

West Coast Urban District Forum

Walnut Creek, CA

March 2018





West Coast Urban District Forum

Incubators: A Shot in the Arm for Your
District

please
silence your
mobile
phones



INSPIRED LEADERS
SHAPING CITIES



#WCUDF18

Incubators – A Shot in the Arm for Your District

March 15 | 10:30 AM

Moderator:

Dominic Tartaglia, Executive Director, Downtown SLO

Speakers:

Karen Wertman, Chief Operating Officer The Port Workspaces

Heidi Harmon, Mayor, City of San Luis Obispo

Iris Kavanagh, Founder, Coworking with Iris



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SHAPING CITIES



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Contact Information:

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www.PortWorkspaces.com



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Coworking Spaces: Transforming Downtown Communities

Coworking is mainstream...

- By the end of 2017, nearly 1.2 million people worldwide worked in a coworking space.
- Coworking is truly global: Around 14,000 coworking spaces in operation worldwide.
- Large companies are developing “workplace-as-a-service” models.
- The CRE industry is (finally) embracing coworking.
- Coworking is expanding to new niches, such as food (Port Kitchens as an example), makerspace, music, etc.

...but still “indie”

- Big players (defined as companies with more than 50 locations such as Regus and WeWork) *make up just 30% of the market.*
- The majority of new spaces have been opened by small businesses or landlords looking to activate dormant office space.
- They are creating a competitive market with extensive consumer choice.



Independent Coworking Spaces



- Can invest in underutilized, or distressed properties that have unique character.
- Preserve local flavor and bring new vitality to neighborhoods.
- Placemaking & community-building: partnerships with restaurants, retail, and public/private entities such as BIDs, Chambers of Commerce, etc.

Local Impact

- Contribute to overall economy: Support surrounding businesses: restaurants, shops, services.
- Bring new workers into urban districts.
- Offer former home or office workers new ways to engage in their community.
- Play a key role in *“innovative, collaborative and inclusive approaches to city building and local economic development.”**



Building Community Inside & Out

- 79% of spaces are “more than just coworking”
- Spaces are used for community gathering, connecting members with local organizations.
- 71% of members collaborated in some way with other members in year.
- The average member talks with 5.2 other members in a given day.



Where Can Oakland Entrepreneurs Go & Grow?

- Oakland office space has become expensive and scarce.
- 3.5% vacancy rate in central CBD -some of the lowest in the country!
- FS leases for Class A in Oakland approaching \$5/sf.
- Startups cannot sign longterm commitments but need space to incubate and grow.

Top 10 office rental performers, Q2 2016

Annual	
% percent	
35.4	<i>Oakland-East Bay</i>
28.9	Stockholm
20.0	Dublin
20.0	Dubai
17.1	Sydney
16.7	Cairo
13.5	<i>Los Angeles</i>
13.0	<i>Atlanta</i>
12.1	<i>Austin</i>
11.1	Hong Kong

Democratize Real Estate

- Investment in private office can get made at the right time- as opposed to under duress.
- Room to grow- space for teams that start as 1 or 2 but grow as needed. (Or contract, without penalty.)
- Coworking spaces keep downtowns affordable and attract wider variety of professionals.



Business incubation + Neighborhood transformation.



- Coworking spaces contribute too physical revitalization process of neighborhoods and downtowns.
- Operators make significant investments in real estate that have a positive effect on surrounding property values. new life back to abandoned buildings.
- Bring new life back to abandoned buildings.



Proudly Oakland Born- 1000 members strong, in 4 locations



- Designers, coders, inventors, engineers, educators, artists, chefs, media producers, professionals, makers, artists.
- Solo startups, 3-4 person teams all the way up to teams of 50.
- Remote workers from Fortune 500 companies
- Non-profits and social enterprise comprise between 35 - 40% of our members.
- Diversity of Oakland reflected in our membership. 46% of entrepreneurs are women.

