

# **The Power of Eds and Meds**

Urban Universities Investing  
in Neighborhood Revitalization  
and Innovation Districts



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Neighborhood Revitalization & Innovation Districts

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# Cities and Their Anchor Institutions

## What are Anchor Institutions?

Anchor institutions are universities, hospitals, sports facilities, performing arts, and other cultural facilities like museums and libraries, public utilities, and some large churches and local corporations. Although grouped under this single label, anchors differ in their reasons for being in a city – performing arts centers draw on a region’s audience; longstanding corporations see the city as a crucial part of its identity; and libraries offer a critical public service to the local community. Anchor institutions often benefit from city’s central location or public benefits, such as subsidies or facilitated land acquisition.

In many cities, anchor institutions are magnets for economic development and serve as engines of urban renaissance (or even survival). Their direct impact derives from their landholdings and capacity as large employers, revenue generators, goods and services purchasers, centers of human capital and economic cluster development, and service deliverers. Indirectly, they contribute to urban reinvention and civic pride; and attract coveted knowledge-industry workers and suburban spenders.

Anchor institutions fill important vacuums as footloose industries have fled cities to suburban campuses or even other countries. Rooted to a place by their investment in land, facilities, and/or their clientele, they frequently become the leading employers in their cities. Even in New York City, eleven of the top twenty-five private employers are anchor institutions with New York Hospital-Presbyterian Health Care System heading the list. In 2006, New York City anchors supplied 43 percent of the top 25 list’s total employment.

## Anchor Institutions as Civic Leaders

Many anchor institutions have consciously become important players in urban revitalization. Some anchors, understanding that their fates are closely tied to the health and well-being of the surrounding neighborhood and city, have devised broad development strategies that extend beyond their campus—University of Pennsylvania and Johns Hopkins University are two examples. These anchors broaden their functions, including local hiring and purchasing, community service, crime prevention, greening, sanitation, and education initiatives. Anchors like Arizona State University or Cal State San Francisco have chosen to locate new facilities downtown, thereby serving as critical elements in their cities’ overall redevelopment efforts.

Matching the anchor and city’s mission is the challenge for engaging anchors in urban revitalization. At times, anchor leaders can find themselves unprepared or ill-equipped to think beyond their immediate needs. Local government officials are equally challenged to identify areas of interdependence.

In some communities, anchors are fashioning alliances to address these problems. They are combining forces and tapping foundation or state budgets to leverage resources that achieve a broader mission. Cleveland has two such partnerships, both involving different types of anchors that focus on a specific geographic location. The 50-year old University Circle Inc. has galvanized more than 50 anchors, including Case Western Reserve University, the Cleveland Orchestra, Cleveland Museum of Art, Cleveland Museum of Natural History, Cleveland Public Library, University Hospitals of Cleveland and several churches to promote and advance physical improvements, and advocate for better municipal services and other changes in the square-mile around their operations. The other, a recently created consortium of Cleveland State University, Cleveland Institute of Art and several local corporations, aspires to make the city “the Milan of the Midwest” by creating the Cleveland Arts District which consolidates Cleveland’s dispersed industrial design capacity along a section of the city’s main street, Euclid Avenue.

These large partnership-driven initiatives among anchors are not unique to Cleveland. In the greater Baltimore area, sixteen institutions of higher education have formed an alliance to lobby local and state government to enhance supportive services like transportation. In Boston, efforts are underway to increase capacity at the government level; there, former Mayor Tom Menino appointed a special university liaison within the Boston Redevelopment Authority to ease intra-governmental/university relations.

### **Anchor Institutions and Local Politics**

The relationship between anchor institutions and local political environments is often centered on financing and development partnerships, land use decisions, and taxation strategies. Limited resources can often lead to competing interests. How anchors and local leaders navigate these challenges is where cities have the most to gain and lose.

Whether or not local political leaders can support anchor institutions often depends on the ability to calculate their influence on the economic health and vitality of their cities. These measurements can be hard to come by. For example, many anchors do not pay property taxes, offering instead PILOTS—payments in lieu of taxes—that are usually lower than the comparable real estate taxes. And according to Dun & Bradstreet, a leading source of commercial information, anchor revenue is a fraction of traditional corporations. Yet, in order to interpret accurately the value of these institutions, unique measurement tools are needed. The Dun & Bradstreet example does not fully capture anchor influence as it tracks only private entities and, even then, looks only at revenues. In the case of a private university, this calculation includes tuition but not alumni contributions or research grants, all of which play a role in local economies.

Finally, anchor institutions present complex political issues for city officials. They are not shy about lobbying for project support, but do not have concentrated voting power and can, at times, seek divergent goals. Furthermore, their activities, especially expansion into neighborhoods, can provoke intense local opposition, echoing through mayoral offices of city council halls. The degree of contention spurred by an anchor institution's actions depends on the anchor's history of community participation or outreach, the political environment, and other locally drive factors. It is not unusual for university-community negotiations to experience delays as a result of contention, particularly in the case of traditional anchors like universities and hospitals.

### **The Power of Eds and Meds: Urban Universities Investing in Revitalization and Innovation**

Urban universities and their associated medical centers are important “industry clusters,” making strong contributions to the economic bases of their host communities and beyond. Their “product,” knowledge, takes many forms: education, research, and commercial applications. Like yesterday's corporations, they provide their cities with tangible benefits, such as employment, improved landholdings, and capital attraction and expenditure. They also offer intangible advantages through participation in civic affairs, as well as the prestige lent by their location in a given city.

Yet today's “Eds and Meds” are quite different from yesterday's corporations. They do not directly engage in profit-making activities; they market themselves to a wide variety of constituents. They do not pay local property taxes; they often supply municipal services, confer “in-kind” contributions or technical assistance, and contribute PILOTS. Finally, their ever-growing specialized spatial needs tend to be lateral rather than vertical (i.e. low buildings not skyscrapers), often conflicting with those of their surrounding neighborhoods. When these types of disputes arise, community members will use—or threaten to use—their votes to influence elected officials to oppose institutional growth.



Eds and Meds are committed to their physical locations: they own valuable real estate, they depend on local labor pools, and, sometimes, their missions require that they remain geographically rooted. Yet, like the firms of yesteryear, these institutions are not so geographically “sticky” as they may at first appear. The business models on which they have depended since post-World War II are shifting rapidly, as their leaders strain to stay abreast of state, national, and international trends. Among the leaders’ growing concerns are:

- The emergence of massive on-line open courses (MOOCs),
- The growth of international satellite campuses,
- The diminishing levels of federal research funding.

Further complicating the work of these institutions at the local level is the fact that Eds and Meds leaders are selected for their scholarly, administrative, or fundraising prowess—not their abilities to negotiate the murky waters of community and economic development. Finally, these institutions, whether private or public, are facing severe financial strains, as they compete for scarce resources—especially in the United States, where higher education has become a necessary entry card to the workforce that, at the same time, is becoming increasingly unaffordable for many students.

In this publication, we share case studies that explore the important questions related to institutions’ investments in neighborhood revitalization and innovation districts. Each case explores a university whose work extends beyond campus, including:

- **University of Pennsylvania’s** multi-decade West Philadelphia Initiatives, an effort to revitalize the surrounding neighborhood, and the Campus Compact, an initiative that is connecting Penn to its eastern neighborhood—Philadelphia’s downtown—and incorporating a new innovation district.
- **Harvard University’s** efforts to expand its Allston campus—envisioned as a science and enterprise district—and foster connections to the main Harvard Yard campus, while also investing in neighborhood revitalization that reimagines the area for residents and students alike.
- **University of Chicago’s** endeavor to transform a major section of Chicago’s 53rd Street, a primary commercial corridor for its neighborhood, into a vibrant Hyde Park destination.
- **Cornell University’s** commitment to build a new campus, in partnership with Technion-Israel Institute of Technology, on New York City’s Roosevelt Island. In addition to contributing substantially to the city’s applied sciences sector, the Cornell NYC Tech campus emphasizes innovation and entrepreneurship, fostering deep interactions between academia and industry.
- **Johns Hopkins University’s** partnership with several government, philanthropic, and business actors to revitalize the community surrounding the university’s medical campus in East Baltimore.
- **Columbia University’s** efforts to address its own space constraints through a new campus in Manhattanville, while also conceiving of development that integrates, as opposed to excludes, the surrounding urban neighborhood.

### Acknowledgements

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Lawrence Nussdorf's contributions made possible Penn IUR's Roundtable on Anchor Institutions (PRAI)—a convening of anchor institution leaders to discuss common issues and innovative best practices. *The Power of Eds and Meds*, held on October 31st through November 1st, 2013, was the third PRAI event in a series that previously considered arts and cultural institutions (2010) and ballparks (2011). The case studies presented in this publication originated with materials and discussions from the university anchor institution roundtable. Craig Carnaroli and Anthony Sorrentino provided the vision for *The Power of Eds and Meds* roundtable and, on behalf of the Office of the Executive Vice President, co-hosted the event.

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### Contributors

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# University of Pennsylvania

PHILADELPHIA, PENNSYLVANIA

## Connecting Penn: From Neighborhood Revitalization to Tech Park

In 2004, when the University of Pennsylvania welcomed its eighth president, Amy Gutmann, she already had a strong vision for her administration—a vision that encompassed Penn’s academic mission and the stewardship of the campus. Gutmann soon presented two integrated plans—the *Penn Compact* and *Penn Connects*—that together articulated her goals for the University. The *Penn Compact* called for increasing student access to Penn, integrating knowledge across the University, and leveraging Penn resources both locally and globally. *Penn Connects*, a thirty year campus development plan, built on earlier work including the ongoing revitalization efforts in West Philadelphia and upheld the promise Penn made to the surrounding neighborhood to restrict westward expansion of the campus.

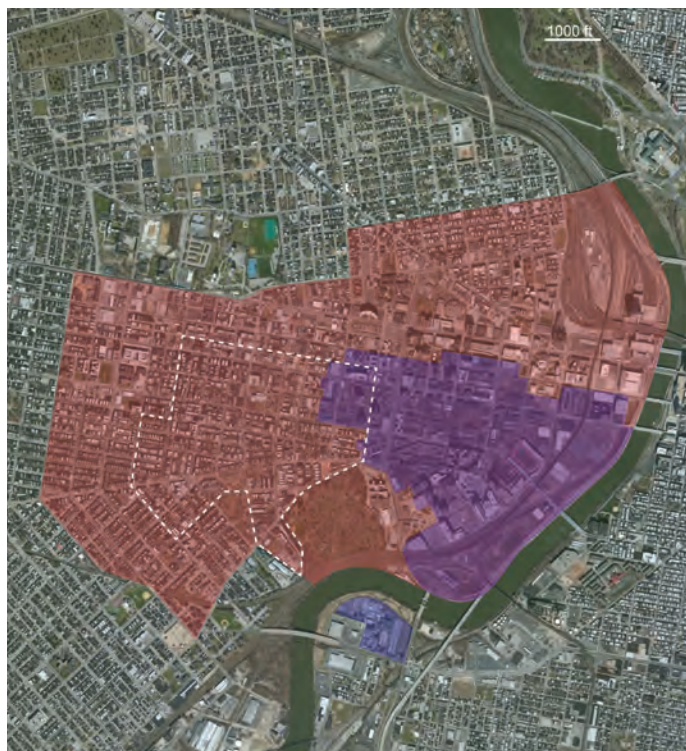
This case explores the opportunities and challenges of connecting Penn’s academic mission with the development of its campus and environs. In recent years, Penn’s endeavor has encompassed two elements: updating the West Philadelphia Initiatives (WPI), Penn’s neighborhood revitalization strategy, and developing a long-term vision for Penn’s two major property acquisitions: the U.S. Postal lands (twenty-four acres purchased in 2007) and the former DuPont Marshall Research Lab (twenty-three acres purchased in 2010).

### West Philadelphia Revitalization

In the early 1990s, problems common to many U.S. inner cities plagued West Philadelphia: soaring crime against people and property; low rates of home ownership—less than 20 percent in a city with 55 percent homeownership rates; residential and commercial property blight and high rates of property vacancy; and above average poverty, unemployment, and school dropout rates. Covering fourteen square miles and holding 14 percent of the city’s population, West Philadelphia had experienced a rapid transition in the forty years between 1950 and 1990 as it lost a third of its population, down from 330,000 at its 1950

peak to 219,000 in 1990. Concurrently, the percentage of the Black population rose from 17 percent to 77 percent, augmented by an influx of newcomers from the American South, the Caribbean, and Africa.

In University City—the portion of West Philadelphia that immediately abuts Penn—the population declined less precipitously (only 25 percent) and stabilized around 50,000 in 1990. However, many other indications of decline were present. Large portions of the middle class, including Penn faculty and staff, had fled to the suburbs. Increasingly, students chose to live in Center City, a half mile from campus, instead of University City. Commercial corridors were derelict, blocks of row houses were abandoned, and apartment buildings were crumbling. The streets and sidewalks were littered with broken glass, empty crack vials, and garbage; they were devoid of pedestrian traffic. The local public schools were disastrous by any educational measure.



Location of the University of Pennsylvania campus (purple), South Bank campus (blue), University City District (red), and the Penn Alexander School catchment district (outlined in white)



## THE POWER OF EDS & MEDS

The situation was unfavorable for the University of Pennsylvania, but it wasn't until multiple tragedies occurred over a short span of time that the University realized how terrible the situation had become. Between 1994 and 1996, two Penn graduate students were murdered only a few blocks from campus in two separate incidents and a senior was shot during a robbery near the undergraduate residential quad at 40th and Spruce. Parents were in an uproar, and 1,000 students signed a petition calling for action. Penn's Board of Trustees, its then-President Judith Rodin, and senior administrative leaders took action publicly acknowledging that the fates of the local community and the University were linked.

To address the challenges before them, Penn's leadership engaged the mayor, Penn stakeholders, and community partners. To guide these deliberations they hired TCB Inc., an award-winning Boston firm experienced in developing mixed-income communities in tough situations. The result was a coordinated, five-point approach, now known as the West Philadelphia Initiatives (WPI). Experimental, risky, expensive, and unproven at the time, the WPI have since received extensive positive publicity and been noted for their thoughtful comprehensiveness, inclusivity, cohesion,

and realism. Motivating the WPI was the desire to return the neighborhood to a mixed-use, racially and economically diverse, commercially vibrant place for a wide range of people—current residents, Penn faculty and staff, students and newcomers.

The following strategies comprise the WPI:

1. *Promoting a safe and clean environment:* Penn increased the size of its armed police force and enlarged the force's patrol zone. Along with other institutional partners, it formed the University City District, a special district charged with supplementing municipal services with public space and tree maintenance, additional street lights and signage, and district campaigns to brand the area and attract visitors and customers to local businesses.
2. *Supporting employee housing:* Penn provided incentives to its employees to purchase or rehabilitate homes in a defined geography of West Philadelphia, which the University believed would have a stabilizing impact. It also purchased and rehabilitated selected abandoned properties, some for resale and others, primarily large apartment buildings, for rent.



An artist rendering of the Penn Connect Vision, a plan to increase the University's accessibility to and from the riverfront while maintaining a promise to restrict campus expansion into the surrounding neighborhoods. Image provided by the University of Pennsylvania.





Typical rowhomes in West Philadelphia (left) and a trolley passes Baltimore Avenue shops south of campus (right). Photos provided by the University of Pennsylvania.

3. *Engaging in commercial development:* Penn converted the underdeveloped land on the edges of campus into lively retail and mixed-use spaces. Depending on the property, Penn employed one of three approaches, serving as: a sole developer, a joint venture and co-investor with private partners, or a lessor of land to private developers.
4. *Building economic inclusion:* Penn developed the “Buy West Philadelphia” program, a targeted procurement initiative to support local small businesses and service providers. It sponsored technical assistance and support systems to train small businesses to do business with Penn. Penn mandated that all capital campus projects valued at \$5 million or more would certify that twenty-five percent the construction contracts were awarded to minority-, women-, veteran- or disabled-owned companies.
5. *Investing in public education:* Penn worked with the School District of Philadelphia and the teachers unions to develop a new neighborhood-based public K-8 school. Penn donated the land, managed building construction, helped develop the curriculum, and pledged \$800,000 in annual operations support to the District-run school for a ten-year period—support was recently extended to 2022.

