

# Webinar

## The Attractiveness of Global Business Districts

Date: May 19, 2020

00:02:42 --> 00:02:47: Good afternoon, ladies and gentlemen. Welcome to today's webinar which

00:02:47 --> 00:02:51: is brought to you in a collaboration between EY annuli.

00:02:51 --> 00:02:55: We're very proud that today we will launch a new

00:02:55 --> 00:02:59: research report that we've been working on over the last

00:02:59 --> 00:03:00: couple of months,

00:03:00 --> 00:03:06: which focuses on the attractiveness of global business districts and

00:03:06 --> 00:03:09: that is the topic of today's webinar.

00:03:09 --> 00:03:13: This is the second time we've done this research,

00:03:13 --> 00:03:18: which was commissioned by Parrilla defense and the first time

00:03:18 --> 00:03:20: was in 2017 before we now start.

00:03:20 --> 00:03:24: I would like to address a few practical items.

00:03:24 --> 00:03:28: First, if you have any issues of a technical matter,

00:03:28 --> 00:03:30: for example related to the sounds,

00:03:30 --> 00:03:33: or you can view things very well.

00:03:33 --> 00:03:36: Just use the chat or the Q&A function,

00:03:36 --> 00:03:40: and the team will help you resolve those issues.

00:03:40 --> 00:03:43: And then we would really like to encourage an active

00:03:43 --> 00:03:45: participation of the audience,

00:03:45 --> 00:03:49: so I would encourage all of you to ask questions

00:03:49 --> 00:03:52: which can be done through the Q and a button.

00:03:52 --> 00:03:55: Just ask your question there and I will pick them

00:03:55 --> 00:03:57: up throughout the discussion.

00:03:57 --> 00:04:00: For those of you that don't know me,

00:04:00 --> 00:04:04: my name is Lisa from door and I'm the CEO

00:04:04 --> 00:04:08: of Europe and I will moderate today's webinar.

00:04:08 --> 00:04:13: So now we will start first with a presentation of

00:04:13 --> 00:04:15: the results of the report,

00:04:15 --> 00:04:19: which is followed by a discussion.

00:04:19 --> 00:04:23: With a number of global leaders in the field of

00:04:23 --> 00:04:28: all involved in the in global business districts and then

00:04:28 --> 00:04:30: at the end of the web,

00:04:30 --> 00:04:34: and are we will have mark limit who is a

00:04:34 --> 00:04:39: partner at Y finish with a couple of closing remarks.

00:04:39 --> 00:04:44: I'm very pleased to now introduce Prince fans around fast.

00:04:44 --> 00:04:48: He's a senior manager at EY An who has been

00:04:48 --> 00:04:52: leading on the project and he will present the results

00:04:52 --> 00:04:57: of the of the survey and of the research concern

00:04:57 --> 00:04:58: over to you.

00:05:00 --> 00:05:02: Yes, thank you very much Lizette.

00:05:02 --> 00:05:04: I hope you can hear me OK?

00:05:04 --> 00:05:07: Hello everyone and welcome to this webinar,

00:05:07 --> 00:05:10: so I'm going to take you through the the key

00:05:10 --> 00:05:14: findings from the Yul I Global business District.

00:05:14 --> 00:05:18: Attracting this report. But before that I start with maybe

00:05:18 --> 00:05:21: a quick word about the objective on the scope and

00:05:21 --> 00:05:24: the methodology that we've used for this.

00:05:24 --> 00:05:28: But I'll try to be quick on this first section

00:05:28 --> 00:05:31: and then we move to the key findings.

00:05:31 --> 00:05:32: Next slide, please.

00:05:32 --> 00:05:37: OK, so the objective for us is,

00:05:37 --> 00:05:42: you know, to understand what makes the business district

00:05:42 --> 00:05:45: attractive.

00:05:45 --> 00:05:49: What are the key transformation drivers?

00:05:49 --> 00:05:52: The long term drivers of transformation for business district

00:05:52 --> 00:05:54: and

00:05:54 --> 00:05:57: to measure the performance of this business district?

00:05:57 --> 00:05:59: So for these 2020 report,

00:05:59 --> 00:06:02: we have looked at 21 business district across all the

00:06:02 --> 00:06:04: regions of the world.

00:06:04 --> 00:06:09: As you can see here and all of them has

00:06:09 --> 00:06:10: been have been selected based on their size.

00:06:10 --> 00:06:15: The number of. Employees the concentration of business

00:06:15 --> 00:06:15: services and

00:06:15 --> 00:06:20: the economy,

00:06:20 --> 00:06:24: Cueto overall, these 21 business district total 100 million

00:06:24 --> 00:06:24: square

00:06:24 --> 00:06:24: meter,

00:06:24 --> 00:06:24: 4.5 million employees and their home to 79 global

00:06:24 --> 00:06:24: headquarters

00:06:24 --> 00:06:24: from the Fortune Global 500 as well as their professional

00:06:24 --> 00:06:27: service providers such as consulting firms,  
00:06:27 --> 00:06:30: audit firms, insurance insurers and bankers,  
00:06:30 --> 00:06:33: advertising agencies, and so on.  
00:06:33 --> 00:06:36: So can we move to the next one please.  
00:06:40 --> 00:06:44: OK, how we have conducted this this research,  
00:06:44 --> 00:06:47: so we've been using three main sets of data.  
00:06:47 --> 00:06:51: The first one is a quantitative one and we have  
00:06:51 --> 00:06:57: collected 46 indicators that are quantitative objective  
uncomparable for each  
00:06:57 --> 00:07:02: of the 21 business districts that we've been analyzing.  
00:07:02 --> 00:07:06: So in total it means that we have gathered and  
00:07:06 --> 00:07:07: analyzed.  
00:07:07 --> 00:07:14: Close to 1000 data points altogether for the 21.  
00:07:14 --> 00:07:17: The second set of data that we've been using is  
00:07:17 --> 00:07:21: based on a global online survey that we have conducted  
00:07:21 --> 00:07:27: with ULIN with the global Business District innovation heard  
with  
00:07:27 --> 00:07:30: 349 real estate professionals, developers,  
00:07:30 --> 00:07:33: investors, academics and end users.  
00:07:33 --> 00:07:37: Of course, throughout the world to get their perception of  
00:07:37 --> 00:07:42: how business district are changing and adapting to a  
changing  
00:07:42 --> 00:07:44: environment and the third.  
00:07:44 --> 00:07:48: Set of data that we've used is more qualitative because  
00:07:48 --> 00:07:54: we have conducted individual in-depth interviews with  
experts across the  
00:07:54 --> 00:07:55: globe as well.  
00:07:55 --> 00:07:59: About, you know their inside to try to get their  
00:07:59 --> 00:08:04: insight and the interpretation of the key findings that were  
00:08:04 --> 00:08:08: derived from all the two previous sets of data adjusted.  
00:08:08 --> 00:08:12: So overall, you know the objective for us is really,  
00:08:12 --> 00:08:15: really to take a look at the long term trends  
00:08:15 --> 00:08:17: that are really.  
00:08:17 --> 00:08:20: Transforming Business District to measure their  
performance.  
00:08:20 --> 00:08:22: But of course you know we can't be blind.  
00:08:22 --> 00:08:25: We can't just ignore the current situation.  
00:08:25 --> 00:08:26: So if you move to the next slide,  
00:08:26 --> 00:08:33: we'll see. Covid Crisis has been impacting the business  
district  
00:08:33 --> 00:08:35: in the course of April,  
00:08:35 --> 00:08:40: so in April, out of the 21 Business District data  
00:08:40 --> 00:08:45: we have been looking at looking at 14 of them

00:08:45 --> 00:08:48: were in cities where full lockdown.  
00:08:48 --> 00:08:53: Enforced, which means that more than 3.5 million of their  
00:08:53 --> 00:08:58: employees were actually working from home and seven  
square meters  
00:08:58 --> 00:09:01: of the office space were actually empty.  
00:09:01 --> 00:09:03: So if you can, you move to the next slide  
00:09:03 --> 00:09:04: please.  
00:09:06 --> 00:09:10: We have also to get a better understanding of the  
00:09:10 --> 00:09:11: kovida context.  
00:09:11 --> 00:09:16: We have conducted a research in April where we have  
00:09:16 --> 00:09:22: interviewed international investors about how the Covid crisis  
is impacting  
00:09:22 --> 00:09:24: their 2020 investment plans.  
00:09:24 --> 00:09:28: So of course there will be a huge drop in  
00:09:28 --> 00:09:31: investment because of the crisis,  
00:09:31 --> 00:09:34: but the half full glass to wait to see it  
00:09:34 --> 00:09:36: is that you still have.  
00:09:36 --> 00:09:40: An investment is still vital for for companies and you  
00:09:40 --> 00:09:41: still have 51%  
00:09:41 --> 00:09:44: of them. There are saying that they only for C  
00:09:44 --> 00:09:48: minor decrease in their 2020 investment plans as a result  
00:09:48 --> 00:09:49: of the crisis.  
00:09:49 --> 00:09:52: And Interestingly, you have none of them.  
00:09:52 --> 00:09:56: Europe event. They are saying that there will be a  
00:09:56 --> 00:09:59: complete cut back on their 2020 investment plans.  
00:09:59 --> 00:10:02: So now that we that we have set the context  
00:10:02 --> 00:10:05: will move to the key findings from our report.  
00:10:05 --> 00:10:06: Next slide please.  
00:10:09 --> 00:10:11: So let's start with the headline,  
00:10:11 --> 00:10:14: which is the global 2020 ranking.  
00:10:14 --> 00:10:17: And here there are two key lessons.  
00:10:17 --> 00:10:21: Number one at the top five remains unchanged and or.  
00:10:21 --> 00:10:23: But should I say #2?  
00:10:23 --> 00:10:27: Actually when you look at the dynamic of the competition,  
00:10:27 --> 00:10:32: the gap is really narrowing and the competition is much  
00:10:32 --> 00:10:32: stronger.  
00:10:32 --> 00:10:35: Coming back to the to the top five.  
00:10:35 --> 00:10:37: As you can see here,  
00:10:37 --> 00:10:40: you still have. The city in London and Canary Wharf  
00:10:41 --> 00:10:41: in London,  
00:10:41 --> 00:10:44: which are in first and fifth position.  
00:10:44 --> 00:10:48: This is due to the stronghold of London for headquarters