Before & After





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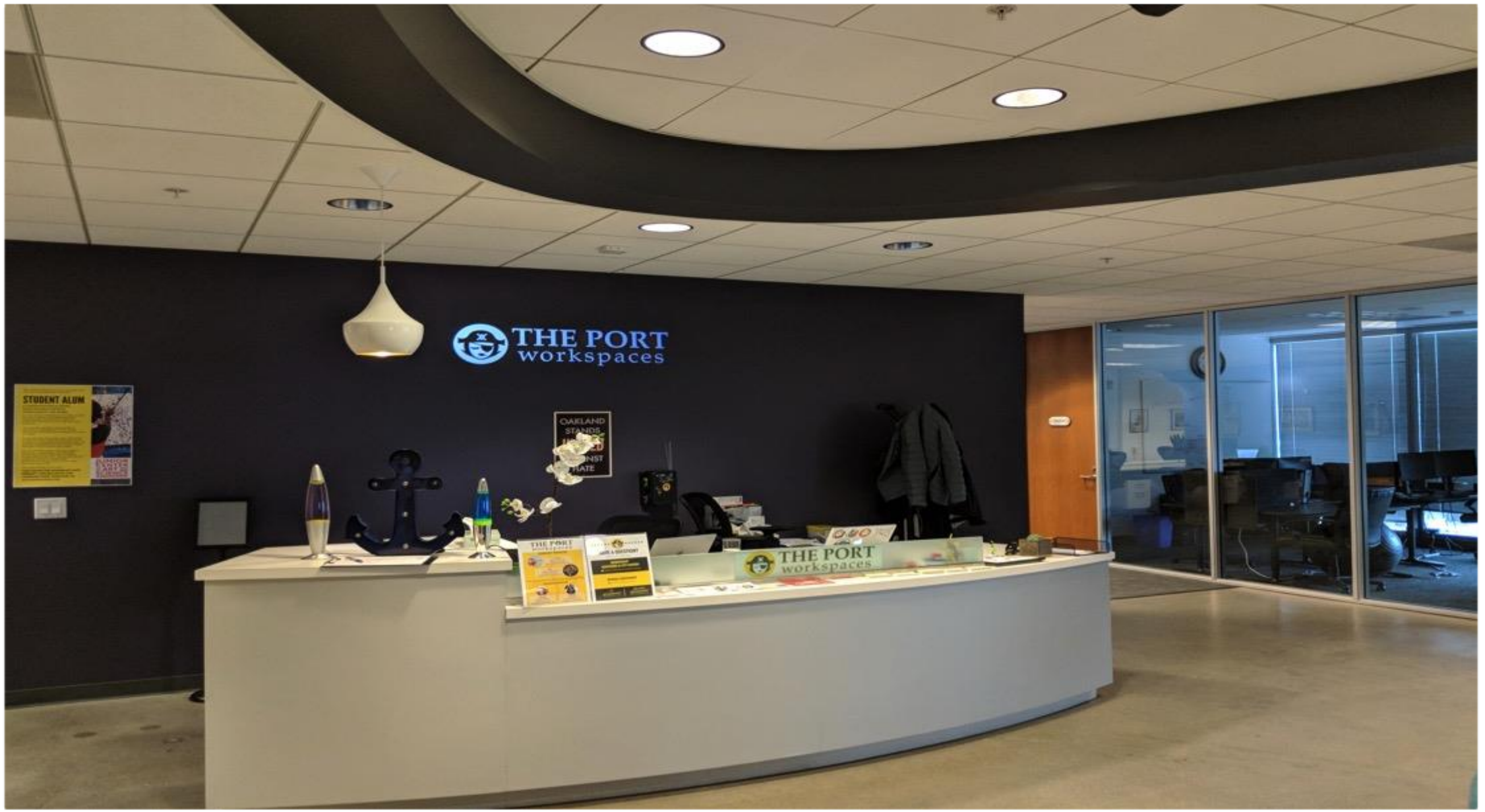
BEFORE

#WCUDF18



AFTER

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Instagram @Heidiismighty



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Featuring:

SAN LUIS OBISPO
HOTHOUSE

Powered by The Community and Cal Poly



CAL POLY & SAN LUIS OBISPO

CIE

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Mission

To be the leader of the San Luis Obispo entrepreneurial ecosystem, driven by the community's key resource, Cal Poly, and connecting students and community entrepreneurs with our alumni and the investment community in Silicon Valley, the Bay Area and Los Angeles.





TRANSFORMING THE CAMPUS



- Innovative faculty initiatives
- Entrepreneurship curriculum
- Outside the classroom – startup momentum

FACULTY FELLOWS



COLLEGE OF ENGINEERING

Bob Crockett – ME and Biomed Dale
Dolan – Electrical Engineering David
Jansen – Computer Science Graham
Doig – Aerospace
Lynne Slivovksy - Computer Engineering



COLLEGE OF LIBERAL ARTS

Mary Glick – Journalism
Enrica Lovaglia Costello – Art & Design
Lorraine Donegan – Graphic Design
David Askay – Communications
Charmaine Farber – UI/UX