Starting in 1997, Penn carefully began a phased implementation of the WPI. From the beginning, Penn pledged to restrict its westward expansion and engage with the community in future planning processes, thus alleviating some community fears of unwanted campus expansion. However, some still felt Penn was practicing a special brand of gentrification, labeled “McPenntification.”<sup>1</sup>

As Penn leadership implemented and refined the WPI, they also worked with the Olin Partnership to create an urban design framework for Penn’s campus (Campus Development Plan 2001), a process preceded by physical planning for academic needs. Simultaneously, they poured \$1.5 billion into the construction of 3.5 million square feet of instructional, residential, and research space. This convergence elevated the separate planning initiatives into a single comprehensive approach, a strategy that has continued to the present. The urban design results are expressed in the openness of pathways, transparency of facades, human-scale dimensions of buildings, and the new and varied commercial development and dramatic increase of open space in and around the campus.

After President Rodin retired in 2004, President Gutmann renewed Penn’s commitment to the

1. The term “McPenntification,” a phrase used by opponents to Penn’s involvement in West Philadelphia, originated in 2001. A community activist organization began using the term to protest Penn’s plans to rehabilitate multi-family residential buildings and revitalize the 40th Street corridor, including the relocation of a McDonald’s at 40th and Walnut Streets (well-used by neighborhood residents). The organization alleged that the WPI would gentrify the neighborhood, displacing existing residents and businesses. Over time, the “Mc-“ part of the term was dropped, but opponents to the WPI still a common term employ “Penntification”.



Neighborhood residents enjoying the Clark Park Market in University City (left) and the Penn Alexander School (right). Photos provided by the University of Pennsylvania.

neighborhood and held fast to its promise to restrict westward expansion. Working with Sasaki Associates, she released *Penn Connects* aimed at redeveloping underutilized parcels to the east of campus.

Meanwhile, Penn Trustees and administration regularly monitored WPI progress; after fifteen years, Craig Carnaroli, Penn's Executive Vice President, called for a broader assessment. In spring 2012, Anthony Sorrentino, Carnaroli's chief of staff, working with a research assistant, City Planning Ph.D. student Meagan Ehlenz, discovered following trends for the period between 1990 and 2010:

- *Population:* University City, up three percent to 46,500; the Penn Alexander School (PAS) portion of the neighborhood up, nearly ten percent.
- *Racial composition:* Whites, no change; Blacks, down thirty percent; Asians, up seventy-two percent.
- *Homeownership:* in University City, rates unchanged (17 percent in 2010); in PAS, rates up three percent (18 percent in 2010). Nearly 1,000 Penn-affiliated households participated in WPI's mortgage incentive programs since 1998.
- *Poverty rates:* in University City, poverty rates down 10 percent and median incomes down 18 percent; in PAS, poverty rates down 22 percent and median incomes up 16 percent.
- *Crime and safety:* Crime rates, down 50 percent since 1996.

- *Economic development:* Penn purchased more than \$100 million from local vendors, annually—up 2 percent to 13 percent; since 1999, minority owned businesses represent 25 percent of all construction hires and 39 percent of contract expenditures.
- *Commercial development:* Retail square footage up 37 percent since 1998, reaching more than 412,000 square feet of retail. Retail rents per square foot increase 54 percent since 1999 to \$400 (2010).

Sorrentino and Ehlenz reported other phenomena to which the neighborhood strategy likely contributed:

- The number of undergraduate applications increased, while university selectivity rose to an all-time high with a 12 percent acceptance rate.
- The *Making History Campaign*, a fundraising campaign launched in October 2007, generated record-breaking donations of nearly \$5 billion.

By all accounts, the WPI has been successful in addressing the immediate threats of crime, poverty, and blight that were plaguing University City, and helped make University City a neighborhood of choice in Philadelphia.

Penn is now in a position to reevaluate the WPI and consider what the University's role might look like over the next decade. Safety and security initiatives continue to be important, including investment in the University City District and in Penn's public safety infrastructure. But now the University must consider a question of





Recently finished Krishna P. Singh Center for Nanotechnology (left) and the Inn at Penn, located in the University Square development (above). Images provided by the University of Pennsylvania.

how it might adjust its approach in an appreciating neighborhood. Penn no longer needs to incentivize households to move to University City—the success of the ten year old public elementary school, rising home values, and neighborhood amenities are now the incentives. Instead, home values are now pricing some out of the market and the concern has shifted towards affordability. In addition, the unqualified success of the PAS, which is at capacity, presents a challenge for Penn and policy makers, raising questions about enrollment size, classroom size, and guaranteed admission if one resides inside the District approved catchment area. The School District responded last year by adding a lottery system to the PAS admission process.

### Recent Property Acquisitions

Between 2006 and 2010 Penn added forty-seven acres along the Schuylkill River corridor including the acquisitions of twenty-four acres from the United State Post Office, and the twenty-three acres from the DuPont Corporation campus. Nearly fifty consolidated acres larger, Penn is now undertaking long term planning to revitalize underperforming land with new uses.

#### *U.S. Postal Lands*

In 2007, Penn engaged in a complicated real estate transaction with its purchase of the U.S. Postal lands, located four blocks northeast of Penn's campus. The deal included the main post office building (862,000 square feet), the adjacent Post Office Annex, and fourteen acres of surface parking lots. Penn sold the

post office building to Brandywine Realty Trust, a Radnor PA-based real estate investment trust (REIT), that, in turn, leased the building to the IRS. Next, Penn issued a ninety-year lease to Brandywine for the Post Office Annex site where the REIT first built a 1,200 vehicle parking structure, with street level retail. The collapse of the national financial market in 2008-2010 delayed the rest of the project until 2012; Brandywine partnered with Campus Crest Communities to build a thirty-three-story tower containing 850 units of market-rate graduate and professional student housing, scheduled to open August 2014. In May 2014 Brandywine announced an office building with FMC Corporation as the lead tenant; Penn will also occupy the building, agreeing to lease 100,000 square feet for twenty years. Penn retained fourteen acres of contiguous land on the east side of the campus for development of Penn Park, an athletic facility with ample open space for the Penn community and neighborhood residents. When it opened in 2012, it offered the new gateway to campus from Center City specified in *Penn Connects*.

Penn Park also incorporates two unique features—the Weave Bridge, a 145-foot engineering marvel raised above rail tracks that divides the park; and an elaborate drainage system, capable of retaining 13,000 cubic meters of rainwater in its massive underground storage tank, thus relieving pressure on the City's overworked sanitary sewer system.

### *South Bank*

Penn's 2010 acquisition of DuPont's defunct Marshall Research Labs, a mile and a half from Penn, presents an opportunity to develop a new purpose-built facility that supports regionally significant research and innovation among scholars and entrepreneurs. Philadelphia's economic development authority, the Philadelphia Industrial Development Corporation (PIDC), agrees. PIDC designated South Bank as the central feature of a planned innovation district in its recently released *Lower Schuylkill Master Plan* that repurposes 4,000 acres of former industrial land along the lower Schuylkill River. Planning firm WRT developed a master plan for South Bank, one designed to achieve Penn's expressed goal for its development of "a dynamic campus environment that drives technology-led economic development, fosters broad-based collaboration with Penn's leading researchers, supports business innovation and promotes the development, transfer, and commercialization of cutting edge research (*Penn Connects 2.0*)."

While the master planning was underway, Penn installed what a visiting *Philadelphia Inquirer* reporter called "a fascinating jumble" of uses at South Bank, including: a range of back office functions, such as the headquarters for Penn Transit; storage for its hotel—the Inn at Penn, Penn Bookstore, and Penn Athletics. But the site also hosts several exciting research facilities, which align with the central vision for South Bank, including: the Vet School's Working Dog Center; a bio greenhouse for research into organic drug

therapies; and KMEL Robotics, a start-up established by a leading Penn Engineering researcher that develops flying quadrotors. South Bank is also the headquarters for a new local beverage company, and Philadelphia's Free Library has leased space to build and maintain a rare book conservation lab.

### **Background: University of Pennsylvania, Planning the Modern University**

Founded in 1740 by Benjamin Franklin to provide a practical, secular education to the young men of Philadelphia, the University of Pennsylvania is the nation's first university. At its inception, the institution offered undergraduate degrees in the liberal arts as well as professional training in medicine and law. In its earliest years, it occupied two campuses in the colonial-era heart of Philadelphia. In 1872, having outgrown these downtown locations, Penn's trustees relocated the University to a ten-acre campus west of the Schuylkill River. As Penn flourished in the succeeding decades, it acquired more land—by 1900 its campus had grown to fifty acres with thirty buildings including College Hall, Logan (now Claudia Cohen) Hall, Houston Hall, Fisher Fine Arts Library, multiple dormitories, a museum, a power plant and laundry, hospitals and laboratories, and buildings for the new Veterinary, Dental, and Engineering Departments.

From Penn's inception, distinguished designers guided campus development. They ranged from Thomas Webb Richards who created College Hall, Penn's first



Rendering of Circa Center South, an extension of the successful Circa Center, located on the US Postal Lands (left) and Penn Park, which replaced an unused rail yard (right). Images provided by the University of Pennsylvania.



academic building, to Weiss Manfredi whose dramatic Singh Center for Nanotechnology opened in fall 2013. In the intervening years, Penn has acquired and built on the land that, today, composes 14 million square feet of urban campus with 160 buildings. Over this period, notable milestones include: the 1956 conversion of Locust Street to the pedestrian promenade of Locust Walk, running from 34th to 40th Streets through the heart of the campus; and university participation in urban renewal programs in the 1950s and 1960s that yielded several academic buildings, three residential towers, the University City Science Center (the first university research park in the United States), and nearby University City High School for Science and Technology, where generations of Penn students have taken part tutoring and service learning projects. Over time, Penn grew to be Philadelphia's largest private employer with 31,000 employees, an operating budget of \$6 billion, an endowment of \$7.7 billion, and nearly \$900 million in sponsored federal research annually.

### University of Pennsylvania and the West Philadelphia Neighborhood

The cost of Penn's postwar expansion, however, came at a price. The school's massive growth left, in its wake, one neighborhood—known as “Black Bottom” and located north of Penn's campus—with its fabric undone by demolition and physically isolated from the prosperous oasis of the nearby campus. In the 1950s, urban universities and hospitals qualified for the nation's urban renewal program; this program funded two-thirds of a qualifying project's costs. At the time, universities were under great pressure to upgrade their long-neglected existing facilities, barely cared for during the Depression and World War II, and to build new ones to meet the demands of larger student populations and increased federal research funding. West Philadelphia institutions, including Penn, Drexel University, the University of the Sciences, and Presbyterian Hospital, worked with Philadelphia's Redevelopment Authority (RDA) to designate and redevelop more than 165 acres of blighted areas around their campuses. The RDA's most controversial action was when it used its eminent domain powers to take “Black Bottom,” a lively, low-to-moderate income African American neighborhood of about



*A rendering of a full build out scenario for the recently acquired South Bank campus. Image provided by the University of Pennsylvania*

5,000 residents. The area was cleared to make way for the development of the University City Science Center, an urban research park, and the University City High School, and new public high school. This left a bitter legacy that, collectively and individually, the institutions are still trying to alleviate.

Throughout the 1990s, the lingering effect of Penn's expansion was felt in tensions between “town and gown.” The aforementioned WPI involved new methods of community outreach, which took at least ten years to solidify. Ultimately, the effort has fostered more trust between the institution and surrounding neighbors; however, nothing is taken for granted and, to avoid sparking new tensions with each new development project, university planners take proactive steps to engage local citizens. This type of civic engagement is useful and productive, but is not a perfect solution; the process can considerably slow development progress. For instance, one project is more than ten years behind owing to the public approval process. This is the price paid for planning *with* a neighborhood, as opposed to planning unilaterally for a neighborhood, as in the urban renewal days.

### Penn's Economic Impact

Penn's economic impact on the Commonwealth grew by 46.5 percent since 2005, translating to a 7.9 percent compound annual growth rate. Some believe this growth helped buffer the state and the city from the global recession between 2008-2010. Other data reveal:



*College Hall, an example of the Gothic architecture found on campus. Image provided by the University of Pennsylvania.*



*Student residential towers under construction in the late 1960s. Image provided by the University of Pennsylvania.*

- Penn is the second-largest private employer in Pennsylvania with more than 31,000 employees and an annual payroll of \$2.3 billion; it indirectly supports 57,200 jobs, \$4 billion in wages and \$172 million in taxes in the city, and 145,500 jobs, \$6.1 billion in wages and salaries and \$382 million in taxes in the state.
- Penn attracts nearly \$900 million annually in funding from the federal government and other sources, yielding 5,400 jobs, \$240 million in wages and salaries and 11 million in taxes in the city, and 15,500 jobs, \$650 million in salaries and wages, and \$42 million in state taxes.
- Penn's capital investments total \$463 million in direct expenditures, fostering \$653 million in indirect expenditures and yielding a total statewide impact of \$1.12 billion.
- Penn's \$5.2 million operations budget leverages \$7 billion in indirect spending.

### **Conclusion**

Overall, the Penn case argues that universities are important for cities, as demonstrated by the Penn-Philadelphia relationship today. Beyond being the city's largest private employer, Penn has made and continues to make significant investments in the city's physical assets—land and buildings. In the end, these investments enable Penn to operate much as a corporation would, making large annual direct contributions to Philadelphia's economy.



# Harvard University

CAMBRIDGE, MASSACHUSETTS

## Extending the Campus and Enhancing the Neighborhood

Harvard is building a campus for the next century, one where students, faculty, staff and neighbors can learn, live, work, play and innovate. Over the next ten years, Harvard growth and revitalization in Allston will total more than 2.5 million square feet, including 1.4 million square feet of new development identified in the University's recently approved 2013 Institutional Master Plan (IMP).

To implement this vision, Harvard's IMP identified nine key projects, planned for construction over the course of the next decade. Additionally, there are several other University projects, permitted separately, which will contribute to a reimagined future for Allston.

### The Institutional Master Plan Overview

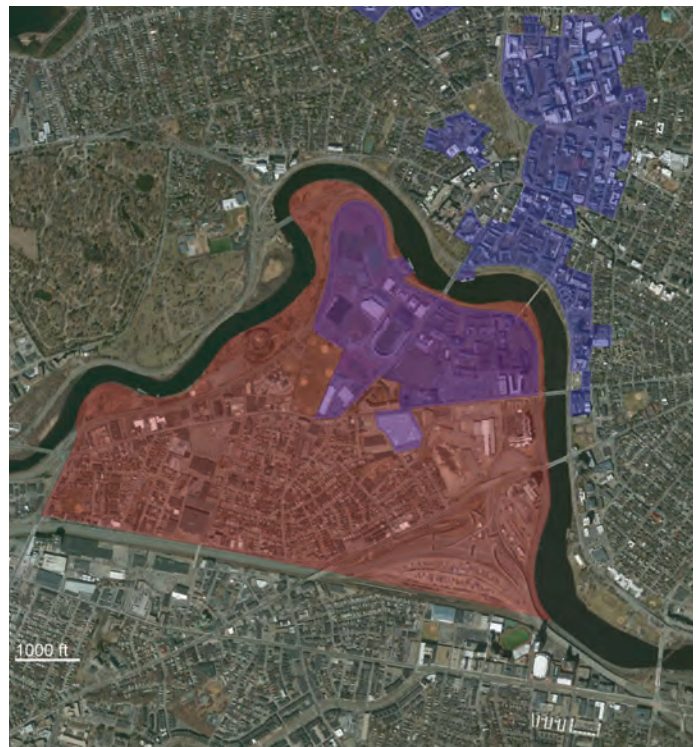
On October 17, 2013, the Boston Redevelopment Authority (BRA) unanimously approved Harvard's Ten-Year Institutional Master Plan (IMP), its much-discussed expansion program that outlines the development of four districts in Boston's Allston neighborhood: Barry's Corner—a mixed-use residential/commercial nexus where the university community meets the neighborhood, and three additional districts centered on academic, science and enterprise, and athletic uses.

The IMP proposes six new construction projects—three new academic and administrative buildings totaling 340,000 square feet at the Harvard Business School (HBS), a 300,000-square-foot mixed-use project at Barry's Corner, a mixed-use facility and basketball venue totaling more than 300,000 square feet, and a 250,000-square-foot hotel and conference center. Additionally, the IMP identifies three existing buildings for renovation—Harvard Stadium, an HBS building, and a graduate student housing complex.

Two days after the BRA approved the 2013 IMP, the *Boston Globe* reported “Harvard's plan... in Allston has cleared a major hurdle, delighting University officials while reviving concerns among neighbors who have

long criticized the expansion” (October 19, 2013). This last phrase, “reviving concerns,” hints of the tumult characterizing Allston's “town-gown” relationship in the past several years.

