Dún Laoghaire to be Dublin's Remote Working Capital



Report prepared by Eoin Costello, Digital Dún Laoghaire

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a.DigitalHQ proposal for Kellys Hotel and Washhouse b.DigitalHQ proposal for Carnegie Library The post-pandemic future for our County's capital town is clear, there is an amazing opportunity to grasp the chance offered by the remote working phenomena to fill key vacant buildings in Dún Laoghaire with knowledge workers that will shop, eat and live in our locality.

Dún Laoghaire has become the flagship for the 'Digital First Communities' model which has been developed here by DigitalHQ clg since 2016. The 'Digital First Communities' framework offers localities a way to work collaboratively to attract investment, remote workers, home buyers, shoppers and visitors to their place through digitalisation. This framework is directly aligned with the goals of our Government policies such as 'Our Rural Future', the National Broadband Plan, 'Town Centres First' and the Digital Ireland Framework of the Department of Enterprise, Trade & Employment.

In my role of Honorary Patron to DigitalHQ I look forward to championing this important initiative as it expands from its base in Dún Laoghaire Town to having a significant national impact. The time is right for communities across our country to put indigenous engines of economic growth to work at the heart of their localites by becoming 'Digital First Communities'.



Jennifer Carroll MacNeill T.D. Honorary Patron, DigitalHQ clg

DigitalHQ's vision for a future post-pandemic Dún Laoghaire is to be the Palo Alto of the east coast of Ireland, the Brighton of the Dublin region, bustling with innovation driven businesses located in the town centre that support existing traditional business, a hub for tech and digital talent and vibrant business networks.

With COVID-19 hopefully behind us we have seen that operating online has become the norm for many businesses. This catalyst effect has taken place and working online is ubiquitous across all businesses. Remote and Hybrid working practice is to be encouraged and the "15 Minute commute" can now be achieved for employees across the country.

Thanks to local ConnectedHubs workers can avail of shorter commutes while still having a differentiation between Home and Workplace, which I truly believe is far healthier than constantly working from home. DIGITALHQ has been successfully promoting Dun Laoghaire businesses online and is now seeking to help our town capitalise on the massive change in the nature of work that is currently unfolding.



Chad Gilmer Chair, DigitalHQ clg

Section 1 - About DigitalHQ

We, DigitalHQ clg, are a social enterprise located in Dun Laoghaire Town which is focussed on advancing the integrated digitalisation for our town to help create a vibrant 'Digital First Community' in our locality for the sustainable jobs this creates.

What started out as Digital Dun Laoghaire in 2016 as a local initiative focussing on digital growth, has evolved under DigitalHQ clg to become a test bed of national relevance for what digital tools and frameworks work to enable localities to collaboratively fill vacant buildings and attract investment, remote workers, home buyers, shoppers and visitors to their place. We call this framework 'Digital First Communities'.

As part of our work we created the first <u>action plan for the digital</u> <u>transformation</u> of a town in Ireland and established the <u>(@DigitalDunLaoghaire steering group</u> to oversee the work of that plan. We were grateful to Bank of Ireland who contributed office space to enable us to establish the <u>Dun Laoghaire Enterprise Centre</u> and to DLR County Council who supported our work building the town's <u>website and</u> <u>social media</u> footprint. We use the hub's income to help future proof the local small business population through collaborative digital promotion campaigns, digital skill development and business attraction.

Our 'Digital First Communities' framework underpinned Dún Laoghaire Town's win as best urban town in the 2021 .IE Digital Town Awards. Based on feedback from state agencies our 'Digital First Communities' model is unique in Ireland, and in Europe, based on the endorsements we have received from the <u>European DIGITAL SME Alliance</u> and Placemaking Europe who stated – "We do think that DigitalHQ clg's 'Digital First Communities' model is great, unique, and an incredibly useful learning for communities that want to create better places together. We are delighted to publish it today as a tool for cities and urban places across the EU."

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Section 1 - About DigitalHQ

We are active at the grassroots level in our town leading the Digital Dun Laoghaire initiative in order to convert empty space in protected buildings in the town into vibrant hubs to attract digital businesses and support traditional businesses. We call these facilities Digital Growth Hubs and we believe they can play a major role in the regeneration of our towns in the coming years.

We have compiled this report in order to continue our work in seeking to make Dún Laoghaire a case study of best practice that other towns across Ireland can benefit from.

The views expressed in this report are those of DigitalHQ clg only and do not represent those of our sponsors in any way.



Eoin Costello Project Director, DigitalHQ clg

Section 2 - Executive Summary

Dún Laoghaire Town has benefitted from significant investment in the public realm, in the dlr LexIcon, and in residential development. Dún Laoghaire town and environs saw a sizeable population increase of approximately 1,900 persons in the last census – the strongest rate of growth in decades and a figure that is expected to continue to grow strongly.

Development in Dún Laoghaire Town centre in recent times has been largely focused on increasing residential capacity with a consequent decrease in the amount of small-scale commercial office floor space available for employment uses locally, This has had a knock on effect of a reduction in both the potential rates base of the town and the overall number of jobs located within the town. It is important to grow the employment base in the Town in order to retain and grow the mix of uses of space that create economic vibrancy and activity.

At DigitalHQ we believe that now is the time to end vacancy in the key publicly owned buildings identified in the KPMG Dun Laoghaire Town Study and reimagine the value proposition of Dun Laoghaire Town centre. This new Dun Laoghaire should not be dependent on large corporations, national or global brands or extractive economic models. Our model focuses on leveraging the underutilised existing built environment.

This report estimates that 1,000 direct jobs and 870 indirect jobs would be created in Dún Laoghaire Town if three key Council owned vacant buildings were repurposed. We believe that the income to the Council in terms of rent, rates and increased occupancy of adjoining premises would significantly out weigh the costs of refurbishment on a medium term time horizon.

Section 2 - Executive Summary

Some commentators describe Dun Laoghaire Town centre as a sleeping giant, great potential but not delivering on this. Post COVID the strategic advantage lies with the suburbs and our town needs to capitalise on this. In the past some feel that the town presented officials at DLR County Council with somewhat of a conundrum, it's not been not clear what pedal to push to boost economic activity in the town centre.

We are strongly suggesting that the pedal to push now is remote work in order to capitalise on current substantial changes in work practices and set the goal of making Dún Laoghaire Dublin's Remote Working capital.

As we outline in Section 6 this can be made possible in a finite period of time by the state adopting, in this era when the circular economy and sustainability are all important, a new approach to evaluating the cost of the repurposing of vacant state/council owned buildings in town centres.

Section 2 - Executive Summary

Milestones in the remote work and vacant buildings agenda for Dún Laoghaire Town

The following are the key milestones to date for the remote work and vacant buildings agenda in Dún Laoghaire town:

2019

IDun Laoghaire Enterprise Centre closed and is to become the new Dun Laoghaire Educate Together school. Dun Laoghaire Enterprise Centre was located in the old Fire Station building in George's Place for twenty years and was home to 17 businesses.

September 2020

DigitalHQ submitted an initial concept of the Dún Laoghaire Enterprise Campus to DLR County Council in respect of Kellys Hotel and the adjoining Wash house in George's Place.

October 2020

@Digital Dun Laoghaire started marketing available office space in the town under the slogan 'Dún Laoghaire, Dublin's Coworking Capital' in order to attract new innovation driven enterprises to locate in the town.

November 2020

DigitalHQ received funding from Enterprise Ireland to conduct a building and design evaluation of two vacant state/council owned buildings in Dun Laoghaire Town with a view to replacing the enterprise space capacity lost as a result of the closure of the Dun Laoghaire Enterprise Centre.