COLLEGE OF SCIENCE & MATH

Brian Granger – Data Science/Physics



COLLEGE OF AGRICULTURE & FOOD SCIENCE

Christiane Schroeter – Ag. Business



COLLEGE OF ARCHITECTURE & ENVIRONMENTAL DESIGN

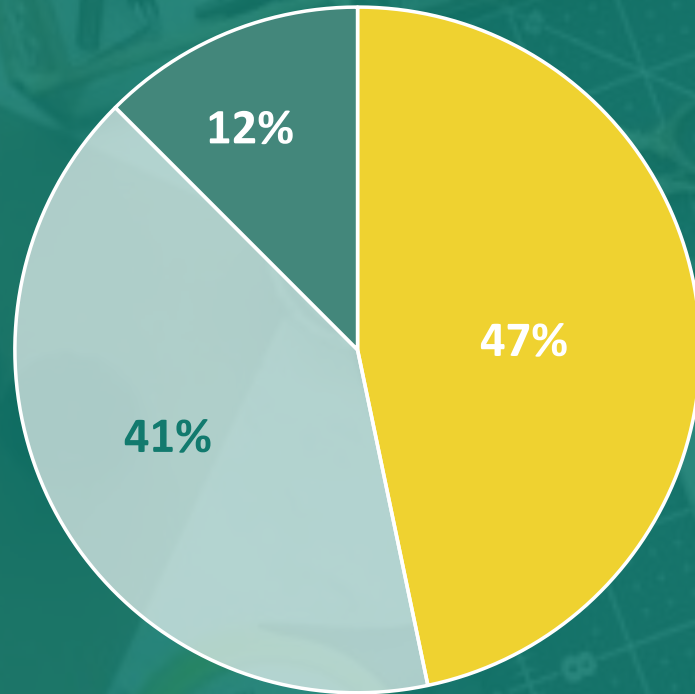
Umut Toker – Urban Planning
Claire Olsen – Architecture
Phil Barlow – Construction Management



ORFALEA COLLEGE OF BUSINESS

Taryn Stanko – Negotiations
Ahmed Dief – Supply Chain
Stern Neil – Customer Development Lynn
Metcalf – Entrepreneurial Marketing

CIE



■ OCOB ■ Engineering ■ Other

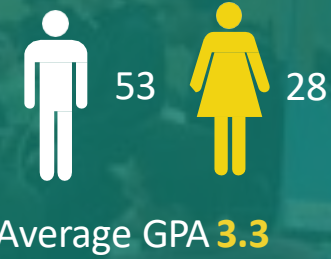
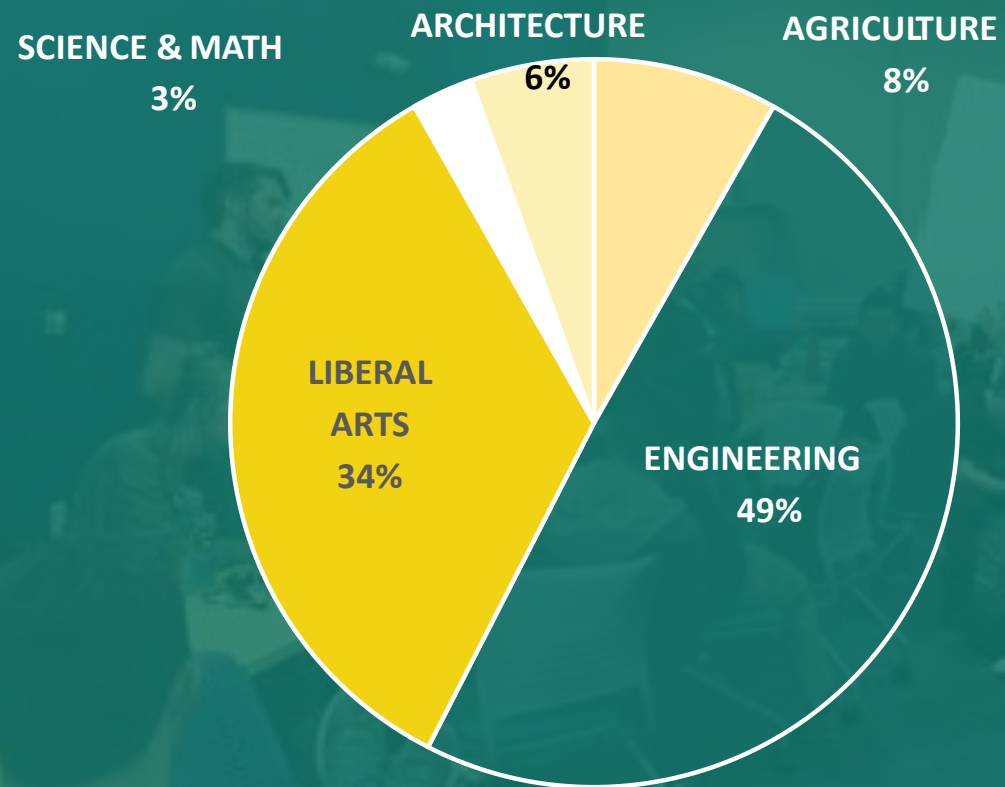
INTERDISCIPLINARY MOMENTUM

