How to Behave like an Anchor Institution

A White Paper by CEOs for Cities with Living Cities

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Introduction

Fifty years ago, it would have been quite easy to figure out the most powerful employer in a city – a carmaker, perhaps, or a steel mill. Or the corporate headquarters of a giant bank or insurer.

Obviously, the intervening decades have meant profound change for cities and their economies. Manufacturing has largely disappeared, and many corporate headquarters fled downtowns for easy-to-access, tax-friendly suburban locales.

Those trends have led city leaders and others to pay greater attention to the institutions that in many places now wield the greatest influence – as employers, as developers, as purchasers of goods and services and as sources of creativity and innovation. These are institutions of higher learning, medical research and the arts: colleges, universities, hospitals and arts organizations.

These have become known as anchor institutions – anchored by place. Quite simply, they will never move and are highly motivated to invest in place. While JP Morgan Chase could leave New York City, Columbia University will not, nor would the Mount Sinai Medical Center or the Lincoln Center for the Performing Arts.

This report is an effort to take a look at what six such institutions have done – to examine how they function as community anchors and developers, as forces for making change and boosting the prospects of not just their campuses, but their neighborhoods. Before we examine the work of those six – Syracuse University, Portland State University, Arizona State University, the University of Cincinnati, the New Jersey Performing Arts Center and Georgia State University – we will first take a closer look at what constitutes an anchor institution.

The label "anchor institutions" was developed in 2002 by Harvard Professor Michael Porter, a leading economic development thinker. In a report for CEOs for Cities and the Initiative for a Competitive Inner City, he called on college and university leaders to create an explicit urban economic development strategy focused on surrounding communities. He recognized that colleges and universities were fast growing businesses with major real estate holdings unusually concentrated in the urban core.

To further their role in communities, he urged universities to deploy their leaders to serve on the boards of associations, community organizations

and public sector bodies. Porter also urged cities to embrace anchor institutions, to incorporate them in their economic development strategies, "including their strategies for advancement of low income individuals" and form a "university-liaison office that continuously seeks partnership and collaboration opportunities."

Further, he recommended that business leaders see colleges and universities "as consumers of goods and services and critical partners in developing real estate, commercializing research and improving local and regional quality of life" and that community leaders "identify ways in which they can support colleges and universities in implementing economic development efforts."

Obviously, the work of anchor institutions was happening before Porter gave it a label. Probably the best known example is the University of Pennsylvania where then-President Judith Rodin, spurred by a major crime wave, began intensive activities in 1994 in adjoining West Philadelphia. West Philly was a neighborhood with serious issues – it had lost population, its crime rate was increasing, its schools were among the lowest performing in the state and area housing stock was substandard. Penn's leadership then brought together resources from government, the private sector and local nonprofit organizations and launched a series of targeted initiatives that unfolded over the next decade, in the areas of beautification, crime fighting, education, housing and economic development.

A full evaluation of the impacts that followed is not possible in this paper. But Penn's efforts have borne at least some fruit in the University City neighborhoods of West Philadelphia. Public safety has improved dramatically; new jobs for residents have been created through retail development and Penn's efforts to procure more goods and services locally; a new K-8 public school opened and it is outperforming most other city schools.

Rodin was guided by the belief that "town and gown" could unite as one richly diverse community. She embraced the notion that a university could and should improve the neighborhood around it. This was both good for the university, making it easier to attract faculty and students, and good for the community as it brought new residents to the community as well as new educational opportunities. It also increased the shopping and dining options for

residents and made the neighborhood cleaner, safer and more attractive.

Rodin's leadership has been emulated by a number of other college and university presidents. One of the most notable examples of university leadership is Dr. Eugene Trani at Virginia Commonwealth University. His university has had a visible impact on the revitalization of Richmond's downtown. Other important examples include Trinity College in Hartford, which, since 1996, has invested millions of dollars of its endowment in neighborhood revitalization within a 15-square-block area of the campus.

Most of the best-known expressions of the role of anchor institutions are in real estate development. That is, in part, because, unlike hiring and purchasing programs, real estate is so visible. Following the example of Penn, campuses are turning themselves inside out, putting the retail and more public uses on their edges, such as bookstores, restaurants and art galleries, instead of lining their edges with parking lots that separate the campus from the neighborhood. Coupled with this more neighborhood-oriented, less fortress-like development has been a new investment in architecture.

Both expressions by anchor institutions are obvious enhancements to their immediate neighborhoods and to the larger community. (There are some arguments over such development resulting in gentrification, but evaluating that claim is beyond this analysis.)

The university response to the anchor institution ambition has been much less robust on the other opportunities identified by Porter – hiring and purchasing in the inner city, commercialization of research and integration of efforts into urban economic development plans.

But despite the unclear progress in those fronts, interest in anchor institutions from cities and others has increased. One reason leadership from college and university presidents is so desirable is due to the perceived decline of investments from both business and government. And, increasingly, as the current recession deepens, credit remains tight and municipal budgets face frightening shortfalls, many look to anchor institutions as one of the only possible sources for new development.

Although the term anchor institutions is most often used to include colleges, universities and non-profit hospitals ("eds and meds"), in recent years attempts have been made to broaden the definition to include such institutions

as museums, performing arts centers, community colleges, public utilities, and even professional sports franchises.

A report examining anchor institutions can examine many different questions, from attempting to define them, to evaluate their impact, to examining what roles it is reasonable for them to play. This paper takes a broad look at anchors: Here, we are asking "how" anchor institution behavior occurs. Who is its champion? Who is its organizer? What are the motivators for this behavior? What are the hurdles that must be overcome? How can it be sustained?

We begin this inquiry with an initial look at six examples of anchor institution behavior, and then move to synthesize our findings and present a series of conclusions.

Syracuse University

Under the leadership of its Chancellor Nancy Cantor, Syracuse University has undertaken two mega-projects that are reshaping the city: the Near West Side Initiative and the Connective Corridor. Syracuse has also undertaken a major initiative with the city's public schools.