00:10:48 --> 00:10:50: in Europe and to give you an example,  
00:10:50 --> 00:10:55: the Greater London has attracted four times more headquarters than  
00:10:55 --> 00:10:58: the greater Paris region over the past 10 years,  
00:10:58 --> 00:11:00: so it's still, you know,  
00:11:00 --> 00:11:04: very attractive for many businesses and also and that's true  
00:11:04 --> 00:11:05: for the entire top five.  
00:11:05 --> 00:11:09: All of these business district that you see here.  
00:11:09 --> 00:11:12: Are scoring quite well on a very decisive criteria,  
00:11:12 --> 00:11:17: which is the attraction or the presence of talented workforce?  
00:11:17 --> 00:11:21: Midtown in New York and Marunouchi in Tokyo are still  
00:11:21 --> 00:11:22: number 2 and #3.  
00:11:22 --> 00:11:26: They are scoring well as well on the presence of  
00:11:26 --> 00:11:31: population with a high University degree and also scoring quite  
00:11:31 --> 00:11:33: well on the presence of global.  
00:11:33 --> 00:11:37: The the biggest, the largest companies and Paris La Defense  
00:11:37 --> 00:11:41: is a strong #4 which is calling never number one.  
00:11:41 --> 00:11:45: But on any of the categories but always scoring quite  
00:11:45 --> 00:11:49: well on all of the categories that we've been looking  
00:11:49 --> 00:11:49: at.  
00:11:49 --> 00:11:51: So that's for for the top five,  
00:11:51 --> 00:11:53: but as I was saying,  
00:11:53 --> 00:11:56: when we look now at the dynamics and how the  
00:11:56 --> 00:11:58: competition is is changing,  
00:11:58 --> 00:12:02: the gap is narrowing and this is especially true for  
00:12:02 --> 00:12:04: this top five where actually?  
00:12:04 --> 00:12:08: In the EYULI attractiveness index that we have built,  
00:12:08 --> 00:12:11: we can see that the City of London in London  
00:12:11 --> 00:12:15: and Midtown in New York in New York are actually  
00:12:15 --> 00:12:16: decreasing,  
00:12:16 --> 00:12:18: whereas Marunouchi and Paris,  
00:12:18 --> 00:12:21: La Defense and Kenilworth are progressing now.  
00:12:21 --> 00:12:26: These increasing competition is also very much coming from  
00:12:26 --> 00:12:30: Asian  
00:12:26 --> 00:12:30: business district and as you can see here on the  
00:12:30 --> 00:12:34: right hand side you have ranking by evolution or change  
00:12:34 --> 00:12:38: in the rankings. And you can see here that districts  
00:12:38 --> 00:12:43: like Beijing or Hong Kong or Mumbai are progressing quite  
00:12:43 --> 00:12:47: fast and this is due to this is mainly due  
00:12:47 --> 00:12:49: to.  
00:12:49 --> 00:12:54: Strong increase in terms of availability of population with high  
00:12:54 --> 00:12:58: University high University qualifications.

00:12:58 --> 00:13:03: Also some progress around the presence of more global headquarters

00:13:04 --> 00:13:08: from a significant companies and also we can see here

00:13:08 --> 00:13:10: that the scorings of China,

00:13:10 --> 00:13:14: for instance, or that's even true for India.

00:13:14 --> 00:13:19: For the ease of business is also reflected in this.

00:13:19 --> 00:13:23: Increased ULIEY attractiveness index. So now what we're going to

00:13:23 --> 00:13:26: do is I'm going to take you through five key

00:13:27 --> 00:13:31: lessons or key trends that are really driving the long-term

00:13:31 --> 00:13:34: transformation of business district. If we can move to the

00:13:34 --> 00:13:35: next slide,

00:13:35 --> 00:13:35: please.

00:13:39 --> 00:13:43: So the first key trend is about the attractiveness factors

00:13:43 --> 00:13:44: themselves.

00:13:44 --> 00:13:48: So when we look at what makes global business district

00:13:48 --> 00:13:48: tractive,

00:13:48 --> 00:13:52: actually the key lesson is that it's more of the

00:13:52 --> 00:13:52: same,

00:13:52 --> 00:13:56: and you can see here that there is an even

00:13:56 --> 00:14:00: stronger emphasis about the ability to attract and retain

00:14:00 --> 00:14:04: talent,

00:14:00 --> 00:14:04: which is considered as very important by 84%

00:14:04 --> 00:14:06: of the respondents of our sample,

00:14:06 --> 00:14:10: which is more than which is plus 14 points compared

00:14:10 --> 00:14:10: to.

00:14:10 --> 00:14:15: 2017 report same on proximity of markets and customers

00:14:15 --> 00:14:15: and

00:14:15 --> 00:14:15: partners.

00:14:15 --> 00:14:19: This is progressing quite significantly plus 11%

00:14:19 --> 00:14:23: and we have 57% of the respondents that we have

00:14:23 --> 00:14:27: surveyed that telling us that this is considered as very

00:14:27 --> 00:14:32: important when it comes to assessing the attractiveness of

00:14:32 --> 00:14:35: business

00:14:32 --> 00:14:35: district. So these two key trends,

00:14:35 --> 00:14:38: the fact that these there is a very strong focus

00:14:38 --> 00:14:41: put on these two parameters.

00:14:41 --> 00:14:44: He's very consistent, as I must say with what we're

00:14:44 --> 00:14:48: hearing and discussing with our clients in the context.

00:14:48 --> 00:14:51: So now we're going to see how you know this

00:14:51 --> 00:14:55: applied in terms of transformation and how this will be

00:14:55 --> 00:14:59: decisive in terms of transformation of the rest of the

00:14:59 --> 00:15:01: business district next, like this.

00:15:03 --> 00:15:07: OK. So this is a very important one because that  
00:15:07 --> 00:15:11: was a trend that we're already seeing previously.  
00:15:11 --> 00:15:14: Business District will have or still have you know,  
00:15:14 --> 00:15:19: to really reimagine and reinvent their economic and operating  
model  
00:15:19 --> 00:15:23: equation that we have between cost and attractiveness is  
under  
00:15:23 --> 00:15:24: great pressure.  
00:15:24 --> 00:15:28: And it's becoming even more complex than it used to  
00:15:28 --> 00:15:28: be.  
00:15:28 --> 00:15:32: With the lockdowns, companies have found out that Home  
Office  
00:15:32 --> 00:15:37: and digital office actually works far better than they thought,  
00:15:37 --> 00:15:40: and it can result in substantial savings,  
00:15:40 --> 00:15:44: but at the same time they also recognize that there  
00:15:44 --> 00:15:47: is a limit to remote work because at some point  
00:15:47 --> 00:15:49: when you need to innovate,  
00:15:49 --> 00:15:54: create or teamwork for project management carried  
development requires people  
00:15:54 --> 00:15:58: to physically interact so they feel they belong and they  
00:15:59 --> 00:15:59: share.  
00:15:59 --> 00:16:01: An experience or a project?  
00:16:01 --> 00:16:04: So from now on companies will have to deal with  
00:16:04 --> 00:16:09: these parameters to find the right balance between cost  
optimization,  
00:16:09 --> 00:16:14: productivity, attractiveness for talent, safety well being of  
their employees.  
00:16:14 --> 00:16:17: So this will have an impact not only on the  
00:16:17 --> 00:16:17: cost model,  
00:16:17 --> 00:16:22: but this will also accelerate the reshaping of workplaces and  
00:16:22 --> 00:16:25: business district urban environments too.  
00:16:25 --> 00:16:26: So next slide please.  
00:16:29 --> 00:16:33: The other key trends that is a transforming business district  
00:16:34 --> 00:16:37: is the adoption of more sustainable operating model.  
00:16:37 --> 00:16:40: More consideration for climate change.  
00:16:40 --> 00:16:42: As you can see here,  
00:16:42 --> 00:16:46: we have 73% of real estate professionals according to our  
00:16:46 --> 00:16:50: research that expect the risk of climate change to become  
00:16:50 --> 00:16:53: greater in the next five years.  
00:16:53 --> 00:16:56: So what does that mean in practice in terms of  
00:16:56 --> 00:16:58: priority to make?  
00:16:58 --> 00:17:02: Business District more sustainable. The vast majority 86%  
00:17:02 --> 00:17:05: of our respondents are fingers that it first you know

00:17:05 --> 00:17:10: to develop sustainable and well diversified transport network.  
00:17:10 --> 00:17:13: Then we have 66% of them who are telling us  
00:17:13 --> 00:17:17: that it's it requires more efficient energy and water use  
00:17:17 --> 00:17:18: management and 46%  
00:17:18 --> 00:17:21: of them who are pointing out the need for more  
00:17:21 --> 00:17:22: green spaces,  
00:17:22 --> 00:17:25: more trees, urban forestry and farming.  
00:17:25 --> 00:17:29: What you don't see here is that we have developed.  
00:17:29 --> 00:17:34: Someone specific environmental indicator measure of the  
performance of Business  
District,  
00:17:34 --> 00:17:35: District,  
00:17:35 --> 00:17:39: which is really focused on environmental consideration and  
it's very  
interesting to see that at the top of the ranking  
00:17:39 --> 00:17:43: interesting to see that at the top of the ranking  
00:17:43 --> 00:17:47: you have only European business district with the bank  
convertible  
virtual from Frankfurt. So number one and Paris lady foster  
00:17:47 --> 00:17:52: virtual from Frankfurt. So number one and Paris lady foster  
00:17:52 --> 00:17:52: mother.  
00:17:52 --> 00:17:55: So next slide please.  
00:17:55 --> 00:18:00: OK, risk management risk Management was already quite at  
the  
top of the agenda for Business District and it was  
00:18:00 --> 00:18:04: top of the agenda for Business District and it was  
00:18:05 --> 00:18:07: already seen as a priority,  
00:18:07 --> 00:18:11: but it does imply renewed governance for them.  
00:18:11 --> 00:18:16: With the Covid crisis, the risk has really materialized into  
00:18:16 --> 00:18:21: a crisis of a magnitude that nobody had experienced before.  
00:18:21 --> 00:18:24: We saw that the more coordinated approach,  
00:18:24 --> 00:18:28: the approach, the more. Efficient the response.  
00:18:28 --> 00:18:31: So it means for business district that they will have  
00:18:32 --> 00:18:33: to better anticipate,  
00:18:33 --> 00:18:37: prepare and respond to future crises by collaborating with all  
00:18:37 --> 00:18:42: stakeholders involved in the life of business districts in the  
00:18:42 --> 00:18:43: public sector.  
00:18:43 --> 00:18:47: From the private sector, those managing transportation,  
00:18:47 --> 00:18:49: housing, security, energy and health,  
00:18:49 --> 00:18:53: construction, retail businesses. And it has to be done at  
00:18:53 --> 00:18:55: all the relevant scales,  
00:18:55 --> 00:18:57: not only at the scale of the.  
00:18:57 --> 00:19:01: Business district itself, but it will also involve the city  
00:19:01 --> 00:19:01: level,  
00:19:01 --> 00:19:05: the regional level, and sometimes you know the state level  
00:19:06 --> 00:19:06: as well.  
00:19:06 --> 00:19:07: Next slide.



