



**CITY OF
STAMFORD**
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2018

Q3 REPORT

Economic Development Activity
July-September 2018

Q3 Overview

Stamford's third quarter saw many positive signs of a growing economy, including numerous high profile corporate expansions and relocations to Stamford.

The largest news this quarter came out of Gartner, the world's leading research and advisory company. Gartner was founded in Stamford in 1979, and has grown to become Stamford's largest private employer in 2018. The company announced they would be creating 400 new jobs in Stamford, over the next few years, bringing their local contingent to 1,650. Gartner also signed the largest lease of the quarter; a 57,000 square foot lease at 700 Fairfield Avenue, which is across the street from Gartner's three other headquarter buildings on Top Gallant Road.

KPMG, one of the "Big Four" accounting firms, announced they will be creating 110 new jobs in Stamford, bringing their Stamford employment to approximately 450. They also announced they will be relocating their Stamford office from Summer Street

to 677 Washington Boulevard. This is the second lease signed this year for the formally vacant building, which is adjacent to the Stamford Transportation Center and is currently undergoing renovations.

Stamford's labor force grew by almost 1,000 people since last quarter, and the unemployment rate dropped from 4.0% to 3.6%. This is less than the state average unemployment rate of 3.8% and the national average unemployment rate of 3.9%.

Development in Stamford continues to be red-hot, with much of the development focused on the residential rental market, causing Stamford's population to surge. Current estimates place Stamford's population at 130,824, meaning Stamford is growing by more than 1,100 residents a year. Stamford is only 190 residents away from becoming the second largest city in the state, and should surpass New Haven's population of 131,014 next year.

Fairfield Five's "CT in the City" Event

On Thursday, September 13, the Fairfield Five held their second event at the Indeed headquarters in NYC aimed at attracting new start-up companies to the Fairfield County. The five-member localities are Stamford, Greenwich, Norwalk, Westport, and Fairfield and have organized as an economic development group that is arranging business outreach sessions educate those outside the region about the business and residential environment and to highlight real estate opportunities within through tours of the five localities. Their goal is to attract new and innovative companies to lower Fairfield County by showcasing the benefits of our five cities, including more affordable office space, lower tax rates, a highly educated workforce, gigabit internet, and greater access to capital.

The event attracted over 100 companies, primarily small and midsize tech firms, which were interested in learning more about opportunities and services from venture capitalists, angel investors, growth services groups, and IP consultants from Fairfield County looking to invest in and aid startup companies. Stamford's Economic Development Director Thomas Madden noted, "I am thrilled for our second venture into NYC with the Fairfield Five. Each time we come to the city, we pick

up momentum in the attraction of new companies to our area."

The event resulted in several potential deals with the capital firms and over 15 companies expressing interest in taking a tour of the Fairfield area. "Our own economic success means that we will win through collaboration instead of competition in bringing companies to our respective municipalities," said Stamford Mayor David Martin. The group is in the process of planning two more familiarization events in spring 2019. You can find details on the events at www.fairfieldfive.com.



City of Stamford

Economic Headlines

[Hartford Courant: Gartner To Add 400 Jobs In Stamford Expansion With \\$5 Million State Loan](#)

"Gartner, a research and information technology business, plans to expand its Stamford HQ and add 400 jobs...over the next five years." Gartner is Stamford's largest private employer with over 1,250 employees as of 2017.

[Stamford Advocate: KPMG to Add More Than 100 Stamford Jobs](#)

"Professional-services firm KPMG plans to move its Stamford offices to the downtown office complex at 677 Washington Blvd, and add 110 jobs over the next five years. KPMG has operated in Stamford for nearly 40 years and employs 315 at its current office."

[Westfair Online: S&P and Fitch Reaffirm Stamford's AAA Bond Rating](#)

"Both S&P and Fitch have again affirmed their highest rating to the City of Stamford, citing its strong local economy, fiscal management, budgetary performance and liquidity. Stamford's AAA bond rating is higher than those of the State of Connecticut and the U.S. government."

[Stamford Advocate: Stamford Leads Connecticut Entries on Inc. 5000](#)

39 Connecticut companies made this year's Inc. 5000 list, with Stamford leading the way with five inclusions. Those are [Stamford Technology Solutions](#), [The Lockwood Group](#), [Junkluggers](#), [MediaCrossing](#), and [Torque Technologies](#).

