (1)

3% (3)

5% (4)

24% (21)

67% (58)

- 10-20 minutes
- 20-30 minutes
- 30-40 minutes
- 40-50 minutes
- 50-60 minutes

Competitive Landscape

FORA
ECONOMIC DEVELOPMENT

Open Ground Studios	7.4
CruzioWorks	34.3
Aptos Office Space	25.3
NextSpace Santa Cruz	34
The Satellite Scotts Valley	38.3
The Satellite Santa Cruz	32.8
The Satellite Felton	43.2

Distance to CSUMB (Miles)
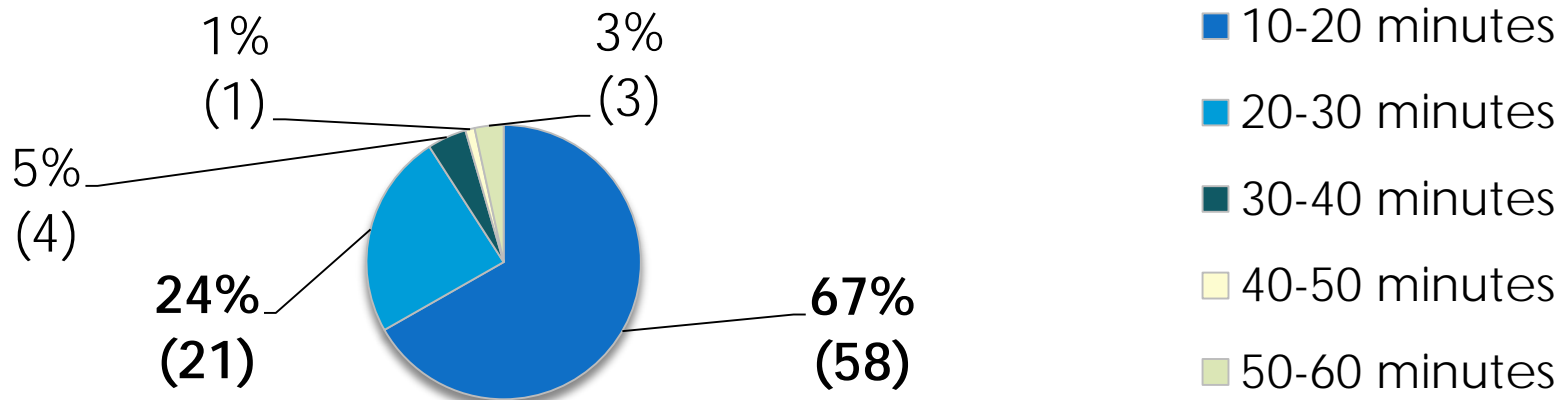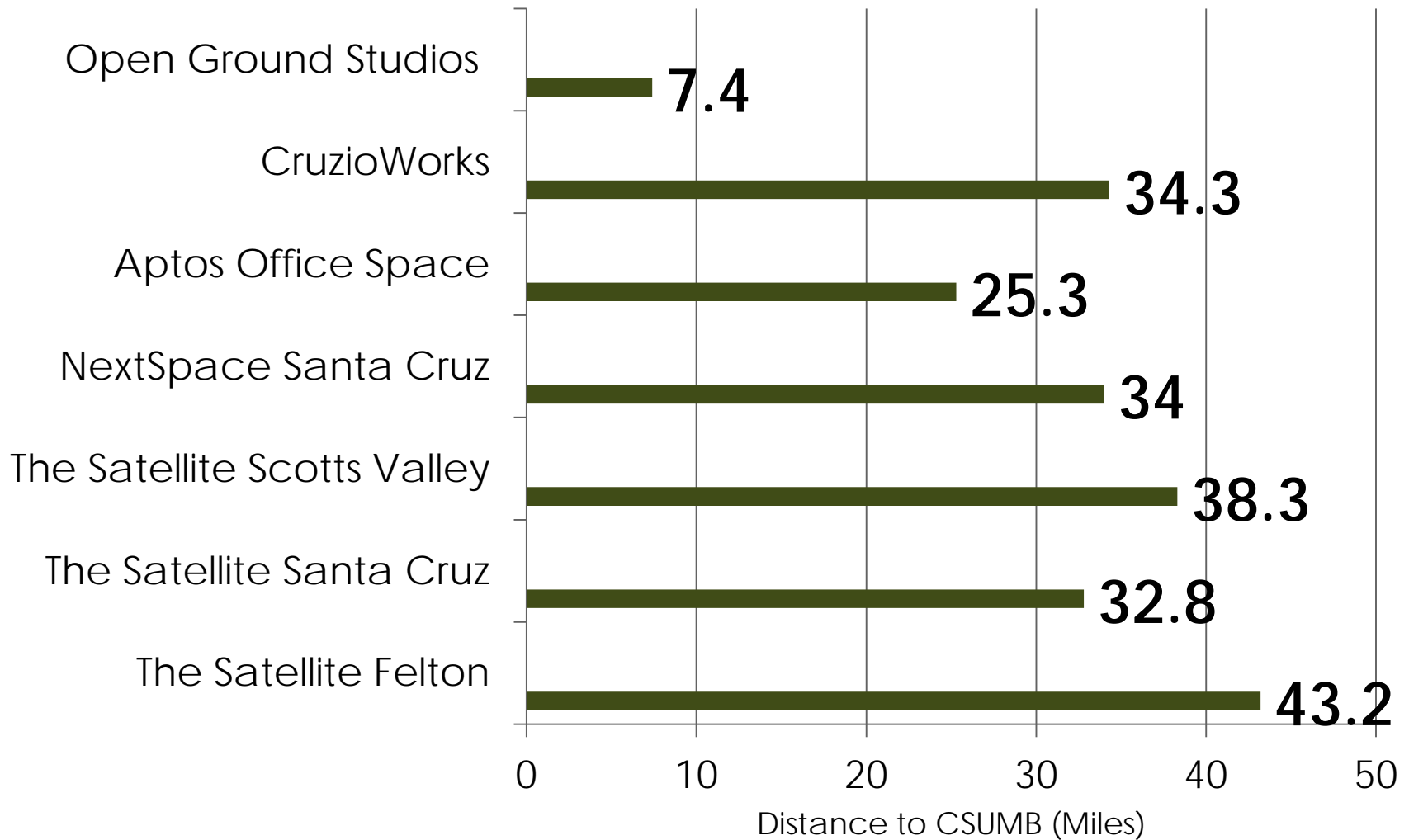
Ecosystem Analysis