00:19:09 --> 00:19:12: And that will be my my conclusion,  
00:19:12 --> 00:19:16: because this trend is very heavy and we already discussed  
00:19:16 --> 00:19:20: this trend quite extensively in our 2017 report.  
00:19:20 --> 00:19:25: But what we're seeing really is that business districts are  
00:19:25 --> 00:19:28: becoming more or much more than business,  
00:19:28 --> 00:19:32: and the district themselves tend to open to become more  
00:19:32 --> 00:19:36: vibrant and place where you can live outside of business  
00:19:36 --> 00:19:37: hours.  
00:19:37 --> 00:19:39: So they are becoming real.  
00:19:39 --> 00:19:43: Destination, so how they do that or how they should  
00:19:43 --> 00:19:44: do that?  
00:19:44 --> 00:19:48: We ask this question to our sample of Interview E.  
00:19:48 --> 00:19:51: 64% of them are telling us that we should,  
00:19:51 --> 00:19:56: you know, rely first on the better transportation infrastructure  
to  
00:19:56 --> 00:20:00: be better connected to their Metropolitan area.  
00:20:00 --> 00:20:04: And then we have some very interesting parameters such as  
00:20:04 --> 00:20:06: mixed use mixed use,  
00:20:06 --> 00:20:10: which is a huge topic for business district.  
00:20:10 --> 00:20:13: So with the development of mixtures program,  
00:20:13 --> 00:20:16: but it's also not only a mixed functionality,  
00:20:16 --> 00:20:18: but it's also more flexible.  
00:20:18 --> 00:20:21: Programs with longtime loose feeds,  
00:20:21 --> 00:20:25: buildings for instance, which is also a way for business  
00:20:25 --> 00:20:29: district players to diversify their source of income and to  
00:20:29 --> 00:20:33: minimize their economic risk and so to optimize their cost  
00:20:33 --> 00:20:37: model as well. And basically what we're seeing is that  
00:20:37 --> 00:20:39: really business district,  
00:20:39 --> 00:20:42: most of them. In the 21 that we have that  
00:20:42 --> 00:20:45: we have looked at tend to become work,  
00:20:45 --> 00:20:49: live and play environment to enhance and to improve the  
00:20:49 --> 00:20:52: experience of their users.  
00:20:52 --> 00:20:55: Not only employees but also residents,  
00:20:55 --> 00:20:58: tourist and consumer. And that goes as well.  
00:20:58 --> 00:21:03: That will require as well some specific things to be  
00:21:03 --> 00:21:08: done around affordable housing to make sure that the  
business  
00:21:08 --> 00:21:10: district remain open to everyone.  
00:21:10 --> 00:21:14: And is the inclusive as well and brings a response  
00:21:14 --> 00:21:17: to the lack of affordable housing that exists in many  
00:21:17 --> 00:21:20: of the cities where we have that we have looked  
00:21:20 --> 00:21:24: at and in the sample of of our business district.  
00:21:24 --> 00:21:26: So thank you very much for your attention.

00:21:26 --> 00:21:29: I hope I was not too long and I'm happy  
00:21:29 --> 00:21:30: to take any questions.  
00:21:33 --> 00:21:36: Thanks a lot, mark. I think there was a fancy.  
00:21:36 --> 00:21:40: I think that was really interesting and we already have  
00:21:40 --> 00:21:42: a couple of questions coming in.  
00:21:42 --> 00:21:45: One of them is of a more practical matter.  
00:21:45 --> 00:21:48: Whether the slides will be shared afterwards.  
00:21:48 --> 00:21:51: Yes, the slides will be available on the wise website.  
00:21:51 --> 00:21:55: I think as well as on your allies Knowledge Finder,  
00:21:55 --> 00:21:58: so will also be the report which will be available  
00:21:58 --> 00:22:01: on both the website of Y and you.  
00:22:01 --> 00:22:04: Will I knowledge Finder and also the recording of this  
00:22:04 --> 00:22:06: webinar will be available.  
00:22:06 --> 00:22:10: On annualize knowledge Finder. Um?  
00:22:10 --> 00:22:13: Person before we move to the panel discussion,  
00:22:13 --> 00:22:16: somebody asks about tomorrow's business districts.  
00:22:16 --> 00:22:20: Are there also cities beyond the 21 that were surveyed?  
00:22:20 --> 00:22:22: Now that might emerge in the years to come.  
00:22:22 --> 00:22:26: Any thoughts on this? I know you looked into this  
00:22:26 --> 00:22:29: at the beginning of the of the project.  
00:22:29 --> 00:22:33: So sorry. Question is it?  
00:22:33 --> 00:22:36: So the question was.  
00:22:36 --> 00:22:40: About tomorrow's business districts. Are there cities beyond  
the 21  
00:22:40 --> 00:22:42: that we surveyed?  
00:22:42 --> 00:22:44: Now that might emerge in the years to come.  
00:22:44 --> 00:22:46: Any thoughts on that? Yes,  
00:22:46 --> 00:22:49: so you know we would like to include more business  
00:22:50 --> 00:22:50: districts.  
00:22:50 --> 00:22:55: And certainly this is something that we're following.  
00:22:55 --> 00:22:58: One of the challenges that we have is to be  
00:22:58 --> 00:23:01: able to compare apples to apples,  
00:23:01 --> 00:23:02: so it's not always easy,  
00:23:02 --> 00:23:06: but for sure you know as we see some emergence  
00:23:06 --> 00:23:10: of some big cities around the world and their corresponding  
00:23:10 --> 00:23:14: business trip more than happy you know to include more  
00:23:14 --> 00:23:16: material for analysis.  
00:23:16 --> 00:23:20: International benchmark, so definitely this is something that  
we would  
00:23:20 --> 00:23:21: like to do,  
00:23:21 --> 00:23:24: especially in some.  
00:23:24 --> 00:23:29: Emerging markets or regions that we would like to include

00:23:30 --> 00:23:34: in the future in this type of analysis.

00:23:34 --> 00:23:36: Thank you and one last question.

00:23:36 --> 00:23:41: Somebody asks about your definition of local and global influence

00:23:41 --> 00:23:45: as well as the quality of the urban environment indicates

00:23:45 --> 00:23:47: which you use on slide 12.

00:23:47 --> 00:23:50: Could you quickly explain that?

00:23:50 --> 00:23:54: Yes, so local and global influences to measure how business district can be springboard.

00:23:54 --> 00:23:56: You know, for businesses to our gateway to some other

00:23:56 --> 00:24:00: regions,

00:24:00 --> 00:24:00: so helps business hubs read that are truly global.

00:24:00 --> 00:24:04: So we measure that, for instance,

00:24:04 --> 00:24:06: in terms of access to International Airport that are truly

00:24:06 --> 00:24:11: international and so on.

00:24:11 --> 00:24:12: And regarding the quality that the other question was about

00:24:12 --> 00:24:17: the quality of the urban environment,

00:24:17 --> 00:24:19: right?

00:24:19 --> 00:24:21: Yeah, this is measured with the the type of services

00:24:21 --> 00:24:25: that business districts offer to their employees and users in

00:24:25 --> 00:24:29: general.

00:24:29 --> 00:24:30: Not only employees, but it could be also residents or

00:24:30 --> 00:24:33: tourist diversification or diversified service offering to all these

00:24:33 --> 00:24:39: users

00:24:39 --> 00:24:40: and the you know culture,

00:24:40 --> 00:24:43: entertainment as well and so on.

00:24:43 --> 00:24:46: So all that makes you know green spaces or that

00:24:46 --> 00:24:50: makes really business district more attractive in terms of the

00:24:50 --> 00:24:52: quality of each other.

00:24:52 --> 00:24:54: Government, but there is, you know,

00:24:54 --> 00:24:58: detail about all of these indicators that we've been using

00:24:58 --> 00:25:01: in the report that is available on the website.

00:25:01 --> 00:25:04: So if you have some specific questions you will find

00:25:04 --> 00:25:07: hopefully an answer in this in the in the full

00:25:07 --> 00:25:08: report.

00:25:08 --> 00:25:12: OK, thanks a lot for answer was really interesting.

00:25:12 --> 00:25:15: Can I now ask all the panelists to switch on

00:25:15 --> 00:25:18: their videos and I will introduce you.

00:25:18 --> 00:25:21: I'm very pleased that we're joined today by such a

00:25:21 --> 00:25:22: high steel panel.

00:25:22 --> 00:25:26: First of all, I would like to introduce more easily

00:25:26 --> 00:25:26: go.

00:25:26 --> 00:25:32: She's the chairman of the global Business Districts

Innovation Club  
and CEO of Parrilla difference.  
Michael M. Edwards. He's the President and CEO.  
Chicago Loop alliance. James from Klemperer president of  
Cone Peterson,  
Fox Associates, and last but not least,  
Laura Lavernia is the global head of asset Management and  
development at AXA.  
Investment management  
can I? Yes, all the videos I think are switched  
on.  
Welcome everybody. Marissa Lee. Can I please start with  
you.  
Also as the commissioner of this research.  
United fans has maintained its fourth position,  
as we've just seen in the global ranking first 2017  
report.  
But across the board improved the performance on almost all  
of the underlying indicators.  
So overall, what do you think is the most remarkable  
or surprising outcome you've seen,  
if any? And what do you think is the most  
important takeaway for all the business districts surveyed?  
And for larger fonts in particular?  
Yes, hello, before I answer that question,  
I would like to say that I'm I'm Commissioner of  
this survey.  
As chairwoman of the Global Business District Innovation  
Club,  
which is a clip that was created one year and  
a half ago by 5 founding members,  
among which Michael Edwards and the Chicago Loop  
Alliance and  
you were saying before Vassar that with risk management  
demands  
resilience and collaboration.  
And that's precisely what we are.  
Trying to do within this club that gathers together business  
districts route throughout the world to share our experiences  
and  
or issues,  
compare issues and compare.  
Our strengths, and precisely that's why we commissioned

this.

