



**CITY OF
STAMFORD**
innovating since 1641



2019

Q1 REPORT

Economic Development Activity
January-March 2019

Q1 Overview

Stamford saw very positive signs of continued growth in the first quarter of 2019. Much of the news was focused on the large 415,000 square foot lease signed by WWE at 677 Washington. Last year, the 760,000 square foot building was the largest vacant office in the city. Over the past 9 months, the building saw over 464k taken by WWE, KPMG, and Perkins Eastman, leaving the building with roughly 296k available for lease, or 61% occupied.

On the other side of the Stamford Transportation Center, Charter Communications' new 500k SF headquarters is going up swiftly. Charter now received approval for a second building, about 277k SF, and wants to have enough space for over 3,000 employees at their new headquarters in Stamford.

Stamford's labor force grew by just over 1,000 individuals and unemployment dropped by 50 basis points when compared to Q1 last year. Stamford's unemployment rate of 4.0% is lower than any other city in Connecticut and New York City.

The demand for more apartments in the city has continued steadily, with most new apartment buildings averaging 95% or higher total occupancy. There are currently 1,730 apartment units under construction, over 2,630 apartment units that have zoning board approvals, and there are over 1,000 units that have been proposed within the city. Construction for the 648-unit Stamford URB development, colloquially known as the 'Hole in the Ground', is expected to be completed in the next few months.

General Assembly Offers Technology Training in Stamford

Earlier this year, global workforce development company General Assembly officially launched a new training campus here in Stamford. General Assembly is now offering skills training and career development services at its facility in the Comradity co-working center, located at 845 Canal Street in the South End neighborhood and only 1 mile from Stamford's downtown transportation center.

Backed by \$1.25 million in state funding, the skills training campus is expected to help facilitate an innovative and community-based approach to Stamford's continuing economic growth. General Assembly currently operates over 20 campuses across 6 countries, boasting an alumni network of over 35,000 graduates and 2,500 hiring partners. The company also has a robust enterprise offering, working with hundreds of businesses – including dozens of Fortune 100 companies and public agencies - to evaluate, source, and up-skill employees.

Stamford is home to an impressive number of global corporate headquarters and divisional offices. As technology continues to transform the way each industry does business, we're seeing a re-defining of hiring needs and the skills required for today's most in-demand roles.

At its Stamford location, General Assembly will be offering full-time courses in software engineering and data science. The General Assembly team also frequently hosts workshops and industry events open to both students and non-students. Together, Comradity and General Assembly plan to offer a comprehensive membership option to regional employers, which will include a 50% discount on available workshops and courses for their members.

The first cohort for General Assembly's full-time software engineering course graduated on June 10th, and its second cohort began classes on June 24th. Over the coming months and years, General Assembly will play a key role in efforts to expand residents' access to in-demand employment opportunities, grow the regional talent pool and inform employers' approach to hiring and talent management practices.



**GENERAL
ASSEMBLY**

City of Stamford

Economic Headlines

[Stamford Advocate- WWE Signs Lease for New HQ in Downtown Stamford](#)

"WWE announced it was relocating in Stamford to space at 677 Washington Blvd...taking up 415,000 square feet in the three-building complex. The new setup on Washington Boulevard will house WWE's operations, including its production studios and corporate offices." WWE currently employs over 700 in Stamford.

[Stamford Advocate- A Headquarters Location So Nice, Charter Wants it Twice](#)

"Charter Communications has filed plans to build a second building, this one nine stories, on the Gateway site where its new headquarters is rising. The plans call for a second glass building, this one nearly 300,000 square feet. The two buildings would be connected by a three-story block for a total of 777,000 SF"

[Westfair- SpringWorks Therapeutics Moving HQ From NYC to Stamford](#)

"SpringWorks Therapeutics, a biopharma company focused on developing medicines to treat cancer and severe rare diseases, is relocating its corporate headquarters from New York City to a 23,919 square-foot space at 2 Harbor Point Square in Stamford. SpringWorks plans to bring 55 employees into the space."