[Stamford Advocate: Medical Device Company, Zimmer Biomet, Opening New Office in Stamford](#)

"Artificial implant giant Zimmer Biomet is establishing a new Stamford office at Metro Center at 1 Station Place adjacent to the city's Metro-North station. The company has not yet indicated whether the office will function as the official headquarters."

[Stamford Advocate: State Support Fuels 'Indeed' Growth in Stamford](#)

"Since its 2004 founding, Indeed has maintained its largest East Coast offices in Stamford. When the firm moved to 177 Broad in 2011, it took a half-floor for about 50 employees. About 850 now occupy eight levels, and the company is building out a ninth floor. The firm aims to eventually employ about 1,200 in Stamford."

Commercial Real Estate

763k

Q3 Leasing Activity (SF)

32.1%

Availability Rate

47.05

CBD Asking Rent (\$)

28.85

Non-CBD Asking Rent (\$)

Leasing

Leasing activity surged dramatically during the third quarter, following a slow second quarter. Leasing activity totaled almost 763k square feet in Q3, up from roughly 171k inked in Q2. This quarter also saw almost 300k sf more of leasing activity than the same time last year.

A large portion of this is due to the official signing of Charter Communication's 532,000 sf build-to-suit headquarters, which will be located adjacent to the Stamford Transportation Center.

Without that lease deal, there was 231k sf in leasing activity, making it the year's most active quarter.

Other large deals include Gartner's 57k sf expansion at 700 Fairfield Ave and KPMG's relocation to 677 Washington Blvd where they will take the entire 4th floor.

Both the biotech and digital media sectors saw significant leases this quarter, solidifying Stamford's strength in these areas.

Sales

Two major sales occurred this quarter including one for Element One apartments at 111 Morgan St, which sold for \$78 million at almost \$334/sf. Extra Space Self-Storage in Stamford's West Side sold for almost \$40 million at about \$250/sf.

Key New Lease Transactions

Tenant	Building	Type	Submarket	SF	Industry
Gartner, Inc.	700 Fairfield Ave	Expansion	Non-CBD	57,000	Technology/Software
KPMG International	677 Washington Blvd	New Lease	CBD	35,848	Professional Services
CTM Media Group (IDW)	11 Largo Dr S	Renewal	Non-CBD	31,500	Digital Media
NBCUniversal	15 Bank St	Renewal	CBD	19,897	Digital Media
CareCentrix	100 First Stamford Place	Renewal	Non-CBD	10,691	Biotechnology
Zimmer Biomet	1 Station Pl	New Lease	CBD	8,906	Biotechnology
Preferred Brands (Tasty Bite)	3 Landmark Sq	Renewal	CBD	5,065	Consumer Products

Key New Sales Transactions

Building	Submarket	Sale Price	Price/SF	SF
111 Morgan St (Apartments)	Non-CBD	\$78 Million	\$339.65	229,644
300 Stillwater Ave (Self-Storage Facility)	Non-CBD	\$39.75 Million	\$248.16	160,176

Source: Newmark Knight Frank

Residential Real Estate

Home Sales

The third quarter experienced slightly higher than average residential home sales. The total number of homes sold in Q3 2018 was 224, which is a 3% increase in the 217 sold in Q3 2017, and a 9.4% increase over the 203 sold in Q3 2016. A total of 553 homes have been sold in 2018, thus far. This is a 3.4% increase from the 534 that were sold by this time last year.

The average home sale price during Q3 was \$627,428, and the median was \$560,000. The highest value sale of the quarter was for a 5,370 square foot waterfront home which sold for \$3.6 million. The total home sales for the quarter was over \$141 million: about \$1 million more than Q3 2017; and \$10 million more than Q3 2016.

Source: City of Stamford Assessor's Office

Condo Sales

The condo market saw continued strength in Stamford, with 170 condos sold during this quarter, and combined sales of almost \$58 million. Q3 2018 saw almost \$7 million more in sales dollars vs Q3 2017.

Apartment Market

One of Stamford's newest luxury apartment buildings, Element One, sold for \$78 million in the largest residential sale of the year, thus far. The 175-unit building was completed in Fall 2016.

Buildings completed this quarter include: Park 215, a 78-unit affordable housing building; and Harbor Landing, a 218-unit, luxury apartment property located in on the Stamford Harbor waterfront.

