Town and Gown: Making Institutional and Community Development Work Together

Dale McGirr, Ronald Kull, and K. Scott Enns

Abstract

Major urban institutions may no longer pursue strictly internal strategies by expanding their campuses and shrinking the neighborhoods around them. Further, even without expansion needs, urban institutions cannot view adjacent neighborhood areas as beyond their concern, subject only to natural market forces and/or the leadership of local governments. Instead, they must form multiple strong partnerships with neighborhood leadership groups using the same neighborhood "boundaries" set by the city, and set long term visions that serve both partners and approach local government together to achieve those goals. Institutions must also be prepared to co-invest in the resulting projects.

Town and Gown in Urban Areas

Major urban universities are not only economic engines, but also anchors for their cities. They tend to be more stable in their location than are many private businesses, which relocate with increasing regularity. This stability is a great asset to communities; it also means, however, that universities often function within the urban core, with all of the problems these areas have undergone since 1945. Through an integrated, open approach to institutional/community planning and economic development with surrounding communities, universities can address the myriad of urban issues they face and foster positive, diverse growth in the local economy.

In the last half of the twentieth century, the predominant model of institutional expansion was one of direct control, in which the university always took the leading position. A better alternative may lie in partnerships that allow the community to buy in with control, while the university invests directly in the health and well being of its neighborhood. In this model, community development is not someone else's responsibility, but an essential institutional commitment. The community and university partners embrace this strategy together, rather than watch deterioration continue.

The University of Cincinnati has pursued this approach for the last 13 years, and the fruits of this labor are starting to appear. As it positions itself for the new century, the new economy, and the rediscovery of the central city, the University is demonstrating that it is possible to be a great institution and a great neighbor.

1890s to 1945: Separation

The University of Cincinnati, a public institution, relocated to its current hilltop campus between 1895 and 1928. Before the University arrived, the area was farmland, bordered by a large city park, family homes, and the outer reaches of the city's street grid. The University remained stable in size until the 1950s. The same is true of the University's College of Medicine, which, early in the twentieth century, moved to a location more than a mile away from the main campus, next to the General Hospital owned by the city of Cincinnati. The faculty tended to live within two to three miles of campus and the students lived at home or in the limited residence hall system then in existence. In general, the town-gown relationship was supportive and viewed as symbiotic. Since the institution was then a municipal university, the faculty and administration were involved in many formal relationships with the city (at one time, the University's president ran the city's library), but there were few relationships with the University's immediate neighbors. It was as though an invisible wall stood at the edge of campus. This informal border was not particularly organized, intentional, or strategic.

1945 to 1990: Physical Expansion, Economic Integration, Community Deterioration

During this period, the physical expansion of the University campus was directly impacted by research funding from the federal government. While infill strategies were sometimes used, this growth could not always be handled within the existing campus borders. The resulting expansion contributed to the formation of campus "super blocks," as the University occupied great swaths of the adjacent neighborhoods. By 1970, the University's academic West Campus and medical East Campus had grown to be nearly contiguous, as the University's two "super blocks" filled in toward a common center.

From 1960 on, the University established itself as a major economic engine in the city, doubling and tripling its activity in many fields, including sports and culture. During this period the city did not view the University area as a cohesive and dynamic economic center with systemic problems similar to the Central Business District (CBD). Instead, the city responded to the area as a set of six individual neighborhoods with mutually exclusive problems.

Void of a clear policy direction or a comprehensive or coordinated public investment plan from the city, area neighborhoods did not have the capacity to respond to the economic challenges of both an aging and shrinking residential housing stock. The business of renting out older homes became an University area growth industry, with properties yielding three to four times the original occupant density, a good return-on-investment, and great cash flows. It was also the type of investment that later exacerbated problems, as profit margins superseded neighborhood quality and demographic shifts caused many types of retail services and businesses to gradually fail and/or migrate to the suburbs. Between 1960 and 1980, the University's employees more than tripled their average commute to work, to more than ten miles. Today the typical commute is 15–25 miles.