00:27:30 --> 00:27:34: This survey, which is a very interesting tool for us,  
00:27:34 --> 00:27:37: of course, so I will change and talk now as  
00:27:37 --> 00:27:39: a CEO of popular difference.  
00:27:39 --> 00:27:43: To answer your question is that.  
00:27:43 --> 00:27:47: The first thing that strikes me in this survey is  
00:27:47 --> 00:27:50: the outstanding result of London,  
00:27:50 --> 00:27:54: which remains the number one number one and #5.  
00:27:54 --> 00:27:58: So basically London is number one for far before the  
00:27:59 --> 00:27:59: other ones,  
00:27:59 --> 00:28:04: the other the businesses tricks and despite Brexit and the  
00:28:04 --> 00:28:08: political turmoil that Britain is going through.  
00:28:08 --> 00:28:12: And of course this is a very striking.  
00:28:12 --> 00:28:16: An interesting thing. So it's as you know,  
00:28:16 --> 00:28:19: a CEO of difference. I've been going a lot to  
00:28:19 --> 00:28:24: London to try to convince headquarters to move and to  
00:28:24 --> 00:28:25: come to Paris,  
00:28:25 --> 00:28:29: and I must say that until now we have not  
00:28:29 --> 00:28:31: had a huge success.  
00:28:31 --> 00:28:37: Neither Paris nor the other European capitals and business  
districts,  
00:28:37 --> 00:28:40: of course, Brexit hasn't happened yet,  
00:28:40 --> 00:28:45: but still we see that London remains very strong.  
00:28:45 --> 00:28:48: The only result of Brexit that we have seen until  
00:28:48 --> 00:28:52: now is a transfer of invest of investors that used  
00:28:52 --> 00:28:56: to be located essentially on the London market and for  
00:28:56 --> 00:28:59: instance in Lady France. We have seen a lot of  
00:28:59 --> 00:29:04: Asian investors arriving and Korean investors that were very  
absent  
00:29:04 --> 00:29:07: totally absent from the French market.  
00:29:07 --> 00:29:10: And that's probably an effect of Brexit.  
00:29:10 --> 00:29:13: So that's the first thing that I note as a  
00:29:13 --> 00:29:16: striking result of this survey.  
00:29:16 --> 00:29:19: Could I then maybe ask you what could you learn  
00:29:19 --> 00:29:20: from that?  
00:29:20 --> 00:29:24: And is that something that's businesses regulated?  
00:29:24 --> 00:29:27: Can you solve it or would you depend on the  
00:29:27 --> 00:29:31: city of Paris or the national French government to strengthen  
00:29:31 --> 00:29:32: certain elements?  
00:29:32 --> 00:29:36: I think the French Government has done a lot of  
00:29:36 --> 00:29:40: efforts and there have been efforts made for instance for  
00:29:40 --> 00:29:43: on to to change the the labor law and lower  
00:29:43 --> 00:29:47: taxes. And so there there has been efforts made.

00:29:47 --> 00:29:49: And in our case is we have a good case  
00:29:49 --> 00:29:51: to attract companies.  
00:29:51 --> 00:29:53: I need an we attract a lot of investors.  
00:29:53 --> 00:29:57: However, I think the decision to move companies and  
headquarters  
00:29:57 --> 00:30:00: is a very difficult decision to make and a lot  
00:30:00 --> 00:30:04: of factors come into consideration and it takes time and  
00:30:04 --> 00:30:07: a lot of companies have been waiting to see how  
00:30:07 --> 00:30:10: Brexit with the what's the final outcome of Brexit,  
00:30:10 --> 00:30:14: because until very recently and probably maybe still now we  
00:30:14 --> 00:30:17: don't really know how it's going to happen.  
00:30:17 --> 00:30:20: So companies are waiting, so that's the first thing.  
00:30:20 --> 00:30:23: The second thing is probably at first,  
00:30:23 --> 00:30:27: everybody was expecting. I'm talking about few years ago  
when  
00:30:27 --> 00:30:28: Brexit was voted.  
00:30:28 --> 00:30:31: The thinking that maybe it would be a massive change  
00:30:31 --> 00:30:35: and that we would go from a huge concentration in  
00:30:35 --> 00:30:38: London to a huge concentration in another business district.  
00:30:38 --> 00:30:42: European and I think that's not going to arrive that  
00:30:42 --> 00:30:46: London is going to remain extremely strong for many  
reasons,  
00:30:46 --> 00:30:49: and probably that companies. Based in London,  
00:30:49 --> 00:30:53: what they have started to do is to open offices  
00:30:54 --> 00:30:57: in different districts in Europe,  
00:30:57 --> 00:31:01: but remaining in London. So we will probably go from  
00:31:02 --> 00:31:07: a very concentrated London area into a some  
deconcentration in  
00:31:08 --> 00:31:11: with different districts rising.  
00:31:11 --> 00:31:14: OK, thank you Michael. Can I ask you a similar  
00:31:14 --> 00:31:18: question where we've seen Chicago loop scoring highly on  
quality  
00:31:18 --> 00:31:20: of the urban environment,  
00:31:20 --> 00:31:24: although its overall position in the ranking slipped from the  
00:31:24 --> 00:31:27: 7th in 2017 to now the 10th position.  
00:31:27 --> 00:31:31: So overall, what do you think is the most remarkable  
00:31:31 --> 00:31:33: or surprising outcome you've seen?  
00:31:33 --> 00:31:37: And what do you think is the most important takeaway  
00:31:38 --> 00:31:40: for Chicago Duluth in particular?  
00:31:40 --> 00:31:43: That's it, thank you so much for the opportunity to  
00:31:43 --> 00:31:45: participate in this panel discussion.  
00:31:45 --> 00:31:48: I've been working in the Chicago Loop for the last  
00:31:48 --> 00:31:49: seven years,

00:31:49 --> 00:31:52: and certainly the last four months have really clouded the  
00:31:53 --> 00:31:57: future of what's happening in our Business Improvement District and

00:31:57 --> 00:31:59: in the in the Chicago Loop itself.  
00:31:59 --> 00:32:02: Chicago Loop Alliance is a \$3,000,000 a year full service  
00:32:02 --> 00:32:07: Business Improvement District serving our ratepayers and our members in

00:32:07 --> 00:32:09: the Historic Business Center of the city.  
00:32:09 --> 00:32:13: We provide a range of services including clean and safe  
00:32:13 --> 00:32:14: advocacy planning,  
00:32:14 --> 00:32:17: placemaking along with our extensive marketing effort.  
00:32:17 --> 00:32:20: You know the loop. Chicago Loop has scored high.  
00:32:20 --> 00:32:23: Did the last go around with the study in in  
00:32:23 --> 00:32:26: the current one with regards to this quality of urban  
00:32:26 --> 00:32:29: environment and I think it's for a couple of reasons,  
00:32:29 --> 00:32:32: I think they should have a loop in its history.  
00:32:32 --> 00:32:35: Has developed the building blocks that would allow a place  
00:32:35 --> 00:32:38: to become more of a destination as Vincent had talked  
00:32:38 --> 00:32:39: about earlier.  
00:32:39 --> 00:32:41: The loop is about 80 blocks.  
00:32:41 --> 00:32:43: There's 45 million square feet of offices.  
00:32:43 --> 00:32:47: There's 22 universities with over 50,000 students.  
00:32:47 --> 00:32:52: There's a growing residential population currently about 30,000 and we

00:32:52 --> 00:32:55: have a pre covid about 370,000 daily workers,  
00:32:55 --> 00:32:59: so those are the building blocks not hard to create.  
00:32:59 --> 00:33:01: The notion of destination around that,  
00:33:01 --> 00:33:05: so we have an extensive culinary offering here.  
00:33:05 --> 00:33:08: In the loop we continue to have strong retail.  
00:33:08 --> 00:33:11: It's not the strongest in the downtown,  
00:33:11 --> 00:33:14: but it's pretty strong. It's all served by a really  
00:33:15 --> 00:33:15: great transit.  
00:33:15 --> 00:33:19: And of course we have a 2.5 billion dollar a  
00:33:19 --> 00:33:19: year.  
00:33:19 --> 00:33:22: We did arts and culture economy here just in the  
00:33:22 --> 00:33:23: Chicago Loop.  
00:33:23 --> 00:33:27: So we think we do have a great destination with  
00:33:27 --> 00:33:28: regards to why we slipped.  
00:33:28 --> 00:33:32: I think kudos to Asia and the Asian cities for  
00:33:32 --> 00:33:35: getting better over the last few years there's been an  
00:33:35 --> 00:33:39: extensive amount of investment in the Chicago land area,  
00:33:39 --> 00:33:42: not necessarily in the loop loop,  
00:33:42 --> 00:33:45: is fairly built out. There's not a lot of development

00:33:45 --> 00:33:46: sites available.

00:33:46 --> 00:33:51: There's a lot of older buildings that don't convert well.

00:33:51 --> 00:33:54: I'm sure architect panelists can speak to that,

00:33:54 --> 00:33:58: and so we are noticing major development billion dollar proposals

00:33:58 --> 00:34:01: to develop 7 million square feet of office space A

00:34:01 --> 00:34:02: mile from the loop.

00:34:02 --> 00:34:04: They want to be close to the loop,

00:34:04 --> 00:34:07: but the land values are much better outside of the

00:34:07 --> 00:34:10: loop for their particular projects.

00:34:10 --> 00:34:12: But all of those projects want to be like the

00:34:12 --> 00:34:14: loop they want to be cleaned.

00:34:14 --> 00:34:17: They want to be safe and they want to be

00:34:17 --> 00:34:19: a place where people want to hang out,

00:34:19 --> 00:34:21: live and work and so.

00:34:21 --> 00:34:23: Um, we're fine with our position.

00:34:23 --> 00:34:27: We just recognize that there's a little bit more close

00:34:27 --> 00:34:31: in proximity to US competition that we need to address

00:34:31 --> 00:34:32: long term.

00:34:32 --> 00:34:35: Thanks Michael.

00:34:35 --> 00:34:39: You we we saw Vincent already presenting it and Michael

00:34:39 --> 00:34:42: you just refer to it that the results have shown

00:34:43 --> 00:34:47: that the Western business districts are still performing

00:34:47 --> 00:34:51: stronger.

00:34:47 --> 00:34:51: However, we've seen the gap narrowing significantly,

00:34:51 --> 00:34:56: and especially Asian business districts have improved

00:34:56 --> 00:34:58: significantly.

00:34:56 --> 00:34:58: So to Jamie and Laura.

00:34:58 --> 00:35:01: Do you see this also in your business and and

00:35:02 --> 00:35:02: in your work?

00:35:02 --> 00:35:06: And how do you respond to these trends?

00:35:06 --> 00:35:08: Jimmy, do you want to start?

00:35:08 --> 00:35:13: Yeah yeah, please our firm KPS I'm an architect in

00:35:13 --> 00:35:17: our firm is practicing globally so many of the cities

00:35:17 --> 00:35:19: in the survey are.

00:35:19 --> 00:35:22: Are showing up in our work and we're users of

00:35:22 --> 00:35:23: these cities,

00:35:23 --> 00:35:27: so we sort of specialized in the central business districts.

00:35:27 --> 00:35:31: Whether it's Hong Kong Central or that a false City

00:35:31 --> 00:35:33: of London or Midtown Manhattan.

00:35:33 --> 00:35:38: But comparing the the western cities of London or the

00:35:38 --> 00:35:43: including the US markets and cities of Manhattan,

00:35:43 --> 00:35:47: which is of course a multimarket.