[Stamford Advocate- Bridgewater Partners with Consulting Firm in Stamford](#)

"Bridgewater Associates, the world's largest hedge fund, has announced a partnership with Genpact, a professional-services firm, to improve key operations and establish a center for that work at the company's offices in the city's South End." Bridgewater currently employs about 450 in Stamford, and 200 of those employees will be transferred to Genpact.

[Stamford Advocate- McDonald's Corp. Signs Downtown Stamford Office Lease](#)

"McDonald's Corp. signed a lease in the past quarter for downtown offices that would include a training center. The fast-food giant is taking about 14,600 square feet at 695 E. Main St. McDonald's joins three other recent recruits to the office complex...IT firm CA Technologies, hedge fund Tudor Investment Corp., and Webster Bank signed leases last year."

Commercial Real Estate

504K

Q1 Leasing Activity (SF)

16M

Total Inventory (SF)

\$42.34

Direct Asking Rent (\$/SF)

30.7%

Availability Rate

Leasing velocity increased dramatically in the first quarter due to WWE's massive 450,000 SF lease at 677 Washington Blvd. This lease will put roughly 180,000 SF of office back on the market in the Non-CBD over the next year or so, as the company consolidates in the large building.

Aside from the major lease, it was a quieter quarter with the next largest lease being just over 18,000 SF, where Charter Communications expanded on their current lease at 400 Atlantic. The company has been growing exponentially and required more space as they build their new 2 building, 777,000 SF headquar-

ters adjacent to the Stamford Transportation Center.

Most of the other leases were renewals including two in the Non-CBD area. Guardian Life Insurance Company renewed their 13,000 SF lease at First Stamford Place, and R&D firm Walker Digital renewed their 12,000 SF lease at 2 High Ridge Park.

Commercial office building 600 Summer Street sold for considerable \$18.2M. The 93,000 SF property was recently repositioned and features updated lobbies, elevators, bathrooms, new signage, and an improved entranceway featuring a new glass awning.

Key New Lease Transactions

Tenant	Building	Type	Submarket	SF	Industry
World Wrestling Entertainment	677 Washington Blvd.	New Lease	CBD	415,269	Digital Media
Charter Communications	400 Atlantic Street	Expansion	CBD	18,391	Telecom.
Finacity Corporation	263 Tresser Blvd.	New Lease	CBD	16,272	Finance
Guardian Life	100 First Stamford Place	Renewal	Non-CBD	12,914	Insurance
Walker Digital	2 High Ridge Park	Renewal	Non-CBD	11,859	Research & Development
Indeed	177 Broad Street	Expansion	CBD	10,800	Technology & Software
Keep America Beautiful	1010 Washington Blvd.	Renewal	CBD	8,200	Nonprofit

Key New Sales Transactions

Building	Type	Submarket	Sale Price	Price/SF	SF
600 Summer Street	Commercial	CBD	\$18.2M	\$195.7	93,000
370 West Main Street	Self Storage	Non-CBD	\$5.5M	\$88.7	62,000

Source: Newmark Knight Frank

Residential Real Estate

Home Sales

The year started off with an average amount of home sales at 125 in total, 110 single family, and 15 multi-family homes. This is down from the unusually high 161 home sales during the same time last year.

The mean sale price was \$698k, which is the highest quarterly average since Q1 of 2016, while the median sale price was \$575k, which is slightly higher than Q1 of last year. Total residential sales was just shy of 100M, which is higher than Q1 totals over the past five years.

Condo Sales

Condo sales this quarter were about average, with 114 units being sold, which is 26 units less than Q1 last

Source: City of Stamford Assessor's Office

year. Gross sales totaled over \$39 million, which is significantly less than the over \$100M in Q1 of 2017, and the almost \$52M last year.

Apartment Market

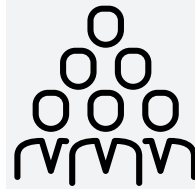
Stamford's apartment market continues to grow with 1,730 apartment units currently under construction, and over 2,630 apartment units that have zoning board approval to begin construction. Additionally, there are over 1,000 units currently proposed in the city.