By 1990, the University was surrounded by neighborhoods that were not healthy, not attractive to employees and students, and not convenient for many of the needs of those groups. While people clustered around the University campus still had great "fundamentals" such as high discretionary spending and the demand for diverse housing and retail, no significant investment in the University area captured this demand. The University demand sought solutions in the suburbs and boutique areas northeast of Cincinnati, along the Northern Kentucky riverfront, and on the fringes of the CBD. The University captured key markets during business hours, but lost them for residential, commercial, and recreational purposes. Something was wrong.

1990 to 2003: Concern, Discovery, Partnership, Reinvestment

An analysis conducted in 1990 uncovered four other disturbing trends.

First, the building boom of the 1960s, 70s, and 80s had consumed too much of the open space on campus (unless parking lots are to be counted as open space).

Second, student housing preferences had shifted markedly to less dense, suite-style arrangements, rendering many existing buildings useless for the long-term and requiring the development of more square feet per student to respond to demand.

Third, a new wave of research was beginning in the life sciences, creating the demand for more laboratory buildings. Economic development opportunities in products and services from the life sciences were (and are) abundant, and needed new space.

Fourth, accreditation standards set new requirements for academic space. While the University had absorbed a great deal of student growth over the years, it had done so without building as much space as was now mandated.

The University was faced with the need for more space, with less land available, and a demand to respond quickly. The traditional solution—another round of expansion into the neighborhoods—was a disaster in the making. Such a move would surely be opposed and might be fatal to those neighborhoods. The University decided to try something new: integrated planning.

A Master Plan is Born with Community Partnering

The University's first serious Master Plan was published in 1990, after 18 months of work. In this version of the Plan, and in updates published in 1994 and 2000, the University recognized the need for an integrated, partnership view of the neighborhood. To start making good on this view, the University asked the city to appoint a representative to its Planning Committee. In this way, the University began working for win-win solutions to both its own issues and those of its neighbors, based on an understanding of the previous 100 years of history.

The University needed a vision of itself that it could translate into physical terms for a long period of time. It needed to state for the public its total space requirements (3 million square feet) for the next 20 years. And the University had to understand that the neighbors would assume—based on experience—that it would plan to expand beyond the super blocks.

To counter that assumption, the University first had to specify where it really did want to expand (a minimal area in this case, necessary to complete the connection of the two campuses). The University otherwise needed to commit itself to staying inside its boundaries for a 30-50 year period (a time frame chosen in part to allow private investments to be made on the campus edges and then amortize over many years).

But how could the University deliver 3 million square feet on less land and with minimal expansion into new property?

The University decided to be more creative in identifying infill sites on campus, rather than filling up limited open space. The University initially committed $55 million toward parking garages, then additional funds for converting parking lots to open space or building sites. (That much is done, and another $45 million is now in construction for the same purposes.) The University also had to be willing to "stack" functions creatively to maximize the yield of limited land, and to commit itself to the highest quality of architecture in pursuit of these goals.

Finally, the University created a "gateway system" on its many edges, not to exclude the community, but to allow branding, clear entry points, and way-finding. The gateway system also implies that the University will maintain a fixed relationship with the immediate neighbors, rather than expand as it did in the past.

These Master Plan provisions did more than point the way toward meeting the University's institutional goals. They also gained enough credibility with the community to suggest that the University and the neighbors might work together on off-campus issues.

The Transition

Still, there was more apprehension than enthusiasm for this notion, until in 1995 the University found a common issue that could unite town and gown: recreation space. There was an area on the East Campus, an area that would in fact, connect the two campuses, that was occupied by city recreation fields that included an old 5,000-square-foot recreation center. This outdated center had only one meeting room and a half-court gym. Not only was it old and undersized, it was separated from the neighborhood by a six-lane highway. It was difficult for the residents to get to the small building, and the two softball fields were mostly used for citywide softball leagues involving few local residents. The University offered to buy the land on two conditions: *(a)* the purchase price would be the same as the cost of constructing a 20,000-sqare-foot recreation and senior citizen center, to be located south of the big street, where the neighbors could use it; and *(b)* the proceeds of the sale would be restricted to this use only.

This plan worked. The University got the land it needed for expansion, while the neighborhood got the recreation center it had long desired, during many years of fruitless applications to the city. The completed project was dedicated in 1999.