00:35:47 --> 00:35:51: And the agency. We have a substantial office in Shanghai  
00:35:52 --> 00:35:54: and Hong Kong and Singapore.  
00:35:54 --> 00:35:57: Of course, the rate of growth in the Asian city  
00:35:57 --> 00:36:01: outstripped the that which we are familiar with in in  
00:36:01 --> 00:36:05: in the modern day and in the US or London.  
00:36:05 --> 00:36:08: So it gave grounds for experimentation and just the sort  
00:36:08 --> 00:36:11: of things that could define quality of life or the  
00:36:11 --> 00:36:15: attractiveness of the district that we're seeking.  
00:36:15 --> 00:36:18: And I think that if we look at this sort  
00:36:18 --> 00:36:22: of heart of business districts of many older cities,  
00:36:22 --> 00:36:25: there had been kind of a mono culture that had  
00:36:25 --> 00:36:30: developed certainly New York along 6th Ave Grand Big  
Monstera  
00:36:30 --> 00:36:34: buildings of the 1960s seventies in other US cities as  
00:36:34 --> 00:36:38: well. And so the trend or the tendency in recent  
00:36:38 --> 00:36:43: years pre covid of moving away from that monoculture to  
00:36:43 --> 00:36:48: look at what attracts people outside of the workplace?  
00:36:48 --> 00:36:52: What about sports, culture, food and education?  
00:36:52 --> 00:36:56: Social life which are not just ornamental because they attract  
00:36:56 --> 00:36:56: talent.  
00:36:56 --> 00:36:59: Who wants to move to a city that doesn't blend  
00:36:59 --> 00:37:01: and allow for that kind of balance.  
00:37:01 --> 00:37:06: So in this. Right now of extreme shock and rethinking  
00:37:06 --> 00:37:10: of everything because of the covid crisis,  
00:37:10 --> 00:37:13: which which we know is is severe now,  
00:37:13 --> 00:37:18: but it there will be some continuity as we move  
00:37:18 --> 00:37:22: back to a more normal state we will recover these  
00:37:22 --> 00:37:27: kind of attributes of cities that come with density.  
00:37:27 --> 00:37:31: Because right now we're we're taught to be distance from  
00:37:31 --> 00:37:33: each other an and we must be.  
00:37:33 --> 00:37:35: But those aspects of.  
00:37:35 --> 00:37:40: Non monocultural interesting mixes of parts of cities where  
one  
00:37:40 --> 00:37:42: can experience everything.  
00:37:42 --> 00:37:45: I think in a way it's what we crave during  
00:37:46 --> 00:37:48: this period of working at home.  
00:37:48 --> 00:37:51: We may not be able to re re achieve it  
00:37:51 --> 00:37:53: for another year or so,  
00:37:53 --> 00:37:57: but it's it's in this kind of suffocating situation of  
00:37:57 --> 00:38:00: not seeing our friends and colleagues.  
00:38:00 --> 00:38:02: The projects that we are working with,  
00:38:02 --> 00:38:06: particularly in Asia since you mentioned it.

00:38:06 --> 00:38:09: These are fully diversified programs,  
00:38:09 --> 00:38:12: so Kerry properties in Hangzhou,  
00:38:12 --> 00:38:15: one of the IT capitals of the world in a  
00:38:15 --> 00:38:18: way with Alibaba in that development,  
00:38:18 --> 00:38:21: is a hotel is a large retail mall,  
00:38:21 --> 00:38:24: just the sort of thing that you might say should  
00:38:24 --> 00:38:26: be closing down.  
00:38:26 --> 00:38:28: So I think Asia in a way leads the way  
00:38:29 --> 00:38:33: back to the normalcy of searching for this mixed use  
00:38:33 --> 00:38:36: urban center that we know is good for talent,  
00:38:36 --> 00:38:39: good for growth. Good for careers.  
00:38:39 --> 00:38:41: And good for the soul.  
00:38:41 --> 00:38:46: Thanks Siri, Laura. How do you see that in your  
00:38:46 --> 00:38:47: business?  
00:38:47 --> 00:38:50: Yeah, it's not really a surprise to see that  
00:38:50 --> 00:38:54: the Asian cities are rising and that should continue if  
00:38:54 --> 00:38:58: we are trying to project in the future because it  
00:38:58 --> 00:39:02: is tightly real estate is is likely correlated to economic  
00:39:03 --> 00:39:03: power.  
00:39:03 --> 00:39:07: And as the James mention it as economic growth in  
00:39:07 --> 00:39:11: Asia has been outpacing the one of the Western countries  
00:39:11 --> 00:39:12: of the whole.  
00:39:12 --> 00:39:17: So there's a we should expect this trend to continue  
00:39:17 --> 00:39:17: an.  
00:39:17 --> 00:39:19: We have been has a investor.  
00:39:19 --> 00:39:23: Can I set match of course also taking a view  
00:39:23 --> 00:39:27: on which are the countries in the cities in which  
00:39:27 --> 00:39:31: we would like to be invested in in the office  
00:39:31 --> 00:39:34: sector to take into account growing,  
00:39:34 --> 00:39:38: let's say weight of the Asian economies in 2000,  
00:39:38 --> 00:39:41: the global GDP.  
00:39:41 --> 00:39:45: That said, that when you're her long term investors,  
00:39:45 --> 00:39:49: you have. Other factors were also taken into account when  
00:39:49 --> 00:39:52: starting to invest in a country which goes beyond just  
00:39:52 --> 00:39:54: the economic power,  
00:39:54 --> 00:39:58: but it could be also about liquidity and transparency of  
00:39:58 --> 00:39:58: the market,  
00:39:58 --> 00:40:01: barriers to entry in terms of translate,  
00:40:01 --> 00:40:03: tax liability of the tax rules.  
00:40:03 --> 00:40:06: We know that's false. Unfortunately,  
00:40:06 --> 00:40:11: has not been the champion in terms of giving visibility  
00:40:11 --> 00:40:13: and stability to investor who.

00:40:13 --> 00:40:16: That can harm in factors as a logic in which  
00:40:16 --> 00:40:17: you are deploying capital,  
00:40:17 --> 00:40:20: because basically what he meant and I said class,  
00:40:20 --> 00:40:23: which is a liquid. So when you know when you're  
00:40:23 --> 00:40:25: entering it or when you want to enter in,  
00:40:25 --> 00:40:28: you don't know exactly when you will be entering in  
00:40:28 --> 00:40:29: in reality.  
00:40:29 --> 00:40:31: Takes quite a lot of time to to deploy capital  
00:40:31 --> 00:40:34: and you don't know when you will be exiting and  
00:40:34 --> 00:40:36: what would have changed in between.  
00:40:36 --> 00:40:39: You cannot move in a couple of minutes as you  
00:40:39 --> 00:40:42: could do it on liquid assets under the financial market  
00:40:42 --> 00:40:42: so.  
00:40:42 --> 00:40:45: You need to take a different look at it,  
00:40:45 --> 00:40:50: but definitely is the fact that we are seeing the  
00:40:50 --> 00:40:55: Asian cities rising is a factor completely normal given their  
00:40:55 --> 00:40:59: economic power in into the global GDP today.  
00:40:59 --> 00:41:02: I would now like to move on now that we've  
00:41:02 --> 00:41:07: just modern discuss the general trends and the outcomes of  
00:41:07 --> 00:41:08: the report.  
00:41:08 --> 00:41:11: Not too few specific themes and the first I think  
00:41:11 --> 00:41:14: is all around attractiveness to talent,  
00:41:14 --> 00:41:17: vibrancy of the urban environment is,  
00:41:17 --> 00:41:20: Couple of you have already commented on that.  
00:41:20 --> 00:41:24: We've also seen a couple of questions coming in around  
00:41:24 --> 00:41:29: attractiveness to talent and one is around the ability to.  
00:41:29 --> 00:41:33: Attract talent, whether that will stay so important given the  
00:41:33 --> 00:41:37: acceptance of home or remote working and in that sense  
00:41:37 --> 00:41:40: I would also like to ask the question that yes,  
00:41:40 --> 00:41:44: we've seen such a big increase for a will that  
00:41:44 --> 00:41:46: remain the case.  
00:41:46 --> 00:41:49: And what do you think are the key elements and  
00:41:49 --> 00:41:52: what should business district specifically do on that?  
00:41:52 --> 00:41:55: Jamie, do you want to kick off on that?  
00:41:57 --> 00:42:01: Yeah, I think the as I as I mentioned before  
00:42:02 --> 00:42:02: the.  
00:42:02 --> 00:42:05: Attractiveness of of.  
00:42:05 --> 00:42:10: Achieving a relationship between work and home or work  
and  
00:42:10 --> 00:42:13: family or work in other aspects outside of work,  
00:42:13 --> 00:42:17: I think, is key to to anybody's.  
00:42:17 --> 00:42:22: Fulfillment of life. We can find office commodity space in

00:42:22 --> 00:42:27: maybe edge parts of the city or secondary markets where  
00:42:27 --> 00:42:29: no one can get the job done,  
00:42:29 --> 00:42:33: but attracting the top people for,  
00:42:33 --> 00:42:36: let's say US technology company.  
00:42:36 --> 00:42:41: For for Google, Facebook, Apple etc.  
00:42:41 --> 00:42:44: They really have to offer for these people in a  
00:42:44 --> 00:42:47: stage of life where things are changing in chromatically in  
00:42:47 --> 00:42:49: a good way for them.  
00:42:49 --> 00:42:51: They are meeting their spouses,  
00:42:51 --> 00:42:56: their developing their ideas. They're becoming professionals  
and gaining mentors.

00:42:56 --> 00:42:58: This is much more likely to happen in in this  
00:42:58 --> 00:43:01: sort of mixed use environment that we we find.  
00:43:01 --> 00:43:04: So for example if I could just site Hudson Yards  
00:43:04 --> 00:43:08: project which we were involved with the master plan some  
00:43:08 --> 00:43:11: some of the buildings was distinctly seen as.  
00:43:11 --> 00:43:13: Not just a big office offer,  
00:43:13 --> 00:43:17: yes it could be built more cheaply than the buildings  
00:43:17 --> 00:43:19: in central Eastern East,  
00:43:19 --> 00:43:21: Midtown and rents could be lower,  
00:43:21 --> 00:43:25: but more than that it would have failed if it  
00:43:25 --> 00:43:27: didn't have a culture shed.  
00:43:27 --> 00:43:29: A Equinox gym and hotel,  
00:43:29 --> 00:43:32: so exercise, Wellness and culture.  
00:43:32 --> 00:43:35: An entertainment and most important,  
00:43:35 --> 00:43:40: really, the highline. So connecting to an older part of  
00:43:40 --> 00:43:44: the city that had an authenticity of kind of once  
00:43:44 --> 00:43:47: factory now craft kind of activities.  
00:43:47 --> 00:43:51: So I think when when we get into projects where  
00:43:51 --> 00:43:56: we can imagine the future workforces will be very happy  
00:43:56 --> 00:43:57: to come.  
00:43:57 --> 00:44:01: Achieving some sort of. Sense of place that might come  
00:44:01 --> 00:44:05: from a connection to the authenticity of history.  
00:44:05 --> 00:44:08: That's certainly true of the Highline,  
00:44:08 --> 00:44:10: in its way in in London,  
00:44:10 --> 00:44:14: in Covent Garden. Retooling some of the older buildings the  
00:44:14 --> 00:44:18: successful place making is not an inconsequential part of the  
00:44:19 --> 00:44:22: success of attracting talent to the business district.  
00:44:22 --> 00:44:26: You can't measure it, but it's something that comes with  
00:44:27 --> 00:44:28: the place with design,  
00:44:28 --> 00:44:31: and even I think that if this is a good  
00:44:31 --> 00:44:32: example.