Business 310 Introduction to Entrepreneurship

AY 2012 – 105 total students

AY 2017 – 620 total students

ENTREPRENEURSHIP MINOR – 1st YEAR



CIE



ENTREPRENEURSHIP COURSES

learn by doing
in the classroom



BUS. 220* – Intro to Business for Entrepreneurs

BUS. 310* – Intro to Entrepreneurship

BUS. 436 – Entrepreneurial Finance

BUS. 487* – Launching and Growing the Technology Startup

BUS. 488 – Building a Startup Skill Set

BUS. 313* – Customer Development

BUS. 389* – Negotiation for Entrepreneurs

BUS. 457* – Solving Real World Problems

ENGR. 234* – Intro to Design Thinking

ENGR 463/BUS 464 – Interdisciplinary Senior Project
Startup Senior Project – 3 quarters

JOUR. 386* – Media Innovation & Entrepreneurship

AGB 304 – Entrepreneurship in Agriculture

BMED 410 – Biomedical Innovation

GRC 433* – User Experience Methodologies

*Courses marked with * are open to all majors*



OUTSIDE THE CLASSROOM

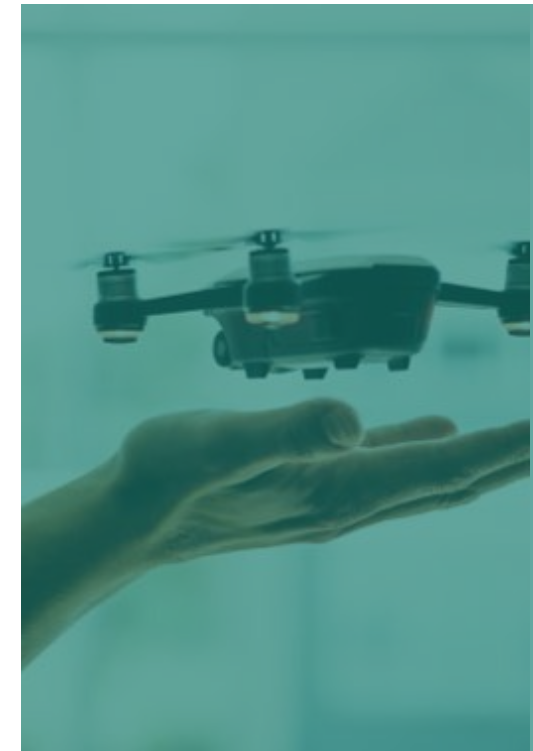
- Hatchery
- Innovation Sandbox
- Competitions
- Student club initiatives
- Cal Poly Lofts
- Mentorship



-  1200+ student projects per year
-  65% curricular
-  35% fun & startup prototyping

INNOVATION SANDBOX

Where technology meets creativity



Student-run
prototyping space
supporting all majors
and colleges

**ELEVATOR PITCH
COMPETITION
2017**

CAL POLY CIE
NO. 08

Elevator Pitch



INFO SESSION
Wednesday, September 27th at 5-30PM
Location: The Hatchery, Building 2, Room 206

PITCH WORKSHOP
Tuesday, October 3rd at 6:00PM at CPE Meeting
Location: Nash Family Entrepreneurship Lab, Building 2, Room 210



san luis obispo the game
startupweekend™

November 10-12 | ATL Bldg 7



**CAMP
POLYHACKS**

INNOVATION QUEST
A STUDENT STARTUP COMPETITION



\$15,000
GRAND PRIZE

\$10,000
2nd PLACE

\$5,000
3rd PLACE

WHY NOT YOU?



