

# El Segundo Sees Creative Office Boom With 1M SF in Development

Sean Spear | Hughes Marino Blog

Named one of the “most business-friendly cities” by the Los Angeles County Economic Development Corporation, El Segundo is positioning itself to be a very desirable place for companies to call home. The city has nearly \$1 billion of active and planned development and over 1 million square feet of creative office development in the pipeline. Located right off the ocean and thirty minutes from Downtown LA, Santa Monica and Long Beach, this centrally located community is starting to gain some serious momentum.

Due to high rents in Santa Monica, Venice and Playa Vista, companies looking to stay on the west side are starting to recognize El Segundo as a “cool” yet more affordable alternative with loads of creative space options. Currently the vacancy rate is 12%, which is down 4.6% from the previous year.

Companies that call El Segundo home include Mattel, Raytheon, The Aerospace Corporation, Davita HealthCare, Stamps.com, Justfab, NYX, Karl Storz, and Quest Nutrition to name a few. The city is also home to the Los Angeles Kings, Lakers and Sparks. All three teams train out of the world-class Toyota Sports Center, which will soon neighbor the brand new headquarters and practice facility that the Lakers are building just down the street.

El Segundo is also home to The Point, a new retail destination that offers a blend of local and regional shops and boutiques, hip eateries, a fitness studio, and an expansive outdoor plaza. Another location perk is the city’s easy access to LAX – the second busiest airport in the United States – which is in the midst of a multi-billion dollar redevelopment program.

For companies interested in exploring real estate options in El Segundo, here are some of my favorite office projects in the pipeline:

## 555 S Aviation Blvd: Tishman Speyer

Tishman Speyer is planning on transforming this 260,000 square foot single-story office building into a state-of-the-art creative space. This campus will feature high ceilings and flexible floor plates, a fitness center, cafe, landscaped tenant areas, bike storage and ample parking at 4 spots per 1,000 square feet.

## 2030 E. Maple: Steelwave

Steelwave has named this project INSITE. It consists of 96,671 square feet of classic industrial space being repurposed as creative office. The



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plans are to preserve the industrial elements while providing a modern office feel. INSITE will have high ceilings, indoor and outdoor Wi-Fi, an on-site fitness center, coffee shop, bike station, and regular food truck visits.

## Utah Avenue Campus: NSB Associates, Inc

Utah Avenue Campus is a redevelopment of nearly 200,000



Rendering of Elevon.

square feet of creative office space. The campus spans 12 acres and was formally occupied by Xerox as a light manufacturing and research facility. This six-building campus consists of 17-foot clear-height ceilings, numerous skylight and glass panel walls, outdoor patio space, surface parking of 3.5 spots per 1,000 rentable square feet, and will be delivered in “warm shell” condition (meaning light tenant improvements needed).

## Elevon: Continental Development

Elevon is the next phase of Campus El Segundo, a mixed-use, 46.5-acre environment combining office buildings, retail, athletic fields, and the new Hyatt Place Hotel. Phase 1 consists of 210,000 square feet of office development with 13,500 square feet of high-end retail shops, services and

restaurants. Built from the ground up, this business park offers available office condos ranging from 2,000-28,000 square feet designed by Steven Ehrlich in collaboration with Ware Malcomb. The project is directly across from the new Los Angeles Lakers practice facility and corporate headquarters.

## 777 South Aviation Blvd: Embarcadero Capital Partners

Originally constructed in 1968 by Craig Ellwood, this three-story redevelopment project consists of 309,000 square feet of creative office. It's on 12 acres and is expected to be completed by Q4 2016. The project has flexible floor plates, floor-to-ceiling windows, outdoor collaboration areas and a fitness center. The property offers easy access to the 105 and 405 interstate freeways, and

is a five-minute walk from the Metro Green Line Douglas Street Station.

With so many great space offerings, El Segundo is becoming an attractive option for companies priced out of more expensive submarkets. As these projects come online expect to see more and more firms put down roots here. The future looks bright for El Segundo! □

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Rendering of 777 South Aviation Blvd.



Rendering of Steelwave.



Image of Utah Avenue Campus.



Rendering of 555 South Aviation Blvd.