

Telecommunications - The Future of Your Buildings and Your Communities

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The currency and future of the 21st century economy is information. The ability to gather, process, share and broker that commodity is telecommunications. Are your buildings ready to do business? Is your community?

New York's Empire State Development recently conducted a statewide survey of small information technology (IT) companies in the e-commerce, bio-technology, web design, software development and consulting sectors. The top 12 responses based on the stated importance to these growing companies are outlined in the table below.

Some of what this survey reveals is what we have known for some time - costs and workforce availability are keys to the success of any growing business. What we may not be accustomed to is the need for specialized telecommunications technology to the site and in the walls of the building.

How important is it that developers and communities alike address the growing and changing needs of this new economy? Consider these numbers: From 1998 to 1999, employment within the telecommunications industry grew by 36%. In 1998, business-to-consumer on-line sales were at \$8 billion. By 2003, that number is expected to top \$108 billion. In the same time period, business-to-business on-line sales are expected to grow from \$43 billion to \$1.3 trillion. Development opportunities will result, as well as employment opportunities for host communities. Entire industries that were previously known are exploding onto the economic scene.

Communities that are best poised to take advantage of the current and ongoing explosion are not unique in their characteristics. Instead, they take stock in their existing infrastructure and capacities. They inventory their communications infrastructure, including not only the wires in the ground and on the poles, but switch sites, fiber lines, DSL high speed copper, and service providers in their specific area. They look for ready-built nodes of communications technology, and assess how those locations coincide with existing facilities and developable land.

Successful communities also directly involve the service providers in their area. They engage providers in discussions of economic viability of service to particular sites and areas, with the understanding that the deregulation of the telecommunications industry has changed the competitive model. Concentrations of demand will receive the best linkages to major networks. If the economics of the service work, the network will follow.

Private development is no different in the way it should approach the challenges of connectivity. An interface with the telecom service providers as early as possible in a project is critical. Working with them to forecast demand within a facility or a multi-building development will provide valuable information for project planning, design and marketing.

Business competitiveness now and in the future will depend on technology and communication. The success of communities and development projects alike hinge on your ability to accurately assess your telecommunications infrastructure, and to plan for the needs of your tenants and businesses.

New York's Empire State Development 12 Most Important "Wired Facility" Components	
Availability of high external bandwidth (connectivity)	Bandwidth on demand
Low price for external bandwidth	Availability of existing LAN in building (CAT 5/5e/6 cabling)
Conditioned supply of clean, steady power	Low lease costs per square foot
Presentability of building interior and exterior customer spaces	Presentability of building employee spaces
Existing offices around central open space	Space within building to expand
Close proximity (within 20 miles) to existing location	Availability of local skilled and technical workforce

NYS High-Tech Infrastructure Grant Program Announcement

New York State has recently unveiled its new "Wired Buildings" initiative to help small information technology (IT) businesses locate and grow in our communities and to add jobs and investment to the economy.

Originally referenced in Governor Pataki's 2000 State of the State address, the program provides matching grants of up to \$75,000 to help developer retrofit existing buildings to accommodate the needs of small IT companies.

The Wired Building initiative is designed to increase the availability of affordable, "wired" workspace essential to small information technology businesses, such as those developing e-commerce applications, offering on-line services or engaged in software research and development.

Administered through the Empire State Development Corporation, the funding can be used to cover design/engineering, materials and labor costs associated with upgrading a building's telecommunications infrastructure to high speed internet connection standards.

Eligible applicants include private real estate developers, local economic development organizations, educational institutions, and public-private partnerships that have a common goal of improving telecommunications infrastructure.