Section 2 - Executive Summary January 2021

The Dun Laoghaire Urban Framework plan is published as part of the draft County Development Plan with the objectives of:

- The provision of a variety of small shops with well-defined frontages that help create a busy village character with improved shop fronts and signage.
- The creation of the conditions to attract internationally mobile investment and provide opportunities for indigenous enterprise growth.

April 2021

DigitalHQ clg highlighted in its <u>submission</u> to the DLR County Development Plan its proposal for the activation of four key state/council owned buildings located in the heart of Dun Laoghaire Town.

November 2021

KPMG town study and Indecon Harbour study completed reports are circulated based on tenders published in August 2019. The KPMG Town Study highlights the significant opportunity for the town that remote work presents and the presence of vacant 'Opportunity Sites' which include the buildings covered by this report.

February 2022

The Government launches Ireland's first strategy for town centre regeneration, Town Centres First, which includes commitment to Urban Regional Development Fund projects. The Town Centre First approach encourages Government Departments, Local Authorities, businesses and communities to put town centres at the heart of decision-making.

March 2022

Quarterdeck briefed DLR County Councillors on their intention to have the Dún Laoghaire Ferry Terminal project fully operational by November 2022 thereby providing almost 70,000 Sq Foot of Work Space, Event Space, Technology Space, Community Space and Smart Space.

March 2022

DLR CoCo's Economic Development & Enterprise Strategic Policy Committee sets out its work programme for 2022 which includes "Research the feasibility of developing incubator units for new businesses, including the availability of funding."

Vision

"To ensure Dún Laoghaire Town becomes a destination of choice for economic investment; in harmony with and harnessing (its heritage/natural assets) the economic development of the harbour, driving employment growth and the vibrancy of the town."

KPMG Dun Laoghaire Town Study

A vibrant Dún Laoghaire Town

The <u>KPMG Dún Laoghaire Town Study</u> identifies the following as necessary to achieving the desired vibrancy of our town:

- A substantial town population (both residential and business) who will help to drive the evening economy.
- Potential opportunities to grow its employment base in a manner that improves the vibrancy and vitality of the town creating local employment opportunities
- Practical measures to attract key target economic sectors and initiatives to stimulate growth.

While Dún Laoghaire is an urban town within the greater Dublin region (with over 140,000 people living within a 10-minute drive and 34% of the population under 30 years of age) its high street struggles with many of the same challenges that towns across Ireland do. The main thoroughfare, George's Street, is approximately 1.2 km long and features 264 shop fronts, many of which were built in the 19th century.

Ireland's first 'Digital First Community' evolves in Dun Laoghaire Town

In my time leading the national Startup Ireland initiative, I witnessed first hand the positive impact on urban areas of the conversion of vacant buildings into vibrant digital hubs but one element that was missing for me was the importance to extend the mission of the digital hub to include supporting local traditional businesses.

For the past five years, we at DigitalHQ have been working hard with the help of Bank of Ireland and Dun Laoghaire Rathdown County Council to make this happen in my home town of Dún Laoghaire. Our work to date here reflects our goal of enhancing the vibrancy and economy of the town by supporting a strong employment base through digital. The framework we have developed in Dun Laoghaire Town for 'Digital First Communities' enables localities to leverage people's loyalty to location to create indigenous engines of growth in their area that are not dependent on large factories or MNCs but on the existing fabric of towns and cities in both the built and social sense.

We believe that within 10 years coworking spaces will be the highest use of unoccupied space in towns across Ireland thereby providing hubs of collaboration and community for knowledge workers. However, this will only come to pass if towns can provide a suitable environment and suitable office space to attract and retain digital and creative talent.

This is essential to creating sustainable local jobs as knowledgeintensive innovation-driven businesses create high-quality jobs which produce a positive multiplier effect for the locality. Indeed research by Moretti identified that for each knowledge-intensive job 5 additional jobs are created in the locality.

What is a Digital Growth Hub and how does it help create a 'Digital First Community'?

The inspiration behind DigitalHQ's model for local, grassroots up action was thought leader Bruce Katz. His concept of New Localism describes a problem-solving practice for communities in the twenty-first century. He believes that the real power of regeneration lies locally in communities where people live and work. Katz suggests the business community of twenty-first-century towns must comprise both traditional businesses and innovation-driven enterprises.

The key benefit of this is the future-proofing of small businesses with a local market focus (such as restaurants, dry cleaners, professional service providers), they need to sit next to a cohort of innovation-driven enterprises (businesses that have a global market focus with products and innovation at their core) to benefit from sustained footfall with a high capture rate and cross fertilisation of ideas on digital growth.

DigitalHQ's approach seeks to achieve this through creating a fusion between new and old ways of doing business. While traditional enterprise centres and commercial coworking spaces focus inwardly on their client companies and community within their facility, a digital growth hub focuses both inwardly on the incubated member businesses but also outwardly on digitally empowering the locality it sits within.

This outward focus is what distinguishes a digital growth hub from a remote working hub or an enterprise centre. The goal of a digital growth hub is unashamedly to spark a digital revolution in regional localities and create a virtuous cycle of economic growth for all elements of the business community.



DigitalHQ's model for an engine of economic growth ir a locality.

Repurposing Space

Under the name 'Dún Laoghaire Enterprise Centre' 10 businesses are incubated in the enterprise centre operated by DigitalHQ with the support of Bank of Ireland. The centre acts as a marketing hub to attract new businesses to our town. As a social enterprise, all the membership fees from the hub go into supporting DigitalHQ's work in the town. Our coworking space is also a feeder for the commercial coworking spaces and serviced offices in Dún Laoghaire thus making a whole new layer of coworking spaces possible in the town.

Attracting and Networking Innovation Driven Enterprises

Our hub helps build the bridge between the digital and traditional business communities in the town through our programme of Meetups. Under the name @Digital Dun Laoghaire we have run 33 free events since 2016 for over 1,300 attendees who heard in excess of 97 expert speakers.

Collaborative promotion of traditional businesses

Under the name 'Love Dún Laoghaire' almost 100 local businesses have been supported by our hub through 10 digital promotion campaigns each year. These Buy Local campaigns focus on the online offerings of local small independent businesses at key events in the calendar such as Valentine's Day, Mother's Day, January Sales as well as sector specific promotions.



Our Digital Growth Hub model in action "Trends towards more remote/coworking in towns provides a significant opportunity for Dún Laoghaire Town."

"There are several vacant or underutilised 'opportunity' sites within the study area, including commercial units, which have the potential to significantly revitalise the urban core if brought back into daily use."

WEAKNESSES - Lack of high-quality enterprise spaces in the town that are ready to occupy.

KPMG Town Study

The Remote Working Opportunity for Dún Laoghaire Town

Arising from the pandemic there is an opportunity to set the goal of Dun Laoghaire becoming 'Dublin's Remote Working Capital'. There is already a small but strong collaboration of for profit and social enterprise led coworking spaces located in the town.

According to Gartner 90% of HR leaders will allow employees to work remotely even after the COVID-19 Vaccine is widely available. The National Remote Working Employee Survey has found 94% of workers would like to work remotely some or all of the time when the Covid-19 crisis ends. Long-term remote and hybrid working plans have already been announced by companies which employ staff living in the Dun Laoghaire catchment area such as Microsoft, Google, Salesforce, Dropbox and Indeed. These employers account for a significant portion of the tech talent identified by Sigmar above.

However research has also identified the negative health effects of working from home. Almost a third (31pc) of regular company staff say that their wellbeing has deteriorated since they started remote working. According to an Arkphire survey of 700 people, the novelty value of working from home has worn off and tiredness, difficulty concentrating and mental health issues have all moved centre stage.

Also of concern for companies is that the innovation index goes down when teams are exclusively working from home, a decrease in innovation from not working in a collaborative space.