TRANSFORMING THE COMMUNITY

- 
- SLO HotHouse
 - HotHouse Accelerator
 - HotHouse Incubator
 - Small Business Development Center for Innovation



CAL POLY ENTREPRENEURS

- 2000+ members
- Startup Weekend
- Startup Career Fair
- Startup Road Trips

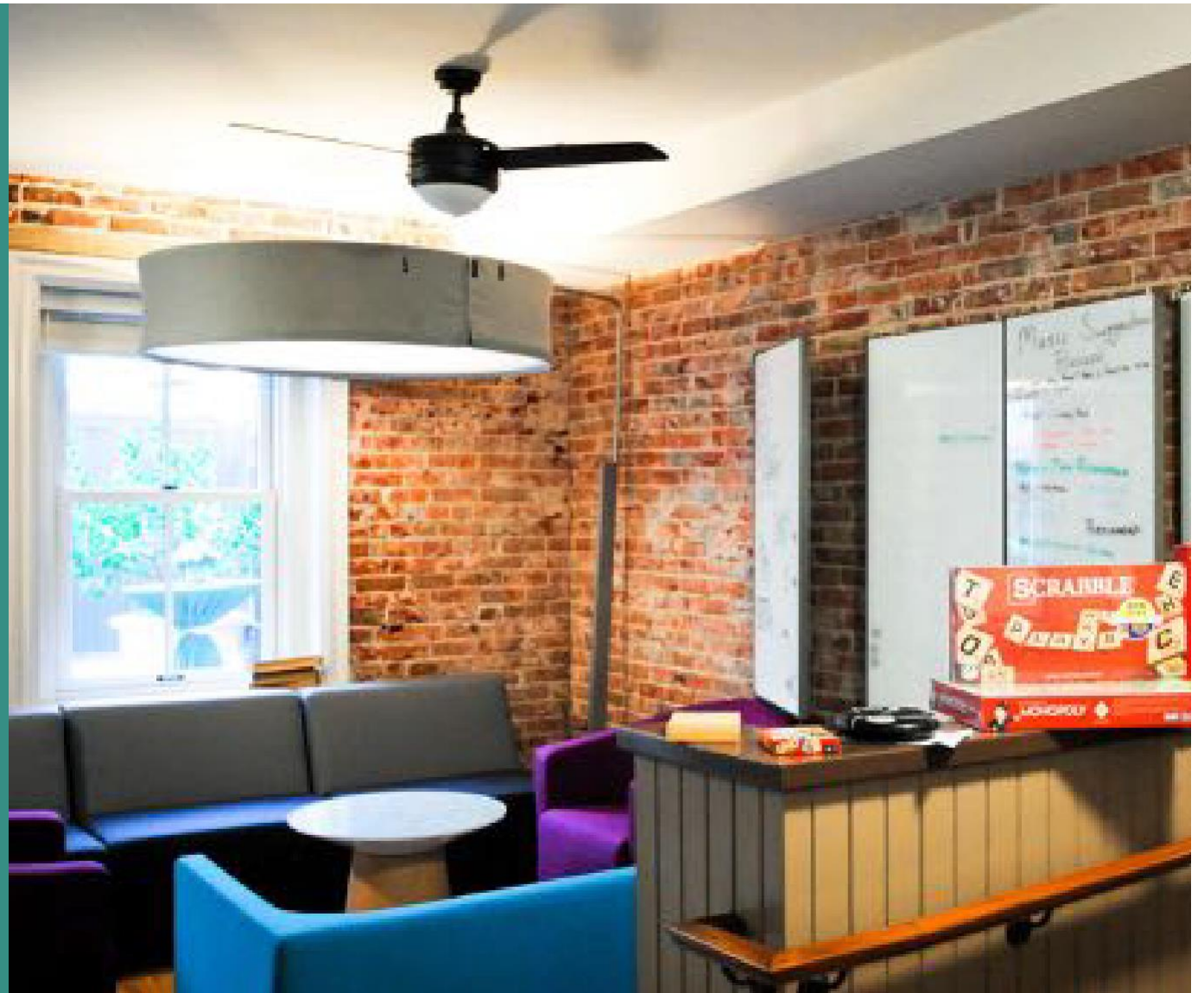
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CAL POLY LOFTS



Downtown residential
community

36 entrepreneurial students



MENTORSHIP

- 140 vetted mentors
- 1st to use TrustedPeer platform
- 30 Entrepreneurs-in-Residence

Cal Poly CIE Mentor Platform
Powered by TrustedPeer

Hi, Jonathan
Your Account

HOW IT WORKS HELP MENTOR

ASK ME ABOUT

About
Jim Finwick

President/CEO, Camelot Consulting Group

Atascadero, CA

CONTACT JIM

ASK ME ABOUT...