In addition to the IMP projects, construction on a new science facility will support the University's School of Engineering and Applied Sciences (SEAS). Harvard previously constructed the facility's foundation as part of the University's 2007 growth plans, but paused construction in 2008 due to the global economic crisis. The University has now restarted the project, which is being revised in order to house a majority of the SEAS. Harvard also entered into a partnership with a third-party developer, Samuels and Associates, to develop a new residential housing and retail project. Currently under construction, the project will support 325 new units of market-rate rentals and ground floor retail. Additionally, the University is pursuing a number of ongoing property stewardship and greening activities.



Location of Harvard's main (blue) and Allston (purple) campuses, and the Lower Allston neighborhood (red).



*Proposed uses for Harvard's Allston campus, based upon the Allston Working Team recommendations. Image provided by Harvard University, 2013 IMP.*

This case explores Harvard’s efforts to expand the University’s footprint Allston—an expansion that provides breathing room from the traditional, but congested, Harvard Square and Harvard Yard in Cambridge. The proposed expansion would shift Harvard’s center of gravity, making the Charles River a central feature between two linked campuses. In the process, the University wishes to balance the institution’s needs for instructional and research space with the community’s need for economic development, enhancing an economically and socially diverse mixed-use neighborhood that, while relatively underutilized, is full of potential.

**Historical Perspective: 2007 Institutional Master Plan**

In 2007, before the economic downturn, Harvard submitted its previous IMP for approval by the BRA. Shortly thereafter, local residents’ objections reached the pages of the *Boston Globe*. That ambitious fifty-year vision proposed a 250-acre campus wedged between Harvard Stadium and the Harvard Business School to the north and the Allston community to the south. The neighborhood feared that the proposed ten-million-square-foot development would overwhelm the area with excessive traffic and activity. The 2007

plan—now recalibrated in the 2013 IMP to reflect changing academic needs—included a twenty-year development program, specifying more than 5 million square feet of new academic facilities, student housing, and cultural amenities; that development would be followed by an additional 4 to 5 million square feet of academic space in the subsequent thirty years.

The centerpiece of the 2007 IMP was the “Harvard Allston Science Center,” a 1-million-square-foot research and instructional facility designed to enhance Harvard’s position in the sciences. In addition, science facilities at Harvard were projected to grow in subsequent phases, reaching 4 to 5 million square feet in size. A second important idea was the conceptualization of Barry’s Corner, located at the intersection of Western Avenue and N. Harvard Street, into a mixed-use center, reminiscent of Harvard Square, for the Allston neighborhood.<sup>1</sup> Lastly, Harvard anticipated the wholesale relocation of some schools from the Cambridge campus, the addition of graduate and undergraduate student housing and administrative offices, the expansion of HBS, and the construction of cultural amenities (museums, performing arts center).

Harvard’s timing was unfortunate. Several sites were cleared and construction of the first physical

1. As described further below, this project would require the relocation of residents in an existing subsidized housing apartment complex to new housing one-quarter mile away, and the demolition of the older buildings (which had reached the end of their useful lives).



manifestation of the Allston vision—the Harvard Allston Science Complex—began in 2007. However, the global financial crisis of 2008 had lasting impacts for Harvard and its endowment shrank by nearly 30 percent. In light of these significantly changed economic circumstances, Harvard paused construction and worked to reassess academic needs and available resources.

The pause in construction left a massive foundation at the Science Complex site, as well as a number of vacant buildings and lots. The Allston community expressed frustration at these conditions, which percolated throughout the economic downturn. In response, in December of 2009, Harvard President Drew Gilpin Faust issued a letter to the University community outlining Harvard’s next steps in Allston in three phases: property stewardship, leasing, and community engagement; planning and greening; and, as resources allowed, campus development. President Faust also created the Allston Work Team, a group of Deans, faculty members and alumni charged with

recommending strategies for achieving a cohesive scientific, academic, and learning environment in Allston.

**Background: Harvard University and Its Campuses**

Harvard University was established in 1636. The nation’s oldest institute of higher education, Harvard’s initial mission was to educate clergy but, over time, the school gradually became more secular and attracted other students. It expanded its offerings beyond theology to traditional arts and sciences at the undergraduate level and to professional education in Medicine (1782) and Law (1817). Today, Harvard has twelve schools, enrolls 33,000 students (6,700 undergraduate and 26,300 graduate and professional students) and employs 27,000 faculty and staff. It has three primary campuses: the main campus, containing the school’s original seventeenth-century buildings, is set within 209 acres in the city of Cambridge; a second campus, the Longwood Medical Area (LMA), occupies 21 acres three miles south of Harvard’s main campus,

**NEW CONSTRUCTION**

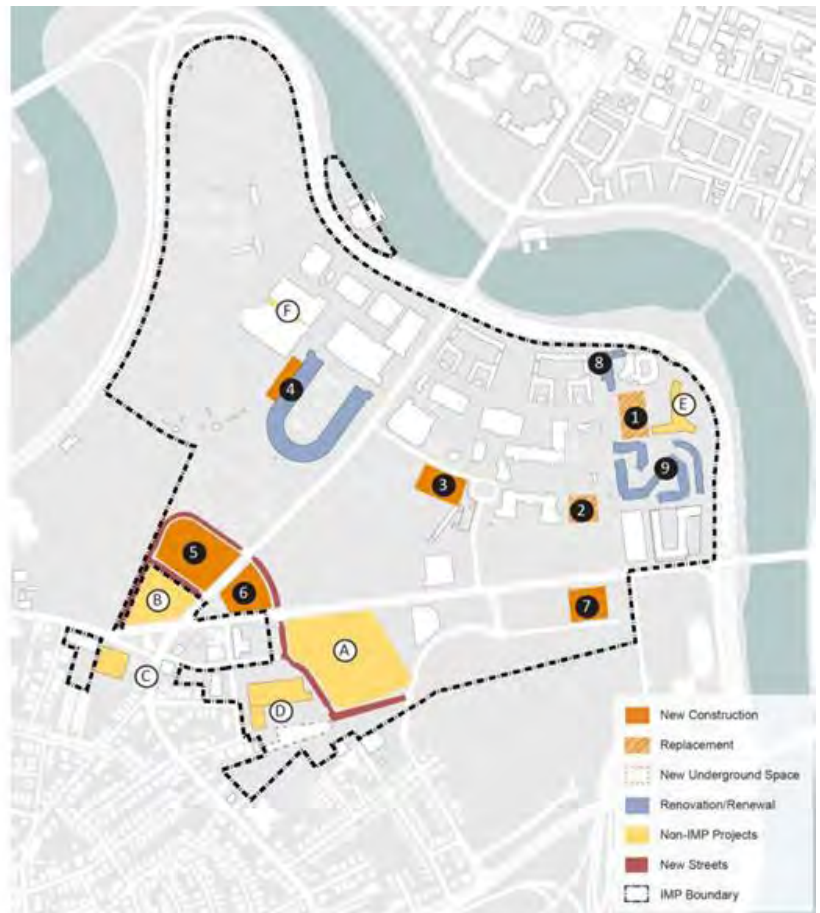
- 1. HBS Chao Center (Kresge Hall Replacement)
- 2. HBS Burden Hall Replacement
- 3. HBS Faculty & Administrative Office Building
- 4. Harvard Stadium Addition/Renovation
- 5. Mixed Use Facility & Basketball Venue
- 6. Gateway Project
- 7. Hotel & Conference Center

**RENOVATION**

- 8. HBS Baker Hall Renovation
- 9. Soldiers Field Park Housing Renovation

**NON-IMP/ PROJECTS UNDERWAY**

- A. Science Center
- B. Barry’s Corner Residential & Retail Commons
- C. 224 Western Avenue
- D. 28 Travis Street
- E. Tata Hall



List and map of the ten-year projects within the Allston campus as designated in the 2013 IMP. Image provided by Harvard University.

south of the Massachusetts Turnpike and adjacent to Boston's "Emerald Necklace" (an extensive chain of parks and parkways); and the third campus, the Allston Campus, currently encompasses 358 acres directly across the Charles River from the main campus.

Centered on the historic Harvard Yard, the main campus currently contains the undergraduate College and most of the graduate and professional schools. It is adjacent to Harvard Square, a vibrant transportation hub with many shopping, dining, and entertainment options. Most undergraduate students live in one of the twelve college houses arrayed on the main campus, while graduate and professional students live in the surrounding neighborhoods. Fully built out, this campus has limited options for infill development and none for expansion as it is surrounded by well-established neighborhoods.

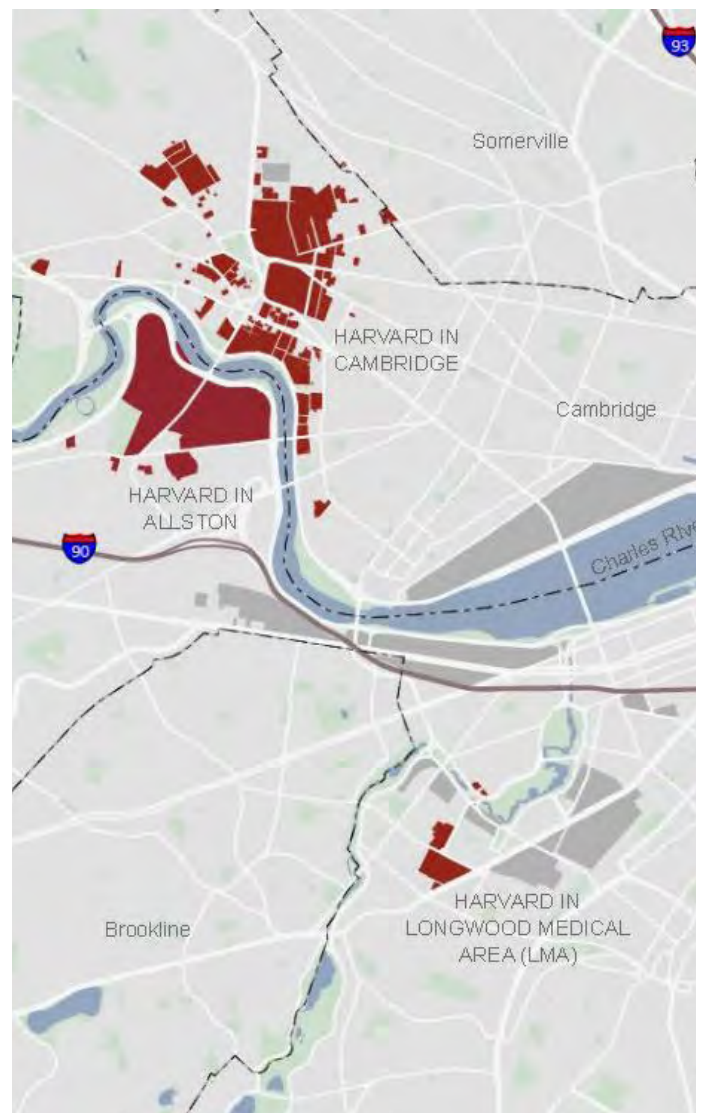
The Schools of Medicine, Dental Medicine, and Public Health dominate the LMA campus. These schools are a central part of the Boston region's medical services and research cluster. In addition to Harvard's Schools, several Harvard-affiliated hospitals and medical research centers, as well as unaffiliated institutions, are located adjacent to the LMA. As with the Cambridge campus, the LMA is largely built out and constrained by the established neighborhoods and conservancy areas surrounding it.

Harvard's Allston campus—one-and-a-half times the size of the Cambridge campus—straddles either side of N. Harvard Street along the Charles River and offers ample opportunity for growth. It has been home to Harvard Stadium since 1903 and HBS since 1908. The last major expansion in the area occurred in the 1970s, when Harvard enlarged its recreation and athletic facilities. In total, the Allston campus includes approximately 3.5 million square feet of space including: HBS buildings (1.8 million square feet); athletic facilities (0.5 million square feet); other university-affiliated buildings (1.1 million square feet); and other non-institutional uses (0.3 million square feet). In addition, Harvard owns several properties that it leases to non-Harvard users, as well as undeveloped/underutilized properties. When the 2013 IMP is fully implemented, the Allston campus will have expanded

to nearly 5 million square feet.

### Background: Allston

Allston, Boston's western-most neighborhood, is bounded by the Charles River and Cambridge to the north and Brookline to the south and east. Annexed to Boston in 1874, Allston was originally an industrial neighborhood characterized by rail yards and stockyards. By the early twentieth century, it became more residential, although industrial and rail uses remained along the riverfront. The Massachusetts Turnpike splits the roughly 3.5-square-mile neighborhood, dividing the northern section (referred to as Lower Allston) and southern portions of the neighborhood.



Harvard University campuses within Boston and Cambridge. Image provided by Harvard University.





Existing conditions including the Allston Campus and Weeks Pedestrian Bridge. Photo by Mark Flannery.

Lower Allston is approximately one square mile in size and is quieter than the southern portion of Allston. The northern portion of Lower Allston is largely institutional or industrial. As previously described, Harvard's campus is located along the Charles River. To the east, CSX Railroad and the State of Massachusetts control the landscape through transportation easements, encumbering Harvard's underlying land ownership rights purchased in 2000 and 2003. CSX and Harvard have entered into an agreement outlining the process by which the easements will ultimately be yielded to the University. There are also a number of underutilized warehouses and light manufacturing buildings on the eastern edge of the neighborhood, many of which are located on Harvard-owned property.

Located in the southwestern section, Lower Allston's residential area consists of Victorian-style single-family homes and small multi-family buildings with modest yards, built along tree-lined streets between 1890 and 1920. The majority of residents are renters; homeownership rates vary between 25 percent and 35 percent in the core residential area. A small number

of neighborhood-scale retail operations and a library front N. Harvard Street, a primary north-south street in Lower Allston.

Western Avenue, the major east-west thoroughfare of Lower Allston, divides the neighborhood, separating its southwestern residential blocks from its primarily industrial and institutional blocks to the north and east. The Brighton Mills Shopping Center, automobile dealerships, large parking lots, and a number of small-scale light industrial uses abut the corridor.

### Post-Economic Crisis Planning for the Allston Campus

As noted, implementation of the 2007 IMP faltered. The University, however, remained committed to the idea of expanding its campus and investing in Allston. When Faust became University President in 2007, she hired Katherine (Katie) N. Lapp as her Executive Vice President, giving her leadership of the Allston campus expansion.<sup>2</sup> From 2009 to 2011, Lapp worked with the Allston Work Team to develop recommendations for a revised development approach in Allston. As

2. Lapp had previously been the Executive Vice President for Business Operations at the University of California, the Executive Director of the Metropolitan Transit Authority, and had worked for city and state government in New York.



Existing land uses in the Lower Allston neighborhood. Image provided by Harvard University.

part of their process, the team reviewed past planning efforts, visited other universities, and developed a set of recommendations.

In September 2011, Lapp took the Work Team’s recommendations to the Harvard Corporation—the President and Fellows of Harvard College, who subsequently endorsed them. The recommendations supported the idea that:

- University campus expansion should be focused on actionable development during the next decade and should not rely solely on university resources to support that development.
- The University’s Allston land holdings should be viewed in segments, each with its own land-use objectives.
- The University must accommodate its anticipated academic growth; Allston provides immediate opportunities to expand innovative, interdisciplinary science, sustain momentum in innovation and research, and create new housing, in addition to other types of academic growth.
- The University should explore opportunities for co-development with the private sector and other entities that would be consistent with

university goals and preserve options for long-term institutional development.

Following this endorsement, the University began a two-year planning process, which culminated in the most recent IMP, approved in October 2013. The process was not without tension, however; over the course of more than twenty community meetings, neighbors worked with university planners to address concerns about the plan, including issues relative to traffic, engagement, benefits, and process.

While the new IMP was being developed, the University worked to be a good neighbor to the Allston community and, although the Science Complex project was “paused,” the University continued to move forward implementing the \$25 million community benefits agreement (CBA) tied to the development project (later the CBA would total \$38 million). CBA projects and new developments included: developing and constructing a new Innovation Lab on Western Avenue, which brings together many cross-school interests, fosters team-based and entrepreneurial activities, and deepens interactions among students, faculty, entrepreneurs, and the community; completing community improvement projects such as the nearly two-acre Ray Mellone Park, opened in the summer of 2011; bringing



more than twenty new businesses and nonprofits to Allston; and continuing to invest in community programming, including the Harvard Allston Education Portal.