00:44:32 --> 00:44:36: Of architectural variety that has been brought to the place  
00:44:36 --> 00:44:40: over it's a Museum of interesting contemporary trends in  
design,  
00:44:40 --> 00:44:44: and so that that's very important to make a setting  
00:44:44 --> 00:44:47: that is more than just the work and the paycheck  
00:44:47 --> 00:44:50: and the sort of some of the harder edged,  
00:44:50 --> 00:44:54: measurable parts of work life.  
00:44:54 --> 00:44:58: Thanks, Jamie Ann. Actually there are quite a few questions  
00:44:58 --> 00:45:03: in around this theme around affordable housing and  
residential.  
00:45:03 --> 00:45:08: More generic Murray's Deli or Michael would you want to  
00:45:08 --> 00:45:09: comment on that?  
00:45:09 --> 00:45:13: What do you do? I know more easily.  
00:45:13 --> 00:45:16: Has added quite a number of residential units over the  
00:45:16 --> 00:45:17: past few years,  
00:45:17 --> 00:45:20: with which added to the overall quality of the of  
00:45:21 --> 00:45:24: the environment which you want to comment on that.  
00:45:24 --> 00:45:28: Yeah, placemaking has been in the heart of our strategy  
00:45:28 --> 00:45:30: for the last past to baby 10 years.  
00:45:30 --> 00:45:33: It was a big issue for the difference because the  
00:45:33 --> 00:45:37: difference was built starting to be built 60 years ago  
00:45:37 --> 00:45:41: at the time when it was really the philosophy urban  
00:45:41 --> 00:45:44: philosophy was that you would build cities to sleep city,  
00:45:44 --> 00:45:48: other cities to work, and other cities to go out  
00:45:48 --> 00:45:49: and have fun.  
00:45:49 --> 00:45:52: And a difference of course was made to be dedicated  
00:45:52 --> 00:45:53: to work,  
00:45:53 --> 00:45:55: and so we've been doing a lot of work to  
00:45:55 --> 00:45:56: transform.  
00:45:56 --> 00:46:00: This place, which is dedicated to work into a place  
00:46:00 --> 00:46:02: to live into a place to work,  
00:46:02 --> 00:46:04: live and play. As was said before,  
00:46:04 --> 00:46:06: and we've done a lot already,  
00:46:06 --> 00:46:09: creating restaurants, places to go out,  
00:46:09 --> 00:46:13: cultural events, etc. The housing issue and let difference is  
00:46:13 --> 00:46:16: quite specific because the district itself.  
00:46:16 --> 00:46:20: There are 20,000 people who live in the district and  
00:46:20 --> 00:46:22: have been living there.  
00:46:22 --> 00:46:25: Actually for quite a long time and we are building.  
00:46:25 --> 00:46:27: Of course a lot of new housing.  
00:46:27 --> 00:46:31: Just out at the border of the of the district  
00:46:31 --> 00:46:36: itself to attract new a new population or or issue  
00:46:36 --> 00:46:39: is not so much as I read in one of

00:46:39 --> 00:46:43: the questions that the the the the fact of adding  
00:46:43 --> 00:46:47: affordable housing because around that if there is a lot  
00:46:47 --> 00:46:52: of affordable housing in the in the town of North  
00:46:52 --> 00:46:57: there essentially or or problem is to have more housing  
00:46:57 --> 00:46:58: that is.  
00:46:58 --> 00:47:02: For intermediary housing for people who will work in Lady  
00:47:02 --> 00:47:06: Falls and and and need to to have an affordable  
00:47:06 --> 00:47:11: apartment not too far away because the social housing  
around  
00:47:11 --> 00:47:14: the difference there is alot already.  
00:47:14 --> 00:47:17: So so yes, so we are going up on this  
00:47:17 --> 00:47:20: policy and in the next 5 to 10 years will  
00:47:20 --> 00:47:23: be building a lot of housing and a lot of  
00:47:23 --> 00:47:27: new kinds. Also of offices to offer a diversity of  
00:47:27 --> 00:47:29: not only of architecture.  
00:47:29 --> 00:47:32: But also of kind of offices and to be able  
00:47:32 --> 00:47:33: to attract,  
00:47:33 --> 00:47:37: for instance, smaller companies that are not very willing to  
00:47:37 --> 00:47:38: go into into towers,  
00:47:38 --> 00:47:41: skyscrapers, but they want to be in the ecosystem of  
00:47:41 --> 00:47:42: LA difference.  
00:47:42 --> 00:47:46: So we need to have a bigger diversity of kinds  
00:47:46 --> 00:47:50: of offices and buildings to to to attract those companies.  
00:47:50 --> 00:47:54: Thank you Michael. Would you want to comment just a  
00:47:54 --> 00:47:55: brief comment.  
00:47:55 --> 00:47:56: We do not do housing.  
00:47:56 --> 00:47:58: We do not do affordable housing.  
00:47:58 --> 00:48:01: We recognize that that's a big issue in Chicago.  
00:48:01 --> 00:48:05: There's and there's a income inequality issue that pervades  
the  
00:48:06 --> 00:48:08: Chicago land area and has historically,  
00:48:08 --> 00:48:11: what we see our role as as downtown folks is  
00:48:11 --> 00:48:15: to represent the employers downtown and do a better job  
00:48:15 --> 00:48:19: of connecting the job opportunities in the downtown that has  
00:48:19 --> 00:48:21: high quality public transit too.  
00:48:21 --> 00:48:25: Neighborhoods that have had a challenge in connecting with  
those  
00:48:25 --> 00:48:25: jobs.  
00:48:25 --> 00:48:29: People tend to think loop is filled with executive positions.  
00:48:29 --> 00:48:31: That's not true. 75% of our jobs are of entry  
00:48:31 --> 00:48:32: level positions,  
00:48:32 --> 00:48:35: ways that people can get on the career ladder.  
00:48:35 --> 00:48:38: Working at a hotel and then moving up into management

00:48:38 --> 00:48:39: of the hotel.

00:48:39 --> 00:48:41: And so we see our role is to find ways

00:48:41 --> 00:48:45: to give people the resources so that they can afford

00:48:45 --> 00:48:48: the housing that's available and depend on others that are

00:48:48 --> 00:48:52: way better at it to actually provide affordable housing.

00:48:52 --> 00:48:54: Physically, in and around, in and around the loop,

00:48:54 --> 00:48:58: we figure if we're surrounded by healthy neighborhoods where people

00:48:58 --> 00:49:00: have access to transportation,

00:49:00 --> 00:49:02: they have good quality day care for their kids and

00:49:02 --> 00:49:03: they have quality.

00:49:03 --> 00:49:07: Housing will be a better downtown.

00:49:07 --> 00:49:10: Thanks, thanks Michael. I would now like to move on

00:49:11 --> 00:49:14: to the next bigger theme that came out which was

00:49:14 --> 00:49:17: all around sustainability and focus on the environment.

00:49:17 --> 00:49:21: And of course, that's something that has been going on

00:49:21 --> 00:49:26: already for quite sometime within the the real estate development

00:49:26 --> 00:49:27: and investment world.

00:49:27 --> 00:49:30: I think last three years ago this wasn't picked up

00:49:30 --> 00:49:32: as a main theme in the report.

00:49:32 --> 00:49:36: Now it's come out for every explicitly and Lauren.

00:49:36 --> 00:49:38: Can you explain how AXA?

00:49:38 --> 00:49:42: You deal with this. How important is that focus on

00:49:42 --> 00:49:43: the environment?

00:49:43 --> 00:49:46: And not only in the investments you have,

00:49:46 --> 00:49:50: maybe for building certifications or whatever you do,

00:49:50 --> 00:49:52: but also in the broader environment.

00:49:52 --> 00:49:56: As Physalis showed, one of the main elements that the

00:49:56 --> 00:50:01: respondents commented on was that sustainable transport infrastructure.

00:50:01 --> 00:50:05: So how do you deal with that as a global

00:50:05 --> 00:50:06: investor?

00:50:06 --> 00:50:10: So I would say it's it is first something we

00:50:10 --> 00:50:13: take care into consideration.

00:50:13 --> 00:50:16: Our investment strategy beat where we are.

00:50:16 --> 00:50:19: Let's say leading the show.

00:50:19 --> 00:50:24: Typically we do develop or redevelop assets in a very

00:50:24 --> 00:50:29: significant manner of more than 9 billion years worth of

00:50:29 --> 00:50:33: development which are managed by our teams.

00:50:33 --> 00:50:41: And we completely integrate. This dimension into into the.

00:50:41 --> 00:50:44: The design and the way we want to operate.

00:50:44 --> 00:50:46: Our how asset. That said,  
00:50:46 --> 00:50:50: it is probably the most political topic because that is  
00:50:50 --> 00:50:53: connected with the rest of the policy of the city.  
00:50:53 --> 00:50:57: We have seen example and it's just to share her  
00:50:57 --> 00:50:58: simple things.  
00:50:58 --> 00:51:02: But if you you start to implement.  
00:51:02 --> 00:51:09: Waste management and selection, but at the end of the  
00:51:09 --> 00:51:09: day,  
00:51:09 --> 00:51:15: when the the trash bin comes with the the truck,  
00:51:15 --> 00:51:20: it's all into the same.  
00:51:20 --> 00:51:23: Lori, it's a waste of time and energy,  
00:51:23 --> 00:51:26: so is it so you need to be completely connected  
00:51:26 --> 00:51:30: with the political political will and the organization of the  
00:51:30 --> 00:51:31: infrastructure.  
00:51:31 --> 00:51:35: We are big believer and then it is so it's  
00:51:35 --> 00:51:36: very clear that.  
00:51:36 --> 00:51:41: The current crisis challenge. A little bitter as as as  
00:51:41 --> 00:51:43: as a high density.  
00:51:43 --> 00:51:48: But I would expect that going forward that is necessary  
00:51:48 --> 00:51:52: necessity for for the cities to accept it,  
00:51:52 --> 00:51:58: because that is a way to enable cleaner transport less.  
00:51:58 --> 00:52:03: What we could artificially artificial isation of flanks or using  
00:52:03 --> 00:52:04: the land for roads?  
00:52:04 --> 00:52:08: It's a guys not not really very positive act for  
00:52:08 --> 00:52:09: the environment,  
00:52:09 --> 00:52:13: so the shorter distance you create within an area to  
00:52:14 --> 00:52:14: connect.  
00:52:14 --> 00:52:18: Leaving areas the office part is a retailing as it's  
00:52:18 --> 00:52:22: the best chance you have to have a sustainable in  
00:52:22 --> 00:52:24: the long term environment,  
00:52:24 --> 00:52:28: but that's clearly part of the things we promote.  
00:52:28 --> 00:52:31: An activity based on all of the asset type and  
00:52:31 --> 00:52:34: we like says the areas where you are a good  
00:52:34 --> 00:52:35: mix of uses.  
00:52:35 --> 00:52:38: Beyond that, with that as an investor not being trapped  
00:52:38 --> 00:52:40: into one cluster,  
00:52:40 --> 00:52:43: which is just return or just office is probably the  
00:52:43 --> 00:52:46: best protection you have as an investor because you multiply  
00:52:46 --> 00:52:49: your optionality is on your asset to change the use  
00:52:49 --> 00:52:53: letter home. Depending on what is the most needed in  
00:52:53 --> 00:52:56: this area when you are completely in something which is  
00:52:56 --> 00:52:59: an office cluster and Mary said he was describing the