County	Accelerators	Incubators	Coworking Spaces
Monterey	2	3	**1**
Santa Cruz	1	6	**6**
San Luis Obispo	1	1	1
Santa Barbara	4	5	10
San Benito	0	0	1 in progress

Results: Workforce

County	Total Employment (All Industries)	Total Employment (NAICS 51, 54, 55)	Self-Employment (NAICS 51, 54)	Coworking Spaces
Monterey	199,071	**8,874**	1,449	1
Santa Cruz	114,045	8,103	1,923	6
San Benito	17,714	663	154	1
San Luis Obispo	125,038	9,379	1,580	2
Santa Barbara	209,316	20,329	2,502	10

Results: Case Studies

- 9 coworking spaces
- CA local + national / global providers
- Key Findings:
  - **Expanding locations**
  - **Affordability & flexibility attractive**
  - **Near Universities**
  - **Community curation is important**

NextSpace

- Started in **2008**, Santa Cruz
- Community leaders envisioned empty offices forging into a **blend of work space and community**
- Since expanded to **7 California locations** and 1 out-of-state
- NextSpace offers shared workspace through **tiered memberships**

SLO Hothouse

- Collaboration between Cal Poly, San Luis Obispo Community, and the Cal Poly Center for Innovation and Entrepreneurship.

- Offers acceleration, incubation, and coworking services

"seeks to attract and support the most vibrant talent and promising innovators and entrepreneurs in an effort to build a unique and passionate startup culture "

ImpactHub SB

- Global Network Member
  - 80+ locations (& growing)
  - 11,000+ members
  - 50 Countries
- Provides in-house entrepreneurs / mentors
- Helps build sustainable and scalable businesses
- Values driven business attracting likeminded entrepreneurs

Key Characteristics

- Community Curation!
- Community Management
- Operations Software
- Size
  - 50% ~5,000 sf
  - at least 30+ members
- Marketing
- Design
- Mix of Services

Recommendations

- **Data suggest current and near-term demand for coworking**

- Early actors could take advantage of this opportunity

- **Multiple viable locations in Monterey County**

- Focus on Monterey, Seaside and/or Marina

Questions?

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