More

About Jim

- Energy Management and working under pressure
- How do I lead my company if I don't have any leadership or management experience?
- Define your purpose, mission, values and vision

About

Karen Tillman

Chief Communications Officer, GoI

San Francisco, CA

CONTACT KAREN



SLO HOTHOUSE

HOTHOUSE ACCELERATOR

8 years

29/63 operating

\$55M raised

3200 mentorhours

\$10,000 to Launch
Your Own Startup



THE CIE SLO HOTHOUSE
SUMMER ACCELERATOR

LEARN MORE AT OUR INFO SESSION

THE HATCHERY (BUILDING 2, ROOM 206)
APRIL 5TH
6:00 PM

ACCELERATOR APPLICATIONS
MUST BE IN BY 11:59PM ON
APRIL 18TH

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SLO HOTHOUSE INCUBATOR

2 year program

GOALS:

- Financial stability
- Operational maturity
- “Smart growth”



RESULTS:

- 25/33 survive
- \$110M raised
- 460 jobs created



SMALL BUSINESS
DEVELOPMENT CENTER
FOR INNOVATION



90 launches

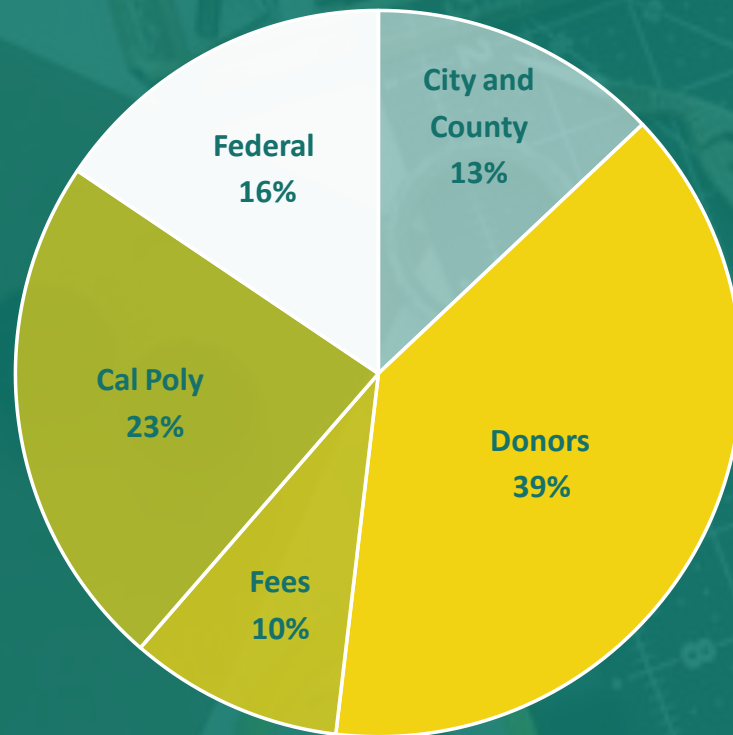
\$134M raised

317 local jobs

125 companies/yr.

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FINANCIAL OVERVIEW

diverse funding base

CIE





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Coworking

co-work·ing

/ˌkōˈwərkiNG/

noun

The use of an office or other working environment by people who are self-employed or working for different employers, typically so as to share equipment, ideas, and knowledge.

"the whole idea of coworking is to bring bright, creative people together and let the ideas collide"

Verb:

The act of working together intentionally, regardless of company or industry affiliation.

“Coworking with my community provides me with opportunities to collaborate and keeps me connected with others.”

Does coworking have a hyphen?

No.