A new vision for our town centre as a remote working destination

"I believe that securing high-quality coworking space is important now more than ever as remote working becomes part of the new norm and many businesses disband their central office spaces. At present, there is high demand for such facilities, with supply falling behind in Dún Laoghaire."

Jennifer Carroll MacNeill T.D – Honorary Patron to DigitalHQ

Will there be enough demand?

Will demand evolve for the step-change in suitable office space we are proposing in this report for the town? Looking exclusively at current actual demand risks falling into the pitfall identified by Henry Ford. Ford, reputedly when developing the Model T, quipped that if he had asked people at the time what demand existed in transport the response would have been ' for faster horses'.

Latent demand versus actual demand

When planning for the medium term, current demand is not necessarily a reliable indicator of latent and emerging demand.

Latent demand for remote working within Dun Laoghaire Town in the coming years includes:

- 1.Hybrid work Post pandemic increasing numbers of people will wish to work locally in their locality rather than commute to Dublin city centre and the Docklands. There are approximately 8,900 people living within a 10 minute walk from town centre, 135,000 within a 10 minute drive, a high proportion of these are tech/digital professionals working in the Docklands and Dublin city centre.
- 2.Population growth Dún Laoghaire town and environs saw a sizeable population increase of approximately 1,900 persons in the last census the strongest rate of growth in decades and a figure that is expected to continue to grow.
- 3. Digital Nomads Following international trends Digital Nomads locating themselves in the Dublin region are predicted to increase significantly over the next 5 years.
- 4.Immigration Population growth in Ireland is projected by the CSO to grow by 1 million by 2050 with this growth concentrated in the greater Dublin region.
- 5.New homes Based on planning applications made and granted (see page 21) in excess of 1,300 residential units will be completed in the coming years within a 10 minute drive of the Dun Laoghaire Town Centre.

Reasons why Dún Laoghaire has the capacity to become Dublin's Remote Working Capital

The @Digital Dun Laoghaire campaign for office space in the town marketed as 'Dublin's Remote Working Capital' highlight the following strengths of the town

1. Public transport linkages - Dún Laoghaire has the best public transport linkages in the Dublin area, with over 12 bus routes and 200 Darts passing through our town every day.

2. Quality office space - OfficePods, Glasshouses 1 and 2, Dun Laoghaire Enterprise Centre are all located in the town centre.

3. Availability of top talent - As we outline below there is a high availability in the locality of the right blend of highly skilled staff

4. Wide range of places to eat and drink - With over 35 eateries, 11 pubs and 25 cafés/coffee shops, Dún Laoghaire offers a vast range of options perfect for eating and drinking.

5. Great places for remote workers to walk and think - Dún Laoghaire has a beautiful coastal setting, with the East & West Piers, seafront and coastal green spaces just 10 minutes out of the office.

Available Talent nearby

Are there enough digital and tech people living locally to turn Dun Laoghaire into a digital, technology and creative hub for the region? We believe so as according to <u>Sigmar</u>:

- 2,500 IT Developers currently live in Dún Laoghaire
- 8,600 Multilingual Sales/Support Staff with experience in Digital Industries
- ☑ 13,500 English speaking Sales/Support Staff with experience in Digital Industries





Within 30 minute drive there are:

- Additional 2,000 IT Developers
- Additional 10,500 Multilingual Sales/Support Staff
- Additional 15,200 English speaking Sales/Support Staff with experience in Digital Industries

Growth in population near the town

This density of residence within close proximity to the town will increase significantly in the coming years in light of residential developments planned or in progress at:

- Former Tedcastles site, Dun Laoghaire - 161 no. Build to Rent apartments
- St. Michael's Hospital Car park, Dun Laoghaire - 102 no. Build to Rent apartments
- CBS site Eblana Avenue, Dun Laoghaire - 208 no. Build to Rent
- Dalguise House, Monkstown - 290-unit residential scheme





- Cheshire Home site, Monkstown - 75 residential units
- Charleville, Harbour Road, Dalkey - 54 residential units
- Cluain Mhuire, Newtownpark Avenue - 48 residential units
- Temple Hill, Blackrock 257 apartments
- Europa Site, Blackrock 101 apartments

Demand for office space in Dún Laoghaire Town

Respondents to the KPMG Town Study community survey stated that

- Half of those who were seeking space could not source the space they were seeking (50%).
- 39% believe that there is a need for greater provision of co working spaces.
- 20% said they intended to scale up from their current location in Dún Laoghaire.





- 49/74 businesses wanted to lease new space
- Respondents were asked if they do not have a presence in Dún Laoghaire, and if co-working was available would they utilise such space. Almost half of the 82 respondents replying to this question (47%) said they would utilise such space
- However 39% of respondents to the KPMG Town Study community survey believe that there is a need for greater provision of coworking spaces in Dun Laoghaire.

When looking at the provision of remote/coworking spaces in DLR County the Regional CoWorking Analysis conducted by the three Regional Assemblies, and published in September 2020, found that:

> The potential number of private sector workers capable of operating remotely was notably high in local authorities with high populations, with the highest number of private sector workers capable of operating remotely likely to be in... Dún Laoghaire-Rathdown (39,982, second highest in the country)

However this report states that the estimated number of hubs in DLR County to cater for this demand was 17. However on reviewing the listing of hubs on page 28 of the report that they base this number on it includes locations that would not be available to remote workers including

Workbench Montrose at Bank of Ireland - is a drop in space. Saint Kieran's Enterprise Centre – Quote from their website "To relief of poverty and the advancement of education among Travellers."

Harbour View Business Centre -Closed down. Hour Kitchen -Commercial kitchen rental.

Therefore we believe that there is significant under provision of coworking space in DLR County. The activation of "Vacant and underutilised town centre sites in public ownership" identified by the KPMG Town Study as 'Opportunity Sites' in the town could help address the demand for space that the KPMG report established.

A clear and exciting vision for Dún Laoghaire Town

When I was a County Councillor back in the early noughties I learnt that it is difficult to unite people unless there is a clear vision, one that offers benefits to all stakeholders. Our Chairman Chad Gilmer's presentation to Minister English described DigitalHQ's unifying vision for a future postpandemic Dún Laoghaire as "the Palo Alto of the east coast of Ireland, the Brighton of the Dublin region, bustling with innovation-driven businesses that support existing traditional business, a hub for tech and digital talent and vibrant business networks."

At Digital HQ we believe that within the next 10 years up to 50% of currently unoccupied retail space and buildings in town centres will become remote working hubs. DigitalHQ's chair, Chad Gilmer, proved in our town that repurposing vacant retail space to high quality coworking space works. He took a long term unoccupied retail space in Dun Laoghaire and converted it into Glasshouses2, an office space that has brought 100 professional jobs to the main street of the town, who all shop locally.



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Creating an influx of knowledge worker jobs would be a significant benefit to local retail, with the potential to upscale the offering and mix of retail businesses in the town. As noted by Philip Oltermann in "the age of Amazon, it seems the way to thrive is to specialise".

In some ways, the <u>hyper-specialist shops of Berlin</u> show one way forward for small businesses in the future of retail but these need high footfall with a strong capture rate. A good example of a local business that has deepened its offering as the town has progressed is JJ Darboven. This business has grown its presence in the town from their traditional coffee brewing for individual customers to full coffee roasting on site and even a barista training academy.

"To create a successful town, it is necessary to create an environment where people want to work, live and socialise."

Jim Power

Stimulating Regional Economic Growth, a socio-economic analysis of smart working 2019

A new model for town regeneration that directly supports Dún Laoghaire's rate payers

The rates that businesses pay in Dún Laoghaire are a significant contributor to the annual budget of DLR County Council. Commercial rates are a tax based on the rateable value of the property, which reflects its rental value. The lower the number of vacant properties in the town the higher the rental values are and the greater the rates income for DLR County Council.

