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Humanity • Space to Thrive • **Time for a Re-set?**



Tri-Valley

Open Spaces • Urban Amenities



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Veena Kaul, vice-president of Kensington Labs with one of the wafer-handling robots the company makes.



Real Estate outlook

Over the last decade Tri-Valley office space has had one of the highest vacancy percentages in the Bay Area. Emerging trends in the commercial real estate market, partly influenced by the recovery from the Covid-19 pandemic, suggest that is about to change.

Appeal of suburban workplaces

“We expect to see increasingly more regional offices as companies get away from public transportation, high rise offices, and desire more decentralization to be closer to where people live now,” said Mark Triska, Executive Vice-President at Colliers International.

The appeal of city offices in dense urban settings has waned since the coronavirus changed many people’s working situations. With over 4.5 million square feet of office and R&D space currently available the Tri-Valley has options to suit companies of all sizes.

Economic advantages

“Now that companies are beginning to consider suburban office markets in an attempt to spread out across the Bay Area and avoid public transportation, the Tri-Valley may get the attention it deserves,” said Kevin Beaumonte, Vice President at Hughes Marino.

The Tri-Valley’s proximity to Silicon Valley and San Francisco, highly educated workforce and quality of life differentiates it from other locations, Beaumonte said, and could be a major draw in recruitment negotiations.



Kevin Beaumonte, Vice President, Hughes Marino

The current state of the market, with plenty of options available, is favorable to tenants. Companies who get in early could benefit in the long run.

“The underrated aspect of the Tri-Valley is what happens when you mix these draws with an abundance of commercial vacancy, it gives tenants extremely strong negotiating leverage,” Beaumonte said.

These factors could be a potent combination for companies basing themselves in the Tri-Valley in years to come. “This can position a company for long term success and is the true secret sauce,” Beaumonte said.

Quality of life

For Brian Lagomarsino, Executive Vice President at Colliers International, space is one of the great advantages the Tri-Valley has over more urban markets. And landlords are using it to provide a new kind of working environment.

“A mid-rise office building, where employees can choose to take the stairs 3-4 floors to get to the office, avoiding the cramp, shared elevator space altogether, will be desirable,” Lagomarsino said. “In the East Bay many of the landlords have activated their stairwells – these are now featured as amenities.”

The benefits for companies and employees will manifest in the months ahead, Lagomarsino said. “The East Bay offering will provide a higher level of safety, a reduced commute, and real estate cost savings for companies and the workforce and ultimately a better quality of life.”

Daybreak is funded by Tri-Valley community partners led by the City of Livermore.

“Our observation is that there is a large and growing community of scientists and engineers living and working in the Tri-Valley, many of whom have made technical discoveries that might turn into successful businesses,” Cardwell said.

Daybreak currently has 15 companies operating from its HQ space, many with ties to the two national labs in Livermore. Helping bring innovators and experienced entrepreneurs together is one of the key parts of the Daybreak philosophy.

“These scientist entrepreneurs need access to experienced entrepreneurs for mentorship, a peer community for moral support and problem solving,” Cardwell said.

Welcoming more businesses is helping to change the demographics of the region. “The Tri-Valley is becoming increasingly multicultural as more Bay Area residents discover its appeal,” Cardwell said. “The region has done a good job of embracing economic growth and welcoming newcomers while maintaining a strong sense of community and small-town feel.”

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