These mega-projects grow out of Chancellor Cantor's strategic vision of "scholarship in action." She has sought to encourage students and faculty members to engage with practitioners and communities.

Scholarship in action is not, in Chancellor Cantor's adamant view, service learning. It is about collaboration that strengthens the education experience.

According to Chancellor Cantor, the key to scholarship in action is the connections that the university can forge between the work of the campus and the work of its communities.

The What

Syracuse University is a private institution with 19,000 students located in a city of 140,000.

The university on a hill sits above an aging city on the Erie Canal that was in decline long before the current recession. Syracuse has more than 1,000 vacant homes, and its population has declined 35 percent since 1950. How to

use the resources of the university to help bring a 21st century economy to one of America's oldest industrial areas was the challenge for Cantor, who came to Syracuse from the University of Illinois-Champaign in 2004.

The still-evolving answer comes, university officials hope, from the Connective Corridor and the Near West Side Initiative projects.

The Connective Corridor is an L-shaped urban pathway, a mile and a half long, of attractive and not-so attractive real estate between the university and downtown Syracuse. It encompasses an arts district and a blighted neighborhood called the Near West Side. In 2005, students and faculty in geography, architecture, engineering and design proposed a redesign of this symbolic and literal two-way street between University Hill and downtown.

In just three years, the redevelopment of the corridor has become a model of university engagement and in 2008, Cantor received the Carnegie Corporation's Academic Leadership Award for her work there.

The Connective Corridor links 25 arts and cultural venues including the Everson Museum of Art, Erie Canal Museum, John H. Mulroy Civic Center, Jazz Central, and Landmark Theater. Stitching them together is urban landscaping, outdoor art, bike paths, technology hot spots, and free shuttle bus service during the academic year. Student and faculty projects have helped enliven the area, giving it an identity as a new urban playground. SU has joined the city of Syracuse, the local utility company National Grid, Time-Warner Cable, and other organizations in a Community Working Group that provides advice and guidance for the Corridor's development. The group meets periodically to discuss issues and plan activities.

At the other end of the Connective Corridor from the university is the Near West Side. The Near West Side Initiative is a $56 million neighborhood redevelopment project that seeks to use art and technology to rejuvenate one of the poorest neighborhoods in America. SU is spearheading the initiative and creating an arts, technology and design quarter in the impoverished community.

The initial planning for the project included an analysis of existing conditions and a review of community initiatives that had achieved success in similar neighborhoods across the country. The review identified the Artist Relocation Program of Paducah, KY (www.paducaharts.com) as an attractive model for Syracuse, based on similar conditions and strengths in art and design

in both communities.

The Paducah model was modified before it was applied to Syracuse's Near West Side, to incorporate the region's emerging strengths in "green" technologies and design. In addition, officials integrated efforts to address the pressing needs of current neighborhood residents.

Today, there are several Near West Side projects aimed at creating an arts community, attracting new technology businesses and designing new community and commercial spaces. There are also efforts to revitalize the economy of the neighborhood and to increase homeownership by current residents. The university has partnered with a group called Home Headquarters to offer home ownership classes a bid to encourage renters to purchase some of more than 20 properties currently undergoing rehab.

Syracuse University and New York State committed $13.8 million to the project, establishing a new non-profit corporation — the Near West Side Initiative, Inc. — to coordinate the activities of multiple partners.

The Near West Side Initiative's first projects include:

- The redevelopment of two warehouses into mixed-use facilities, including a green technology incubator, culinary center, and artist live-work space.
- The construction of a new headquarters for the local public broadcasting station.
- The revitalization of residential properties within an 8-block area adjacent to the commercial projects.

A board of business and community professionals meets regularly to plan, discuss and implement the many Near West Side projects.

The How

The Connective Corridor was launched over a lunch convened by Chancellor Cantor with representatives of the Gifford Foundation and National Grid to discuss lighting a pathway from the university through the city to downtown.

Cantor hired Marilyn Higgins, the representative from National Grid at the founding lunch, to run the initiative. A staff of four works with her on the Connective Corridor and the Near Westside.

Cantor spent a year going into the community's neighborhoods, churches, and small businesses on a listening tour she called The Soul of

Syracuse. Higgins says that approach was one of two tipping points in engaging Syracuse residents. The other was when the state of New York forgave a $13.8 million dollar loan to the university to redirect repayment funds into the Near West Side.

"The chancellor was the champion of the Connective Corridor and on the Near West Side projects," Higgins said. "Her direct, hands-on involvement was the key." She also credited the university provost for his work with faculty and the School of Architecture for contributing design work to both projects.

For the Connective Corridor, the city, university, and state Department of Transportation, backed by a $6 million federal grant, formed a working team with partners in the arts and business communities.

The Near West Side work involves a residents association, which has 125 members who meet monthly.

"The key is that it's rooted in the neighborhood itself," said Higgins. "It's not something the university is doing to the neighborhood but with it." She added that the initiative has little staff, so most dollars go directly to projects.

Officials can measure success for each initiative via specific goals and measurements, such as the amount of square footage to be developed, homes to be reoccupied, green technologies employed, and residents to be engaged.

More than 400 SU students, mainly undergraduates, are taking part in community projects, sometimes for college credit and sometimes not. The selling point, Higgins said, is real-world experience and the satisfaction of seeing a design get built, such as the Urban Video Project, a series of permanent video projection installations on campus buildings that is the first of its kind in the United States. Students have also created other art projects on the walls of schools and buildings.

Cantor, the public face of the university engagement effort, recently signed a contract extension until 2014. She expects to be around to see major projects completed.

"We believe in large-scale investments, and you need lots of partners," she said. "Our signature feature is capitalizing on collaborative efforts that play to our strengths as a university."

During her year-long listening tour, she recalls a meeting at a church with a group of neighborhood leaders, each with a long wish list. Rather than

attempt to do everything—or worse, make promises to that effect—she resolved that SU should only take on the efforts its faculty and students are good at doing, thereby ensuring the university could deliver sustained results.

