



CC2020 Presents

“Renewal at Great Valley Corporate Center: Millennials Influencing a Change in the Experience”

**Monday August 10th at The Timber Room
Wegman’s Malvern**

Facilitated and report provided by:

**Chester County 2020
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I. Overview

Topic: *“Renewal at Great Valley Corporate Center: Millennials Influencing a Change in the Experience”*

Sponsors: Chester County 2020

Attendance: 46

Groups represented:

- Charlestown Township
- Chester County 2020
- Chester County Commissioners
- Chester County Planning Commission
- Delaware Valley Regional Planning Commission
- East Whiteland Township
- Glackin Planning
- Liberty Property Trust
- Malvern Borough
- The McKee Group
- Meridian Bank
- Montgomery County Planning Commission
- Riley, Riper, Hollin & Colagreco
- Saul, Ewing LLC
- Swope, Lees Commercial Real Estate
- Traffic Planning & Design
- Transportation Management Association of Chester County
- Vanguard Corporation
- Western Heritage Mapping
- Yerkes Associates

II. Introduction The speakers at this meeting were James J. Mazzarelli, Jr., Senior Vice President and Regional Director, East Region, Liberty Property Trust, and Gary Lorgus, Vice President, Leasing and Development, Southeastern Pennsylvania, Liberty Property Trust (LPT.)

The speakers addressed two questions:

1. Why change the Great Valley Corporate Center?
2. What will success at Great Valley corporate Center look like in 10 years?

III. LPT Presentation

Why Change the Great Valley Corporate Center (GVCC?)

Commercial real estate value is largely driven by how well it meets tenants' needs.

To keep value high, future tenants' needs must be anticipated.

GVCC was designed to meet the needs of the tenants of 30 years ago.

In 2007, **LPT** began planning to meet tenants' needs for the next twenty years.

In the coming years, real estate decisions will not be made by Baby Boomers.

Real estate decisions will be made by:

Generation X (34-50 years old in 2015) and

Millennials (12-33 years old in 2015.)

Workers will be **Digital Natives** who grew up with internet and social media and

Knowledge Workers whose primary work involves the creation, distribution or application of knowledge.

Knowledge workers abound in the financial services, life sciences and tech industries.

Chester County knowledge worker employers include Vanguard, Johnson & Johnson, and Siemens.

What do Generation X and the Millennials want their real estate to do for them?

They place a higher value on quality of life & convenience than on monetary value
They want to work from anywhere and at any time.
They prefer to have more than one work period in a typical day, with periods of recreation in between periods of concentrated effort – NOT a straight “9-to-5.”
They are highly collaborative, often work in teams and want work environments that support collaboration where teams develop solutions and make decisions.
They practice active lifestyles – walk, biking, running, skateboarding for transportation as well as for recreation.
True walkability is very important to Millennials and Generation Xers.
They want access to transportation alternatives – to be not dependent upon automobiles.
They want ready access to recreation/fitness facilities and spaces.
They want ready access to food and drink.
They want the spaces where they live, work and play all close together
They are environmentally sensitive.
They are multi-cultural and diverse; in the early 90s white males were the majority of the work force; now they are a minority and the majority of workers are diverse, with about half being women.
Millennials and Gen Xers prefer natural and active landscape features – native plantings as opposed to acres of sod – that provide interest and need relatively little maintenance.
They prefer stimulating architecture as opposed to masonry monuments, with lots of glass.
They prefer stimulating art to ‘soporific’ art – a varied tapestry, for example, rather than a soothing landscape mural.

TEST CASE:

LPT had a chance to “audition” new design ideas at 3 Quarry Ridge, populated by 1,000 of Vanguard’s Technology Crew.
The following features were built into 3 Quarry Ridge:
Collaborative spaces with limited hard walls
An oversized main staircase including extra-large landing that provide work/meeting spaces (workers consistently shun the elevators in favor of the staircase.)
Food and drink available on each floor.
Abundant and varied styles of work/meeting spaces.
Work surfaces built on a 45 degree diagonal to increase line of site w/in work groups
A truly inviting outdoor eating/meeting/work space with a quarry view.

Changes at 6 Great Valley Parkway

A 2010 downturn in lease renewals produced 287,000 square feet of vacant space, all on PA Rte 29
This was the first time since the mid-70s that such a large, contiguous big parcel was available.
The choice for LPT: “Business as usual – just find new tenants,” or, “Be bold, and create a new space for the tenants of the future.”
This was an opportunity to create something new, and an ideal place in which to do it.
Acquisition of an additional 2 lots produced a grand total of 40 contiguous acres, all on PA Rte. 29 between US 2020 and the PA Turnpike slip-ramp.
The project is supported by new construction in nearby Atwater, in Charlestown Township, and a neighboring new Corporate headquarters for Certainteed Corporation.
The new plan will provide for mixed use: offices, residential space and retail all clustered around usable open space to create an inviting environment.