Current Developments



Charter Communications World HQ
538,000 sf commercial
Estimated Completion: 2020



Marriott Residence Inn - 23 Atlantic St
156 suite extended-stay hotel
Estimated Completion: Q4 2018



URBY Stamford - 57 Greyrock Pl
648 units & 5,100 sf retail
Estimated Completion: 2020

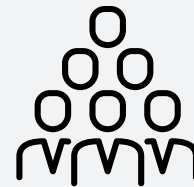


The Smyth - 885 Washington Blvd
435 units
Estimated Completion: 2020

Stamford by the NUMBERS



38
Median Age



130,835
Population



\$87,316
Median Household
Income



AAA
S&P and Fitch
Bond Rating



4,893
Apartments in
Development

Sources: US Census Bureau, City of Stamford, Standard & Poor's, Fitch Ratings

Employment Activity

Stamford's labor force grew by almost 1,000 people since last quarter, but is down about 230 from the same time last year. While the labor force declined slightly from last year, there was an increase in the number of employed individuals by almost 1,000. The number of unemployed individuals also decreased by about 160, leaving the unemployment rate at 3.6%, down from 4.0% last quarter.

When compared with other local cities, Stamford still maintains one of the lowest unemployment rates, with only Danbury, Norwalk, and White Plains having lower unemployment. It's worth noting that Stamford's labor force is significantly larger than any other city in Connecticut or in Westchester County, NY.

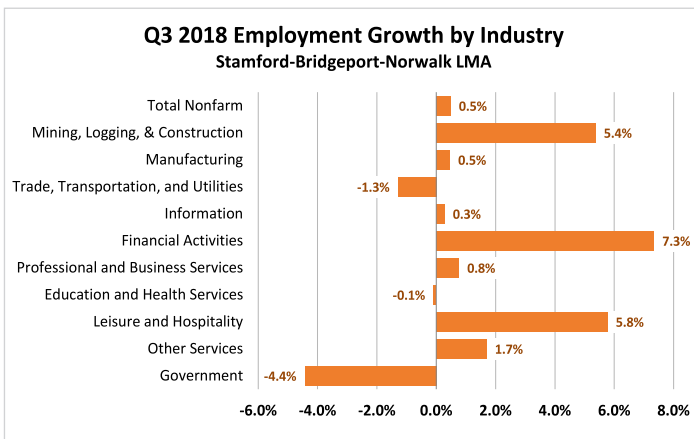
Stamford Labor Statistics

	Labor Force	Employed	Unemployed	Unemployment Rate
Q3 2018	71,043	68,467	2,577	3.6%
Q3 2017	71,278	67,529	2,734	3.4%

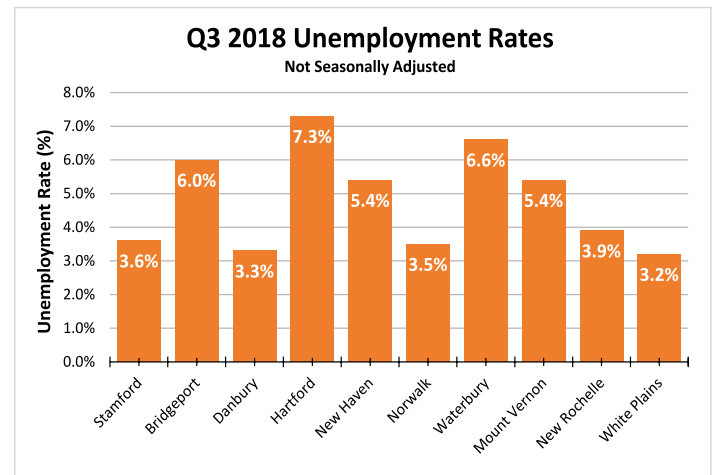
Source: CT Department of Labor

The Stamford-Bridgeport-Norwalk LMA saw a large 7.3% increase in the number of jobs in the Financial sector, a struggling industry in the area over the past few years. Renewed strength was also seen in the Mining & Construction, and Leisure & Hospitality sectors, with growth of 5.4% and 5.8% respectively. The Government sector continues to shed jobs, although this is most likely due to seasonal summer job losses, such as lifeguarding and camp counselors.