Cantor is acutely aware that Syracuse University is taking on big projects in the context of a recession.

"In many respects, this environment provides opportunities for clarity and focus," she said. "The economy really does focus everybody to invest in things that are not add-ons but are authentic."

The Role of Anchors and Partners

To work on both projects, the university has a staff of five headed by Higgins, the vice president of community engagement and economic development. Higgins meets regularly with faculty to encourage them to develop classes to meet the projects' needs. She also recently started a group called "Just Lunch," where 10 community-minded faculty members regularly have lunch with no defined agenda, for purposes of team building.

The Connective Corridor – How It Operates

Cantor's original lunch with National Grid and the Gifford Foundation about the lighted pathway led to a successful effort to get federal highway funds for the project and then to efforts to organize arts and culture organizations in the corridor.

Cantor soon introduced the project into the university curriculum. "Imagining The Connective Corridor" became the theme of six interdisciplinary courses which brought students together to explore different areas of the Corridor's development. University participants in the project grew to include eight colleges, a dozen faculty, 28 classes and 400 students. Student input continues to be a driving force in the growth of the Connective Corridor.

While the university birthed the project, other partners include National Grid, Time-Warner Cable, the Federal Highway Administration the State of New York, and county and city government. However, these partners make no decisions. They are, instead, funders. Syracuse University conceived the project, raises the money, generates project concepts, develops and issues the Requests for Proposal, hires the designers, and "gets everything done." The

project is, essentially, run in-house. Fifty or so community representatives advise the university on tasks related to the corridor, such as signage and public art.

The Near West Side Initiative – How it Operates

Cantor founded the Near West Side Initiative to guide the university's work in the neighborhood. Higgins is the president of the nonprofit's board. The initiative has no dedicated staff. Instead, it relies on collaboration among the university, the Gifford Foundation, Home Headquarters, and Syracuse Center for Excellence to staff various parts of the initiative. The university provides project leadership, commercial development, artist relocation and design services. Home Headquarters buys and renovates residential properties and facilitates engagement with residents. The Gifford Foundation provides business planning, resident engagement and neighborhood asset development; and the Syracuse Center of Excellence leads green neighborhood development.

Such a collaborative leadership model is, as Higgins points out, "brutal, a complete clash of cultures" but "surprisingly, it works."

The university has eight faculty members and more than 350 students involved in the Near West Side work. The university's School of Architecture is helping design affordable green homes. Students planned the organization's web site, designed homes, gathered neighborhood histories, redesigned the park, and even helped raise money for neighborhood projects. "They love it because it's real," according to Higgins. "When they leave school, they get to say, 'I did something.' "

Further, the initiative has participated in Syracuse's $1 home program, an effort by the local government to reclaim tax-delinquent properties for vibrant use by selling them to non-profit organizations for $1. This and the initiative's artist recruitment program is expected to keep at least some students in the community after they graduate, and as Higgins put it, "There is nothing these upstate cities need more."

The Near West side work also has strong resident engagement, with 120 residents involved. They have even established their own arts council and their own green team.

Moving even a small part of a major university is an enormous challenge.

Arizona State University

Arizona State University moved five of its colleges eight miles, from the suburbs in Tempe to downtown Phoenix, in less than five years while simultaneously navigating a voter referendum on a bond issue and coordinating its plans with neighbors, city government, and light-rail construction. .

At a cost of over $200 million and with a goal of serving 15,000 students, it is believed to be the largest single investment in a city by a university anywhere in the country.

The What

With 67,000 students, Arizona State is the largest public university in the country. It has four campuses in the greater Phoenix area, with Tempe (52,734 students) the largest.

In August 2006, Arizona State University opened its brand new downtown campus in Phoenix.

The campus, now made up of the College of Nursing, College of Public Programs, University College (exploratory curriculum), Extended Education and the Walter Cronkite School of Journalism, serves approximately 5,000 students and includes a dorm, Taylor Place, to house 1,288 students.

Unlike many anchor institutions reshaping neighborhoods, ASU wasn't already in the downtown it is playing such a big role in redefining and revitalizing. Instead, ASU figured out that its needs and the city's needs overlapped.

The How

More than most universities, ASU is shaped by demographics and a frontier culture. Phoenix recently passed Philadelphia as the nation's fifth largest city, and Arizona is one of the fastest-growing states – and one of the newest, achieving statehood in 1912. From 1990-2000, Arizona had an 88 percent increase in its Hispanic population and a 40 percent jump in overall population.

"Unlike, say, Boston, Arizona is a place yet unmade," says James O'Brien, ASU vice president and chief of staff to President Michael Crow. "We don't have that number of rooted institutions, nor do we have the history. What we achieved in two and a half years could take decades in a place that is more mature in terms of its growth and history."

Crow has been president of ASU since 2002. He came there from Columbia University, and associates soon learned that there is "Crow time" and regular time.

"At Columbia it would take years to get things done," Crow has said. "Here, you plan it one year and do it the next."

In his inaugural address, Crow set out his vision of a "the best possible education to the broadest possible spectrum of society" in a state where the proportion of college graduates was lower than the national average. He used the phrase "social embeddedness" to describe what he saw as ASU's relationship to the 18 municipalities in the Phoenix area. He spoke of encouraging the development of downtown Phoenix and of attracting members of what author Richard Florida dubbed "the creative class."

In Mesa, home base for 9,200 students at the Polytechnic Campus, the university adapted a former Air Force base site of more than 1,000 acres. In Scottsdale, where an an older area had defied revitalization efforts since a mall closed several years ago. ASU proposed and successfully developed an "innovation park" branded as SkySong that has attracted some 20 companies from around the world that want to do business in the United States.

ASU's most ambitious outreach project, however, was the opening of its campus in downtown Phoenix.

It was built with funding from a $223 million bond issue approved two-to-one by voters. Its opening was timed to coincide with the beginning of the construction of the Metro Light Rail line. Just two years later, in 2008, the rail began whisking students from Tempe to downtown Phoenix in 20 minutes or so.

