

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
00:21:08 --> 00:21:10: 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.
00:25:32 --> 00:25:34: Michael M. Edwards. He's the President and CEO.
00:25:34 --> 00:25:38: Chicago Loop alliance. James from Klemperer president of
00:25:38 --> 00:25:44: Cone Peterson,
00:25:44 --> 00:25:47: Fox Associates, and last but not least,
00:25:47 --> 00:25:52: Laura Lavernia is the global head of asset Management and
00:25:52 --> 00:25:53: development at AXA.
00:25:53 --> 00:25:56: Investment management
00:25:56 --> 00:26:01: can I? Yes, all the videos I think are switched
00:26:01 --> 00:26:01: on.
00:26:01 --> 00:26:06: Welcome everybody. Marissa Lee. Can I please start with
you.
00:26:06 --> 00:26:10: Also as the commissioner of this research.
00:26:10 --> 00:26:14: United fans has maintained its fourth position,
00:26:14 --> 00:26:17: as we've just seen in the global ranking first 2017
00:26:18 --> 00:26:18: report.
00:26:18 --> 00:26:22: But across the board improved the performance on almost all
00:26:22 --> 00:26:24: of the underlying indicators.
00:26:24 --> 00:26:28: So overall, what do you think is the most remarkable
00:26:28 --> 00:26:31: or surprising outcome you've seen,
00:26:31 --> 00:26:33: if any? And what do you think is the most
00:26:33 --> 00:26:38: important takeaway for all the business districts surveyed?
00:26:38 --> 00:26:40: And for larger fonts in particular?
00:26:42 --> 00:26:45: Yes, hello, before I answer that question,
00:26:45 --> 00:26:48: I would like to say that I'm I'm Commissioner of
00:26:48 --> 00:26:49: this survey.
00:26:49 --> 00:26:53: As chairwoman of the Global Business District Innovation
Club,
00:26:53 --> 00:26:56: which is a clip that was created one year and
00:26:57 --> 00:26:59: a half ago by 5 founding members,
00:26:59 --> 00:27:03: among which Michael Edwards and the Chicago Loop
Alliance and
00:27:03 --> 00:27:08: you were saying before Vassar that with risk management
demands
00:27:08 --> 00:27:10: resilience and collaboration.
00:27:10 --> 00:27:12: And that's precisely what we are.
00:27:12 --> 00:27:16: Trying to do within this club that gathers together business
00:27:16 --> 00:27:21: districts route throughout the world to share our experiences
and
00:27:21 --> 00:27:22: or issues,
00:27:22 --> 00:27:26: compare issues and compare.
00:27:26 --> 00:27:30: 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 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 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
00:36:30 --> 00:36:34: Monstera
00:36:34 --> 00:36:38: buildings of the 1960s seventies in other US cities as
00:36:38 --> 00:36:43: well. And so the trend or the tendency in recent
00:36:43 --> 00:36:48: years pre covid of moving away from that monoculture to
00:36:48 --> 00:36:52: look at what attracts people outside of the workplace?
00:36:52 --> 00:36:56: What about sports, culture, food and education?
00:36:56 --> 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
00:37:40 --> 00:37:42: 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
00:54:07 --> 00:54:11: 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
00:54:16 --> 00:54:21: 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
00:54:30 --> 00:54:34: 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
00:54:39 --> 00:54:42: 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 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 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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