There have been critiques that Harvard’s “latest master plan for Allston has shrunk from a 10-million-square-foot, ‘transformative’ vision for the area to an overly cautious, 1.4-million-square-foot ‘nexus where campus and community meet’” (*Boston Globe*, September 22, 2013). However, Harvard believes the 2013 IMP is more realistic than its 2007 predecessor and creates opportunities to spur private development that supports the new vision. Beyond developing its Allston campus to meet growing institutional needs, under Lapp’s direction, Harvard’s vision extends to catalyzing economic development in Allston and in the region.

### Status of the Allston Campus Expansion

Barry’s Corner lies at the intersection of Western Avenue and N. Harvard Street. The redevelopment of this corner will, when complete, serve as the central link between the Allston campus and community. Currently, the northeast corner of Barry’s corner contains the Charlesview Apartments, an affordable housing complex dating from 1971. The housing complex is now decommissioned and slated for demolition, and its tenants have been relocated to the new Charlesview Residences development—implemented through a combination of financial contributions and a land swap between Harvard and Charlesview, Inc., owner of the 1971 complex, and financed with low-income housing tax credits—further down Western Avenue. The site of the Charlesview Apartments will be used for a 300,000-square-foot mixed-use building with retail on the ground floor and Harvard administrative offices on the upper floors. The site will also provide land for future academic expansion.

Across N. Harvard Street, the northwest corner of Barry’s Corner will be redeveloped as a new Residential and Retail Commons. Redevelopment of this portion of Barry’s Corner began in December 2013; ultimately, it will include 325 units of market-rate housing and 45,000 square feet of retail space. Harvard is working with a third-party real estate partner, Samuels and

Associates, to advance this project. The southern sections of Barry’s Corner currently include a new pizzeria, converted from a former gas station, and a Harvard-funded community center, which houses the ceramics program and provides a larger space for the Education Portal.

Located on Western Avenue, two blocks east of Barry’s Corner, is the soon-to-be restarted Science Complex construction site. The anticipated completion of the Science Complex will redefine the eastern length of Western Avenue as a Science and Enterprise District; this district, as noted, will eventually include a hotel and conference center. In the long term, Harvard envisions that the Science and Enterprise District will expand to include an Enterprise Research Campus, “a nearly thirty-six-acre collaborative community for business, investment capital, research and science development” (IMP 2013, 67).

The Harvard Innovation Lab (i-Lab), opened in 2011, is a hugely successful project that complements the future vision for the Science and Enterprise District. The i-Lab bridges Harvard’s academic need for dedicated innovative and entrepreneurial space with the University’s desire to engage with the community. Located in a 30,000-square-foot former TV station—where Julia Child’s series *The French Chef* was once taped—and across Western Avenue from the future Science Complex, the i-Lab is intended to help students and faculty grow their ventures at any stage of development, encouraging collaboration across academic disciplines and the larger community. In addition to providing flexible workspace and amenities (WiFi, café, fully-stocked kitchen, technology resources etc.), the i-Lab offers technical assistance to support ideas from concept to implementation. Members of the Allston community are encouraged to utilize the community lobby workspace, while the i-Lab collaborates with a number of community partners, including the Small Business Administration, the Center for Women and Enterprise, and the Massachusetts Small Business Development Center, to host community events and provide technical resources to neighborhood businesses and entrepreneurs. Since its opening, the i-Lab has hosted more than 1,100 events, had more than 22,000 student

## THE POWER OF EDS & MEDS



Existing Ed Portal, future development site



Barry's Corner Residential & Retail Commons



Harvard Innovation Lab (i-Lab)



Ray Mellone Park



224 Western Avenue - Future home of the Ceramics Program and Ed Portal



Stone Hearth Pizza



Swiss Bakers



Honan-Allston Library

Many active uses are planned for Barry's Corner and the Harvard Innovation Lab (i-Lab). Image provided by Harvard University.

and 40,000 total visits the facility, and realized more than 200 unique project teams, many of which have gone on to become startups.<sup>3</sup>

In crafting the 2013 IMP, Harvard has engaged the community in a number of participatory planning sessions, ultimately agreeing to a \$38 million CBA. The CBA provides direct community benefits for education, arts, and culture; public health; scholarships; workforce development and housing;

physical improvements and greening initiatives; and contributions and volunteerism.<sup>4</sup> These community investments, paired with the development projects identified in the 2013 IMP, represent a renewed vision for Harvard in Allston. Instead of proposing an ambitious fifty-year development vision (as in the 2007 IMP), the University has instead adopted a more well-rounded approach, emphasizing academic and research needs set within the context of a community center.

3. Some of the many businesses that got their start in the i-Lab include:

**Mark43:** A software system for police work, was started by three Harvard undergraduates

**MyLingo:** A phone app that translates audio files into different languages in real-time

**Vaxess Technologies:** A vaccine transport and delivery system, was founded on a business idea born in a Harvard classroom to improve vaccine delivery in developing countries

**Plastiq's:** An online platform that enables consumers to use credit cards for payments when they previously could not, such as for tuition, taxes, utilities, and rent, was founded by two recent Harvard alums

4. One example of the CBA is the Harvard Allston Education Portal. Started in 2008, it provides mentoring and enrichment opportunities in science, math, writing, and public speaking through after-school and weekend programming for neighborhood children. It also includes year-round athletic programs and summer activities, as well as adult enrichment programs. Other initiatives include the Harvard Allston Workforce Collaborative, supporting job training and skills development for Allston residents, and the Harvard 20/20/2000 Affordable Housing Initiative, leveraging Harvard's financial and intellectual resources to fill financing gaps for affordable housing projects in Allston.

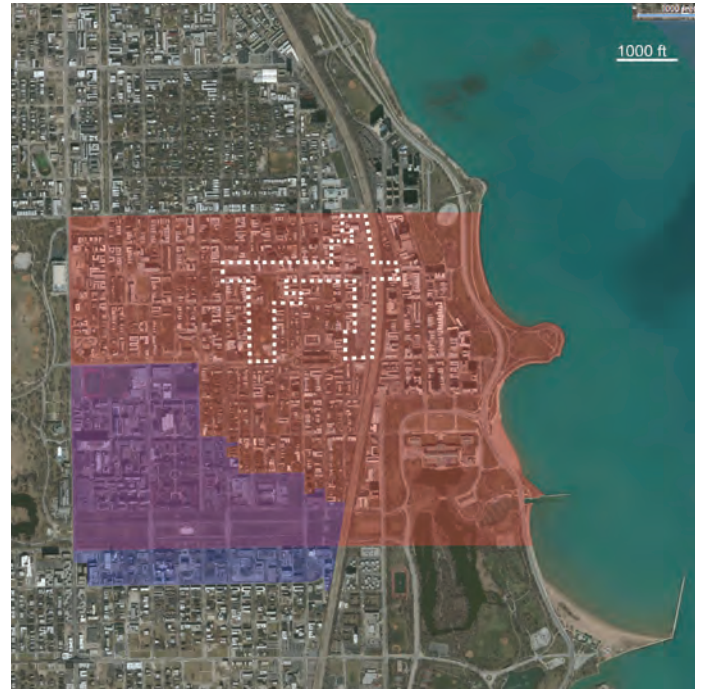


# University of Chicago CHICAGO, ILLINOIS

## Contributing to a Vibrant South Side of Chicago

By January 2014, the University of Chicago will have transformed a major section of Chicago's 53<sup>rd</sup> Street Commercial Corridor, a six-block long strip to the north of the University of Chicago campus, into a vibrant Hyde Park destination. The University of Chicago has taken an active role in its revitalization begging the question: What lessons can be learned from progress to date and what issues remain to be solved?

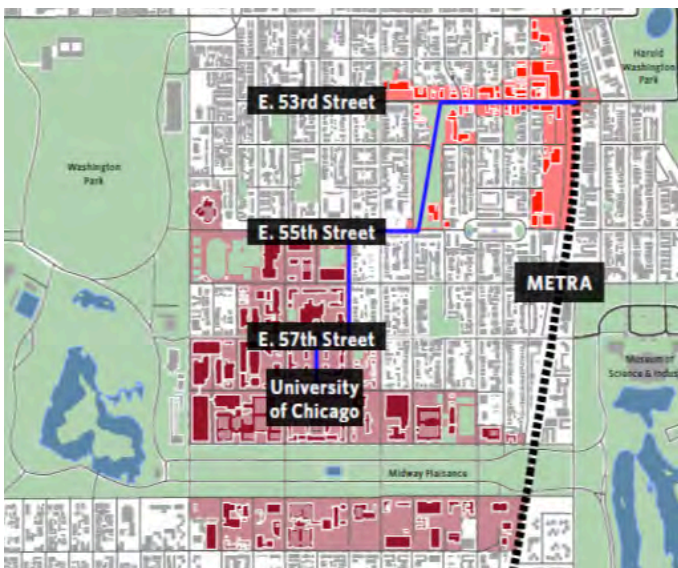
Dubbed a “once in a generation” commercial redevelopment opportunity by the *New York Times*, efforts to revitalize 53<sup>rd</sup> Street aim to create an area supportive of the University of Chicago's academic and residential surrounds. “We've always been very competitive when it comes to providing a great intellectual community. But we found there was something missing when we looked at the quality of life for students and faculty who are used to the kinds of amenities you find in places [like] New York, Boston, and Palo Alto... Over the years and particularly in the 1950s and '60s, there was a lot of development aimed at creating a barrier around the campus. We're now trying to reverse that trend,” reported David Greene, the University of Chicago Executive Vice President, in describing the project (*New York Times*, October 23, 2012).



Location of the University of Chicago campus (blue and purple), Hyde Park Neighborhood (red), and the 53<sup>rd</sup> Street redevelopment area (outlined in white)

Located less than ten blocks from the center of campus, 53<sup>rd</sup> Street has long been an important but underused commercial corridor for the University and its surrounding Hyde Park community. For years, residents had discussed the need to redevelop the street but, until the University of Chicago committed significant resources to developing and implementing a vision for it, their aspiration was a dream.

53<sup>rd</sup> Street's revitalization involves the development of two anchors: a mixed-use retail and entertainment hub on the street's eastern end and a residential development on its western end. The strategy is to catalyze private development, particularly high-end and neighborhood retail and restaurants, between the two anchors. Development efforts on 53<sup>rd</sup> Street are progressing in two phases. As of October 2013, Phase I was nearly complete. This phase created the eastern anchor, located on 53<sup>rd</sup> Street between S. Lake Park Avenue and S. Harper Avenues. Situated immediately west of the elevated Metra line, the new retail and entertainment hub serves as a gateway to the corridor



Proximity and connection between 53<sup>rd</sup> Street and the University of Chicago.





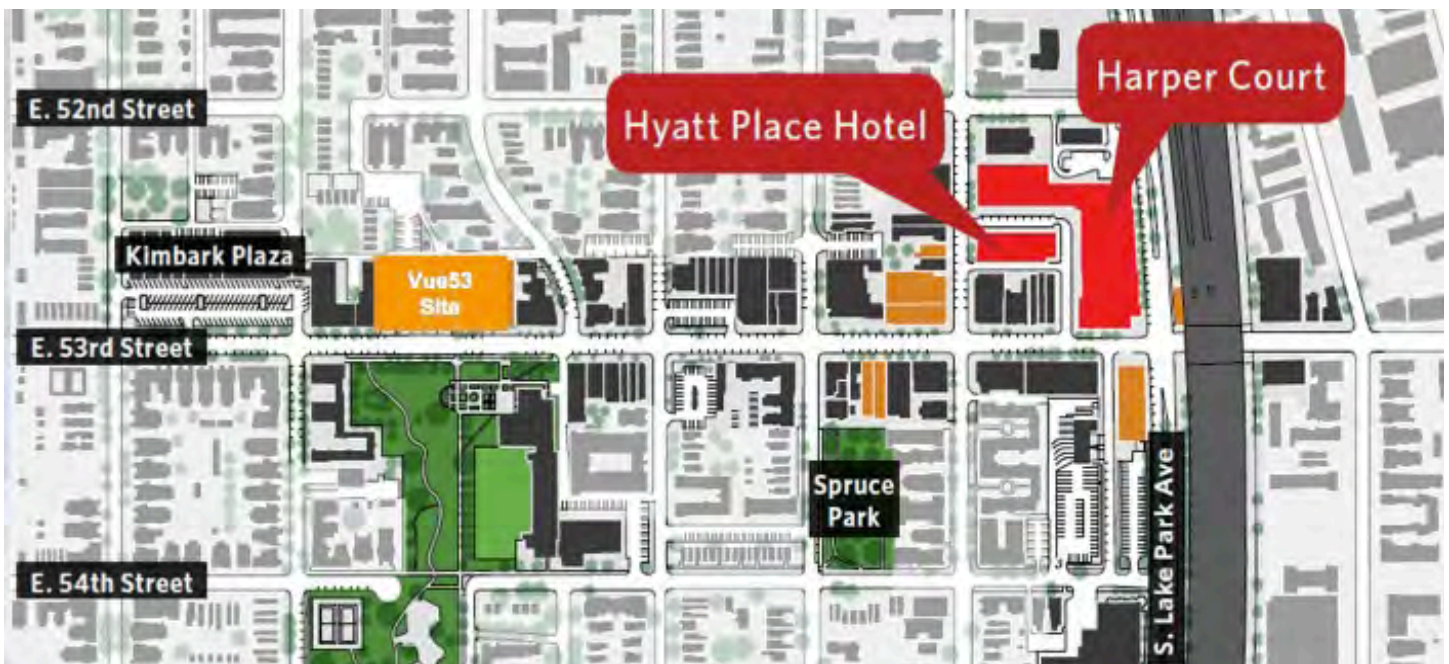
Pre-revitalization conditions on 53rd Street. Photo provided by University of Chicago.

and the Hyde Park neighborhood. It is composed of three major projects:

- Harper Court is a \$125 million, privately developed mixed-use retail, office, parking garage, and hotel development comprising two structures. The first is an L-shaped building, with a twelve-floor glass office tower at one end. The University occupies this tower, while the remainder of the building has approximately 77,000 square feet of retail space and an integrated parking garage. As of October 2013, the retail space was 84 percent leased to a variety of businesses, including six eateries (ranging from Starbucks and Chipotle to three mid-priced Chicago restaurants opening second locations in

the Hyde Park development), a 33,000-square-foot LA Fitness center, Ulta Beauty, and Villa Shoes. The second building, separated from the retail and office complex by a private street, is a six-floor, 131-room Hyatt Place hotel, which represents the first new hotel built in Hyde Park in nearly fifty years. It fills a demand for hotel rooms by tourists, business travelers, families of University of Chicago students, and people using the University of Chicago Medical Center.

- Harper Theater is a renovated movie theater owned by the University located across from Harper Court on S. Harper Avenue. The former theater sat vacant for several years before its purchase by the University in 2002. It continued to languish unused until 2011, when the University renovated the building's exterior and subdivided the former auditorium into a small, four-theater cineplex. Run by The New 400 Theaters, a small local operator, the theater shows first-run movies. Since opening in December 2012, it frequently sells out. Also included in the cineplex are two restaurants, Five Guys, a fast-casual burger chain, and A10, an upscale restaurant operated by popular Chicago restaurateur Matthias Merges. A final addition to the theater redevelopment project is the University of Chicago's Innovation Exchange, a 17,000-square-foot innovation, technology, and entrepreneurship



53rd Street revitalization site map, illustrating the locations of proposed (and recently completed) mixed-use and residential anchors. Image provided by University of Chicago.



Rendering of Harper Court, the new mixed-use anchor on the east end of 53<sup>rd</sup> Street. Image provided by University of Chicago.



The new marquee is installed on Harper Theater, renovated as part of the 53<sup>rd</sup> Street Revitalization Plan. Photo by Robert Kozloff, University of Chicago.

hub. The space will be used as a flexible incubator for start-up companies and innovations, promoting collaboration and innovative exchange across the University. It will be located on the second floor of the theater and open in late 2014.

- The Akira Building is a two-story retail renovation. This building, which formerly housed a Borders Booksellers, is on the south side of 53<sup>rd</sup> Street across from Harper Court. When the project is complete, the building will house a number of retail, restaurant, and service businesses: Akira, a popular Chicago-based apparel retailer, opened its flagship store in November 2012, occupying 7,600 square feet on the ground floor; Core Power Yoga, which opened in May 2013 in a 4,500-square-foot studio on the second floor; and, by 2014, The Promontory, a gastropub that will occupy 3,800 square feet on the ground floor, and The Pointe, an entertainment venue that will occupy 7,000 square feet on the second floor.