Crow's offered eight "design imperatives" to give overall guidance and intent, but the people charged with designing and building the new campus had considerable autonomy. Crow relied on their judgment to anticipate problems and get input and ideas from the other players.

Rich Stanley, a senior vice president and the university's chief planner, came to ASU in 2004 from New York University. He knew Crow by reputation but had never worked with him. Within a month, Stanley was asked to plan a downtown campus that would be up and running by 2006.

"President Crow is a very impatient man," says Stanley.

Crow found a key ally in Mayor Phil Gordon, who was elected in 2003. At

a breakfast meeting that year, they sketched out plans for a downtown campus on the back of a napkin.

"The book on how to do this had never been written," Gordon said recently. "That's probably best, or we would still be talking about it."

The university issued a white paper in 2004 called "One University, Many Places" including detailed plans for the downtown campus. The editorial page of the Phoenix daily newspaper, the Arizona Republic, was supportive and helped allay the fears of fiscal conservatives opposed to an increase in the city's debt load. When the referendum was held in March 2006, it passed with 67-percent approval. The $223 million bond issue did not require a property tax increase. The college relocated the College of Nursing and the College of Public Programs just a few months later in August 2006.

Gordon insisted that the university be ready to use the money as soon as it was available. The university and the city jointly chose the site after consulting with local architects and neighborhood groups. The site housed a mixed bag of rundown retail buildings, vacant properties, and new offices that were either bought or acquired by eminent domain. The week after the bond referendum passed in 2006, the university and the city were ready to sign contracts, which Stanley estimates saved at least two years.

Gordon preached the benefits of education as a business that would produce revenue from student and faculty purchasing, from property taxes on private businesses that open on campus or nearby to serve the university, sales taxes on construction, and a revitalized downtown filled with young professionals.

Within the university, the administration lined up support from deans and faculty of several different schools. Some of them had worked at the university for 25 years or more. It helped that the Tempe campus was overcrowded and the schools that wound up moving had cramped facilities. The Journalism School got a new building and the Nursing School tripled its space.

"That made it hard for a responsible faculty member or dean to say they did not want to go," said Stanley.

ASU was integrating a campus into an existing urban environment at the same time a light-rail line was under construction. There was a period of disruption for downtown businesses and residents and concerns about zoning,

architecture, and historic preservation. That meant working with neighborhood groups and business organizations on design, building, and operations.

The university's purchasing officials ran seminars for downtown businesses about doing business with the university and dealing with state procurement codes. Retail space was added to the ground floor of the new journalism building and targeted for local business owners rather than chain franchises. A building deemed to have historic value was preserved and made a part of a new 2.7-acre, $34-million Civic Space Park that opened in 2009.

The university offers students an employee U-PASS, which enables them to ditch their cars and ride the rail or bus for free. The university negotiated a per-boarding rate with the city and pays for the program through parking revenues. Four months after the light rail debuted, ridership was 30 percent greater than anticipated.

"Light rail makes the downtown campus almost one campus with Tempe, eight miles away," said O'Brien.

The colleges in the downtown Phoenix campus now enroll more than 8,000 students. The goal is 15,000 to 20,000 students.

The main lesson learned, according to officials: It is possible to act

PRESIDENT CROW'S EIGHT DESIGN IMPERATIVES:

1: ASU Must Embrace Its Cultural, Socioeconomic, And Physical Setting: Leveraging Place

2: ASU Must Become A Force, And Not Only A Place: Societal Transformation

3: A Culture Of Academic Enterprise: ASU As Knowledge Entrepreneur

4: Pasteur's Principle: Use-Inspired Research

5: A Focus On The Individual: Outcome-Determined Excellence/ A Commitment To Intellectual And Cultural Diversity

6: Intellectual Fusion: Interdisciplinary/ Multidisciplinary/ Transdisciplinary/ Postdisciplinary

7: Social Embeddedness: Public Service/ Community Engagement/ Outreach

8: Global Engagement: Transnational/ Transcultural

quickly.

"If you allow the process to take over, after a while it becomes more about the process than the outcome, which is educating kids in a great environment in a way that benefits the city as well," said O'Brien

The Role of Anchors and Partners

The word "anchor" implies something already there, in place, securing something. Most of the profiles in this report examine already-existing institutions that have turned themselves outward physically and philosophically to take on a much broader role in the community.

ASU is a different case. The university intentionally put itself in a new place, as an anchor institution in an urban setting. Crow and other officials understood that having a downtown presence was essential to this mission. While ASU owns the physical structures, it depended heavily on the support of Mayor Phil Gordon, the business community and the general public to be successful. For example, Gordon, in an effort to expose more students to the dining, entertainment and other retail opportunities, led students from the new downtown dormitory on a downtown restaurant tour to generate buzz and new customers.

Since the Move

Together, the colleges at the Downtown Phoenix Campus have more than 500 partners who offer student internships in government, nonprofit and private-sector organizations. For example, School of Public Affairs students intern at the state capitol, City Hall and county offices, while Cronkite students cover news as it happens.

With more than 5,000 students taking classes at ASU downtown, there is a new energy. On a weeknight, visitors will see that every classroom and the library in University Center is full and the downtown dorm is bustling. Various programs offer a nightly series of events, many of which are open to the public.

ASU is also addressing significant and pressing community needs, via programs such as the collaboration between its nursing college and Grace Lutheran Church. The program provides family-planning and health-care services to low-income residents in their childbearing years.

The Phoenix Union High School District is collaborating with the School of Letters and Sciences to implement strategies to improve science and math skills among underrepresented students.

Additionally, the campus just started a new business incentive program allowing ASU students, faculty and staff to use their Sun Card IDs to receive discounts from downtown merchants.

New Jersey Performing Arts Center

There are troubled cities and then there are troubled cities.

