THE CARE & FEEDING OF TECH FIRMS IN DOWNTOWN BOULDER
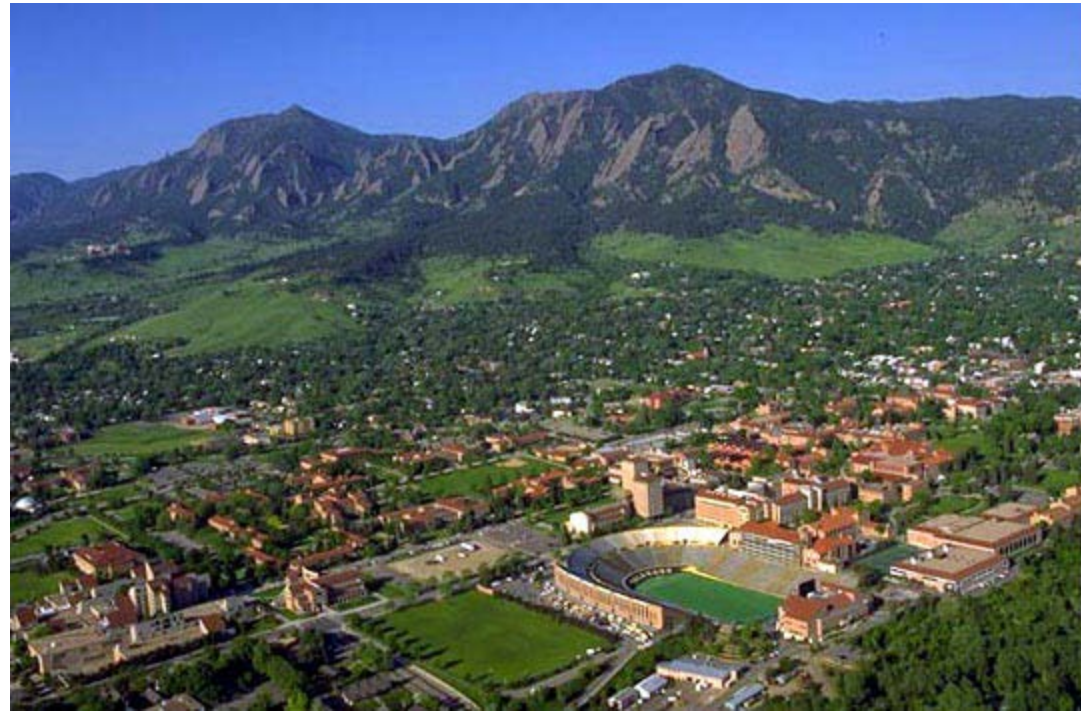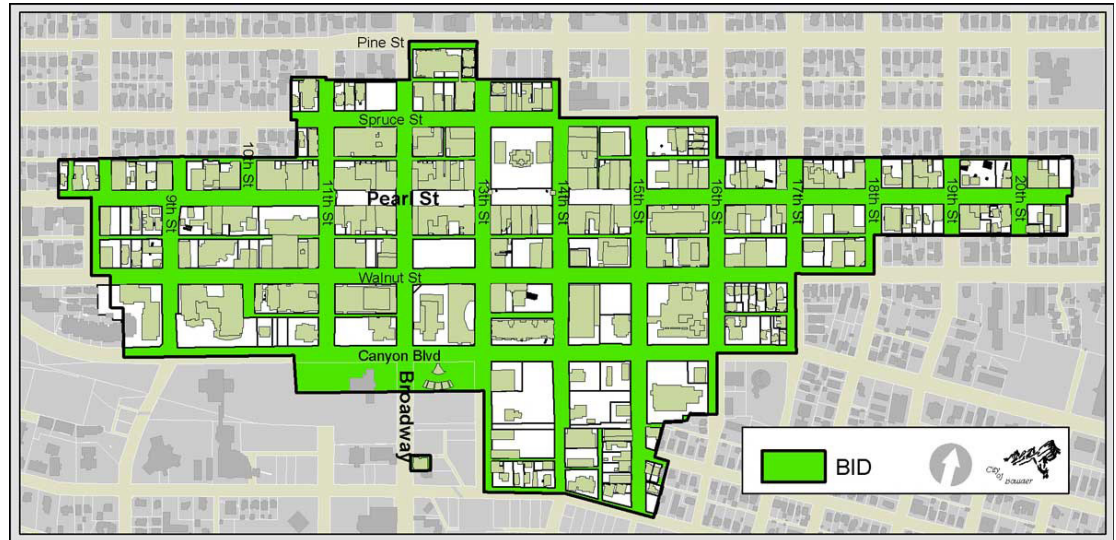
IDA September 23, 2012

Boulder Snapshot

- 103,000 residents
- 31,000 CU students
- 300,000 county residents
- 25 miles from Denver
- 96,000 jobs
- 600 primary employers

Downtown Boulder BID

- 49 square blocks
- $1.3 million budget
- Consumer marketing
- Clean & safe
- DBI – membership arm of downtown

Downtown Boulder Overview

- 3 million square feet

- 2 million office sf

- 850 Office tenants

- 160 Tech companies

Downtown Boulder Retail/Food

- 164 retailers

- 110 restaurants

- 7 Sushi Restaurants

- 21 Coffee Shops

- 5 Brewpubs

- "Foodiest Town-2011"

- 35,000 people within walking distance

Rental Market

2% Office Vacancy

3% Retail Vacancy

Retail Lease $25-$42/ft.