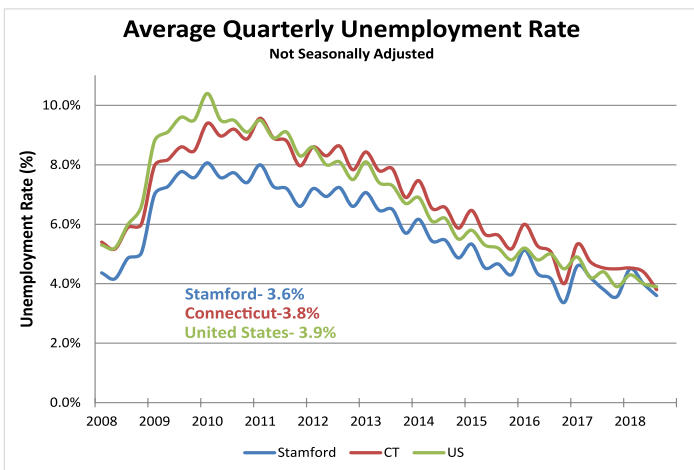
Stamford's unemployment rate currently sits at 3.6%, less than the state average of 3.8% and the national average unemployment rate of 3.9%.



Source: US Bureau of Labor Statistics



Sources: CT Department of Labor, NYS Department of Labor



Source: CT Department of Labor

Top 15 Largest Employers

EMPLOYER	EMPLOYEES	RANK
City of Stamford	3,300	1
Stamford Health	3,200	2
Charter Communications	2,000	3
Stamford Town Center	1,950	4
Gartner	1,650	5
Indeed.com	1,200	6
NBCUniversal & NBC Sports Group	1,075	7
Deloitte	970	8
PwC	900	9
UBS AG	800	10
World Wrestling Entertainment (WWE)	700	11
Synchrony Financial	660	12
Nestlé Waters North America	550	13
Point72 Asset Management	550	13
NatWest Markets (RBS)	540	15
TOTAL	20,045	

Source: City of Stamford Office of Economic Development

Company Highlight



Sema4 (pronounced \ 'se-mə-fo̩r\ "semaphore") is a patient-centered predictive health company founded on the idea that more information, deeper analysis, and increased engagement will improve the diagnosis, treatment, and prevention of disease. The company's advanced analytics platform enables it to generate a more complete understanding of disease and wellness and extract individualized insights into human health; it has a particular focus in reproductive health and oncology.

Spun out of the Mount Sinai Health System in New York, Sema4 moved to Stamford in 2017 and is headquartered in a 20,000 square foot office at 333 Ludlow Street's South Tower, in the Harbor Point development in the city's South End – an up and coming area which also hosts the headquarters for Marriott International, Daymon Worldwide, and High Ridge Brands. Sema4 also maintains facilities in Branford and New York City, and has plans to build a new 55,000 square foot laboratory in Stamford in late next year.



A lab employee using an Ion Proton semiconductor sequencer

With more than 1,000 peer-reviewed publications in the last five years and one of the largest clinical genomics laboratories in the world, Sema4 is committed to providing science-driven solutions to the most pressing medical needs. The company recently announced the launch of a major study to better understand the molecular basis of asthma with French pharmaceutical giant Sanofi. Sema4 believes that patients should be treated as partners, and that data should be shared for the benefit of all.

Stamford's burgeoning biotechnology sector includes big names such as Sema4 Genomics, Purdue Pharma, Fujifilm Medical Systems, Zimmer Biomet, Cara Therapeutics, Loxo Oncology, and Yale-New Haven Health.



Sema4's laboratory will relocate from Manhattan to Stamford in 2019

Sema4 employs an interdisciplinary team of scientists, data engineers, and clinicians committed to pioneering the future of healthcare, 126 of whom are currently located in Stamford. In April 2018, Sema4 and Governor Malloy announced that Sema4 would create over 400 new jobs at their Stamford headquarters, and create a new medical laboratory.