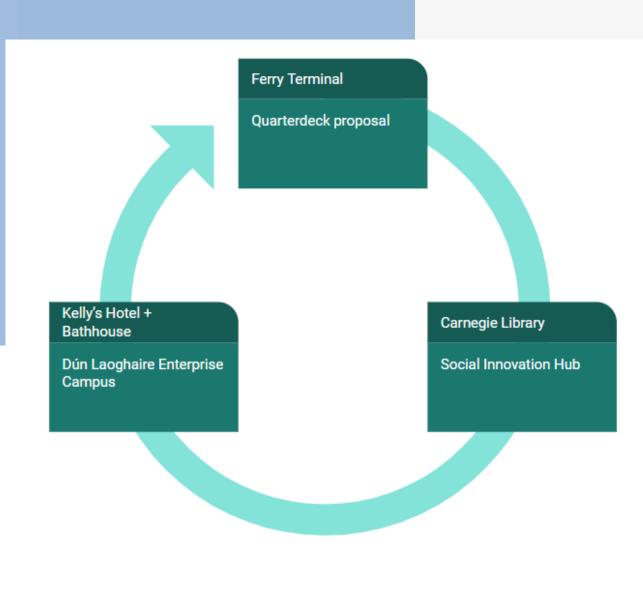
There are a number of vacant buildings in the town that are suitable for repurposing where the owners, i.e. the County Council and state agencies, have a direct economic interest in the economic vibrancy of the town.

Since 2017 we have had discussions with officials in DLR County Council outlining that DigitalHQ clg as a social enterprise is seeking a permanent base in the town to support the scaling up of our activities both locally and nationally. This space would ideally be aligned with our mission, i.e. to repurpose unoccupied protected buildings with limited alternative uses. A number of locations in Council ownership in the town were examined over the years but no further progress has been made since early exploratory meetings with Council officials.

We have identified a number of buildings in the town which are strategically located and, if repurposed appropriately, have the potential to be an economic engine not only for the footprint of traditional businesses in that quarter but for the town as a whole by creating a critical mass which will 'raise all boats'.

If implemented, our proposals will deliver a major boost for the town and could likely lead to a transformation of the fortunes of many businesses in the town, while also increasing the likelihood of new investment.

Section 4 - An ecosystem approach to making it happen



Section 4 - An ecosystem approach to making it happen

For Dun Laoghaire to become Dublin's Remote Working Capital the town needs to offer a wide range of office space offerings that are suitable for social enterprises, small traditional businesses and larger export orientated businesses.

We believe that the evolving demand for hybrid workspace options post-pandemic means that the opportunity for Dun Laoghaire to become Dublin's coworking capital, in its pivotal location between Sandyford Business District and Dublin Docklands, is real and achievable. To do this we need to create a critical mass of suitable office space, a hive effect. We believe that this is a goal that the public and private sector in our town need to unite behind for the common good.



To generate sufficient critical mass for an individual remote working hub in the town to not just to survive but to prosper, it needs to be within an ecosystem. Just as Johnson's Court off Grafton Street has five jewellery shops in a row, critical mass brought about by an ecosystem creates momentum that draws in larger numbers and creates better economies of scale.

By creating a synergist collaboration between a number of hubs in the town there is the opportunity to attract startups at the start of their journey to the feeder locations and then as they scale they move up into the larger providers in the town as their space requirements grow.

Section 4 - An ecosystem approach to making it happen

Three Council owned buildings activated to support each other

To create the maximum potential for a synergistic collaboration between a range of office space providers that serve as step up facilities for each other, we are suggesting the following –

- 1. A facility dedicated to social enterprise and social innovation it is proposed that the ideal location for this is the vacant council owned Carnegie Library.
- 2. A facility dedicated to startups and small businesses that want to scale up - it is proposed that the ideal location for this is the vacant council owned Kelly's Hotel and adjoining Bathhouse.
- 3. A facility dedicated to larger, high growth startups, scaleups and FDI clients of the IDA Based on the limited information available it would appear that the Quarterdeck proposal for the Council owned Ferry Terminal addresses this.

Quarterdeck proposal highlights the benefits of an ecosystem approach to the development of its proposal for the Ferry Terminal

- FDI landing place
- Companies grow and stay in DLR
- Cluster Development
- Inter-sectoral multiplier impacts
- Reputation benefits for DLR
- Informal Centres of Excellence
- Ecosystem established

Quarterdeck proposes that their approach will raise all local operators as the Dún Laoghaire location becomes more desirable.

Section 4 - An ecosystem approach to making it happen

An ecosystem approach will help achieve the goals of the Circular Economy

On the basis that the greenest building to build is the one that has already been built, the Carnegie Library and Kelly's Hotel in Council/State ownership would be ideal beneficiaries of refurbishment, conservation and repair that repurposing would entail.

The State's <u>Architectural Heritage Protection</u> Guidelines cite the benefits of adapting historic buildings to meet changing needs being remodelled to accommodate new uses, and especially those that have outlived the functions for which they were constructed.

In terms of the concentration of investment by the state agencies in our town, the seafront has benefitted from significant investment in the public realm. The capital cost of works carried out by the Council on projects adjoining Dun Laoghaire town seafront over the past 10 years exceeds €55m.

An investment that is far less than that spend could be sufficient to sensitively repurpose the vacant buildings identified in this report thereby creating a large number of direct and indirect jobs in the town with the added benefit that the earn back for DLR County Council would be within a relatively short number of years.

If one looks at the impact of state supports as a proxy for repurposing costs the 'Evaluations of State Supports for Enterprise' DJEI report in 2015 notes that the success of State support is not only measured in terms of monetary benefit but also in wider economic impacts (e.g. multiplier effects such as indirect or induced employment or clustering impacts) and behavioural change (such as increasing firm capabilities).

There are a number of types of job creation that are relevant to this proposal which includes direct and indirect job creation. Jim Power, economist and honorary patron to DigitalHQ, completed a detailed assessment entitled "<u>Stimulating Regional Economic Growth through</u> <u>Smart Working</u>" in July 2019 of the positive economic impact hubs that were part of the <u>Gigabit Hubs initiative</u> had on their local economy, the key information is summarised below.

The experience in the six hubs analysed for the Gigabit Hubs report demonstrates clearly the economic and financial impact that they have had in the towns where they are located. They have resulted in the creation of high-quality, high-paid and high-value added jobs and activities in rural towns. The benefits for those involved are very significant and very real and create a template for what is possible.

All of the Gigabit hubs are operating at or close to full capacity and all want to expand the physical space further to satisfy growing demand.

The report found that one Gigabit Hub in every county could support 1,040 businesses; support 8,840 direct and indirect jobs; and inject €312 million into the economy.

Number of Businesses	1,040
Direct Staff Employed	5,200
Gross Wages Earned	€260 Million
Net Wages Earned	€208 Million
Employee Taxes Relating to Hub Staff	€52 Million
Income Multiplier Effect	€312 Million
Indirect Employment	3,640
Total Employment Supported	8,840
Commercial Rates	€1.56 Million

Note: These calculations are based on the assumption of one new hub in every county; 200 employees per hub; and average salary of €50,000 per worker.

Extracted from "Stimulating Regional Economic Growth through Smart Working" .

As Jim's report outlines the benefits of hubs include:

They foster business creation, and many of those businesses grow and move on to larger office locations

They provide public and private support for entrepreneurs

They reduce office costs for businesses

They boost economic activity and employment in rural towns, which in turn reduces congestion and housing issues

The jobs that would be created by activating the 3 Council owned buildings

Hubs create jobs in a range of ways. They facilitate direct employment by businesses that take office space in their hub. Predominantly these people are knowledge workers and their jobs are high in the value chain, are skilled and consequently are well-paid jobs.