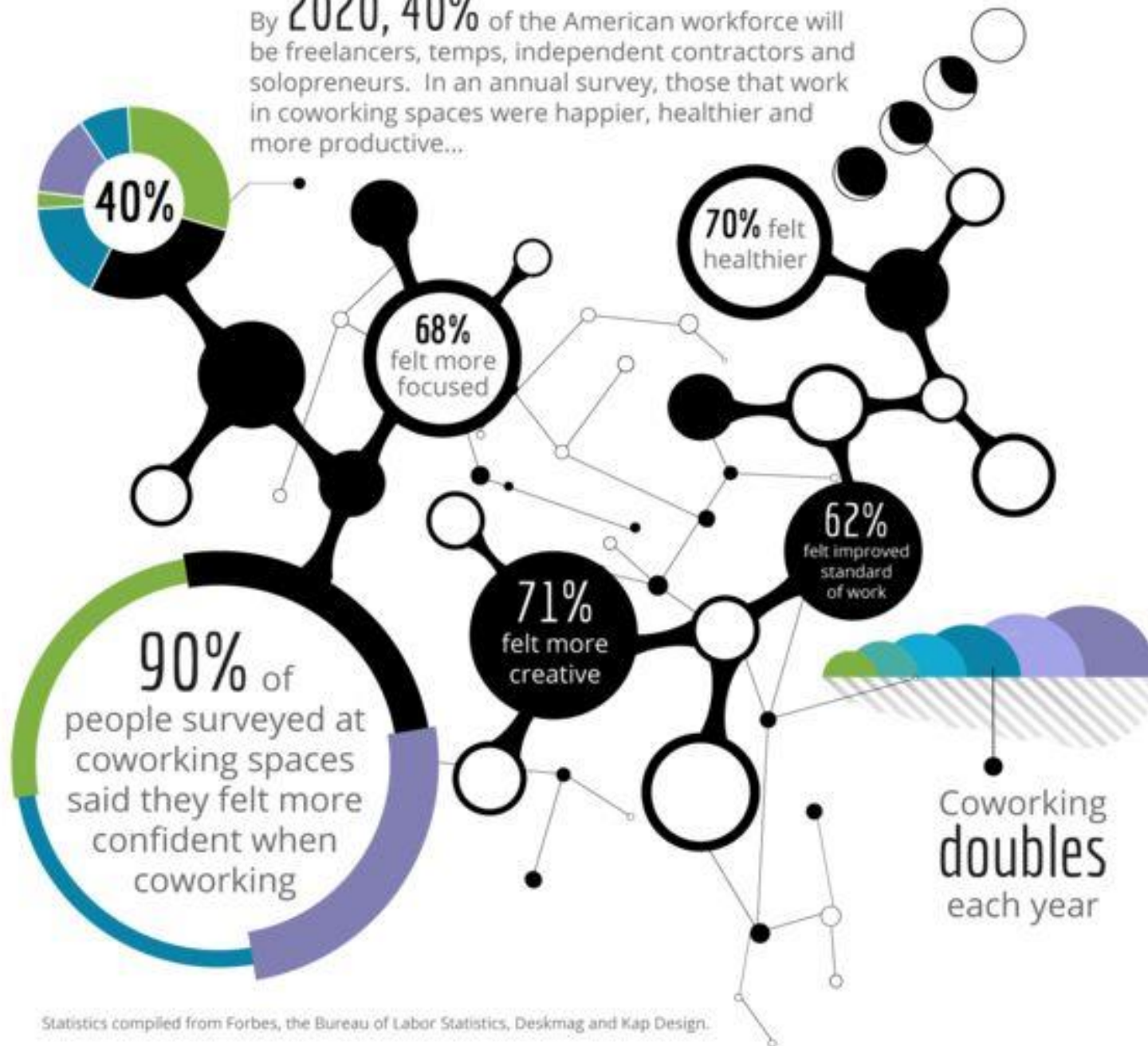
I love
co-worki...

It's
coworking!



Why coworking?

By 2020, 40% of the American workforce will be freelancers, temps, independent contractors and solopreneurs. In an annual survey, those that work in coworking spaces were happier, healthier and more productive...



Statistics compiled from Forbes, the Bureau of Labor Statistics, Deskmag and Kap Design.

Humans need a sense of belonging.

BENEFITS OF COWORKING

***82% OF PEOPLE
FEEL LESS ISOLATED***

SINCE WORKING FROM A COWORKING SPACE



deskmag

When people feel better, they do better.