The University of Chicago is acting as the real estate developer for the Harper Theater and Akira Building projects, investing in their renovation and serving as landlord after completion. At Harper Court, the University provided financing guarantees and will be the tenant for the office tower. As part of broader revitalization efforts, the University of Chicago, a landlord for numerous buildings in the area, has rehabilitated the exteriors of several facades along the 53<sup>rd</sup> Street corridor and is searching for retail tenants. To date, the University has successfully attracted

several local businesses to the 53<sup>rd</sup> Street area. For example, in December 2012, it rented a 2,300-square-foot storefront adjacent to the movie theater to a Hyde Park resident who opened Kilwins, a confections store franchise. In another building, the University is providing rent-free space to local “pop-up” retailers, aiming to fill vacant storefronts, provide opportunities to local retailers, and test-run a retail mix (for business owners and neighborhood residents alike) through this very hip, short-term commitment. The University’s long-term goal is to attract a mix of national and local businesses.

Mesa Development, a private developer, recently kicked off the next phase of redevelopment with Vue53, a residential project with ground floor retail on a one-acre site. This will be the corridor’s western anchor, located on the north side of 53<sup>rd</sup> Street between S. Kenwood and Kimbark Avenues. Mesa expects to complete construction by the fall of 2015. The project will replace a gas station with a one-block-long mid-rise building comprising 267 apartments (studios, one bedrooms, and two bedrooms) on the upper floors and 28,600 square feet of retail on the ground floor. Although the development is not publicly subsidized, the company is setting aside 15 percent of the apartments for low-income households.

There are discussions underway between the city of Chicago and the Chicago Park District to improve Nichols Park, which sits directly across 53<sup>rd</sup> Street from the new residential project, during the second phase



of the project. Enhancements to Nichols Park would create a key pedestrian link between the campus to the south and the commercial district on the north.

### **Background: University of Chicago**

Founded in 1890 by the American Baptist Education Society with a hefty donation from John D. Rockefeller, the University of Chicago sits on 211 acres between Hyde Park and Washington Park. Envisioned as a co-educational, secular institution, the University opened in 1892 with undergraduate and graduate programs. Today it enrolls 15,000 students—5,000 undergraduate students and 10,000 graduate and professional students—and employs 17,000 faculty and staff.

In addition to bachelor's degrees, the University offers advanced degrees in the biological sciences, physical sciences, humanities, and social sciences, as well as in six professional areas; professional schools include the Chicago Booth School of Business, the Divinity School, the Harris School of Public Policy Studies, the Law School, the Pritzker School of Medicine, and the School of Social Service Administration. In addition, the University's Graham School of Continuing Liberal and Professional Studies offers continuing education courses. Also occupying the campus, the University of Chicago Medical Center, established in 1927, consists of the Bernard A. Mitchell Hospital, the Corner Children's Hospital, the Chicago Lying-in Hospital,

and the Duchossois Center for Advanced Medicine. The University advances science and technology through partnerships with affiliated laboratories: Argonne National Laboratory, Fermi National Accelerator Laboratory, and the Marine Biological Laboratory in Woods Hole, Massachusetts. Finally, the University operates twelve research institutes, including the Oriental Institute and the Institute for Molecular Engineering, along with more than 100 research centers. The Laboratory Schools—a K-12 program with 1,700 students in four integrated schools: nursery and kindergarten school, lower school (grades one through four), middle school (grades five through eight), and high school (grades nine through twelve)—act as an academic home for the youngest members of the University of Chicago community.

The University of Chicago's campus is seven miles south of the Loop (the city's central business district) on Chicago's South Side. It lies primarily within the Hyde Park neighborhood; the historic Hyde Park, created for the 1893 Chicago World's Columbian Exposition, lies to the east of the campus and Washington Park lies to the west. The Midway Plaisance, a linear park also built for the World's Columbian Exposition, divides the northern and southern parts of campus. The University's recognizable architecture combines Gothic and modern styles representative of their respective development periods. The campus's earlier buildings



*New flagship retail location for Akira in a renovated building. Photo provided by University of Chicago.*



*Vue53, new residential anchor currently under construction, part of the 53rd Street Revitalization Plan. Image by Mesa Development LLC.*

tend to be inward looking, offering a private, “do not enter” message to the passerby. Recent buildings, while respectful of the historic design context of the campus, are more transparent—often relying heavily on glass in their facades—and are intentionally designed to be more accessible and approachable to the public realm, with primary entrances and small plazas fronting the public sidewalks.

### **Background: The Hyde Park and Woodlawn Neighborhoods**

The Hyde Park neighborhood developed in the 1850s as a streetcar suburb, offering a peaceful retreat to wealthy families. In 1889, two years before the incorporation of the University of Chicago, the City of Chicago annexed the township of Hyde Park, which consisted of most of Chicago’s present-day South Side; even after annexation, the 1.65-square-mile historic area continued to be called Hyde Park. The eastern portion of the neighborhood, bounded by Lake Michigan and the Metra line, primarily contains mid- and high-rise residential buildings. Many of the complexes were hotels in the early twentieth century that were converted to housing in the 1930s and 1940s. The western section of Hyde Park, which lies immediately adjacent to the University, consists of low-rise apartment buildings, traditional Chicago flats—brick, three-story walk-up apartments, and single-family brick homes, some of which have been converted into multi-family buildings. In 2010, nearly 26,000 people lived in the Hyde Park neighborhood, less than half the number living there at its peak in 1950 (see urban renewal discussion below). Hyde Park is one of the city’s most diverse neighborhoods; its population is 47 percent White, 30 percent Black, 12 percent Asian, and 6 percent Hispanic. In 2010, the poverty rate was nearly 25 percent (Chicago’s poverty rate was 21 percent) and the median household income was \$45,000 (Chicago’s was \$47,000).

The Kenwood neighborhood to the north is similar to Hyde Park—the area is relatively diverse, has a similar poverty rate, and includes a mix of single-family homes and low-rise apartment buildings and flats. Woodlawn, a two-square mile neighborhood on the south side of the Midway Plaisance, is substantially



*Hyde Park neighborhood in 1952, with the University of Chicago in the distance. Photo by Mildred Mead, University of Chicago Photographic Archive.*

different. It is predominantly Black (87 percent) and has a median income of \$27,400 and a poverty rate of 38 percent. In 2010, the population was 26,000, less than one-third what it was at its peak in 1950 (81,300). While residential building styles in Woodlawn are similar to those of Hyde Park, the density of the neighborhood is considerably lower as large swaths of land lie vacant.

### **University of Chicago and its Neighborhood: A Long History of Engagement**

Until the mid-1930s, Hyde Park’s population was predominantly white and affluent, with diverse housing choices, retail, and public amenities, as well as a prestigious university. However, World War II brought severe housing shortages to Chicago due to both a moratorium on construction and the rapid influx of lower-income, primarily African American, residents migrating from the South in search of work. In Hyde Park, many landowners retrofitted homes and hotels into small apartments to meet increased demand; many of the retrofits were of poor quality and did little to ease overcrowding. The combination of blight, caused by hasty and substandard retrofits, and dramatic racial change created fear among many of the original, more affluent residents. As a result, many wealthier residents moved out of Hyde Park, as well as adjacent neighborhoods, into newly built suburbs at the city’s periphery. As they left the area, incomes fell and crime rates increased.



By the mid- to late-1940s, Hyde Park residents and University of Chicago administrators perceived the increasing deterioration of the neighborhood as an immediate threat to the stability of their homes and Hyde Park more broadly. Residents, many of whom worked at the University, formed the Hyde Park-Kenwood Community Conference (HPKCC), a grassroots style organization, in 1950 and the South East Side Commission (SECC), a university-neighborhood partnership, in 1952.

For the next several years, the HPKCC and SECC, along with the city government, engaged in the development and implementation of a broad-scale urban renewal plan for Hyde Park, a program made possible by the 1954 Housing Act amendments that allowed universities to participate in urban renewal projects. Four years later, on November 7, 1958, the Chicago City Council approved the contentious plan, which targeted an 856-acre area for urban renewal and marked approximately 101 acres for demolition. The plan proposed extensive rehabilitation for 2,400 residential buildings that escaped demolition; it called for the addition of open space and of new, small-scale shopping centers to replace obsolete commercial uses. The plan also recommended the construction of 3,000 new dwelling units, as well as the expansion of university facilities. As the plan was implemented, Hyde Park's demographics changed dramatically: for example, by the mid-1960s, incomes rose by 70 percent and the African American population declined by 40 percent.

Today, the University of Chicago continues to influence the development of its Hyde Park neighborhood, although its approach now takes a very different form. Gone are the highhanded clearance tactics of the past. In their place are community engagement policies that fall into five thematic areas:

1. *Integrated campus development.* The University's development projects are designed to blend into the community. New projects utilize open space and create publicly accessible ground floor spaces (e.g. community rooms, retail space) to increase engagement with the neighborhood
2. *Arts-fueled urban transformation.* The Arts and Public Life Initiative, led by Theaster Gates, uses the arts to spur interaction between the University and the community, with an emphasis on local artists and youth. The flagship project, the Washington Park Arts Incubator, opened in March 2013 and is the University's first physical expansion into the Washington Park neighborhood. The incubator includes exhibition space, artist residencies, and workshops for neighborhood youth.
3. *Improved urban education.* The University's Urban Education Institute (UEI) is an initiative that "creates knowledge to produce reliably excellent urban education" ([uei.uchicago.edu](http://uei.uchicago.edu)). UEI consists of four elements: the Consortium on Chicago School Research, an applied research initiative; the Teacher Education Program, an educational initiative that trains exemplary teachers and develops urban education tools; the Charter



Washington Park Arts Incubator. Photo provided by University of Chicago.



School program, a pre-K-12 pathway program including four campuses on the South Side of Chicago; and UChicago Impact, an initiative that develops high-quality, research-based diagnostic and training tools to produce excellent urban schooling.

4. *Employment and Business Outreach.* The University provides skills training and resources for local residents within Hyde Park. Strategies for workforce development include enrichment programs, community workforce liaisons, and affordable commercial rents in university-owned buildings.
5. *Catalytic community development.* The University is investing substantial resources to revitalize the South Side of Chicago. Efforts to catalyze development along 53rd Street are a premiere example of university-supported efforts to rebrand Hyde Park as a diverse, vibrant neighborhood full of opportunities for work, recreation, entertainment, and learning.

The success of the University of Chicago's approach to community engagement is evident in the durability of its investments and the evolution of its role in Hyde Park. The University has moved past the point of putting out the proverbial fires of blight and high crime rates. Instead, on-the-ground evidence suggests that the institution's focus is now on neighborhood maintenance and catalyzing investment. The University's substantial commitment to the revitalization of the 53<sup>rd</sup> Street corridor illustrates a strategy designed to leverage investment, instead of quelling immediate threats.



# Cornell NYC Tech NEW YORK, NEW YORK

## *Beating the Competition: Cornell and New York City*

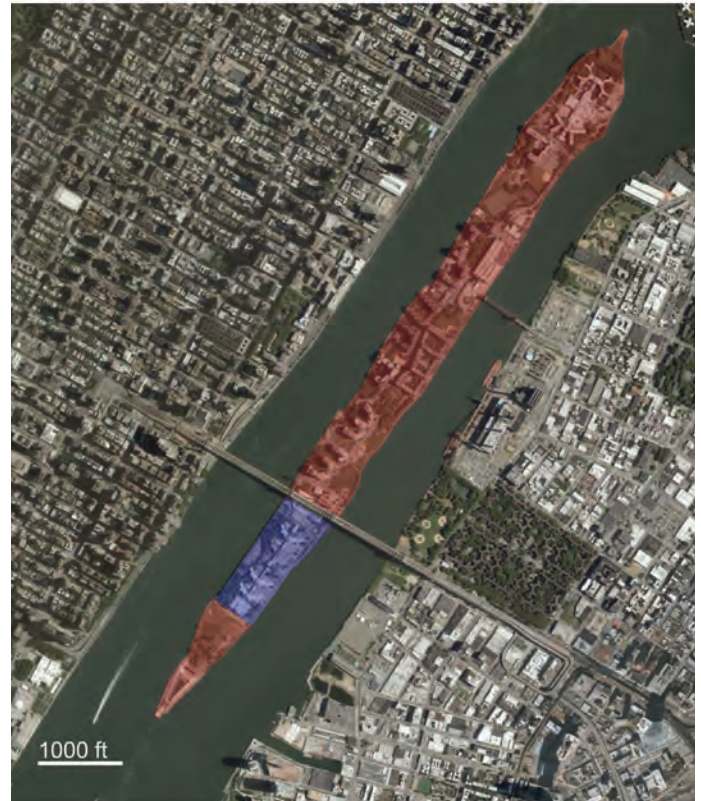
### Background: New York's Quest to Become an Applied Sciences Hub

“City Seeks Partner to Open a Graduate School in Engineering” heralded the *New York Times* on December 16, 2010 in describing Deputy Mayor Robert Steel’s maiden public speech in which he announced the launch of Mayor Michael Bloomberg’s Applied Science Initiative. This global competition to attract a top-level engineering school to the city was a controversial move as the city already had several world-class universities, such as Columbia, NYU and others. Nonetheless, Steel claimed that—despite having more university students than Boston had total population—the city wanted to attract another world-class institution with deep research and educational capacities in the applied sciences. With the tech sector emerging as a leading force in the economy, city leadership felt it did not have enough tech-focused talent to compete with San Francisco’s Silicon Valley or the Boston region’s Technology Corridor.

This case examines how a university consortium responds to an unusual but lucrative municipal competition to open up a satellite campus at some distance from the individual partners’ home campuses. Among the questions that the selected universities are confronting are: how to demonstrate their economic impact on the city and how to craft academic- and community-supporting programs of mutual benefit over the several decades required for the completion of the project.

Although one of the strongest, most robust economies in the world, New York City was well behind its competitors in the number of engineers per capita, in R&D expenditures per capita, and in start-ups in applied science fields. Tech companies simply were not coming to New York.

As a city with a long history of reinventing itself—it had been a center of sugar refining and other export products in the nineteenth century and a leader in



*Location of the new Cornell NYC Tech campus (blue) on Roosevelt Island (red).*

the garment industry in the twentieth century, it now depended too much on finance, an industry shedding jobs in the aftermath of the 2008 crash. In response, New York City leaders seized upon the Applied Sciences Initiative as an opportunity to stimulate growth in the applied science sector and rebrand the city as a center for technology start-ups and entrepreneurship. The competition was high-stakes with the winner taking rich rewards—free land and substantial funding.

In his speech, Steel announced a Request for Expressions of Interest (RFEI) issued by the New York City Economic Development Corporation (NYCEDC). Within seven months, the city had received eighteen expressions of interest from twenty-seven institutions (several institutions submitted joint expressions of interest) and had published its Request for Proposals (RFP). The RFP asked the proposed projects meet the following criteria:

- The institution must focus on applied science fields with an emphasis on solving real-world problems through cutting-edge innovation, while fostering links with New York's industry clusters.
- The primary uses must target academic research, classroom, and core facility space, although residential, commercial incubator, conference facility, and amenity (e.g., retail, dining, hotels) space would be permitted as ancillary uses.
- At full build-out, the development must represent a substantial investment of capital and human resources, including a strong physical presence, a substantial graduate, doctoral, and post-doctoral enrollment, and hundreds of active research faculty.

The RFP also specified that the ideal institution (or institutional partnership) would:

- Be internationally recognized as a leader in applied sciences;
- Have the financial and administrative wherewithal to implement large-scale development;
- Possess experience in significant campus development and/or expansion; and
- Propose a compelling vision that would help New York become a recognized leader in technology innovation.



New York City Mayor Bloomberg announces the joint Cornell-Technion winning proposal for a Roosevelt Island applied science campus. Photo by American Technion Society.