Hubs facilitate the creation and support of indirect jobs. Knowledge workers with high disposable incomes eat and drink in the locality, buy gifts, get their dry cleaning done and engage local accountants and solicitors. Moretti's research, based on analysis of 11 million US workers in 320 metropolitan areas, showed that for each knowledge-intensive job created in a metropolitan area, 5 additional local jobs created outside the knowledge-intensive activities in the long run.

These five jobs benefit a diverse set of workers. Two of the jobs created by multipler effect are professional jobs, such as those of doctors or lawyers, while the other three benefit workers in nonprofessional occupations such as waiters or stop assistants.

In Ireland research by Brennan (entitled <u>Local Multipliers: IDA Supported</u> <u>Companies in the Irish Regions</u>) established that in line with similar studies elsewhere their research found that the jobs multiplier is significant. Their results suggest that there are around three additional jobs created in a county for each job created in an IDA supported business in the same county.

In Quarterdeck's presentation to County Councillors in DLR Council in March 2022 they estimated that when complete their Ferry Terminal facility will create 750 direct jobs and 750 indirect jobs.

Based on DigitalHQ's Enterprise Ireland supported feasibility study of the two other locations covered in this report, we estimate that there is a desk capacity of 184 desks in the proposed Dun Laoghaire Enterprise Campus (please see Appendix 1) thereby creating 184 direct jobs and 80 indirect jobs.

Our research suggests that there is a desk capacity of 66 desks in the proposed Dun Laoghaire Social Innovation Hub in Carnegie Library (please see Appendix 2) thereby creating 66 direct jobs and 40 indirect jobs.

Section 5 - Job creation potential of this proposal

Summary of the Job Creation potential of being Dublin's Remote Working Capital

Building	Direct Jobs	Indirect Jobs
Quarterdeck Ferry Terminal	750	750
DigitalHQ's Dun Laoghaire Enterprise Campus in Kelly's Hotel & DL Baths	184	80
Dun Laoghaire Social Innovation Hub in Carnegie Library	66	40
Totals	1,000	870

Section 6 - A new approach to evaluating the cost of repurposing of vacant state/council owned buildings in town centres

When one starts examining the costs of repurposing vacant protected structures the initial reaction is usually that it is too expensive.

It took a Central Bank report in 2013 about how two thirds of jobs created by startups for the then government to embark on a root and branch change to the attitude to entrepreneurs and startups. This appraisal by the Central Bank culminated in the Sean O'Sullivan led Entrepreneurship report in 2014 and the Startup Gathering as part of the Action Plan for Jobs in 2015.

If Ireland is to get serious about town centre regeneration through the repurposing of state/council owned vacant buildings then a similar seismic change in approach is needed for entities like the Ireland Strategic Investment Fund to take a different approach to the evaluation of the costs associated with such projects.

What we at DigitalHQ are proposing that a radically different way for evaluating the repurposing costs, when target vacant buildings are in state ownership, is taken as follows:

Section 6 - A new approach to evaluating the cost of repurposing of vacant state/council owned buildings in town centres

- 1. Start with a social and financial cost benefit analysis that uses a discounted cash flow to identify the economic cost of not undertaking the repurposing of a vacant state/county council owned building. The costs that would be included in this assessment include
 - a.Lost business rates.
 - b.Lost Moretti type spillover benefits.
 - c.Lost rental income from the remote working hub members.
 - d.Lost footfall with a high capture rate (ie people spending money locally rather than passing through).
- 2. On the positive side of this new cost benefit analysis would be
 - a. Providing a pipeline of remote workers and innovation driven businesses stepping up from the not-for-profit hubs to the commercial providers in a locality thereby helping make the business case for many new commercially run coworking spaces. This is of particular benefit when long term vacancies of retail properties are repurposed as coworking space by commercial providers.
 - b.Increasing Ireland INCs resilience in the face of any future threats to FDI or the continued operation of the MNCs located here.
 - c.Significant cuts in the costs incurred by commuting times, setting aside the fuel costs for some workers this effectively means savings of at least 3 hours per day in commuting.
 - d.Collaboration gains in the newly created hubs, there are numerous examples around the country of the synergy and income growth gained by businesses collaborating together in hubs, for example when they have pitched for tenders together.

Government long term bonds can be issued for up to 20 years. As the buildings we are concerned with are assets of the state then a long term payback can be factored in on the repurposing costs. And the benefit is that the state still owns the asset, and all the spillover benefits, at the end of the process.

In terms of the scalability of this approach there is a very interesting piece on the sheer scale of available vacant school buildings that would be perfect for hubs across rural Ireland <u>here</u> and <u>here</u>.

Section 7 - Vacant Council owned building #1 - Carnegie Library to be Dún Laoghaire Social Innovation Hub

Former Carnegie Library Building – corner of Library Road & Lower Georges Street, Dún Laoghaire; Quarter: Old Town Quarter

This key building sits in the heart of what is referred to in the DLR County Council County Development Plan as the 'Old Town Quarter'..



Source - Irish Times

According to the Irish Times expressions of interest were sought by the County Council for the re-use of the former Carnegie Library building in Dun Laoghaire in February 2017. The library, designed by O'Callaghan and Webb as part of an architectural competition, opened in 1912 and remained the local library for 100 years until it was replaced by the newly-built dlr Lexlcon library.

Section 7 - Vacant Council owned building #1 - Carnegie Library to be Dún Laoghaire Social Innovation Hub

In a report, the council said the former library building "is an important part of the town's architectural heritage", and that its reopening will help to revitalise the Old Town Quarter of Dun Laoghaire. The council added that potential suitable uses for the building include a centre for educational development and innovation, a technological/digital innovation hub, a cultural/community/tourism attraction or a social enterprise and innovation centre.

This building has been vacant since 2015. There are no current plans for the possible future re-use of this building which is a "Protected Structure" in the County Development Plan 2016 to 2022 – Record No. 680.

DigitalHQ proposed that based on our assessment (please see Appendix 1) this would be the ideal location for Dún Laoghaire's first Social Innovation Hub, a use that is consistent with the original Carnegie mission. Carnegie UK Trust has a stated interest in the Carnegie UK Trust's interest in the innovation, regeneration and sustainability of towns. We help people solve old problems in new ways, in the places they live, work and play. With an exciting blend of fresh thinking, design, system change, technology and common sense, we work with communities to create and deliver projects that work in real life and create a lasting impact.

InnovateCommunities.ie

Section 7 - Vacant Council owned building #1 - Carnegie Library to be Dún Laoghaire Social Innovation Hub

An ideal candidate to progress such a Social Innovation Hub in the Carnegie Library would be Dublin based Innovate Communities. Innovate Communities works with organisations in the public and private sectors to develop ideas and projects that address social needs.

Look at reusing spaces in a creative way for the benefit of communities.

The Social Innovation Hub, Dublin 8 2021 Coming soon, Innovate Communities are excited to announce we will be refurbishing our next vacant space and transforming it into our second hub! Watch this space for more information!

The Social Innovation Hub, Ballymun (ongoing) In a vibrant capital city, Innovate Communities is proud to offer a highly affordable coworking home to innovative new businesses and not-forprofits.

As noted by Innovate Communities <u>on their website</u> they worked with DLRCC to compile research on the implementation of a Social Innovation Centre/Hub which could benefit all of the community within the Carnegie space.

Their experience in establishing Social Innovation Hubs has shown how these centres can act as a focal point, where local grassroots organisations can network and engage new audiences. Hubs provide an open facility where local challenges can be shared and troubleshooted. New and non-traditional partnerships can be forged, helping local sustainable enterprise. Social innovation hubs offer space to community organisations and local service providers that would otherwise be inhibited by large costs for renting space.