BENEFITS OF COWORKING

***72% OF PEOPLE
ARE MORE
PRODUCTIVE***

SINCE WORKING IN A COWORKING SPACE



deskmag

Economic benefits of coworking

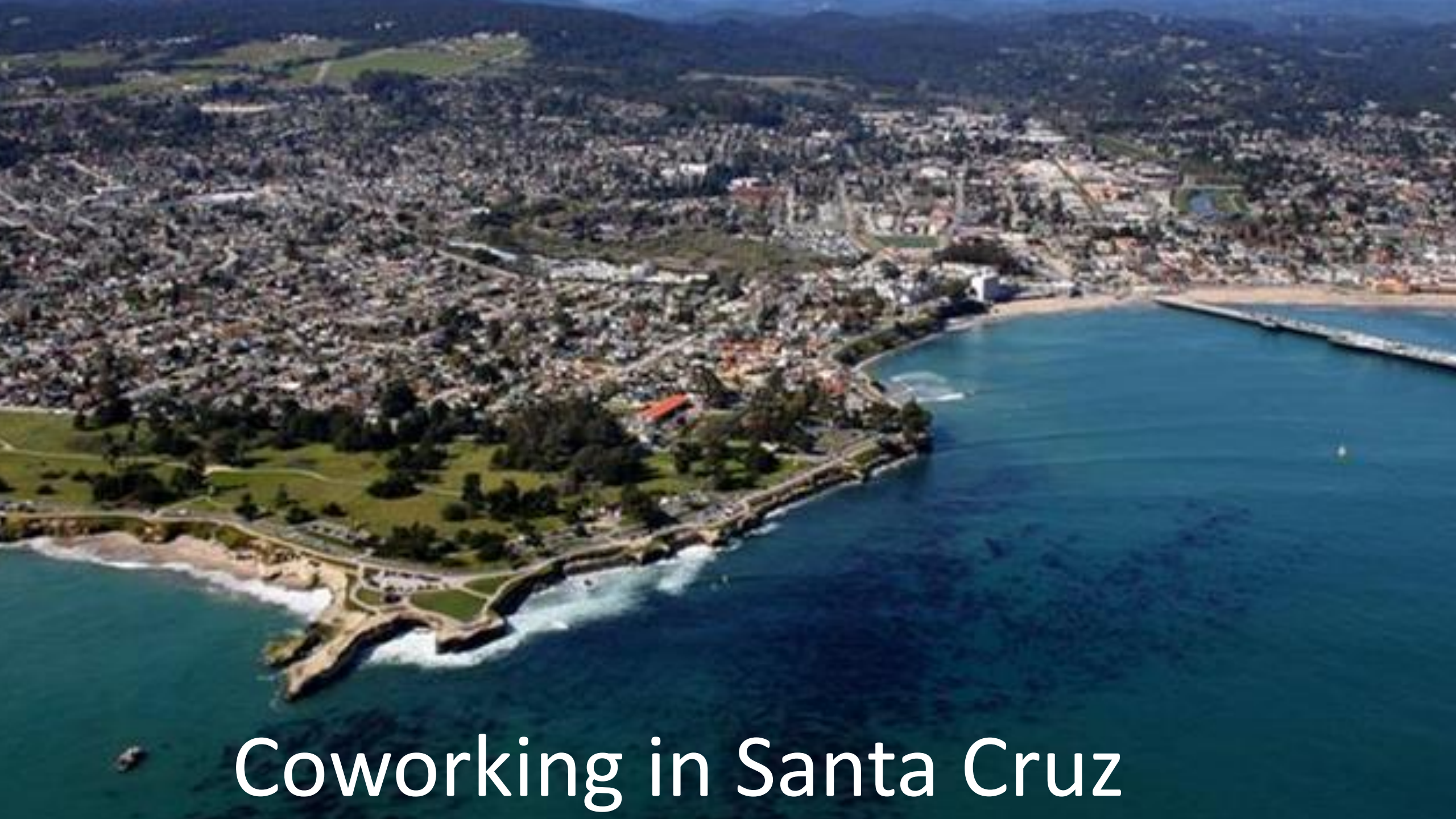
1. Keep talent in (down)town.

2. Support small businesses.

3. Create a collaborative consumption network,
reducing waste.

Common Desk (Dallas) members spend an average of \$23.43 per day in Deep Ellum. That's a good bit of cash. When you multiply that by the average number of days members come in, by the number of members, by the number of days in a year, you get (drum roll please)....

1.5 million dollars per year!



Coworking in Santa Cruz

You've probably heard of Santa Cruz, we've kinda of got a name for ourselves. Let's see:

1. 1907 Santa Cruz Boardwalk Founded
2. 1970-1973 Murder Capital of the World
3. 1973 Wharf to Wharf Race started
4. 1987 Lost Boys Movie Filmed
5. 1989 Loma Prieta Earthquake
6. 2009 named worst place to start a business by Forbes Magazine

- 2008 one of the world's first, longest running and most famous coworking spaces opened in Santa Cruz



**Cowork
with us!**
Come on in for a tour!



Collaborative
workspace



Fast wifi



Friendly
people



Artisanal
coffee

Coworking builds the economy, just like it does the community, 1 business, 1 relationship at a time.



Instead of one 200 person company. We brought 260
1-2 person companies downtown.

As of December 2014, NextSpace created:

1. 36 jobs for individuals in a supportive culture
2. Partnership with City and UCSC to bring 5 speaker panels to downtown over 1 year, drawing over 1000 people to learn and grow downtown
3. Healthcare options to employees and members
4. 1500+ member connecting and collaborating
5. 9 thriving locations in downtowns and neighborhoods around California and Chicago
6. 3+ start-ups acquired by companies like AOL, Yahoo! and AVG





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