Major apartment projects include Stamford URBYP with 648 units, The Smyth with 414 units, Harbor Point P4-P5 with 435 units, and Atlantic Station Phase II with 325 units.

Stamford by the NUMBERS



37
Median Age



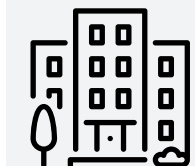
129,113
Population



\$84,893
Median Household Income



AAA
S&P and Fitch Bond Rating



5,200
Apartments in Development

Current Developments



Charter World HQ - 406 Washington Blvd
777,000 sf office
Estimated Completion: 2020



Parcel P4/P5 - Pacific St & Dyke Ln
435 units
Estimated Completion: Q3 2019



URBY Stamford - 805 Bedford St
648 units & 5,100 sf restaurant
Estimated Completion: Q3 2019



ITV America HQ - 860 Canal St
130,000 sf office & production studio
Estimated Completion: 2020

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

Employment Activity

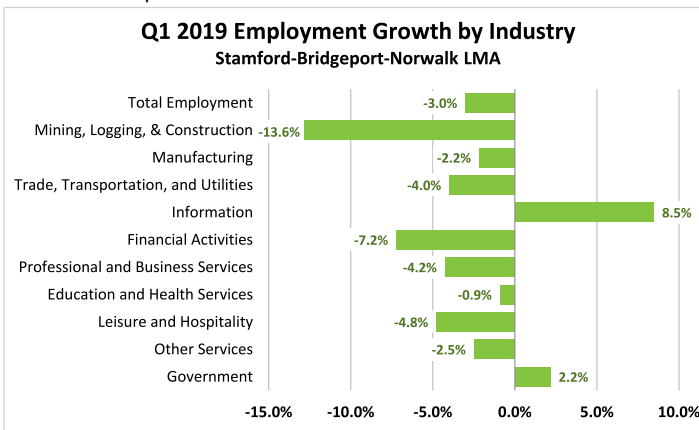
Stamford's labor force grew by roughly 1,033 people when compared to the same period last year. The number of employed individuals also increased by 1,347, the total unemployed individuals decreased by 463, and the unemployment rate dropped by 50 basis points. The unemployment rate rebounded when compared to last quarter, but the rate is not seasonally adjusted. This is normal as many jobs during the fourth quarter are seasonal positions.

When compared to other local cities, Stamford has the second lowest unemployment rate, only being surpassed by White Plains, NY. It's worth noting that Stamford's labor force is significantly larger than any other city in Connecticut or in neighboring Westchester County, New York.

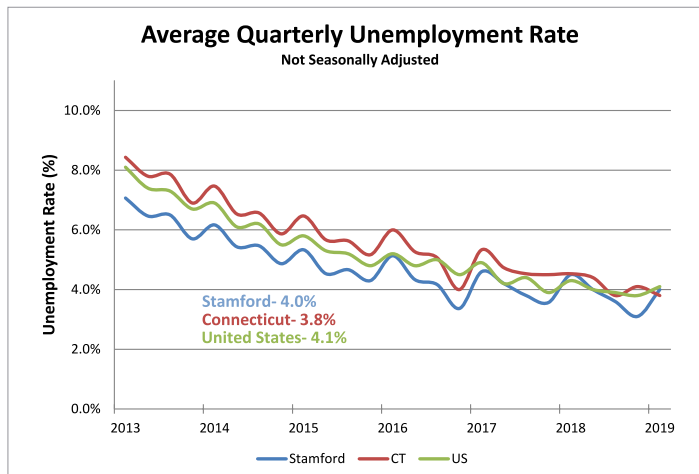
Stamford Labor Statistics

	Labor Force	Employed	Unemployed	Unemployment Rate
Q1 2019	70,646	67,799	2,697	4.0%
Q1 2018	69,613	66,452	3,160	4.5%