Social innovation hubs can also act as a beacon of hope in challenging contexts and as catalysts for change and regeneration. Giving vacant or underused space a new lease of life can reinvigorate both built and social environments, improving security and community resilience.

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Section 8 - Vacant Council owned building #2 - Kellys Hotel and Bathhouse to be Dún Laoghaire Enterprise Campus

At the heart of our submission is a proposal that No. 9 Georges Place and No. 3 Kellys Avenue, Dún Laoghaire (Formerly Offices and Stores for the Council Depot) become a digital growth campus for the twenty-first century.



Kelly's Hotel and adjoining bathhouse, George's Place, Dun Laoghaire

These buildings have been vacant since 2013 and according to DLR CoCo, there are no current plans for the possible future re-use of these buildings which are "Protected Structures" in the County Development Plan 2016 to 2022.

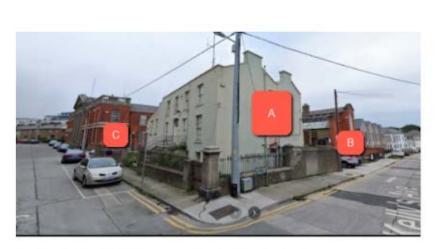
Section 8 - Vacant Council owned building #2 - Kellys Hotel and Bathhouse to be Dún Laoghaire Enterprise Campus

'Dunlaoire Enterprise Centre' opened approximately 20 years ago in the former fire station which is located beside No 9 George's Place. It provided 17 individual units of office space and closed in 2019. A further loss of enterprise space in the 'Old Town Quarter' occurred in 2020 when the nearby Harbour Business Centre closed with the loss of 8 offices for small businesses.

In terms of the planning context for these two adjoining buildings in George's Place "the Plan supports the adaptation and reuse of the existing buildings on the site including the sensitive redevelopment of the Protected Structures." Specific Local Objectives – 31 To seek the redevelopment of the obsolete area at the Fire Station in accordance with the objectives of the Interim Dún Laoghaire Urban Framework Plan and the forthcoming Dún Laoghaire and Environs Local Area Plan. The building was built by Mr. Les Kelly in approximately 1830 as Kelly's Hotel. The first meeting of the Kingstown Town Commissioners took place there.

DigitalHQ have submitted a detailed proposal for how these two adjoining empty properties (see Appendix 1) in George's Place could be sensitively repurposed as a vibrant enterprise campus giving new life to the listed buildings and the locality.

Section 8 - Vacant Council owned building #2 - Kellys Hotel and Bathhouse to be Dún Laoghaire Enterprise Campus



Location - Junction of Kelly's Avenue and Bentley Villas, Dun Laoghaire.

A - Former 'Kingstown Royal Harbour Hotel', built in approximately 1831.

B - Former 'Kingstown Urban District Council' Wash House and Council Stores, built in 1915.

C - For information purposes - Location of the former Dun Laoghaire Enterprise Centre until 2019.



Section 8 - Vacant Council owned building #2 - Kellys Hotel and Bathhouse to be Dún Laoghaire Enterprise Campus

We believe that the proposed Dún Laoghaire Enterprise Campus in George's place would replace the economic activity lost in that locality when the nearby Dun Laoghaire Enterprise Centre closed (with the loss of office space for 17 businesses) and could act as an economic engine for what the draft development plan terms the 'Old Town Quarter'.



Figure 3 – Architectural concept drawings of the proposed Dun Laoghaire Enterprise Campus

The campus would cater for a mix of small businesses, social enterprises that are scaling up and digital/creatives.

Section 9 - Council owned building #3 - Ferry Terminal and Quarterdeck proposal

The Council assumed ownership of the former Ferry Terminal in October 2018.

According to a <u>Lisney notice</u> advertising the building it has 10-year planning permission which has been obtained for change of use to mainly team and co-working offices on 3 floors.

Additional use categories with FPP include audio and visual; agri/ food/beverage R&D space; marine and marine technology and R&D space; restaurant and 95 space car park.The building is available as a single unit and was constructed to a high standard approx. 24 years ago The property will have parking for approximately 95 cars for occupiers and visitors to the complex.

It is anticipated that the co-working and team spaces proposed will appeal to a diverse mix of start-up companies, small and medium sized enterprises and small corporate and business teams seeking a flexible working environment.

It could provide co-working and team-spaces on 3 floors along with other categories such as Audio and visual media studios and workshops; co-workers informal meeting area and agri/food/beverage R&D space; Work spaces for marine and maritime associated use; marine technology and R&D space. 95 space car park for the sole use of the users of the main building; restaurant; external signage, including illuminated signage, to be located on the existing building façades.

In March 2020 <u>Afloat reported</u> that Lapetus Investments Ltd, trading as Quarterdeck Innovation, envisions a "co-working innovation space" within the St Michael's Pier terminal building in Dun Laoghaire Harbour. It intends "to create a technology hub whereby small and medium-size businesses can collaborate in a community-based environment that promotes and fosters entrepreneurship, through a spirit of innovation and creativity".

Section 9 - Vacant Council owned building #3 - Ferry Terminal to be Quarterdeck

The project team is led by accountant Hilary Haydon, a past president of Dun Laoghaire-Rathdown Chamber of Commerce and DLR Local Enterprise Office evaluation committee member.

In March 2022 Quarterdeck briefed DLR County Councillors on their intention to have the Dún Laoghaire Ferry Terminal project fully operational by November 2022 thereby providing almost 70,000 Sq Foot of Work Space, Event Space, Technology Space, Community Space and Smart Space.

Its ground floor level would be a 'Food Hall' acting as a common area for co-workers to relax away from their desks, and which would also be open to the public as "an opportunity for strong local community interaction".

The project partners have also pledged to "assist and collaborate closely" with the feasibility study team for the National Watersports Campus being proposed for Carlisle Pier to help "improve the harbour's infrastructure resulting in improved access, job creation and strong tourism potential".

"As the country looks forward to a brighter, more populous future, the oldest suburb in the country could lead the way for the rest."

David McWilliams <u>Irish Times</u>

SECTION 9 - Conclusion

In 2019 the Council instigated two substantial consultancy projects, one on the future economic development of the town, the other on the economic development of the harbour. In November 2021 these completed reports were presented to Councillors.

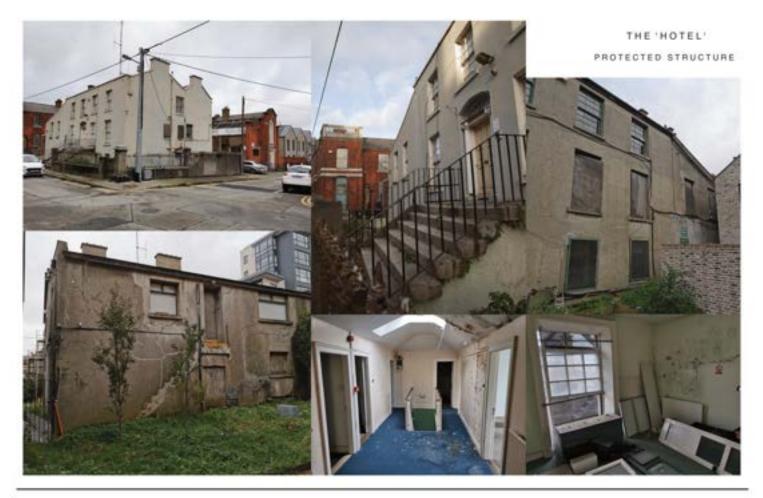
Now is the time for action. We believe that our proposal for Dun Laoghaire to capitalise on the opportunity to biome Dublin's Remote Working Capital can help deliver on a considerable number of the objectives contained in the above two reports.