00:52:59 --> 00:53:01: defaults when it was started,  
00:53:01 --> 00:53:04: the difference was the office cluster for Paris.  
00:53:04 --> 00:53:06: That's it so. Outside of office,  
00:53:06 --> 00:53:10: there was no optionality from falling for your your asset.  
00:53:10 --> 00:53:13: If you are in something which is much more diversified,  
00:53:13 --> 00:53:16: you have optionality. You can change the use,  
00:53:16 --> 00:53:18: so you keep probably much higher value.  
00:53:18 --> 00:53:23: Our sustainable value for for your investments.  
00:53:23 --> 00:53:26: I think we could go on for the next say  
00:53:26 --> 00:53:27: 123 hours,  
00:53:27 --> 00:53:31: actually, because I've not finished at all on on the  
00:53:31 --> 00:53:31: questions,  
00:53:31 --> 00:53:34: but kind of time is limited so I would like  
00:53:35 --> 00:53:38: to either do the last round and I would like  
00:53:38 --> 00:53:41: to give you a few options to answer because there  
00:53:41 --> 00:53:45: are quite a lot of questions around density and that's  
00:53:45 --> 00:53:49: that ranges between whether you think there will be more  
00:53:49 --> 00:53:52: focused going forward on let's dance.  
00:53:52 --> 00:53:55: Areas maybe more in the suburbs.  
00:53:55 --> 00:53:58: Given the current crisis there,  
00:53:58 --> 00:54:02: um, there's also a question on a trend against urban  
00:54:02 --> 00:54:07: density Ann and whether that will work against business  
districts  
00:54:07 --> 00:54:11: in the long term will tend to be much denser.  
00:54:11 --> 00:54:16: There's also questions, and I would have questions around  
that  
00:54:16 --> 00:54:21: on the future of officers officers while trying to business  
00:54:21 --> 00:54:26: districts trying to become much more diverse districts.  
00:54:26 --> 00:54:30: Officers clearly are important and in many of the  
conversations  
00:54:30 --> 00:54:34: we have the discussions ranges between no impacts of the  
00:54:34 --> 00:54:39: current crisis to Noel officers needed anymore because  
people will  
00:54:39 --> 00:54:42: remain working from home. So can you,  
00:54:42 --> 00:54:45: maybe you can also comment on that.  
00:54:45 --> 00:54:48: So what you want to and maybe too close?  
00:54:48 --> 00:54:49: What do you think is it?  
00:54:49 --> 00:54:54: Is it absolutely key element for business to remain successful  
00:54:54 --> 00:54:55: in the future?  
00:54:55 --> 00:54:57: So I leave it to you to.  
00:54:57 --> 00:55:00: Pick and choose what you want to answer and now  
00:55:00 --> 00:55:01: we do the last round.  
00:55:01 --> 00:55:03: Michael, do you want to start?

00:55:03 --> 00:55:07: Sure, thank you. So we've pivoted as a downtown district  
00:55:07 --> 00:55:07: manager.  
00:55:07 --> 00:55:10: The mantra in the in the US anyway is always  
00:55:10 --> 00:55:10: been.  
00:55:10 --> 00:55:12: If you want people to come back,  
00:55:12 --> 00:55:14: downtown has to be clean,  
00:55:14 --> 00:55:17: safe and fun. And I think it's currently because of  
00:55:17 --> 00:55:20: what the consumer is looking for is we need a  
00:55:20 --> 00:55:21: downtown that is clean,  
00:55:21 --> 00:55:27: safe and either cleaner. Or perceived as being a healthy  
00:55:27 --> 00:55:28: place.  
00:55:28 --> 00:55:31: And so that districts like cars and there's lots of  
00:55:31 --> 00:55:33: 'em all over the all over the USI.  
00:55:33 --> 00:55:37: Really focused on that cleaning surface is understanding the  
00:55:37 --> 00:55:40: impact  
00:55:37 --> 00:55:40: of hygiene and what it means in the common areas.  
00:55:40 --> 00:55:43: And then I also think the weak link for downtowns  
00:55:43 --> 00:55:44: generally is 2 places.  
00:55:44 --> 00:55:47: One as an employee steps out of their home,  
00:55:47 --> 00:55:49: an gets to downtown, the public transit,  
00:55:49 --> 00:55:53: something has to be really thought through with regards to  
00:55:53 --> 00:55:56: giving people feeling comfortable on that.  
00:55:56 --> 00:55:58: And then once they're downtown,  
00:55:58 --> 00:56:01: getting from the lobby. To their 26 floor office tower.  
00:56:01 --> 00:56:04: To me those are the two pinch points that I  
00:56:04 --> 00:56:08: haven't heard really great solutions for with regards to covid.  
00:56:08 --> 00:56:10: I think eventually we'll get there,  
00:56:10 --> 00:56:13: but I think it's going to be about 18 months  
00:56:13 --> 00:56:15: before people start understanding.  
00:56:15 --> 00:56:17: It might take them 20 minutes to get up there  
00:56:18 --> 00:56:18: building,  
00:56:18 --> 00:56:20: for example.  
00:56:20 --> 00:56:24: Thanks Michael. Hi Jamie.  
00:56:24 --> 00:56:26: Yeah, I just have two final word.  
00:56:26 --> 00:56:29: Few words just drafting off of the comments that were  
00:56:30 --> 00:56:34: made earlier about sustainability and resiliency and  
00:56:34 --> 00:56:38: infrastructure.  
00:56:34 --> 00:56:38: I think clearly we're going to enter a period after  
00:56:38 --> 00:56:43: governments have doled out trillions of dollars to support.  
00:56:43 --> 00:56:46: The economy and and in small businesses etc.  
00:56:46 --> 00:56:50: At this time where it will be short of transport  
00:56:50 --> 00:56:54: money of all sorts of infrastructural funds and it seems  
00:56:54 --> 00:56:57: to me that and I see it in some projects

00:56:57 --> 00:57:01: that are ongoing now even through the hard times that  
00:57:01 --> 00:57:05: the public private collaboration private money is going to pay  
00:57:05 --> 00:57:10: for subway systems or public plazas improving the public conveyance  
00:57:10 --> 00:57:13: systems but also the public realm.  
00:57:13 --> 00:57:17: It will be more and more part of downtown development  
00:57:17 --> 00:57:18: downtown design.  
00:57:18 --> 00:57:22: So for our work what SL Green is done with  
00:57:22 --> 00:57:24: the Vanderbilt project too?  
00:57:24 --> 00:57:28: Be able to develop that much more half a million  
00:57:28 --> 00:57:29: square foot extra.  
00:57:29 --> 00:57:33: 4 connection to the transit that is a sustainable sort  
00:57:33 --> 00:57:36: of operation in terms of the environment,  
00:57:36 --> 00:57:40: but it's also something that allows public betterment to occur,  
00:57:40 --> 00:57:44: and many other cases where a related project which we're  
00:57:44 --> 00:57:48: working now in Boston in these parts of downtown that  
00:57:48 --> 00:57:49: are so dense,  
00:57:49 --> 00:57:53: at least until today, and they will become again.  
00:57:53 --> 00:57:58: There is a almost enforced give and take between the  
00:57:58 --> 00:58:04: entitlement of that comes from the public bodies of building  
00:58:04 --> 00:58:06: volume and size etc.  
00:58:06 --> 00:58:11: With payment by the private developer into the park system  
00:58:11 --> 00:58:15: in Boston or the street system downtown,  
00:58:15 --> 00:58:20: in the sort of Google territory where Heinz is working  
00:58:20 --> 00:58:22: with Trinity.  
00:58:22 --> 00:58:26: So I think all of this points towards AA.  
00:58:26 --> 00:58:30: Maybe a future for the business districts that is maybe  
00:58:30 --> 00:58:35: better even though we have to suffer through this terrible.  
00:58:35 --> 00:58:37: Good things will come of it.  
00:58:37 --> 00:58:41: Cleaner subways, better thought through public space.  
00:58:41 --> 00:58:45: I think we'll dense pack again because that's that's that's  
00:58:45 --> 00:58:47: the way of the market.  
00:58:47 --> 00:58:51: But I think there will be an influence and hopefully  
00:58:51 --> 00:58:54: of some things that we benefit from in this.  
00:58:54 --> 00:58:57: Even the fractional working from home.  
00:58:57 --> 00:59:00: Or families you know, people,  
00:59:00 --> 00:59:04: young kids, etc etc so.  
00:59:04 --> 00:59:08: I think we can see in our discussion with our  
00:59:08 --> 00:59:11: clients some sunlight coming from this dark.  
00:59:11 --> 00:59:13: Thanks very much for the hold up.  
00:59:15 --> 00:59:17: Yes.  
00:59:17 --> 00:59:21: If I look to the future of office,

00:59:21 --> 00:59:24: I would say that.

00:59:24 --> 00:59:28: This crisis we just accidentally hit the trend which was

00:59:28 --> 00:59:31: already there which was about flex work or work for

00:59:31 --> 00:59:34: home or having a shareholder of it.

00:59:34 --> 00:59:37: It's just that this trend was probably a bit slower

00:59:37 --> 00:59:40: than what we could have imagine initially,

00:59:40 --> 00:59:43: and all of the sudden everyone was working from home

00:59:43 --> 00:59:46: and on a permanent basis for a couple of weeks

00:59:47 --> 00:59:48: at least so far,

00:59:48 --> 00:59:49: and sometimes a bit more.

00:59:49 --> 00:59:52: And it's it's working. Generally speaking,

00:59:52 --> 00:59:55: it's working. So I think culturally.

00:59:55 --> 00:59:59: I meant Eddie, many decision maker will have made the

00:59:59 --> 01:00:03: experience that working from home is not a big issue

01:00:04 --> 01:00:06: for her for her for their company.

01:00:06 --> 01:00:11: So that will drive certainly the demand and the planning

01:00:11 --> 01:00:12: for offices.

01:00:12 --> 01:00:17: But but that said, I don't think that it would

01:00:17 --> 01:00:23: be necessarily negative because you will need certain type of

01:00:23 --> 01:00:23: space.