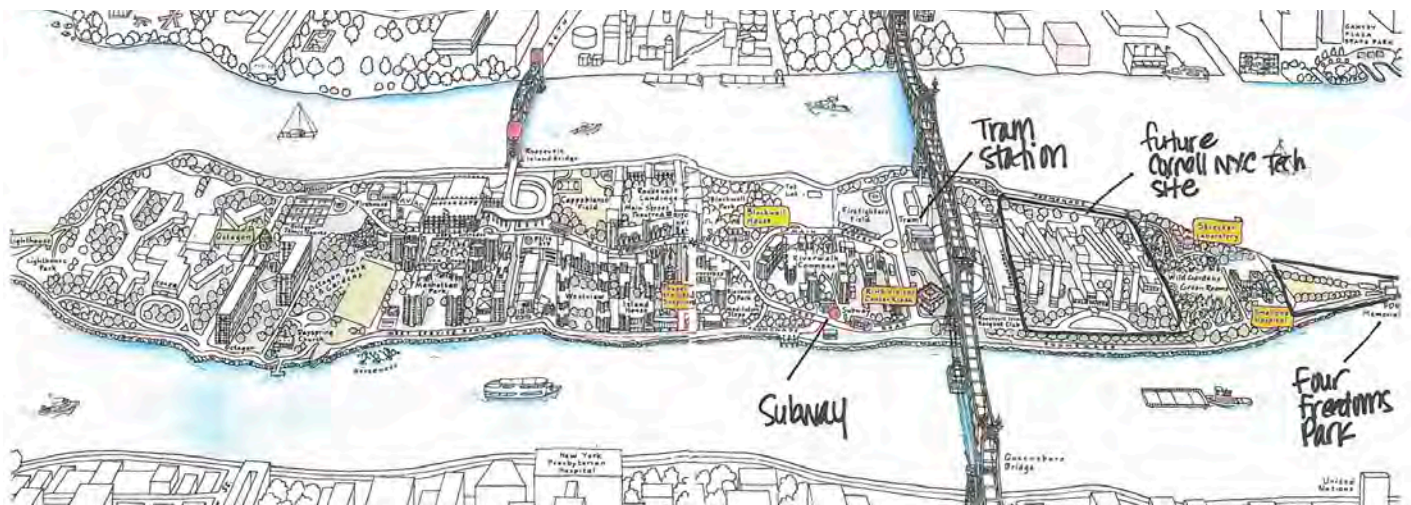
In exchange for the selected institution's commitment to build an applied sciences campus, the city offered \$100 million in capital, land in one of three city-controlled sites (Governor's Island, Roosevelt Island, or Brooklyn Naval Yard Industrial Park), and ongoing technical assistance. The winner would be announced in January 2012.

Amidst much publicity and speculation, the city received seven proposals from seventeen institutions, including bids from Stanford, Carnegie Mellon, NYU, and Columbia. Throughout the process, the press pegged Stanford (partnering with City University) as the front-runner, but the pair suddenly withdrew in mid-December 2011. Shortly after Stanford and City University's withdrawal, Cornell announced a \$350-million donor gift expressly for Cornell's proposed NYC campus. Three days later, on December 19, Mayor Bloomberg pronounced Cornell University, with its academic partner Technion-Israel Institute of Technology, as the victor. According to the *Chronicle of Higher Education*, Bloomberg said that the winners prevailed because they had "far and away the boldest and most ambitious" plan for the campus; they had "a tantalizing groundbreaking partnership" that brought "international star power" to the project; and they proposed "the most aggressive schedule for opening the campus of any of the candidates."

The NYCEDC's website, in reinforcing the Mayor's decision, cited Cornell and Technion for their long and impressive track record in generating applied science breakthroughs and spinning out new businesses, their financing capacity, their focus on the collaboration between academia and the private sector, and the partnership's overall capacity to execute the project.

The winning proposal identified the Roosevelt Island site as ideal for a future campus, citing its size, location and accessibility to the current and future tech sector. Over the next twenty-five years, Cornell will build a campus with two million square feet of facilities at an estimated cost of \$2 billion.





Map of Roosevelt Island, including the Cornell NYC Tech campus and other notable sites on the southern end of the island. Image provided by Cornell Tech.

### Background: Roosevelt Island

Two-mile-long Roosevelt Island is situated in the East River between Manhattan and Queens. The 147-acre island is narrow with a maximum width of 800 feet. At the island's north end, amid the footings of the Queensboro Bridge, lie apartment complexes for 14,000 residents, a large communal parking garage, a hospital, a large post office hub, and a New York City Fire Department training operation. The dominant feature of the south end is the recently opened New York State Four Freedoms Park. Although New York City owns the island, New York State's Empire State Development Corporation holds a ninety-nine-year lease on it dating from 1969. The Roosevelt Island Operating Corporation (RIOC) currently manages and operates the Island.

The Dutch occupied the island in the 1600s. New York City purchased it from the Blackwell family in 1828 to

secure land for a penitentiary, an asylum, and infectious disease hospitals. While the penitentiary closed in the early 1930s (the prisoners were transferred to Riker's Island), the medical facilities remained the island's primary uses until the 1970s. Known by several names over time (Hog Island, Blackwell's Island, and Welfare Island), it became Roosevelt Island in 1973, as part of a rebranding effort by the City and the State. They conceived of the area as a "new town in town," master planned in 1969 by the internationally renowned architect Phillip Johnson. The New York State Urban Development Corporation, led by Ed Logue, the well-known public developer, oversaw the construction of several ten- to twenty-story multi-family middle-income rental units.

The residential development occurred in three phases. The first phase comprised four buildings (2,141 units) built between 1975 and 1976 near the northern-most



Aerial view of the north end of Roosevelt Island, looking South. Photo by [www.nypress.com](http://www.nypress.com)



Roosevelt Island was known as Blackwell Island when Remick Smallpox Hospital was operating, shown in the image above. Image from Roosevelt Historical Society.



*Neighborhood scale retail on Main Street, Roosevelt Island. Photo from rooseveltislander.blogspot.com*

part of the island. The second phase added 1,100 units in 1989 to the area. The most recent phase, Southtown, located just north of the Queensboro Bridge, began in 1999. To date, Southtown has six buildings (approximately 1,200 units), with three more buildings (800 units) planned (construction for one building began in late 2013).

Main Street, the area's primary thoroughfare, is the community's central spine. Neighborhood-scale retail uses occupy the ground floor of the multi-family buildings on the corridor. While restaurants, salons, dry cleaners, a small grocery, library, and bank are present, several storefronts in the Phase I and II residential buildings along Main Street are vacant. The Southtown development introduces some new ground-floor restaurants, a coffee shop, and drug store clustered near the island's sole subway station.

The 1969 master plan envisioned Roosevelt Island as a car-free environment; planners anticipated residents would park their vehicles in a large garage at the island's periphery and use public transit as the primary form of intra-island transportation. Additionally, a subway line, an aerial tramway, and buses would provide transportation to and from the island. While not entirely realized, the plan's design did limit vehicular traffic. The only vehicular access to the island is over the Roosevelt Island Bridge from Queens. The Queensboro Bridge, connecting Manhattan and Queens, passes over the island, but provides neither direct vehicular nor pedestrian access. The Roosevelt Island subway station, located north of the Queensboro Bridge, connects Manhattan and Queens. The Roosevelt Island tram provides direct access

to Midtown Manhattan and an MTA bus provides transportation to Astoria. RIOC operates an on-island shuttle between the residential areas and the subway and tram stations.

### **The Cornell NYC Tech Site: Coler-Goldwater Hospital**

As noted earlier, Cornell's proposal identified the Roosevelt Island site as the preferred location. The twelve-acre site, located on the south side of the Queensboro Bridge, is approximately one-quarter mile from the residential neighborhoods to the north. The Coler-Goldwater Hospital complex sits on the site, consisting of several interconnected midrise buildings (five to eight stories) dating from 1939. In December 2013, the city closed the hospital and conveyed the buildings to Cornell in December 2013; demolition of existing buildings began in January 2014.

To the north, the future Cornell NYC Tech campus will be bounded by a community sports facility (adjacent to the Queensboro Bridge). Two of the island's existing parks lie to the south. Southpoint Park (opened in 2011) is located directly to the south; this seven-acre refuge, designed by the Trust for Public Land, is operated by RIOC. It has several winding paths, natural prairie-style planting beds, and contains New York City's only landmarked ruin, the Renwick Smallpox Hospital (built in 1856). Beyond Southpoint Park lies the New York State Franklin D. Roosevelt Four Freedoms Park, a four-acre memorial—the last work of Louis Kahn, who was carrying the plans with him when he died suddenly in Penn Station in 1973. The plans were put on hold for thirty-eight years, delayed by the City's fiscal crisis and a lack of attention, but, after energetic citizen fundraising, the



*The Roosevelt Island Tram, spanning the East River. Photo from rooseveltislander.blogspot.com*



State constructed the park and opened it in 2012. A conservancy maintains and operates the park.

### The Future Cornell NYC Tech Campus

When fully built, the campus will support two million square feet of university and privately owned buildings, co-located to integrate academia and industry. It will have a conference center and two-and-a-half acres of publicly accessible open space. As of late 2013, the institutions raised \$502 million of the estimated \$2 billion required for the project. The City's \$100 million contribution will support funding of the first academic building.

Phase I of the project (2014-2017) includes an academic and a privately owned corporate co-location facility, as well as a residential building and potential executive education center and hotel, developed and owned by private developers. Phase II (2017- 2037) will likely include two additional academic buildings, two corporate co-location buildings and two residential buildings. When completed, the campus will support several hundred faculty and over 2,000 graduate students—nearly doubling the number of full-time graduate engineering students enrolled in Master's and PhD programs in NYC.

Cornell Tech is being designed as a revolutionary model in graduate education with significant and deep interaction between academia and industry. Much of Cornell Tech's research will be organized around interdisciplinary "hubs" relevant to tech in NYC. While the hubs may change over time, initial areas include: "Healthier Life," focused on health IT and mobile health; "Connective Media," focused on extracting and using information from media data sources; and "Built Environment," aimed to increase the efficiency and sustainability of urban environments. A core principle governing curriculum organization will be collaboration—among academic tracks, as well as with the private sector business communities. The academic programs, for example, require students to work with organizations and/or entrepreneurs to blend research and practical skills. Finally, the Cornell Tech campus plans include a resident entrepreneurial officer, as well as a venture capitalist in residence, a start-up incubator, and in-house product development space



*Four Freedoms Park, located at the southernmost point of the island. Photo from [living.newdeal.berkeley.edu](http://living.newdeal.berkeley.edu)*



*Below: A phased development plan for the Cornell NYC Tech campus. Phase I development is illustrated in gray; Phase II development is shown in gold. Image provided by Cornell Tech.*



*A rendering of the Cornell NYC Tech campus at full build-out. Image provided by Cornell Tech.*



*Rendering of proposed campus center. Image provided by Cornell Tech.*



*Rendering of proposed campus at night. Image provided by Cornell Tech.*



# Johns Hopkins University

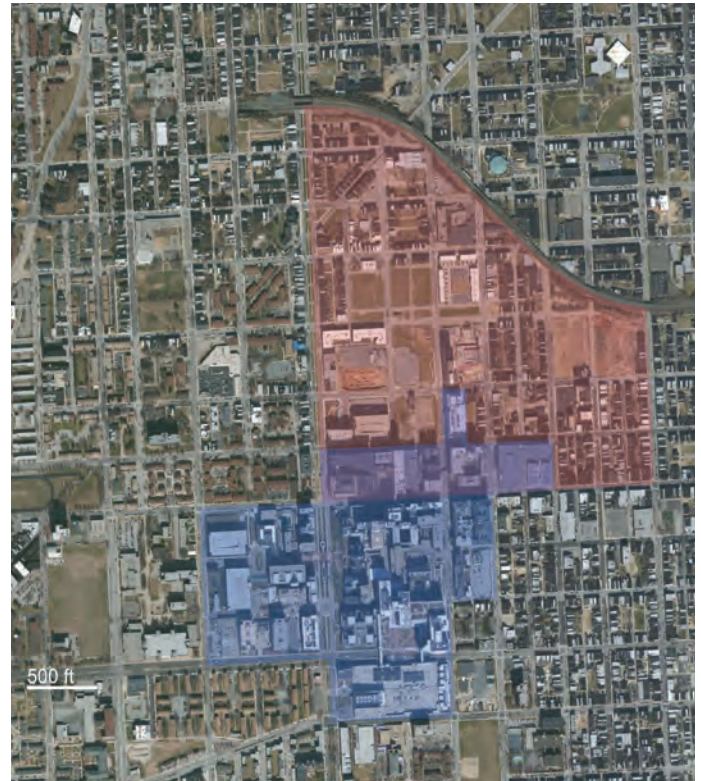
BALTIMORE, MARYLAND

## Revitalizing East Baltimore: The Evolution of Johns Hopkins' Role

For more than a century, the Johns Hopkins Institutions (JHI)—the Johns Hopkins Hospital and University—have been recognized as a world-renowned center of innovative health care. The Hospital and Schools of Medicine, Public Health and Nursing are top-rated nationally, as well as the being the largest recipient of federal research and development funds among U.S. universities. However, deteriorating conditions in JHI's East Baltimore neighborhood have placed some pressures on the institution. The neighborhood's declining health has contributed towards JHI's expanding role as an anchor institution in the Middle East neighborhood, including its partnership with several government, philanthropic, and business actors to revitalize the community.

In 2001, then-Mayor Martin O'Malley proposed a new approach to revitalization, coordinating several broader initiatives in East Baltimore and refocusing resources to the neighborhood immediately north of the JHI campus called Middle East. The initiative established a partnership between several major stakeholders—initially the City of Baltimore, the State of Maryland, and JHI—and proposed a large-scale, multi-faceted strategy for the revitalization of Middle East. In 2002, Mayor O'Malley, JHI and other stakeholders sought participation of the Annie E. Casey Foundation to implement the revitalization strategy. *The East Baltimore Revitalization Plan* targets eighty-eight acres of the larger Middle East neighborhood for broad redevelopment and revitalization. Through the strategic use of eminent domain, property acquisition, relocation, and demolition, the plan calls for demolition of 2,000 structures and, with a Maryland Historical Trust mandate, restoration of the remaining buildings.

In 2003, East Baltimore Development Inc. (EBDI), a nonprofit organization, was established to manage the implementation of the revitalization initiative. EBDI's projects and programs are funded by the initiative's public and private partners, which include the Annie E. Casey Foundation, The Harry and Jeanette Weinberg Foundation, and Atlantic Philanthropies, in addition to



Relative locations of Johns Hopkins Medical Center (blue), and the Middle East neighborhood/ East Baltimore Development Inc. focus areas (red)

JHI and government actors. The Board of Directors consists of representatives from many of the funding partners, as well as local residents and community organization representatives. The role of EBDI is to implement key infrastructure and redevelopment investments, as well as to engage the community and to administer human capital development and family support strategies.

### Background: Johns Hopkins Institutions

In the Middle East neighborhood, JHI facilities include the Hospital, School of Medicine, Bloomberg School of Public Health, and School of Nursing; together, these schools anchor the southern edge of the neighborhood. The Middle East campus includes more than 25,000 workers, ranging from the most specialized and highly trained researcher to basic service providers, housed in sixty buildings on a forty-four acres.



*Johns Hopkins Institution (JHI) buildings, circa 1889 and today. Photo from unknown photographer, Johns Hopkins Medical Archives (left) and JHI (right).*

The campus and its surrounding neighborhood have grown and evolved together for more than a century: the East Baltimore neighborhoods were constructed during the Civil War as worker housing for the city's manufacturing, port, and railroad industries; the Johns Hopkins Hospital, built on thirteen acres, followed in 1889 and the School of Medicine in 1893. JHI has been engaged in redevelopment and expansion since 1916 when the institution began acquiring properties north of its core campus in the Middle East section of East Baltimore. Over the next several decades, the JHI campus footprint continued to grow. JHI pursued its first redevelopment project in 1950, an expansion that was followed by subsequent urban renewal plans in partnership with the City of Baltimore. The physical development pressures created by these campus expansions, as well as the resident perception that JHI held more than its fair share of power in its relationship with the neighborhood, fostered mistrust between JHI and its East Baltimore community.

### **Background: Middle East Neighborhood**

East Baltimore's Middle East neighborhood is located north and east of JHI's campus. The neighborhood includes EBDI's eighty-eight acre target zone, in addition to several other residential and commercial blocks. Once a stable, middle-income community comprised of brick row homes, neighborhood retail, restaurants, movie theaters, and public amenities, including schools and libraries, the area experienced rapid decline during the 1960s due to a loss of jobs, riots, a growing drug and crime epidemic, and suburbanization.

As middle-class families, both White and African American, decamped from Middle East, the neighborhood gained a reputation as one of Baltimore's most impoverished and crime-ridden. By the 1990s, Middle East was caught in a perfect storm of a raging drug epidemic, high crime rates, substantial levels of property disinvestment and abandonment, and predatory lending. At its lowest point, in 2001, an estimated 70 percent of the housing stock in Middle East was vacant and median home values hovered between \$30,000 and \$40,000, less than half the median value of homes in Baltimore as a whole. For the remaining 742 households living in the neighborhood, the median household income was \$14,900, less than half of the city's median, and more than a third of those households lived below the poverty line.