In addition we believe that the benefits to the council of the proposed strategy also include:

Will contribute to the physical regeneration of Dún Laoghaire Town.	It is the best use of those buildings in the context of the need to justify the expenditure on the refurbishment.	
Is the most appropriate approach to leverage the embedded carbon in the buildings identified in our submission.	Is in line with the EMRA RSES 2019-2031.	
Is in line with the DLR strategy of applying the principles of the circular economy to land- use management through the proposed intensification and redevelopment of existing strategic employment areas.	Helps minimise the divergence between the places people live and work, increasing the efficiency of land-use, reducing sprawl and minimising carbon footprint.	
Supports the LECP 6.4.2.10 Policy Objective E11: Enterprise Incubator Units – namely to promote and assist in the provision of enterprise centres in association with other agencies and in the context of local need.		

Appendix 1 Kelly's Hotel and Kingstown Washhouse





The Dun Laoghaire Enterprise Centre

Feasibility Study

November 2020

THE 'WASH HOUSE' PROTECTED STRUCTURE





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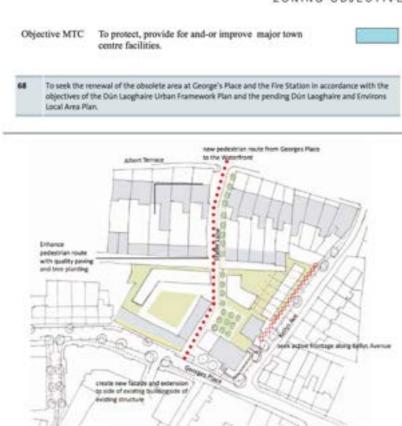
CONTEXT



The redevelopment of the former Council Depot at George's Place offers an opportunity to provide a new pedestrian/cycle link between George's Place and Crofton Road without a reduction of parking. This would further strengthen the connectivity between George's Place and the Waterfront. A mixed-use redevelopment at George's Place could also provide opportunities to further expand the residential population of the Town, build on the existing enterprise activities, while adapting and reusing some of the existing buildings on the site where considered appropriate. Any redevelopment of George's Place would be required to take cognisance of the Coastal Fringe Zone provisions of Appendix 9: Building Heights Strategy.

Oun Leoghaire Urban Framework Plan

ZONING OBJECTIVE



The Dun Laoghaire Enterprise Centre

Feasibility Study





The Dun Laoghaire Enterprise Centre

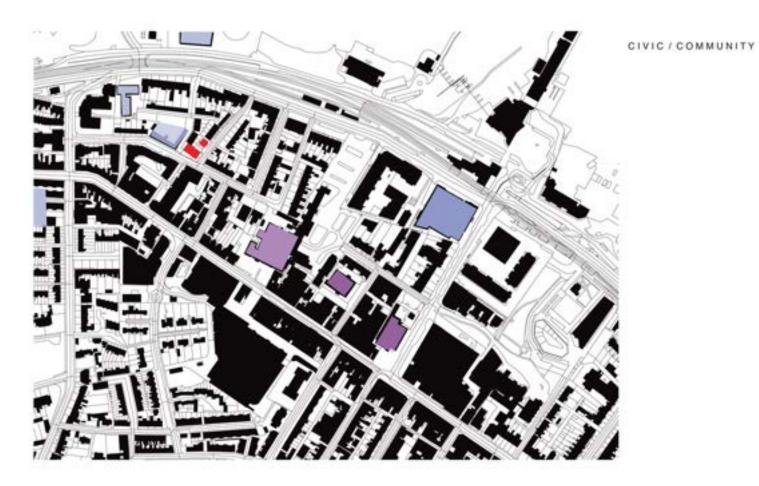
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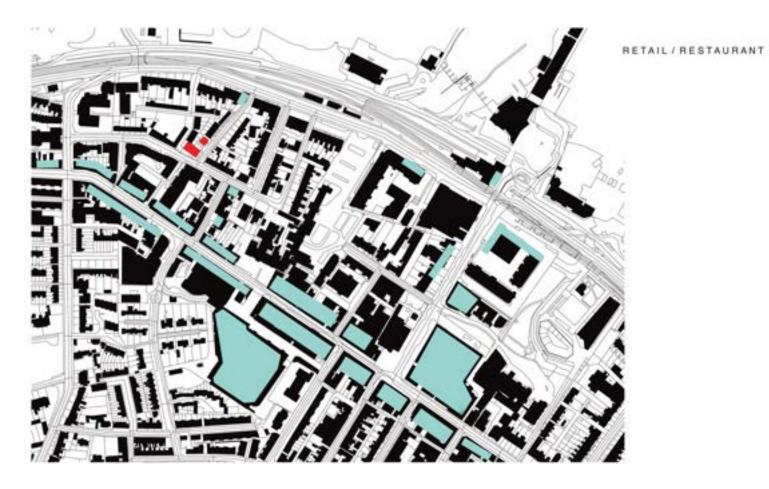




Dun Laoghaire Enterprise Centre

Feasibility Study

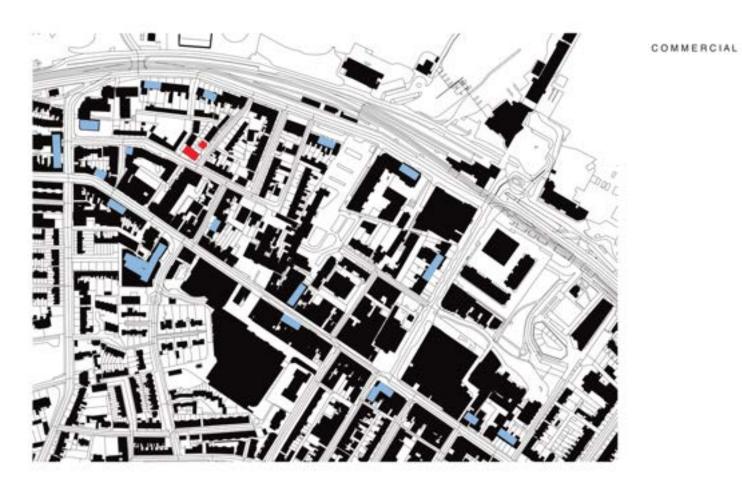




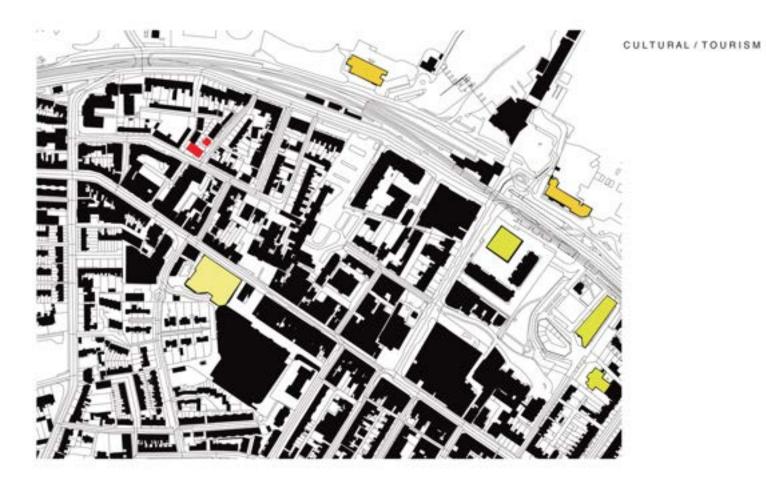
Dun Laoghaire Enterprise Centre

Feasibility Study

November 2020



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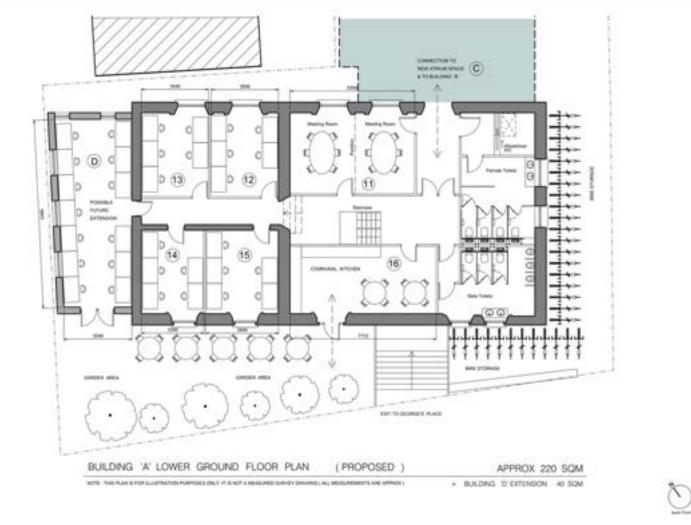