The problems of Newark, New Jersey, are different in kind and degree from most other American cities. After a devastating riot in 1967, the city was featured on the cover of Time magazine as an iconic image of a race-torn decade. It is the third oldest city in America, but also lags far behind its giant neighbor, New York City, in competition for business, residents, visitors and attention. New Jersey does not have its own CBS, NBC, or ABC television affiliates, so the local news is dominated by NYC, leaving Newark an also-ran.

The New Jersey Performing Arts Center, which opened in 1997, was an attempt to help revitalize the city with a showcase facility that would be "in Newark and of Newark," meaning that its employees, contractors, visitors, and programming would reflect the city's diversity.

The What

The New Jersey Performing Arts Center has garnered national attention in its first 11 seasons, as a model for programming, audience diversity, education initiatives, and the catalytic role it has played in returning nightlife and economic activity to New Jersey's largest city. NJPAC is the sixth largest performing arts center in the country (based on annual operating budget).

NJPAC's mission in part is to develop into a world-class cultural complex, showcasing the best artists of national and international acclaim. It features renowned artists, cultural icons, and some of the world's most cherished orchestral, dance, theater, and instrumental works, as well as performers from New Jersey's outstanding array of artists and companies.

The How

"I have spent my life working and thinking about how cities change," said Lawrence Goldman, the founding CEO of NJPAC. "This facility's biggest impact is the psychological impact of changing how the people of Newark think about Newark and themselves. We did a survey after our first season, and 72 percent of Newarkers said they think better of their own city since it opened. The psychological turn has been huge."

NJPAC's downtown neighbors include a new 20,000-seat arena for the New Jersey Devils hockey team, a dozen new or major restaurant renovations, and two 35-story decaying art deco office buildings renovated into offices and upscale apartments. Newark International Airport is minutes away by highway or via the regional mass transit system.

Goldman, who got involved with NJPAC in the planning stages in 1989 after working on Carnegie Hall in Manhattan, was prepared for cringe-inducing headlines that would recall 1967.

"At the beginning, we spent a huge amount of time in suburban living rooms and rec rooms telling people, 'yes, it will be safe, no, your car won't be broken into.' I'm knocking on wood as I say this, but we have had five million visitors since opening and not an incident. As a precaution, I used to carry around a newspaper article with a headline that said "Man Shot Near Lincoln Center" to show that it could happen anywhere. I never had to pull that out."

Goldman said the development team was determined that diversity would be a reality and not just a goal.

"When we picked the architects and the firms that did the construction work, we knew we had very strict goals and we made it clear we would enforce them," he said. "Some subcontractors tested us. We let them know this was like budget and schedule in importance." Ultimately, Goldman says, of approximately 1,000 construction jobs, 46 percent went to minorities.

Among the best jobs are stage-hand jobs, which pay as much as $125,000 a year with overtime. Goldman and his staff went to the local union and urged them to bring in more minorities. They agreed and at NJPAC, 47 percent of those hours are worked by minorities.

"In staffing too, you have to care about this so much that you don't think about it," he said. "Like a banker thinks about the bottom line, we think about

diversity."

The mayors of Newark have been essential partners with the arts agency's mission. Former mayor Sharp James, who is in jail on a corruption conviction on charges unrelated to NJPAC, was "hugely supportive of NJPAC" and helped get state and federal money for the project. His successor, 38-year-old Cory Booker, is also a big supporter. His charisma and his frequent mentions of a vision of a "post-racial" society have focused national attention on Newark.

Adjoining areas are also developing, city officials say. NBA basketball star and Newark native Shaquille O'Neal is a partner in a project next to NJPAC.

"You hear developers citing NJPAC as the reason they have confidence in Newark," said Stefan Pryor, deputy mayor for economic development. " Acquiring the land and building NJPAC cost $187 million and the operating budget is $27 million.

NJPAC offers a weekly free concert series that has become a big event for Newark residents. The facility hosts an event 275 days a year, with a total of 400 event dates across its multiple venues.

NJPAC continues to bear fruit in downtown Newark. Construction on an adjoining 300-unit apartment building with retail on the ground floor, Two Center Street, is slated to begin this year. That project got a big boost when the 2009 New Jersey legislature passed a law designed to stimulate office development near urban transit hubs.

Georgia State University

Under then-President, Carl V. Patton, Georgia State University has undergone a massive transformation over the past 15 years. In doing so, it has transformed downtown Atlanta into a vibrant and viable living and working community.

Description

The commitment to revitalize the almost century-old state university that sits in the heart of the governmental, financial, retail, health and legal center of downtown Atlanta stemmed from Patton's desire to turn a sleepy commuter college into a respected university. With a background in academia and urban planning, Patton came on board with a vision to "be a part of the downtown community, not apart from it." He set out to recruit a larger pool of

undergraduates to a commuter and continuing education student-heavy school, as well as to lure a higher caliber of students by making the university more attractive.

Project Background

When Patton began, he noted the lack of a meeting place for students, such as a student center. Any lounges or other communal spaces that once existed had been converted into educational uses due to space shortage. He also noticed that students were sleeping in their cars between classes, and that what little pedestrian traffic there was students walking to and from classes.

At the same time members of the downtown Atlanta community were looking to revitalize a once vibrant central business district, including the re-energizing of older and/or inefficient area buildings.

Patton's first action was to lead by example and become a part of his new community. He sold GSU's presidential house in the suburbs and moved into a loft on campus. He then provided an opportunity for GSU students to do the same.

Patton decided that student housing, which had been virtually unheard of, was the solution to his goal of converting the school into a viable university. An opportunity soon arose while. Atlanta was preparing for the 1996 Olympic Games, including building 2,000 housing units for the Olympic athletes. The plan was for Georgia Institute of Technology to take over the housing after the conclusion of the Olympics , but the school pulled out of the agreement.

"We said, 'We'll take the whole thing,'" Patton said. "It was a little bit of a risk."

The risk lay in the price and location of the housing. Not only did it cost the school $85 million, but it was also far from campus, forcing the university to include MARTA passes as part of their housing package. But it proved a risk worth taking, as it was 50 percent full the first year, and 100 percent full every year following until the university sold it to Georgia Tech.