The office buildings will be taller than current buildings (probably 4 storeys.)
The retail spaces will not attempt to compete with shopping centers; they will be designed to serve the everyday needs of workers and residents – dining, dry cleaners, convenience, etc.
People can live in close proximity to where they work.
The three-acre central open space is a key factor – not unlike a small-scale Central Park.
The design will encourage people to make use of the open space for recreation, entertainment; it will be really inviting
Eventually an athletic field and other outdoor amenities will be included.
The design is practically pedestrian friendly with lots of broad sidewalks.
There will be pedestrian connections to the nearby township park.
The design is very sensitive to traffic – it includes three key intersections to move cars in & out.

IV. Open Discussion

Guest Question: Does the plan include a bike connection to the Chester Valley trail?

LPT Response: *It's been taken into account but the plan for 6 Great Valley Parkway does not include funding to link a bike trail all the way to the Chester Valley Trail. A recent study done for East Whiteland Township had excellent recommendations for a "multi-modal" link from the Chester Valley Trail to the Great Valley Corporate Center. LPT wants to support the recommendations, but not all of them lie in the parcel at 6 Great Valley Parkway. Completion of a link from Great Valley Corporate Center to the Chester Valley Trail will require a combined effort from the County, local government and private businesses.*

Guest Question: Is it fair to say, your project provides for bike use in the project, but infill is needed to connect elsewhere?

LPT Response: *Yes we hope to create safe alternative routes to get at least closer to the Chester Valley Trail.*

Guest Comment: The County Commissioners are working on the "Warner Spur" –an undeveloped rail/trail link from the Chester Valley Trail to Atwater. The plan includes a bridge over Swedesford Rd. - a large project. The Commissioners are hoping developers and employers will help. The County is trying to attract new generations and many of them don't want to rely on automobiles.

Guest Question: Prior to losing tenants in 2010, how much of this plan was being worked on?

LPT Response: *We started 8 years ago – we could see a changing trend & started studying how we might have to change. What we learned was the catalyst – the tenant loss gave us the opportunity to act.*

Guest Question: Will this project have a "ripple effect" on other parts of the County?

LPT Response: *We've looked at the full context and implications and studies a large area of the County. We are far enough from existing residential areas that they should not be impacted. Also, the design encourages those who commute to 6 Great Valley Parkway to stay there all day and not come and go at, say, lunchtime. We are proposing improvements to PA Rte. 29 to minimize impact.*

Guest Question: Will the project have "green" elements?

LPT Response: *Yes – our first LEED-certified project was in 2003 and we are committed to that standard.*

Guest Question: Will the plan include affordable housing?

LPT Response: *Housing at 6 Great Valley Parkway will be at market rate. There is always a need for affordable housing but it's very difficult to make it work without subsidies.*

Guest Question: What transit options will there be for those who live at 6 Great Valley Parkway but don't live there?

LPT Response: *There are transit options in place – a SEPTA bus route. Occupancy may justify a shuttle service to the Malvern railroad station. Vanguard is supported by such a shuttle service and has seen an uptick in ridership. Shuttle service would also support “reverse commuting.” Gen Xers and Millenials like to live in trendy neighborhoods – Conshohocken, for example – and don't want to drive to their workplaces.*

Guest Question: What impact may 6 Great Valley Parkway have on employment opportunities in the County?

LPT Response: *6 Great Valley Parkway will accommodate 4 times the number of workers currently employed and part of the goal of the project is to increase job opportunities.*

Guest Question: Will families live a long time at 6 Great Valley Parkway? Will kids actually grow up there?

LPT Response: *Families will be attracted by our great schools and the convenience of living at 6 Great Valley Parkway. Our guess is that the families living “on campus” will have no children or very young children. As families grow, they may move to nearby single family homes, but that shouldn't change the value or success of the project. What matters to us is that they stay in the County.*

Guest Question: What varieties of living space will be offered

LPT Response: *Approximately 55% 2 bedroom; 5% 3 bedroom; 45% 1 bedroom, and probably no studio apartments.*

Guest Comment: This project can serve as a “litmus test” to gauge how similar projects may play out elsewhere in the County.

V. Recommendations:

The presentation pointed out some issues that touch upon the 6 Great Valley Parkway project but are not part of it: a link from the Chester Valley Trail, a SEPTA bus route serving the Great Valley Corporate Center, and shuttle service to the Malvern train station. These are desirable, but need broad support from more than just Liberty Property Trust. Those attending the August 10th meeting can help form a constituency to promote these alternate transit provisions.

The County's Comprehensive Plan is due for review. Just as LPT looks to the future to identify the needs of its tenants in the coming years, County land use policy will need to take a changed Chester County into account when it is updated.

LPT's plan for 6 Great Valley Parkway represents a measurable increase in the number of residents and/or commuters. Nearby municipalities and school districts need to begin a conversation about this project, right now.

Respectfully submitted,

Chester County 2020

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