Dun Laoghaire Enterprise Centre

Feasibility Study

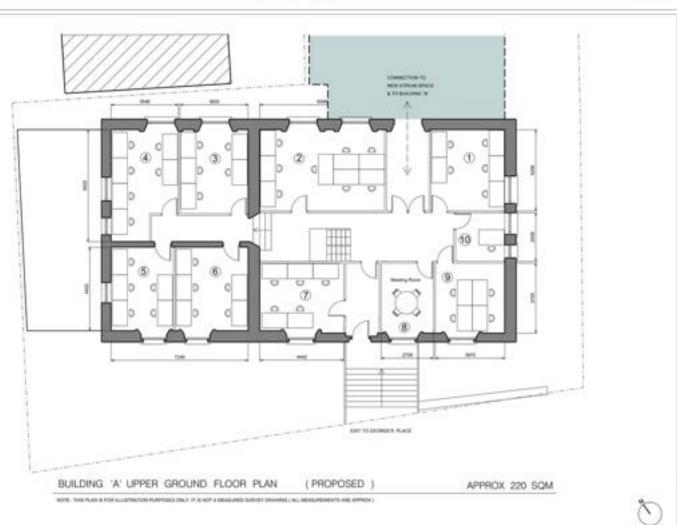






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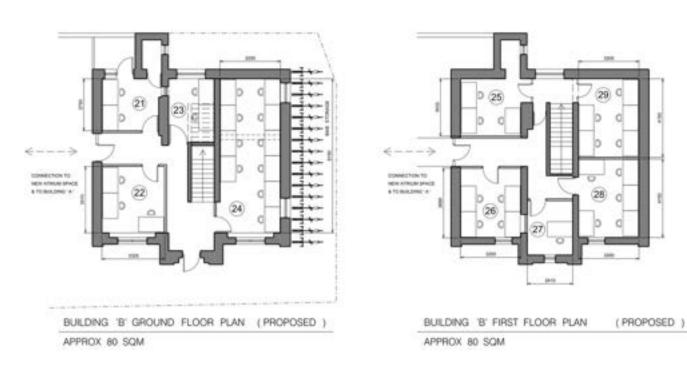
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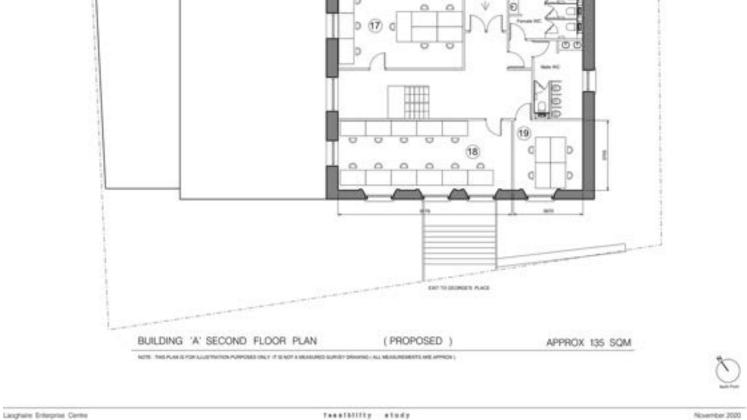
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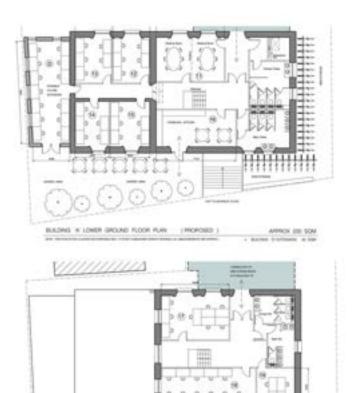
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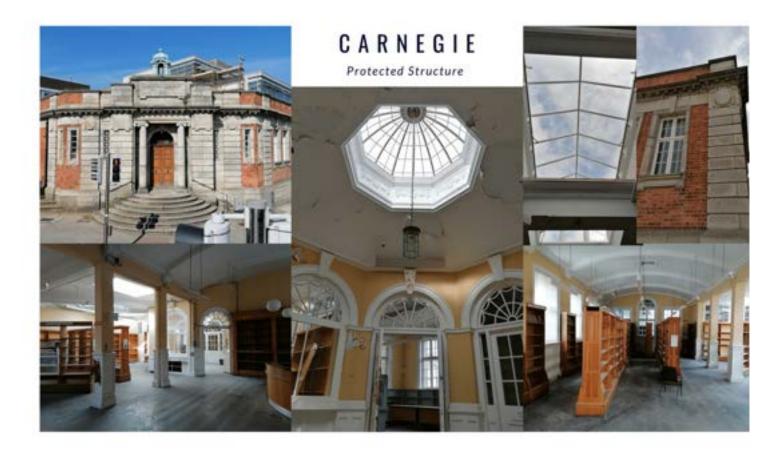


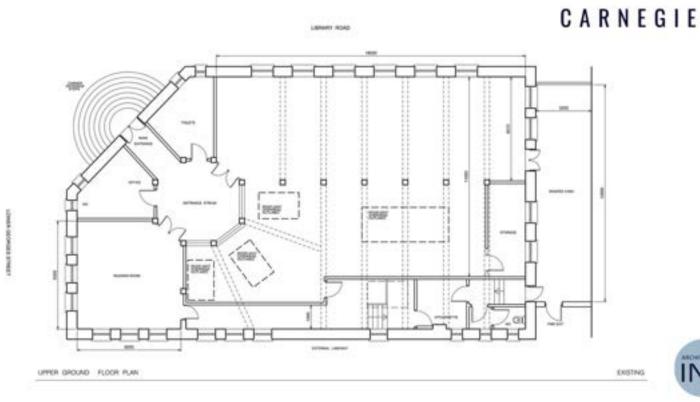
Appendix 2 The Carnegie Library

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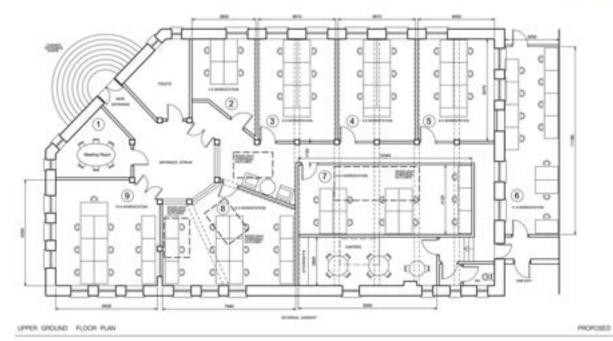
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CARNEGIE



ATTACK DOWOOD NAMES

LIBRARY ROAD



TOTAL : 66 WORKSTATIONS