"We weren't going to achieve our academic goals if we didn't have students living on campus," Patton said. "Housing was a critical thing."

The success of this first project gave GSU the jumpstart it needed to undertake a massive campus-wide building plan. In over a decade, the school

went from no housing to 2,600 units. It added a student center, a new arts building—the Rialto Theater, a new science center, renovated older vacant buildings in the surrounding neighborhoods, and built new ones. The outcome was a university oriented toward the street.

As a result of the university's efforts, annual freshman enrollment has jumped from 600 to 3,000, and the university has become one of the leading research schools in the nation. Perhaps more importantly, the surrounding community has experienced a similar revitalization.

"There's an urban population of young people now here 24/7," said A.J. Robinson, the president of Central Atlanta Progress, a community development organization. "It's creating new pedestrian patterns and bringing new retail with the density of students being here all the time. It's changing everything about the oldest section of Atlanta."

GSU's urban environment includes municipal, state and federal government institutions on its southern border, a major cross point for the city's transit system to the west, major sports venues on either side, and to the north, one of Atlanta's oldest business districts. Patton recognized and embraced the urban environment of its community.

"When they first started renovating some of the old treasured buildings, there was no other money around to do so," Robinson said. "It's been a blessing for Atlanta."

A state university, GSU had the resources to preserve otherwise inefficient buildings so that the community did not have to exhaust all of its resources on preservation.

Several area buildings were donated to the university, and area organizations stepped in to build on the work the university was performing, including Central Atlanta Progress, a community development organization started in 1941. CAP took on public infrastructure work, such as sidewalks, signage and other streetscape improvements.

The City of Atlanta also played a key role in the area's transformation, coopearating with GSU on many issues, even though the state university pays no city taxes.

Patton has been able to engage the community in support of university projects.

GSU floated several 20- and 30-year bonds through the City of Atlanta, area counties, existing development authorities, its private foundation, and other foundations. Additional funds have come from private gifts.

To renovate the Rialto Theater into the Rialto Center for the Arts, a performing arts venue for the university and for the community, the State of Georgia paid $23 million of the $50 million price tag. The state also contributed $42 million of $142 million to build the school's new science center. Patton also led university's first-ever capital campaign He also became involved with the local Chamber of Commerce, serving on its board.

"Rather than just being an academic, I got to know people in the business community," he said.

Though Patton retired in 2008, GSU is still looking toward more growth, under the new leadership of Dr. Mark Becker. So far plans include a new football team for the year 2010, a new freshman residence hall of 350 units for 2009 freshmen, and 150 units for sororities and fraternities in 2010.

University of Cincinnati

Under then-President Nancy Zimpher, the University of Cincinnati turned an informal partnership of five anchor institutions in the Uptown area of Cincinnati into a new non-profit organization aimed at restoring and revitalizing surrounding communities as well as addressing the growing needs of its members.

The What

The Uptown Consortium is a non-profit community development corporation dedicated to the human, social, economic and physical improvement of Uptown Cincinnati, which includes the neighborhoods of Avondale, Clifton, Clifton Heights, Corryville, Fairview, Mt. Auburn and University Heights. Five Uptown employers—the University of Cincinnati, Cincinnati Children's Hospital Medical Center, Cincinnati Zoo & Botanical Garden, The Health Alliance of Greater Cincinnati and TriHealth, Inc.—formed the consortium to pool efforts to stimulate neighborhood development.

The How

The University of Cincinnati's initial involvement in community development grew out of a "pragmatic, enlightened self-interest to create a more attractive place for students, faculty and staff, " according to Mary Stagaman, presidential deputy for community engagement at UC.

Investment in the neighborhoods around campus was a natural extension of the comprehensive physical transformation on campus that occurred over a 15-year period. Concurrent with the execution of a campus master plan, university officials took a leadership role in the creation of community development corporations (CDCs) in neighborhoods surrounding campus. In order to ensure community leadership involvement in the CDCs, the university held just one seat on each board of directors. In addition, the university supplied working capital for the CDCs and still provides operating support to some of them today.

At the same time, UC was having a conversation with other key employers in Uptown about shared interests. The realization that they could accomplish more through a strategic partnership led to the formation of the Uptown Consortium in 2003.

The emerging consortium's first step to progress was to retain consultants to study Uptown and its strengths and weaknesses as well as opportunities. The firm identified areas in which consortium members and the community had shared needs and opportunities, including public safety, transportation, housing, economic development and integrated social services for neighborhood residents. In a series of three Uptown Summits, hundreds of community representatives heard about the initial findings and provided crucial feedback. There were significant changes made to the physical plan in particular as a result of community input.

Following this process, the consortium adopted a strategic plan that spawned a number of initiatives. The plan identified five major objectives:

- Unify Uptown's culturally diverse neighborhoods and create a clear sense of place by focusing on initiatives for public safety, transportation, housing and home ownership, economic development and integrated social services for neighborhood residents.
- Create new and renovated housing and promote Uptown neighborhoods as

vibrant communities of "first choice" where people of diverse economic and cultural backgrounds live, work, learn, and play together.

- Promote economic development efforts through integrated strategies that address physical improvements to housing, infrastructure, and commercial areas, in an effort to create and expand commercial, industrial, life sciences, healthcare and educational related services.
- Ensure that Uptown is a safe, attractive, welcoming and walkable community for its residents, employees, students and visitors.
- Create a clear sense of direction, a feel for Uptown as a distinct place and better access to neighborhoods, retail centers and major institutions.

The Uptown Consortium

To meet the consortium's five-pronged goal, three committees were formed to inform the consortium's work and to provide additional opportunities for community input: the Community Development, Neighborhood Services and Public Safety committees. Each committee included Uptown residents and business people, senior staff from the consortium members, and topic experts from regional businesses, non-profit organizations, and government.