*Vacant rowhomes targeted for redevelopment in East Baltimore. Photo from the Baltimore Sun.*



The physical conditions in the Middle East neighborhood contrasted with those in the forty-four-acre JHI campus. Characterized by large red brick buildings, the core JHI campus is largely inward looking. Disconnected from the broader neighborhood through a series of pedestrian bridges, its orientation along a central spine and its distinct, monolithic character clearly distinguishes it from its surroundings. As Middle East experienced dramatic disinvestment over the latter half of the twentieth century—apparent in the growing number of vacant lots and boarded-up row homes—the JHI campus continued to expand, adding modern glass structures for research, health care, and office space along the neighborhood’s southern border. While no formal boundary separates the institution from the neighborhood, the visual incongruity and real and perceived safety concerns continued to reinforce a powerful dividing line into the early 2000s.

For many years, several entities attempted to reverse the decline in Middle East, albeit with limited success. The City of Baltimore endeavored to address decline in the neighborhood by pursuing a variety of urban renewal programs. In the 1990s, JHI, City and State officials, and resident stakeholders founded the Historic East Baltimore Community Action Coalition (HEBCAC). The nonprofit entity’s mission was to work with residents and stakeholders in the larger East Baltimore community to improve physical conditions and resident opportunities within the neighborhoods. However, despite HEBCAC’s investments and efforts, including \$30 million borrowed from HUD to purchase and renovate vacant row homes that went unspent, the resources were scattered across too large a target area. As a result, HEBCAC was unable to generate sufficient momentum towards neighborhood revitalization. HEBCAC has since gone on to be a highly successful community based development corporation restoring historic buildings and providing services. In the wake of these previous efforts, Mayor O’Malley’s 2001 revitalization initiative represented a significant departure from the past.



*Broadway Research Building. Photo from Johns Hopkins University.*

### The East Baltimore Revitalization Plan

*The East Baltimore Revitalization Plan* aims to reconfigure the neighborhood as a mixed-use, mixed-income community for long-term and new residents. The plan envisions the construction or rehabilitation of more than 1,700 units of mixed-income housing, a new contract elementary school (K-8)<sup>1</sup> and an early childhood center, 1.6 million square feet of commercial space, including research, office, and retail uses, a hotel, and a eight-acre linear park. In addition, the plan incorporates several economic inclusion strategies, including local-, minority-, and women-owned contract and procurement targets. The plan calls for EBDI, with support from the stakeholder partners, to invest in several infrastructure projects including Eager Park—a new linear park, which will serve as a central hub for the neighborhood and link residential areas to the institutional and commercial uses at the southern end of the revitalization zone. The plan anticipates total build-out by 2020.

Full implementation of the plan will include investments by EBDI and the partnering stakeholders, as well as by private sector investors. As of 2012, implementation is about 25 percent complete. Table 1 highlights the phasing of the revitalization plan; Tables 2 and 3 offer a more detailed account of the development projects and investments made in the target area.

1. Henderson-Hopkins is a new K-8 contract school serving the neighborhood. While similar in structure to a charter school, contract schools can define specific enrollment priorities (unlike charters, which are legislatively required to serve the entire city via a lottery system). The enrollment priorities for the Henderson-Hopkins School, in order of consideration, are as follows: (1) Student lives in or was relocated from the eighty-eight-acre target area; (2) Student has a sibling(s) enrolled in the school; (3) Parent(s) works within the eighty-eight-acre target area and lives within the City of Baltimore; (4) Student lives in an adjacent neighborhood; and (5) Student lives in the City of Baltimore.



Table 1. East Baltimore Redevelopment Plan, Project Phasing

	Completed	Under Development	Next Phase Development	Future Development
New Residential	478 units		80 units	900 units
Rehab Residential	68 units	25 units	60 units	281 units
R&D	280,000 sf	150,000 sf	285,000 sf	815,000 sf
Retail	14,000 sf	20,000 sf		
Hotel		160,000 sf		
Fitness Center			16,000 sf	
Parking Garage	1,400 spaces			1,000 spaces
School and Early Learning Center		540 K-8 students / 170 early learning center children		
Park			8 acres	

Source: Forest City New East Baltimore Partnership, 2011 Summary Master Plan Recommendations Framework, March 2012 revision ([www.ebdi.org/uploads/pdfs/2012-3-8CommunityResponse.pdf](http://www.ebdi.org/uploads/pdfs/2012-3-8CommunityResponse.pdf))

Table 2. EBDI Development Summary

Housing	# of Units
Rental - Income Restricted	206
Rental - Market Rate	9
Homeowner (former residents)	41
Homeownership (market)	2
Student Housing	321
Homeownership (under construction)	5
<b>Total</b>	<b>584</b>
Commercial	Square Footage
Office: Rangos Building	280,000
Office: MD Public Lab	235,000
Retail: Walgreens	11,000
Retail: 7-11	1,500
Retail: Vacant	5,000
<b>Total</b>	<b>532,500</b>

Source: Johns Hopkins University

Table 3. EBDI Development Projects and Johns Hopkins Participation

PROJECT	AMOUNT (\$)	JHI Participation?
<b>Completed</b>		
929 Apartments	\$60,000,000	Yes
Ashland Terrace	\$12,300,000	No
Bermin Bioethics Institute	\$11,000,000	Yes
Chapel Green	\$16,000,000	No
Henderson-Hopkins	\$53,000,000	Yes
Maryland Public Lab	\$177,300,000	No
MICA Graduate Center	\$3,000,000	No
Parking Garage	\$30,000,000	Yes
Parkview	\$10,000,000	No
Rangos Building	\$100,000,000	Yes
Walgreens	\$1,100,000	Yes
House-for-a-House	\$8,000,000	No
<b>Sub-Total</b>	<b>\$481,700,000</b>	
<b>Pending</b>		
Atwaters	\$1,000,000	Yes
Gateway Hotel	\$79,000,000	No
Second Office/Lab Building	\$65,000,000	Yes
McDonogh/Chase	\$5,000,000	Yes
Madeira	\$10,900,000	Yes
Ryland	\$16,000,000	Yes
TRF	\$26,250,000	Yes
Penrose Rental	\$36,000,000	No
<b>Sub-Total</b>	<b>\$239,900,000</b>	
<b>Other Investment: Public</b>	<b>\$217,000,000</b>	
<b>TOTAL INVESTMENT</b>	<b>\$938,600,000</b>	

Source: Johns Hopkins University

## The Evolution of Johns Hopkins' Role in the East Baltimore Revitalization Initiative

During the initial phases of the East Baltimore Revitalization Initiative, JHI served as a passive investor, dedicating substantial resources through EBDI for plan implementation and relocation, but not taking an active role in the details of the strategy. Between 2001 and 2009, JHI contributed:

- \$14.75 million for the acquisition of properties and supplemental relocation benefits for 730 households. The relocation package provided affected homeowners with approximately \$150,000 in acquisition and relocation benefits on a per household basis, an amount substantially above the average market values of homes in the neighborhood (\$30,000).
- \$5.25 million for EBDI Core Operating Support, which included intensive family support services to existing and relocated residents.

In 2009, when Ronald Daniels—previously Provost at the University of Pennsylvania—assumed the Johns Hopkins University presidency, he altered the institution's approach towards the revitalization of Middle East. Having witnessed the success of Penn's activities in West Philadelphia, he came to Johns Hopkins in full support of university-led neighborhood revitalization initiatives. In his inaugural address, President Daniels pledged to take on a more active role in economic and community engagement. He recruited the city's former Deputy Mayor for Economic Development, Andrew Frank, to represent JHI's interests and work full-time on leveraging the university's assets to accelerate progress within EBDI. With Daniel's support, JHI engaged in the East Baltimore Revitalization Initiative more directly, investing in a more comprehensive set of strategies including housing, retail, and parking. By 2020, JHI will have invested approximately \$50 million in EBDI. Examples of JHI's investments since 2009 include:

- Private development support:
  - \$350,000 for the minority-owned development team developing a twenty-five-unit historic renovation homeowner project;



Master Plan for East Baltimore. Image provided by Johns Hopkins University.

- \$500,000 in a joint venture to attract an 11,000-square-foot Walgreens to EBDI;
- Cooperation agreements for new privately-owned graduate student housing in order to secure financing; and
- Relocation of a student health center into the privately owned graduate student-housing complex.
- New educational opportunities:
  - \$11 million for Henderson-Hopkins, a new JHI supported K-8 contract school that includes community space;
  - \$6 million over eight years for Henderson-Hopkins operations;
  - \$150,000 for afterschool programs run by the Peabody Conservatory;
  - Commitment from the School of Nursing for a coordinated school-based health service plan; and
- Homeownership, workforce development, and neighborhood revitalization:
  - \$589,000 for Live Near Your Work grants, awarded to 278 households between 2008 and 2013 (\$589,000).

JHI's increased commitment to the *East Baltimore Revitalization Plan* has served as a catalyst for several private development projects, including residential developments, commercial developments—such as a parking complex anchored by a pharmacy at ground

level and several retail spaces anchoring mixed-use buildings, and the development of the State of Maryland Public Health Lab. In some instances, JHI has committed resources directly to help finance private development projects; in other cases, it has used procurement and cooperation agreements to stimulate projects. The City of Baltimore also has encouraged private investment; for example, it has targeted several pieces of land close to EBDI's redevelopment area for its "Vacancy to Value" program, which encourages developers to redevelop parcels near ongoing catalytic projects.

### East Baltimore Redevelopment Plan To Date

Since JHI, the City, the State, and Annie E. Casey began investing in Middle East in 2002, significant progress has been made towards neighborhood revitalization, particularly in terms of the acquisition, site preparation, and demolition of blighted buildings and the largely successful relocation of more than 700 households. Several major catalytic projects have been completed or are under construction, including the Henderson-Hopkins School and Weinberg Children's Center (opened in January 2014), the State of Maryland Public Health Lab (completion expected in summer 2014), and the phased development of Eager Park (completion of the first phase expected in 2014).

Despite significant progress, there is still much to be done and a majority of the investment to date consists of preparatory work for future development. Thus, while the neighborhood shows signs of revitalization,

the transformation of Middle East has a ways to go. A 160,000-square-foot hotel (completion expected in 2015) is slated to anchor the southern edge of the redevelopment zone; it will support recent commercial and research development as well as the Johns Hopkins campus. Completed and ongoing residential projects have been primarily concentrated in the southern half of the target area; these represent approximately 25 percent of total residential units projected in the long-term vision. Success depends in part on extending investment into the northern parts of the neighborhood. Private developers have options on some of the available land for future projects, but will not build without sufficient demand; so success depends, too, on stimulating demand. JHI believes that the addition of a strong neighborhood school (Henderson-Hopkins School) will become a draw to the neighborhood and help solidify Middle East's new identity. More importantly, the East Baltimore Revitalization Initiative has fundamentally changed the relationship between a neighborhood and its anchor institution.



Renderings of the new Henderson-Hopkins K-8 school (left) and the State of Maryland Public Health Laboratory (right). Images provided by Johns Hopkins University.





*Renderings of the proposed Eager Park (left) and a new hotel, with an expected completion date in 2015 (right). Images provided by Johns Hopkins University.*



*Rehabilitation of old rowhomes and new residential construction are on the rise in Middle East. Photo provided by Johns Hopkins University.*



# Columbia University

NEW YORK, NEW YORK

## *Making Space: Institutional Expansion and Community Development*

Columbia University is located in Morningside Heights, a neighborhood in Harlem. Throughout its history, the University has struggled with finding room in the city's densely developed urban fabric for its continued growth. This case examines Columbia's most recent effort to address this issue through the development of a seventeen-acre campus near its Morningside Heights campus; it also asks how best to meet students' academic needs while also welcoming nearby residents to the redesigned area.

In 1897, Columbia moved from a one-block site in Midtown Manhattan to a thirty-six-acre campus in the barely settled neighborhood of Morningside Heights. With this move, the University's leaders thought they had solved the space problem—they had no idea how quickly its institutional and space needs would advance. In fact, trustee J.P. Morgan advised holding off buying excess land, believing that the surrounding farmland would always be available. But the 1904 opening of the IRT subway line soon changed the landscape; the area's inexpensive real estate was so attractive that residential and institutional development exploded. The area soon became home to thousands of middle-income families and more than seven major educational and religious institutions.

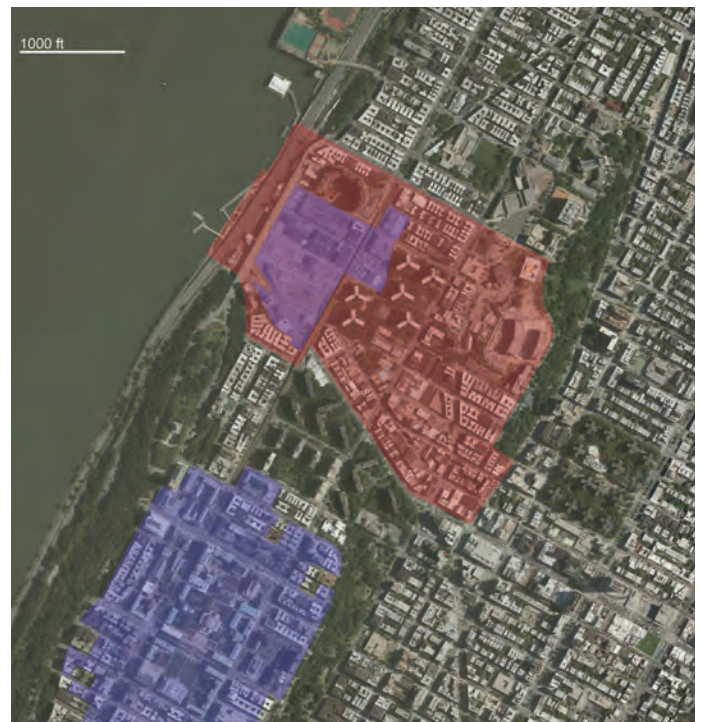
Columbia's need for additional space became critical in the post-World War II era, as it transformed into a leading research-based university and grew its professional schools. University leadership saw acquisition of scattered sites amid residential buildings as the only expansion strategy.

By the end of the twentieth century, Columbia had less instructional and research space per capita than any of its peer research universities. It had a second campus, a medical center located two miles north, but this did not solve the main campus's space problems. Both the Morningside Heights campus and the medical campus were essentially built out. The University was forced to resort to ad-hoc acquisitions and piecemeal development in the surrounding neighborhood

to accommodate growth, a process that was both contentious and insufficient. In an effort to address expansion strategically, Columbia began exploring the possibility of expanding into a new campus. Its leadership found a nearby seventeen-acre site in Manhattanville—an underused, former industrial area of Harlem alongside the Hudson River. However, Columbia University had a history of troubled relations with Harlem residents, including conflicts over land acquisitions and tension over the gentrifying impact of the University within the neighborhood, so this option came with complications.

### **Establishing the Manhattanville Campus**

The master plan for the Manhattanville campus—located one-half mile from Columbia's Morningside Heights campus and a mile-and-a-half from its medical center—was designed by Renzo Piano Building Workshop and Skidmore, Owings, & Merrill. With plans approved in 2009, the project is now in the first phase of construction; final build-out is expected



*Location of Columbia University's Morningside Heights campus (blue), Manhattanville campus (purple), and the Manhattanville neighborhood (red).*





*Aerial view of Columbia's Morningside Heights campus. Photo provided by Columbia University.*

by 2035. In May 2006, the *New York Times* heralded Columbia's proposed expansion as “[a] new West Harlem campus [that] would tell a contemporary story... open[ing] Columbia to the surrounding community.” Six years later, the US Green Building Council (USGBC) awarded the Manhattanville campus, then in the early stages of construction, a Neighborhood Development (LEED-ND) Stage 1 Platinum rating; it is the first such rated campus in the country. Echoing the *New York Times* sentiment, USGBC gave Columbia's campus development plan particularly high marks for its integration with the surrounding community.

Some residents, however, do not share that level of enthusiasm for the project. They fear that Columbia's expansion will overwhelm the neighborhood,



*Aerial view of existing conditions in the Manhattanville neighborhood. Photo by [www.manhattanville.net](http://www.manhattanville.net)*

“argu[ing] that the potential negative impacts to the community include consequences beyond the campus's ecological footprint” (*Columbia Spectator* October 12, 2012). Even as Columbia's ongoing expansion into Manhattanville represents a more inclusive approach to campus design, it continues to be set within the framework of a broader political debate in New York City about the need to preserve communities while allowing development.