Office Lease $20-$32/ft.

Engaging the tech community

- Tech firms are a whole different animal
- Global focus vs. local means different priorities
- "Tech minds work a little differently"
- The Boulder example of how NOT to do it

Creating a Tech/Startup Culture

- "Don't treat tech like other small companies. Care and feeding of us is different!"

- Downtown orgs, ED groups, Chambers CANNOT lead the effort

- "No offense, but when I think of the chamber or DBI, I think Oldsmobile. I'm more of a Prius kinda guy."

- Effort must start with tech entrepreneurs themselves

- Our job (downtown) is "lead from behind"

- Not a quick process. Plan on 5-10 years for results

What Tech Wants - Place

- Great environment - restaurants, recreation, entertainment

- Housing downtown — Live/work, mixed use

- Easy Access — Walkable, bike friendly, transit access

- "Great bike paths are a bigger deal for us than free parking."

- Funky space — loft, warehouse, open, indoor/outdoor

- Coworking spaces are critical in Boulder

- Not interested in traditional "Class A" office space

- FLEXIBLE lease terms are key to young tech firms — Rocket or Rock

What Tech Wants - People

- Tech is talent driven and all about recruiting strong people

- Young people shun suburbs – Good news for us!

- "My biggest asset is my team and they won't come to me. I have to be where they want to be or I lose them."

- Microsoft/Bing tripled overhead to move from an office park to downtown Boulder – "The smartest move we ever made. Recruiting is 100% easier now"

What Tech Wants – Community

- Entrepreneurial Density is important – Many firms close together

- Need venues for horizontal networking among entrepreneurs

- Downtown gathering places are key – Coffee shops, brew pubs, moderately priced and hip, fast casual restaurants

- "The best thing about downtown is the constant exchange of ideas wherever I go – the gym, the Cup or just hanging on the mall."

- Startup events on funding, recruiting, new tech developments

- Tech loves networking but NOT traditional chamber mixers

What You Can Do For Tech

- Create a dynamic 24-hour downtown. Housing is key

- Promote alternative transportation – bike paths, bus passes

- Bring landlords and tech firms together to talk leasing

- Add a real estate page to your website and keep it current

- Start a bike sharing program

- Sponsor (not organize) startup events

- Start a downtown jobs page with tech/creative class focus

- Explore partnerships with SBDC, University, local incubators

Partners – The University

- Entrepreneurial programs and degrees

- Business plan competitions

- Free law clinics for entrepreneurs

- Host events on startup topics – venture funding, crowd funding, intellectual property, etc.

- Biggest value is pipeline of talented young employees

- "Best thing CU does for us is provide a stream of fresh talent."

Partners – Property Owners

- Get FLEXIBLE on lease terms!

- Entrepreneurs cannot lock in long term

- "In 3 years, my company will grow 10X or be gone. Three year lease? Forget it."

- Consider 12 month leases – or even 6 months

- Charge premium and offer no improvements

- "I can move 3 times a year if needed. All my team needs are some folding tables and our laptops."

Partners – Large Companies

- Open the doors to younger/smaller tech companies

- Provide space for tech focused social events and training

- Sponsor business plan competitions and "pitc h slams"

- In Boulder, both Google and Microsoft provide free space for entrepreneurial events

The Boulder Approach

Got Their Attention

- Found the key players in local tech world
- Met to listen to priorities and concerns
- Educated them on what BID/DBI does for them
- Got THEM to host a town hall tech meeting
- 45 entrepreneurs showed up for pizza and beer

Bringing Landlords and Tech Together

- Landlord/Tech Summit scheduled next month
- Property owners, tech CEOs, Alternative providers
- Facilitate conversation on space and leases
- Educate and understand each other
- Support creative options
  - Pivot Desk, Coworking, "Fill-in leases"

Lobbying the City

- Led the effort to change zoning to allow more downtown office space
- Support specific projects to increase office space in downtown core – 200,000+ square feet

Assist in Recruiting Talent

- "If you bring me 100 programmers tomorrow at 8 a.m., I could have them all employed by 5:00.
- DBI exploring funding a jobs website to centralize downtown tech recruiting
- Sponsor recruiting event to bring programmers to Boulder – company/community tours, parties, etc.
- Cosponsor booth at tech conferences/tradeshows promoting jobs in Boulder

Other Downtown Efforts

- Sponsor Bike Share Program (B-cycle)
- Recruit quality fast casual restaurants
  - Wahoo's Fish Taco, LYFE Kitchen, Mod Market
- Employee Appreciation Day
  - Free pancake breakfast
  - Lunch specials and happy hours downtown
  - Downtown Tug O' War Championship

Entrepreneurs LOVE Events

Thank You!

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