The Community Development Committee focused on the economic and physical revitalization of Uptown with a goal of leveraging the area's many assets, including students, major employers, significant diversity and the more than $300 million in community development projects already underway. The committee also has had a role in determining how business districts within Uptown are developed and marketed.

The Neighborhood Services Committee was focused on working with consortium member institutions and area service providers to help improve Uptown neighborhoods, looking specifically at education, healthcare and economic inclusion. Currently, UC has taken the lead on education and healthcare in particular, with its regional Strive partnership for education and support for the Center for Closing the Health Gap (through University Hospital).

The Public Safety Committee was charged with helping to realize the consortium's goal of a safe, attractive and walkable community. Uptown comprises two police districts and includes a sworn officer force at UC and

security forces at the medical centers. Cooperation among these entities is focused on increasing actual and perceived public safety presence and crime reduction.

Through its Public Safety Committee, the consortium has budgeted more than $100,000 to hire off-duty police officers to reduce crime in Uptown "hot spots," areas of high crime areas, which have been identified through data. Since the collaboration began, significant decreases in crime have been recorded in most neighborhoods.

The committee is also examining other safety and quality of life strategies, such as establishing lighting standards throughout Uptown; launching graffiti removal and street cleaning initiatives; establishing a better way-finding system, and identifying and targeting negligent property owners with the city's and community's assistance.

To limit gentrification—driving out existing residents by boosting rents in existing structures—the consortium focused on developing blighted or vacant sites, transforming properties into retail and office space, as well as much-needed parking. Current projects include market-rate housing and a hotel. Buoyed by an infusion of New Market Tax Credits, some $400 million in new construction and neighborhood improvements have occurred in Uptown Cincinnati.

To achieve consistent, transformative results, performance measures were established to monitor the number of units constructed or rehabbed as well as the square footage of space leased or developed. "We felt activity measures would lead to improvements in neighborhoods if we focused on one neighborhood at a time, block by block, as a concentrated place-based investment," Zimpher said.

Input from collective community leadership in late 2008 led the consortium into a year-long process to reexamine its mission and the degree to which the community had been included in decision-making for the consortium that had a direct impact on the neighborhoods. Uptown neighborhoods called for more transparency overall and a "place at the table."

It was generally agreed that the consortium had made good progress in the area of real estate development, but that the other aspects of its mission might need more investment over time. With consortium leaders

and neighborhood leaders at the table, the consortium reaffirmed its desire to improve Uptown on all fronts: physical, social, educational, and beyond. As a sign of a renewed commitment to include the community in its work, the consortium invited two representatives from the newly formed Neighborhoods of Uptown council to join the Management Operations Committee. This body is where the substantive work of the consortium gets discussed and turned into recommendation for the Board of Directors.

This new alliance has already proved valuable, for example, the consortium members and the neighborhoods are aligned in their support for a new Cincinnati Streetcar. In addition, there is renewed commitment to the redevelopment of a once-vibrant business district known as Short Vine.

Lessons Learned

These six anchor institutions – five universities and an arts organization – have invested resources in transforming the communities in which they are located. This paper, as we noted in the introduction, is an effort to report back on those efforts, to learn what the institutions which seek to drive improvements in their neighborhoods do.

The case studies range widely in their ambitions and accomplishments. Arizona State has the biggest footprint, literally building a campus from scratch and remaking a downtown neighborhood. The New Jersey Performing Arts Center built one of the nation's largest arts centers in a distressed downtown neighborhood. Georgia State has directed a dramatic expansion of its campus into downtown Atlanta. Portland State is examining what it can do to remake its campus and surrounding neighborhood.

Those are ambitious and large-scale efforts which have re-shaped cities and bear further examination, but the most challenging bids may be coming from Syracuse University and the University of Cincinnati. Those two institutions are not so much seeking to remake themselves, but rather to direct ambitious, integrative programs in nearby neighborhoods, working on not just beautifying streets and making sure they're safe, but even helping residents access social service, healthcare and jobs.

These case studies have demonstrated the breadth of what it means to be an anchor institution, the many ways in which it's possible to have a positive

and even dramatic impact on nearby communities. We hope that they can serve to both inspire and inform other institutions who look to make similar investments.

This paper is also an effort to explore what has worked, and in some cases not worked, about these efforts. As we probed what each institution did, we asked their leaders what lessons they had learned. We present those results in this section.

A quick note: One of the challenges of presenting recommendations is that many of the conclusions often end up sounding, well, a little obvious: Involve the community; Leadership matters; Build partnerships. While such axioms will no doubt be familiar, we think they are still worth repeating. The truth is that the officials who develop programs often violate even the obvious tenets – They don't involve the community. They don't carefully select staff. They don't reach out to others.

Another interesting discovery – the lessons we learned from these institutions sometimes contradict one another. From the Arizona State case, we hear that it may best to act quickly, to jump into construction and development and to not get bogged down in process. That's very different from several of the other institutions, which suggest that process is critical. The point, apparently, is that there is no one way to do things right.

1.   Act with a bold, ambitious mission at your base.

Several of the institutions we examined emphasized that they decided to shoot for the moon – and they're convinced that the very audaciousness of that goal helped propel them beyond just building a couple structures or starting a nice outreach program.

That is certainly true in the case of Arizona State. To sell a new, somewhat radical ideas (moving a significant portion of their university to downtown), officials credit a clear and compelling vision. President Michael Crow's Design Imperatives offered an overarching plan which made the case for the downtown campus and the role it would serve in the community.

NJPAC officials also credit their ambitious planning – They decided nearly 15 years ago they could help remake a struggling city. And they and other city leaders think they've done that. Its building, its programs, its leadership and

the surrounding developments leveraged from NJPAC's success have not only changed the physical landscape in Newark, but have altered the community's psyche, officials say.

The social mission and the message around NJPAC – that it was built not only to serve as a source of entertainment, but also to change the course of the city – have helped make it successful.