From 2002 to 2009, Columbia's leadership worked to master plan, design initial buildings, raise funds, and secure city and state approvals. After a protracted and sometimes bitter struggle, they gained the desired zoning in 2007 and state approvals for the use of eminent domain in 2008. The campus design builds on three principles meant to alleviate community concerns, meet university needs, and differentiate the Manhattanville and Morningside Heights campuses. The principles are:

- Campus facilities should have an active “urban layer”—ground floor spaces along the perimeter will be publicly accessible with commercial, retail and/or community space.
- The campus will be visually accessible, using transparent ground floor designs to establish sightlines through buildings and across the campus. All existing streets will remain open and sidewalks will be widened to create a sense of accessibility.

- The campus should foster a culture of innovation and collaboration within the University community and across the neighborhood through, among other features, publicly accessible open space.

The Manhattanville campus was designed to actively attract both community residents and university users through open spaces, retail uses, and active academic spaces that animate the street; this approach stands in contrast to Columbia's more traditional Morningside Heights campus, which is enclosed with perimeter walls. When fully built over the decades ahead, the campus will comprise five to six million square feet of university-programmed instructional and research space, at least 65,000 square feet of retail space, and approximately two acres of public space.

Construction will occur as funds become available over several decades, moving from south to north. Current developments include the construction of two major facilities, central energy plant and a small plaza. The first facility, expected to open in 2016, is the nine-story Jerome L. Greene Science Center; it will include 450,000 square feet dedicated primarily to state-of-the-art academic research with 20,000 square feet of the ground floor used for retail and a community education center. The second facility is the five-story Lenfest Center for the Arts, with 50,000 square feet for an art gallery, a film screening room, performance space, and presentation space scheduled to open in 2017. Built with a \$30-million pledge from university trustee H.F. "Gerry" Lenfest, the Center represents the largest gift ever made for the arts at Columbia.

The first phase also includes the University Forum, a project with a 430-seat auditorium as well as space for up to thirty faculty, a new School of International and Public Affairs building, and two new buildings for the Columbia Business School. Subsequent construction will encompass the development of eleven sites for research labs, instruction, and 825 units of faculty and graduate student housing. Columbia's development plan includes nearly two million square feet dedicated to a central below-grade service area that will depress utility, freight and loading facilities, storage, and parking below street level and enhance the pedestrian-friendly nature of the campus.

Columbia has also incorporated a number of programs and investments focused on community development in the Manhattanville neighborhood, many of which are identified in a community benefits agreement (CBA). Along the way, Columbia agreed to a \$150-million CBA with the West Harlem Local Development Corporation (WHLDC), a special-purpose nonprofit entity created to negotiate and administer the CBA. The CBA, along with other agreements, created a \$76-million general benefits fund, a \$20-million affordable housing fund, a \$30-million contribution for the creation of a demonstration community school, \$20 million in "in-kind" (or designated Columbia facilities use) contributions, and up to \$4 million for legal and technical assistance for the WHLDC. The CBA, the agreements with the State, and mitigations in the Environmental Impact Statement also specify a number of other obligations relating to



Renderings of the proposed campus, illustrating the campus' emphasis on transparent ground floor uses and integration with the urban neighborhood. Images from *neighbors.columbia.edu* (left) and *Columbia Magazine* (right).





*A plan view of the Manhattanville campus. Image provided by Columbia University.*

procurement, Living Wage, hiring, education and training, scholarships for local students, daycare space, transit improvements, and other items. Presently, approximately one-third of Columbia’s employees live in the northern Manhattan neighborhoods surrounding the University’s two campuses. Columbia anticipates the Manhattanville campus will employ approximately 6,000 people and has set an informal goal of maintaining the one-third “local” proportion of employees. In addition, Columbia has taken over ongoing enhanced maintenance of the West Harlem Piers Park, dedicating \$500,000 per year for enhanced maintenance of the long-sought-after two-acre park built on a formerly derelict city-owned parking lot along the Hudson River.

**Background: Columbia University**

Founded as King’s College in 1754, Columbia was first located in Lower Manhattan and was the first institution of higher learning in the State of New York. Its initial enrollment included eight students. Today, Columbia enrolls 28,000 students (8,000 undergraduates and 20,000 graduate and professional students) and employs 15,000 faculty and staff.

During the Revolutionary War, King’s College suspended instruction for eight years when the British occupied its building. In 1784, it re-opened

as Columbia College. By 1857, it outgrew its Lower Manhattan quarters and moved to 49<sup>th</sup> Street and Madison Avenue. Outgrowing its campus once again, Columbia relocated to Morningside Heights in the 1890s, settling in the place that is still its main campus: a thirty-six-acre site between West 114<sup>th</sup> and West 120<sup>th</sup> Streets and Broadway and Amsterdam Avenues. The site is within a few blocks of the Hudson River and several large parks, including Riverside Park, Morning Side Park, and the northwestern corner of Central Park. Designed by McKim, Mead & White, the campus is a quintessential scholarly enclave, gated with a perimeter of buildings surrounding an open core. The surrounding area, a dense fabric of residential, office, and retail storefronts, is comprised of late-nineteenth and early-twentieth century mid-rise buildings, many of which are now affiliated with Columbia.

In the 1920s, Columbia trustees established a second campus, the Columbia University Medical Center (CUMC) on twenty acres in Washington Heights (an Upper West Side neighborhood near Manhattan’s border with the Bronx) at 165-169<sup>th</sup> Streets between the Hudson River and Broadway. Today, the CUMC holds the Schools of Medicine, Dentistry, Nursing, and Public Health plus several research facilities and hospitals, namely New York-Presbyterian Hospital (the former Columbia Presbyterian Medical Center, which merged with Cornell University in 1997).

On these campuses, Columbia University specializes in undergraduate liberal arts disciplines as well as in engineering and applied sciences. The School of



*The original Columbia University campus, then called King’s College, located in lower Manhattan. Image from Columbia University Image Archive.*



General Studies educates non-traditional students seeking to earn a Bachelor of Science through full- or part-time study. Graduate and professional students attend: the Colleges of Physicians and Surgeons (established 1767) and Dental Medicine (1852); the Schools of Engineering and Applied Science (1864), Nursing (1892), Social Work (1898), International Public Affairs (1946), Arts (1948); the Graduate Schools of Arts and Sciences (1880), Architecture, Planning, and Preservation (1881), and Journalism (1912); the Law School (1858); the Business School (1916); and the Mailman School of Public Health (1922). In addition, Columbia is affiliated with five other Morningside Heights' institutions: Teachers College, Barnard College, the Union Theological Seminary, and the Jewish Theological Seminary of America.

Since the 1990s, the University has added approximately two million square feet of space to its main campus. In the early 2000s, Columbia administrators anticipated that, over the next twenty-five years, the University's program growth would remain steady, yielding a demand for approximately six to seven million square feet of new space. In the past, the University met demand through ad-hoc acquisition and development of nearby sites, as well as on-campus infill. However, the leadership recognized it was running out of options. In an assessment of its real estate portfolio, the University identified three parcels of a suitable size for academic research development; however, these sites could only support, at most, 670,000 square feet of space—far short of its projected needs.

This anticipated demand for space resulted in the plan for the Manhattanville campus. Given the scale of projected demand, Columbia opted to “think big,” engaging in systematic, long-range planning for integrated facilities. It explored and then rejected building a suburban campus, as well as developing a campus west of Lincoln Center along the Hudson River. Ultimately, the University settled on the Manhattanville West Harlem location, citing: its proximity to the existing campuses—a feature that would support interdisciplinary, cross-campus collaboration; the availability of contiguous parcels

of underutilized land, which would allow for targeted acquisition and the development of an integrated campus; and the potential to develop the area in a way that would be valuable to the surrounding institutional and residential communities.

In 2002, Columbia began acquiring land for the new campus. The University bought most of the parcels through private real estate transactions; six parcels, owned by two different landholders, are being acquired through the Empire State Development Corporation, which is using its power of eminent domain. By 2010, Columbia acquired the necessary land, began demolition and site preparation (including the upgrading of storm water and sewer infrastructure for the future campus and larger neighborhood), and commenced the initial construction.

### **Background: Manhattanville**

The Manhattanville neighborhood, immediately north of Morningside Heights, covers less than a half square mile and is part of Community Board 9, which serves the broader West Harlem area including Morningside Heights and Hamilton Heights.

Also referred to as West Harlem, Manhattanville was an independent village (incorporated in 1806), centered at Broadway and 125th Street, until annexed into Manhattan in 1873. Owing to its location between the Hudson Valley and the rapidly expanding New York City, Manhattanville was a thriving transportation hub and suburban retreat for much of the nineteenth century. It served as a key point of entry for Manhattan-bound materials and freight. Hotels, entertainment venues, stagecoach (and later rail and subway) stations, docks for Hudson River ferries, and inexpensive housing filled its borders. By the late 1800s, much of the suburban atmosphere of the area's western section (now the site of Columbia's Manhattanville expansion) gave way to industry: meatpacking facilities, other warehouses and factories, auto repair shops, and gas stations. Today, walk-up and mid-rise apartment buildings with neighborhood-scale retail on the ground floor characterize the residential area to the east. Two high-rise residential complexes are also located within the neighborhood—one complex abuts the northern boundary of Columbia's



Historic photo of Manhattanville beneath the Riverside Viaduct. Photo from [www.morningside-heights.net](http://www.morningside-heights.net).

new Manhattanville campus and the other, a multi-building, NYCHA-owned public housing complex, lies directly across Broadway from the new campus. The Riverside Drive Viaduct, a dramatic piece of twentieth century highway engineering, looms over the neighborhood’s western side and an elevated subway divides its industrial and residential areas.

Manhattanville’s population has always been racially, ethnically, and socio-economically diverse with subsequent generations of Irish, German, Jewish households moving in and departing. Today, African Americans and Latinos comprise most of the more than 32,000 people who reside in the area. Manhattanville’s median income is \$32,600 and its poverty rate is 38 percent.

### Columbia University, Manhattanville, and Harlem

The Morningside Heights campus abuts Manhattanville and Harlem. The area’s hilly topography, Morningside Park on the east, and a number of institutions buffer the two communities. A recent student writer in the *Columbia Spectator* opined: “The relationship between Columbia and Harlem has always been fairly positive—many of the University staff are Harlem residents, and the school has invested a good deal of money in the community. But more recently, there has been cause for tension and controversy between residents of and business owners in Harlem and Columbia University... that has come out of the proposed Manhattanville expansion” (Winter, February 13, 2013). While the author likely did not experience the tumult of past decades, especially the gym episode and its racial overtones, she does portray the sensitivities of the current situation.

Much remains to be seen with respect to Columbia’s ability to achieve its goals and build an integrated, collaborative campus with an active urban layer. With its first two buildings slated to open over the next three years and the implementation of future building plans dependent upon the institution’s demand for space, it could be more than a decade before the campus achieves the density required to project a “sense of place.” Questions remain as to how the neighborhood residents will interpret the campus as a “place.” Only time will tell.



A rendering of proposed academic buildings. Image provided by Columbia University.



# Anchor Institutions and Revitalization

## *Key Lessons and Challenges*

The case studies in this report illustrate several ways urban universities invest in revitalization and innovation in their neighborhoods. Each university, cognizant of its status as an anchor institution, made a conscious choice to expand its mission beyond its campus and engage its neighboring community. Yet, different factors motivated each institution's decision. Some universities initiated revitalization activities to quell threats—including deteriorating physical conditions, property abandonment, economic instability, and crime—against their neighborhoods and, by extension, their campuses. Other institutions used revitalization to address joint university-community needs, investing in housing, commercial development, and open spaces to enrich the neighborhood. Still others became involved because of a call to action by local government or other institutions. In most cases, universities were motivated by a combination of these interests. In all cases, universities recognized their revitalization investments as tools for generating place-based value—for the university and the larger neighborhood.

Universities engaged a range of methods to pursue revitalization, often informed by the physical and political context of their communities. Two cases—the University of Pennsylvania and University of Chicago—illustrate anchor institutions stepping in to fill voids in their neighborhoods. While neither institution acted in complete isolation, each was the leader of its neighborhood revitalization strategy. Johns Hopkins University and Cornell NYC Tech illustrate a different model of university-community engagement, responding to city solicitations for institutional investment. In Baltimore, Johns Hopkins joined a city initiative designed to coalesce several institutional partners around a distressed neighborhood; in New York City, Cornell responded to a city solicitation for new knowledge resources—the expansion of the applied sciences, which resulted in major physical investment in a new campus. Lastly, two cases demonstrate universities engaging in revitalization via a larger political process. Harvard

mediated a CBA with the BRA and Allston community as part of its institutional master plan—a plan that incorporated campus expansion and neighborhood development projects. Similarly, Columbia negotiated a CBA to facilitate its plans to construct a new campus in Manhattanville.

Several themes emerge from the experiences of the six institutions, including:

- **Aligning a university mission with community engagement.** Successful revitalization efforts require universities to align their neighborhood strategies with their institutional missions, as well as with the needs of a broader constituency of residents, businesses, private developers and investors, and politicians. From an institutional standpoint, a university must allocate resources in a way that supports its revitalization strategy but is also consistent with its internal mission. Depending on a university's mission and its revitalization goals, an institution can play a variety of roles: an active leader in revitalization efforts; a key partner in a broader neighborhood partnership; or a more passive neighborhood stakeholder. Similarly, successful university neighborhood revitalization strategies require ongoing commitment from senior leadership—both within an administration and across administrations as a university transitions its leadership.
- **Fostering communication between a university and the community.** As each case study indicated, communication between the university and other neighborhood stakeholders—residents, businesses, politicians, or other neighborhood organizations—is critical to a successful revitalization strategy. The case studies revealed two key lessons. First, effective revitalization initiatives require the university to be transparent about its motivations for investing in revitalization, its mission and/or goals, and the role the institution intends to play. While the university and neighborhood may not always share the same vision, transparent communication



helps to mitigate the mistrust that characterized university-community relations during previous eras. The second lesson is directly related to the first: the university should be direct about what it can or cannot and will or will not support with the revitalization strategy. The university should avoid over promising what the university, or the neighborhood revitalization strategy, can deliver.

- **Tailoring a revitalization strategy to the institution and place.** The universities profiled in the case studies illustrate that revitalization is not a static concept. Instead, revitalization investments can encompass a wide range of activities. They are informed by university and community needs, as well as an institution's resources and strategic role. Some neighborhood revitalization investments seek to draw symbolic ties between a university and its neighbors. Harvard's i-Lab, which fosters innovation across the university but also supports neighborhood entrepreneurship, or Columbia's design principles for the Manhattanville expansion, which incorporate transparent and/or public uses on the ground floor of buildings, are both good examples of this. Alternatively, other revitalization investments strive to catalyze transformation within or for a neighborhood, such as Penn's investment in a neighborhood public school or Johns Hopkins' investment in a generous homeowner relocation package that included substantial buyout payments and support services.

The experiences of the six universities uncovered a number of challenges and questions for anchor institutions engaging in neighborhood revitalization, including:

- **Planning for success.** The case studies illustrate a range of physical and economic investments used by universities to improve campuses and revitalize neighborhoods. Yet, while the focus is on catalyzing revitalization and new investment, there is little discussion as to the character of success for a neighborhood. What happens when or if a university's revitalization strategy is successful and, instead of deteriorating, the neighborhood begins to gentrify? Are there investments or activities that can foster neighborhood stability, but also

protect against the "consequences" of success in the neighborhood (i.e. gentrification)? How, and when, should a university plan for a successful neighborhood revitalization effort?

- **Bridging town and gown.** Many of the case studies include universities investing in campus expansion and community development on underutilized land. What is the appropriate balance between university and community? How can a university support a vibrant, diverse community that integrates both institutional and community needs?
- **Funding revitalization.** As nonprofit organizations, universities are responsible to their trustees to uphold their institutional missions. Most university missions include the enrichment of students and development of knowledge; some missions include a university's civic responsibility to its community. How does a university allocate resources to support both its academic and civic missions? What opportunities are there to collaborate with other civic and/or philanthropic institutions to pursue revitalization? As nonprofit institutions that do not pay property taxes on institutional land, how can universities communicate the value and impact of their revitalization investments to local governments?

These questions are important. They draw upon the experiences of six universities that were engaged in revitalization and expansion efforts for several years; they also signal a maturation of the university-community dynamic with respect to place-based initiatives. The question is no longer: can or do universities invest in neighborhood revitalization? Instead, the inquiry is shifting towards evaluation of university (internal) and community (external) returns on investments, appraisal of investments that generate shared university-community value, and identification of opportunities to align university missions with those of other anchor institutions, government entities, and other community stakeholders to support urban revitalization.