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Co-working gains popularity in O.C.

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Using a coffee shop as impromptu work space is more of a convenience than a practical, long-term solution for most nomadic workers.

A place to sit, check. Wireless Internet, check. But the whir of machines and chatter from baristas hinder conference calls, not to mention your concentration. And as work lifestyles go, it can be isolating.

Investors and interest groups in Orange County's startup scene want to offer an alternative for telecommuters and small business owners: co-working. It's an emerging concept that lets creative types – from computer programmers to graphic designers – rent a desk, office or the use of a shared area to do their jobs.

Co-working locations tend to be more affordable and laid-back than the more traditional flex-office plans at the Regus and PS Business Parks. Think foosball tables and in-house happy hours. What they're selling to tenants is a critical mass of startup-friendly services and networking.

The developments vary in style and focus, but they typically promise tenants the flexibility of retreating to their own spaces or rubbing elbows with neighbors in hopes of sparking new ideas. Some facilities offer the bonus of office hours with experienced venture-capital investors and attorneys. Others partner with local schools, such as Chapman University, to host events.

At a corporate job, "you check in and check out," said Huy Nguyen, a sales vice president who rents a spot at a complex near John Wayne Airport run by Real Office Centers, a Newport Beach-based co-working chain with a strong presence in Santa Monica. "The environment (here) feels more like a community, even though not everyone is from the same industry. You're working with a more communal purpose."

Co-workers can pick from a variety of plans. Day passes, which usually provide Internet access, use of common space and coffee, start as low as $10 and can go up to $35 per day, or $100 to $350 a month. The next step up is renting a designated desk with access to amenities; members should expect to pay about $300 to $500 per month.

If you're looking for a lease, co-working prices can match the monthly rates of traditional office spaces – $750 for enough space to fit one or two people, up to $2,500 for a more spacious unit. But operators tend to offer their co-working renters flexible terms, sometimes as short as three months. And applicants are usually vetted to ensure a variety of startups that fit the building's personality.

Co-working is big among the tech circles of Silicon Valley and Santa Monica's Silicon Beach area. There are roughly 850 co-working locations in the United States, a 7 percent increase from a year ago, says DeskMag, a German trade magazine that takes a continent-by-continent tally.

Developers are responding to the increasing mobility of the U.S. workforce and advances in technologies such as video conferencing and remote data storage. The number of people working from home or telecommuting shot up by 80 percent from 2002 to 2012, according to Global Workplace Analytics, a workplace-research company based in the San Diego area.

A few co-working facilities have been around Orange County since the mid-2000s. But the concept gained momentum only in the last 18 months, said Marieke Hensel, whose Coworking Fullerton was one of the

first local operators.

Orange County startups face unique challenges, such as sprawl and fewer public transit options, that make expansion difficult, several local tech influencers said. Co-working spaces could help in that way.

"We have to help young companies or young people get the right help with growing their companies," said Ron McElroy, founder of Real Office Centers and a former real estate broker. "In Orange County, there's a ton of talent ... and a ton of money, but no one has made a consolidated effort to do exactly what we're doing in Santa Monica."

In the past month alone, two groups – Eureka Building and PeopleSpace – have announced launches of facilities, both near Alton Parkway and Red Hill Avenue in Irvine. Two other more established companies, Real Office Centers and Coworking Fullerton, have expanded their footprint in the past year.

Like many entrepreneurs, Nguyen found he quickly outgrew the confines of a coffee shop. He works for PointBurst, a Dallas-based startup that creates and manages social-media campaigns for clients including musicians and movies, and was seeking a stable office space with a desk, wireless Internet and access to a conference room for client meetings.

Also on his wish list was a venue that attracted like-minded people in the tech and creative fields who want to be friendly collaborators. That's largely missing from more traditional offices spaces, he said.

Nguyen renewed his lease two months ago with Real Office Centers, which has three locations in Orange County. He says Web developers and designers there have helped him troubleshoot problems and brainstorm ideas such as launching an internship program.

He also gets access to venture-capital experts. Partners from local accelerator K5 Launch and investor group Tech Coast Angels hold regular office hours at the Real Office Centers facility.

Another feature is bartering. Tenants exchange such services as T-shirt design for marketing services, said Bryan Conzone, founder of local startup CarNinja, which develops software for car enthusiasts and businesses to sell cars on the Web.

"We do auto shows and we need to syndicate our content," said Conzone, who says he may consider partnering with Nguyen's PointBurst services.

Eureka, a co-working spot set to open in Irvine in December, plans to offer legal advice to tenants. Attorneys from Irvine-based law firm Zeppos Rautiola will go over tax and planning issues with budding small companies at the 40,000-square-foot facility.

The co-working offices at PeopleSpace feature a large first-floor common area. That could be a big draw for the local entrepreneurial meet-up groups such as OC Tech Startup, OC iOS Developers Group and Startup OC.

"There are bigger events with Chapman ... but nothing independent," said Melinda Kim, one of a handful of people who created PeopleSpace, which soft-launched in mid-October.

Kim left a management position at Burberry to start her own business in Orange County. She got involved in the local meet-up community and realized members didn't have a regular area to gather. That's when she began to develop PeopleSpace.

On tap for the coming year at PeopleSpace are pitch sessions, movie nights and hackathons, when developers try to solve a problem within a tight time frame. Organizers are working on a class schedule that will cover topics such as coding for adults and kids, and business basics.

"There will be people who want to put on their headsets and work," Kim said. "But they will also be here for the community space, to share and collaborate."