Syracuse University also credits their mission for motivating their efforts. Chancellor Nancy Cantor has made "scholarship in action" fundamental to her tenure at the university, and the university's ambitious neighborhood redevelopment projects provide a natural and important platform for that. And, officials at Syracuse believe, the fact that faculty and students buy into the mission and redevelopment work, is a huge boost to the work. The deep engagement of faculty and students in these projects, rather than just money or CEO and immediate staff involvement, creates hope that the commitment will endure.

2. Invest in leaders who are visionary and dedicated

While of course any team is more than just one person, several of these projects owe a tremendous amount to their top chiefs. Universities are complex organizations, often divided by power struggles among faculty, boards of trustees and administration. In such an environment, the only person who can move a mountain would be the president or chancellor.

The case of Syracuse testifies to that. Chancellor Cantor initiated both the Near West Side Initiative and the Connective Corridor. She brought funders to both efforts and, in the case of the corridor, lobbied Congress for earmarks to support it. She has also promoted meaningful faculty and student involvement in both projects. It is hard to imagine the projects without her input.

Syracuse officials also credit the role of Marilyn Higgins, the National Grid executive who now heads up the redevelopment efforts. That raises another oint that several case studies made – when selecting leaders, it can be a big help to choose someone with direct experience with a partner organization. If a community development group hires from a university candidate pool, for example, it ensures they can see issues from various perspectives.

Several of the other case studies certainly testify to the necessity of

strong leadership, from the ambitious approach of Nancy Zimpher at Cincinnati to the bold vision of Carl V. Patton at Georgia State University.

3.   Build, maintain and invest in strategic partnerships.

Syracuse again is a good example of the power of not going it alone. Chancellor Cantor was able to get National Grid and the Gifford Foundation on board with both projects very quickly, and they have remained deeply involved.

Georgia State has worked closely with other downtown businesses and landowners. No one succeeds in a vacuum, especially in the central core of a business community. "So many things occur, you cannot build a wall around yourself and expect to get anything accomplished," TK Robinson said.

Other institutions point to their work with residents, neighbors and community leaders – they need to be part of the planning from the earliest days, officials say. Even if you're doing something good, if your neighbors perceive of it as your project that they can't share in, it will not have the impact it could have.

Cincinnati officials are re-examining its efforts, after hearing from residents that their vaunted redevelopment plans were focusing too much on real estate, and not enough on people. The consortium is currently undergoing a community review process, and neighborhood partners are calling for greater transparency in the decision-making process for the consortium's work in community development as well as the allocation of resources for neighborhood services.

Another issue that officials in Cincinnati ran into is that the University came to be seen as the primary budget source, which created the assumption that the university had deep pockets and developed a sense of dependency within the community. The answer, they've grown to appreciate, is to engage the community in a more ecumenical effort beyond funding.

The challenge, officials say, is that these institutions typically have long histories with the communities they now are seeking to engage with. And those histories weren't always so positive. A strong sense of history is required. Scars last a long time, and it takes a great deal of patience to build a true partnership. Cultural differences also exist: The academic world has its own peculiarities, as do neighborhood cultures.

NJPAC has sought to stay close to its neighbors by programming activities for all Newark residents, not just those who like the high arts, says CEO Lawrence Goldman.

"Love the Mozart and Beethoven crowd but don't build only for them," he said. "Today is a Thursday. Tonight we will do Sounds of the City. By 9 p.m. we will have 2,700 people outside eating burgers and drinking beer and listening to three bands. Everyone was worried about all these people assembling. But it has become an urban lovefest."

4.   Develop strong relationships with city government

Universities and other anchor institutions have often had strained relationships with their host cities, clashing over issues like property tax exemptions, student behavior and public safety issues.

But, the institutions say, in order to have a broad impact in a neighborhood and beyond, it is essential to work closely with city officials

Georgia State and Atlanta officials have ended up having a synergistic relationship, as their investments have fed off each other, according to Robinson. "There was a lot of reservation with folks holding on to the idea they could re-create the central core of Atlanta's old business district with or without Georgia State," he said. "If we had embraced their efforts early on, we could have moved a lot faster with revitalization. Now we can't embrace it fast enough."

Syracuse officials have had a sometimes challenging relationship with city officials, some of whom did not greet the university's efforts to attract state and federal funding for redevelopment favorably: The pursuit of earmarks for the Connective Corridor by the university was perhaps understandably threatening to the City. And city governments, especially those with declining populations and declining tax revenues, do not naturally attract risk takers, so getting anything new and important underway that requires assistance from City Hall is likely to be challenging, officials note.

5.   Assess the current reality before acting.

Arizona State officials say they were able to find success so quickly because they made sure that their efforts and projects were needed. They first identified critical needs in the community (low percentage of residents, specifically young

professionals, with college degrees; lack of a vibrant downtown) and developed a solution that was mutually beneficial to the city and the university, with its need for more space for a growing student population.

Every institutions surveyed underwent a similar process, of understand where their communities were before acting. This requires a lot of knowing, listening and understanding to assess the current situation and what opportunities are there.

6.   Jump into the work

But while that planning and assessment are essential, some officials caution that it is important to start the work – and not get bogged down in years of meeting.

One reason is practical, say Georgia State officials. If they made all of their long-term intentions immediately apparent, land speculators would have snatched up all the properties they were eyeing, driving their pricetag out of range.

Arizona State is the clearest case for working quickly. Officials there say that the lack of a detailed blueprint for their work was not a liability. In fact, in this case, it was a benefit because it kept the process from conforming to old rules and expectations that would slow it down.

Conclusion

This paper has explored several ambitious efforts by anchor institutions across the country. We've offered brief portraits of their efforts and a sense of what factors helped them succeed. This report has broken ground in doing so, as other papers have tended to focus in on a single effort and several of the cases we examined have not been studied before.

What this field lacks, however, is a more rigorous examination of its success from an independent evaluator. It is difficult, but critical, to truly understand the impact that these institutions and their projects have on neighboring communities. We think the evidence suggests those effects can be both profound and positive, but further study is warranted.

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DRINKING
DANCING
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SELLING
BIKING
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