Source: CT Department of Labor



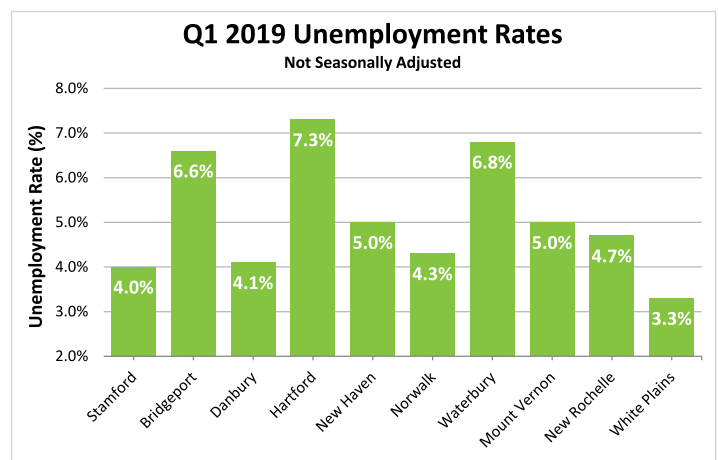
Source: U.S. Bureau of Labor Statistics



Source: CT Department of Labor

The Stamford-Bridgeport-Norwalk LMA experienced a substantial 8.5% increase in the Information sector, as well as a 2.2% increase in the Government sector, the sole industry in Connecticut that has not fully rebounded from the Great Recession. Most other sectors are declines in employment, with the largest loss in the leisure and hospitality sectors, which is mainly due to the loss of seasonal positions.

Stamford's unemployment rate is currently 4.0%, 10 basis points lower than the Federal average of 4.1% and 20 basis points higher than the Connecticut state average of 3.8%.



Sources: CT Department of Labor, NYS Department of Labor

Top 15 Largest Employers

EMPLOYER	EMPLOYEES	RANK
Stamford Health	3,600	1
City of Stamford	3,300	2
Charter Communications	2,000	3
Stamford Town Center	1,900	4
Indeed.com	1,700	5
Gartner	1,650	6
NBC Sports Group & NBCUniversal	1,075	7
Deloitte	970	8
PwC	900	9
UBS AG	800	10
World Wrestling Entertainment	700	11
Synchrony Financial	660	12
Nestlé Waters North America	550	13
Point72 Asset Management	550	13
Natwest Markets/RBS Securities	540	15
TOTAL	20,895	

Source: City of Stamford Office of Economic Development

Company Highlight

UConn

STAMFORD

Over the past several years, The University of Connecticut has been breathing new life into their Stamford Campus as a growing number of students express the desire to live and learn in urban environments.

UConn Stamford first opened nearly 70 years ago in 1951 as a small extension campus to provide education for GIs returning from the Korean War. Upon inception, UConn's Stamford Campus offered five courses: English, Mathematics, History, Speech and Sociology and enrolled 21 part-time students. In 1990, planning began for a new UConn Stamford Campus in the heart of Downtown Stamford and in 1998, the state-of-the-art campus, designed by Stamford-based Perkins Eastman, opened offering a variety of new academic programs.

Today, Stamford is UConn's largest Regional Campus with nearly 2,000 undergraduate and 650 graduate students. Over the past 5 years, Stamford saw a 44% increase in undergraduate enrollment and graduate enrollment increased by 41%

In 2017, UConn opened their first ever permanent dormitory at a Regional Campus here in Stamford. The original dorms at 900 Washington Blvd. accommodate roughly 300 students, and were an instant success, fill-

ing up within a month. In response, UConn Stamford opened two additional buildings to house an additional 150 students for the 2019-20 academic year.



Students at UCONN's Main Campus in Downtown Stamford

UConn's investment in Stamford goes further than just dorms, with an additional 30 faculty staff members added since 2017, and plans for 24 new faculty and 9 more staff hires over the next two years to support the continued growth.

Starting in 2019, four new majors will be added to Stamford and 3 majors will be expanded based on the changing pattern of student interest as well as industry demand in the region. New majors in Stamford are Communications, Human Biology, Journalism, and Allied Health; Computer Science, Psychological Sciences, and Business majors have been expanded.