01:00:23 --> 01:00:27: Citizens of certain parts of the market will be clearly

01:00:27 --> 01:00:28: more,

01:00:28 --> 01:00:31: let's say here quicker than what was anticipated.

01:00:31 --> 01:00:35: But again, as long as we're part of a city

01:00:35 --> 01:00:38: which is able to adapt and to chance that uses

01:00:38 --> 01:00:42: where there are normal adapted for certain building,

01:00:42 --> 01:00:46: it can create the menu opportunities.

01:00:46 --> 01:00:47: Thank you very silly.

01:00:50 --> 01:00:53: In these periods of crisis,

01:00:53 --> 01:00:58: it's usually it's usual to have these radical questions about

01:00:58 --> 01:00:59: sudden years.

01:00:59 --> 01:01:03: Are we facing the end of this Metropolitan idea or

01:01:03 --> 01:01:05: the end of the office?

01:01:05 --> 01:01:09: I don't think we're going to shift from one extreme

01:01:09 --> 01:01:10: to the other.

01:01:10 --> 01:01:14: I think. I think density density in itself is not

01:01:14 --> 01:01:15: unhealthy.

01:01:15 --> 01:01:19: It even is sustainable. The question is more of how

01:01:19 --> 01:01:23: we design cities and how we manage the cities.

01:01:23 --> 01:01:25: And as the Michael was saying,

01:01:25 --> 01:01:28: we need to have clean and safe and healthy cities,

01:01:28 --> 01:01:32: and probably this crisis will help us progress very much

01:01:32 --> 01:01:33: to have cleaner,  
01:01:33 --> 01:01:37: safer and healthier cities and twin to improve for instance,  
01:01:37 --> 01:01:41: or mobility's. As for the future of this of office,  
01:01:41 --> 01:01:43: I don't think office is dead.  
01:01:43 --> 01:01:46: The office is dead if I think we are accelerating  
01:01:46 --> 01:01:50: the transformation that it was already undergoing for had  
been  
01:01:50 --> 01:01:54: undergoing for a few years with more flexibility in the  
01:01:54 --> 01:01:57: way companies organized and managed.  
01:01:57 --> 01:02:00: And and the question is why do we need to  
01:02:00 --> 01:02:03: keep on going to the office and going to a  
01:02:03 --> 01:02:04: business district?  
01:02:04 --> 01:02:07: And if we come to the office now that we  
01:02:07 --> 01:02:09: know that we can do a lot of work at  
01:02:09 --> 01:02:10: home,  
01:02:10 --> 01:02:13: it's probably because we still need to meet people to  
01:02:13 --> 01:02:14: talk with people,  
01:02:14 --> 01:02:17: almost with such people, we need to be together.  
01:02:17 --> 01:02:21: That's the way society human society goes and creates and  
01:02:21 --> 01:02:22: is innovative.  
01:02:22 --> 01:02:26: And that remains. We can do almost everything thanks to  
01:02:26 --> 01:02:27: technology.  
01:02:27 --> 01:02:30: But we can't do just listen Shelby essential.  
01:02:30 --> 01:02:33: I don't know. He said that in English,  
01:02:33 --> 01:02:36: and so probably that just means that we need to  
01:02:36 --> 01:02:39: think our offices in a different way.  
01:02:39 --> 01:02:42: But that was already on the the tendency before to  
01:02:42 --> 01:02:46: be more places where that favors making other people,  
01:02:46 --> 01:02:49: exchanging, creating together, then just desks,  
01:02:49 --> 01:02:51: desks, one after the others.  
01:02:51 --> 01:02:55: That's that's, that's probably.  
01:02:55 --> 01:02:57: The the main thing I I think today even though  
01:02:57 --> 01:03:01: we have to be very careful because it's very difficult  
01:03:01 --> 01:03:04: to to anticipate what's going to happen in the next  
01:03:04 --> 01:03:07: years. We're still in the middle of the crisis.  
01:03:07 --> 01:03:11: Thanks, very silly. I know Mark needs to leave very  
01:03:11 --> 01:03:11: soon,  
01:03:11 --> 01:03:14: so Mark, do you want to close now with your  
01:03:14 --> 01:03:15: closing remarks?  
01:03:15 --> 01:03:18: I think we could have.  
01:03:18 --> 01:03:20: Could you switch your video on please?  
01:03:20 --> 01:03:23: I'll start my video and apologize in advance because I

01:03:23 --> 01:03:28: think this conversation fascinating conversation could could probably gone and

01:03:28 --> 01:03:28: you know,

01:03:28 --> 01:03:31: it's it's this time in our lives when it's webcast

01:03:31 --> 01:03:34: after work class and I have another one which is

01:03:34 --> 01:03:36: less interesting than this one.

01:03:36 --> 01:03:38: But I need to leave and log off in a

01:03:38 --> 01:03:41: in a couple seconds or I'll just be quick and

01:03:41 --> 01:03:42: 1st thank thank you.

01:03:42 --> 01:03:47: Desire to numerically ULI and the global business District Innovation

01:03:47 --> 01:03:49: Club for putting this together Anan.

01:03:49 --> 01:03:53: Making this project very interesting for vessel and myself and

01:03:53 --> 01:03:54: the whole team,

01:03:54 --> 01:03:57: so I'll just insist on three things that I I

01:03:57 --> 01:04:02: think this this report and the conversation really accentuates three

01:04:02 --> 01:04:05: remarks not only as the pilot of this project,

01:04:05 --> 01:04:08: the partner in charge as we say,

01:04:08 --> 01:04:10: but also as a partner of a firm that has

01:04:11 --> 01:04:14: 200,000 people in these business districts.

01:04:14 --> 01:04:17: A corporate user, if you say and and it's to

01:04:17 --> 01:04:17: us first.

01:04:17 --> 01:04:23: The confirmation of underlying. Fundamental assets of global business districts

01:04:23 --> 01:04:25: about business efficiency,

01:04:25 --> 01:04:31: connectivity, massive equipments, branding. Just to give you an example,

01:04:31 --> 01:04:33: if we're 200,000 two day,

01:04:33 --> 01:04:36: that means that in a normal year that will be

01:04:36 --> 01:04:38: not be a normal year.

01:04:38 --> 01:04:43: We probably higher about 60,000 new people in this business

01:04:43 --> 01:04:43: districts.

01:04:43 --> 01:04:47: That probably means we need to have an welcome young

01:04:47 --> 01:04:50: people by the tune of four 2.

01:04:50 --> 01:04:52: 500,000 people, so the branding,

01:04:52 --> 01:04:55: the power of those business trip tricks is is for

01:04:55 --> 01:04:58: us of utmost importance and and in our in our

01:04:59 --> 01:05:02: cycle of life which is recruit new people and just

01:05:02 --> 01:05:05: new talent as advance on yourself set.

01:05:05 --> 01:05:07: It's the second thing I want to to say it

01:05:08 --> 01:05:11: as Mary said he said it's the acceleration of other

01:05:11 --> 01:05:16: trends that we saw coming about the decarbonization the attention

01:05:16 --> 01:05:20: of to climate change but also technology adoption which is

01:05:20 --> 01:05:21: be accelerated.

01:05:21 --> 01:05:24: With the current context, remote work of course,

01:05:24 --> 01:05:28: but also technology that helps us automatize and probably save

01:05:28 --> 01:05:31: some costs even in service industries and and the 3rd

01:05:31 --> 01:05:31: and final.

01:05:31 --> 01:05:33: And I'll leave you with that.

01:05:33 --> 01:05:36: It's, you know we're leaving and we have a huge

01:05:36 --> 01:05:38: disruption of you know,

01:05:38 --> 01:05:40: our regular way of doing business.

01:05:40 --> 01:05:44: The real estate market, the way we use officers as

01:05:44 --> 01:05:45: was said before.

01:05:45 --> 01:05:49: I think this this is obvious and and this is

01:05:49 --> 01:05:51: not the time for this for this webinar,

01:05:51 --> 01:05:55: but also it's a probably a call for challenge and

01:05:55 --> 01:05:57: and these business districts.

01:05:57 --> 01:06:02: I'm perfectly convinced about half the power and the possibility

01:06:02 --> 01:06:06: to innovate more than any other urban environment.

01:06:06 --> 01:06:07: An asset in this world,

01:06:07 --> 01:06:10: and I think it's it's our duty users,

01:06:10 --> 01:06:15: investors, developers, managers of Business district to show the example

01:06:15 --> 01:06:16: and.

01:06:16 --> 01:06:18: I just think the only way is up and the

01:06:18 --> 01:06:20: business district should show it.

01:06:20 --> 01:06:21: So thanks very much for that an.

01:06:21 --> 01:06:24: I'll leave you and around the conversation.

01:06:24 --> 01:06:26: Sorry for leaving, sorry.

01:06:26 --> 01:06:33: Thanks, Mark, much appreciated and I want to reiterate his

01:06:33 --> 01:06:35: thank you for.

01:06:35 --> 01:06:38: Body like the fonts and the global innovation.

01:06:38 --> 01:06:44: This business Districts Innovation Club for having commissioned this research.

01:06:44 --> 01:06:48: I think it was really interesting to do the work.

01:06:48 --> 01:06:50: I hope everyone appreciates it.

01:06:50 --> 01:06:54: Anna and thought this was an interesting web and RI

01:06:54 --> 01:06:57: would like to thank all the speakers now.

01:06:57 --> 01:06:59: First song, Jamie, Michael Laurel,

01:06:59 --> 01:07:03: Marisa Lee for your contribution and I would like to

01:07:03 --> 01:07:06: thank everyone for listening.  
01:07:06 --> 01:07:08: Even if we over him a little,  
01:07:08 --> 01:07:13: you, as mentioned before, you can find the slides the  
01:07:13 --> 01:07:17: reports as well as the recording of this research.  
01:07:17 --> 01:07:20: End of this web and R at all.  
01:07:20 --> 01:07:23: You lie Knowledge Finder as well as on E Wise  
01:07:24 --> 01:07:28: website and then finally I would like to point you  
01:07:28 --> 01:07:31: to the upcoming webinars that you will.  
01:07:31 --> 01:07:33: I is doing an tomorrow.  
01:07:33 --> 01:07:38: We will have one about confronting the pandemic and  
beyond  
01:07:38 --> 01:07:43: making existing and newly designed buildings resilient.  
01:07:43 --> 01:07:48: And then next Wednesday it's confronting the pandemic.  
01:07:48 --> 01:07:52: Beyond the pandemic, I should say the importance of social  
01:07:52 --> 01:07:53: value.  
01:07:53 --> 01:07:58: Thanks again everyone for participating and have a good  
evening  
01:07:58 --> 01:07:59: or good afternoon.  
01:07:59 --> 01:08:02: Thank you, thank you, thank you.  
01:08:05 --> 01:08:06: Thanks.

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