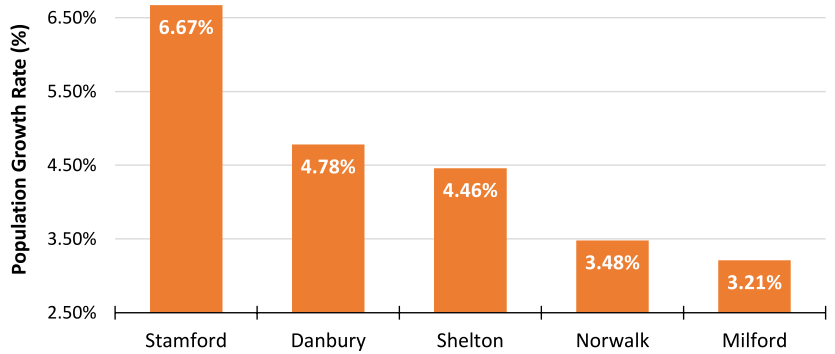


Headquarters for Sema4 at 333 Ludlow Street in Stamford

Population

Stamford has been the fastest growing city in Connecticut for almost a decade, with the population growing 6.67% over the past 7 years alone. At the most recent Census in 2010, Stamford's population was 122,839 people and has grown significantly every year since then. The 2017 1-Year Estimates place Stamford's population at 130,824, which means Stamford is growing by more than 1,100 residents a year. Stamford is also the only city in Connecticut with a population greater than 100,000 that has grown at all. The other major Connecticut cities: Bridgeport, New Haven, Hartford, and Waterbury have all experienced decreasing populations. In 2013, Stamford overtook Hartford as the third largest city in the state. As of 2017, Stamford is a mere 190 residents away from becoming the second largest city in the state, and should surpass New Haven's population of 131,014 in 2018.

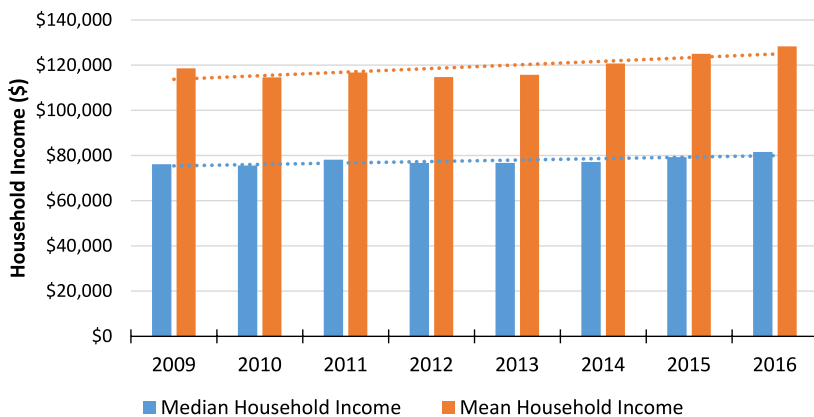
Top 5 Fastest Growing Cities in CT (2010-2017)



Source: US Census Bureau

Stamford has seen a rapid increase in both the mean and median household income over the past 8 years. As of 2016, Stamford has a mean household income of over \$128,000 and a median of over \$81,000. Stamford is also by far the wealthiest major city in Connecticut with Bridgeport, New Haven, Hartford, and Waterbury all having median incomes between \$29,000 and \$40,000; Stamford's median income is double that of the other four major cities. Additionally, the State of Connecticut has the fifth-highest median household income in the country at \$71,000.

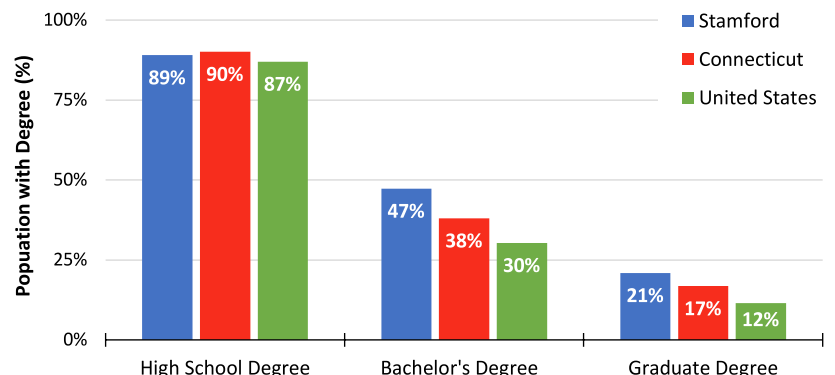
Mean and Median Household Income



Source: US Census Bureau

Connecticut has consistently been ranked one of the top three most educated states in the country. Stamford has one of the most educated populations in Connecticut thanks to the strong public school system, and the access to quality higher education at institutions such as UCONN Stamford, Sacred Heart University, and Fairfield University. Stamford's educational attainment level at both the Bachelor's and graduate degree levels exceeds that of cities with notoriously high education levels, including New Haven and Hartford.

2016 Educational Attainment (Population 25 Years+)



Source: US Census Bureau



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