UConn Stamford has also been pursuing various initiatives aimed at assisting start-ups including a Technology Incubation Program (TIP), venture development, R&D support, and partnered with Innovate Stamford. Additionally, the UConn School of Engineering is launching of its first computer-coding "boot camp," a program focused on working professionals that it would run with workforce-development firm Trilogy Education. The 24-week, part-time program begins July 30 and is aimed at increasing the area's supply of technology specialists and would teach the skills needed to become a proficient "full-stack" developer.



UConn Stamford's first dormitory at 900 Washington Blvd.

2018 Economic Summary



The state's economy still lags the nation and the surrounding region in 2018. GDP growth is expected to be 1.7% from 2015 – 2020 according to the NY Federal Reserve bank. The Bureau of Labor Statistics and Moody's has noted that Connecticut's Private-Sector Job Trends are down while Rhode Island is flat to potential 3% increase, NY is up more than 7% and Massachusetts is expected to see an increase between 3% to 7%. New York City's post-recession job growth of 16% has dwarfed its suburban neighbors. While Fairfield and Westchester Counties grew 1%, Hudson Valley grew 2.4% and Long Island grew by 4%. Comparably, northern New Jersey counties declined 1%.

Fairfield County added 5,455 new jobs throughout 2018, contributing to 35.1% of Connecticut's year-over-year net job growth. Despite the unemployment rate declining by 31 basis points (bps) from 2017 to 4.0%, it remained 30 bps higher than the national average of 3.7%.

Stamford continued to see strong development and growth in 2018. The development of thousands of new apartment units over the past few years has pushed Stamford's population to an estimated 130,824, only about 200 residents short of surpassing New Haven as the second largest city in Connecticut. In the past year there have been numerous completed developments with over 1,000 residential units being completed in the past 12 months. There are currently over 3,100 units that are actively under construction, or have been approved by the city to begin construction.

In the past 12 months ending in December, Stamford remained steady from last year with an unemployment rate of 3.0 percent. The State of Connecticut saw the unemployment rate remain the same and the US saw a decrease of 1 percent, from 4.2 to 3.2 percent. Stamford holds the lowest unemployment rate among Bridgeport, Norwalk, Milford, and all of Connecticut. Connecticut now has recovered 80.4 percent, or 95,800, of the 119,100 seasonally-adjusted jobs lost in the last recession, which lasted from March 2008 to February 2010. As of December 2017, Stamford's labor force was estimated to be 71,145, up 1,398

people. Stamford's employment market continues to strengthen, showing the lowest unemployment rate in the Bridgeport-Stamford-Norwalk Labor Market Area. This outpaced the growth seen in other major cities such as Hartford, New Haven, and Bridgeport, which have experienced a decline in their respective labor forces over the same period of time.

The City of Stamford has almost 16.5 million square feet of commercial property. During 2018, Stamford had approximately 1,228,566 million SF of leasing activity. The city's commercial vacancy rate ending in 2018 for the Central Business District (CBD) was 30% and 33% for non-CBD properties. While this seems high, the majority of vacancies are larger buildings that previously housed longtime headquarters operations.

Demand for office space in Stamford continued to trend upwards in 2018 with overall leasing activity outpacing 2017's annual demand by 13.2%. According to Cushman and Wakefield, one of every three new lease transactions in 2018 occurred in Stamford, which accounted for 50.4% of Fairfield County's overall leasing. It is important to note that Stamford continues to see the trend of tenants shrinking their leasing requirement while having more people in the space. The trend over the last few years has seen an average of 200 sq. ft. per employee reduce down to 125-150 sq. ft. per employee.

The 2017 Tax Cuts and Jobs Act established new Internal Revenue Code Section 1400Z – Opportunity Zones. The Opportunity Zones allow for temporary deferral of inclusion in taxable income for capital gains reinvested in an Opportunity Fund. The City of Stamford had identified ten census tracts that would qualify for consideration under the Opportunity Zone legislation. The city submitted to the State five eligible census tracts, which have development potential as Opportunity Zones. The city has ranked each tract on the number of proposed projects and the impact the Zone will have in terms of providing a foundation for affordable housing, promotion of the innovation places goals, inclusion in the city's autonomous vehicle zone and development potential near transportation hubs.





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