Even while the recreation center project was in process, its success became the basis in 1996 for launching a partnership of community and economic development, in which the University worked with the neighborhood to create several development corporations.

Early discussions involved deciding on a name for the area. Any term that included the word "University" overemphasized the institution's intended role while ignoring the importance of neighborhood self-determination. Eventually, "Uptown" became the umbrella name. "Uptown" reflects the full range of partnerships, and it asserts the importance of the area within the city as an economic driver related to the CBD, or "Downtown." To date, this umbrella term has covered six development organizations and many related projects, and further agreements are in process. In the past year, all of the hospitals and the Cincinnati Zoo have agreed to join with the University in an area development council. The council's members have agreed to serve on local development corporation boards as needed.

Principles of Partnering in Off-Campus Development Activities

In almost seven years of working through community organizations, the University and its partners have developed essential principles.

(1.) Don't expand into a neighborhood if the expansion will destroy the neighborhood's fabric.

(2.) Institutional and community goals must both have standing and be pursued simultaneously. There must be agreement that institutional districts with associated neighborhoods have strong "market fundamentals" for housing, retail, small business location, and related commercial development. This agreement will support the notion that a balanced plan can be formed to meet the combined goals. The plan must also commit to good architecture and the building of long-lasting community assets.

(3.) Institutional expansion goals may have to be achieved by contract, lease, or partnership with private entities in surrounding neighborhoods, including project elements for neighborhood needs, rather than through direct ownership and operation of facilities.

(4.) Institutions need to look at the opportunities to "recycle" other empty institutional space, even if it is not contiguous to its present campus. Key opportunities are the shrinkage of health care use in the urban core, and the "facilities fallout" from corporate mergers and acquisitions. This is responsible land use policy and is supportive of preserving neighborhoods at the same time.

(5.) Institutions need to be consistent in their approach to partnering with neighborhoods, but need to realize that partnerships must be executed with individual development corporations within each neighborhood. This approach recognizes the individual nature of each neighborhood's concerns and allows the institution to match up with community governance structures. This principle has led to the establishment of six development corporations on our various borders. See Figure 1.

Uptown Community Development Areas
Fig. 1

1995 Corryville Community Development Corporation (CCDC), Corryville

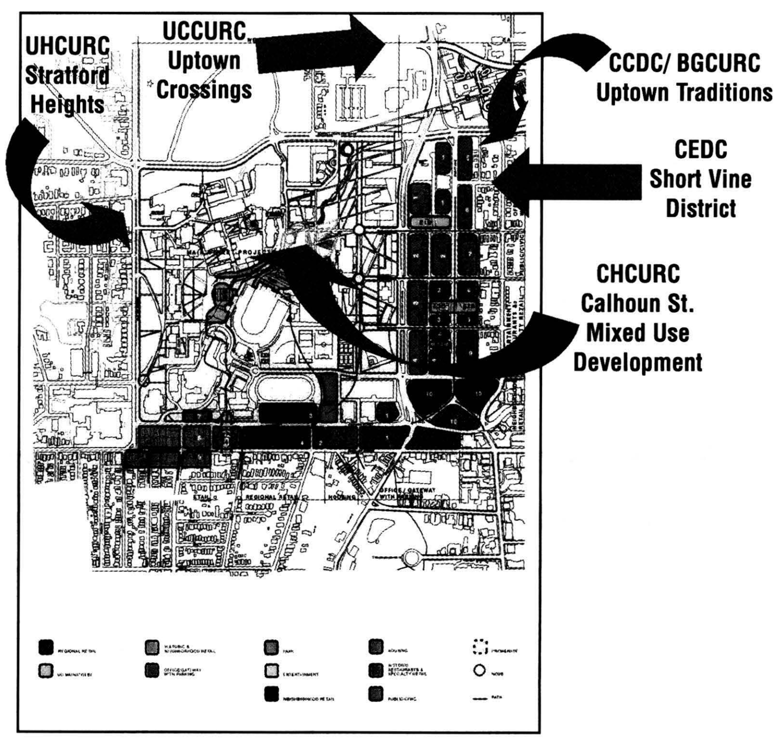
1997 Corryville Economic Development Corporation (CEDC), Corryville

1998 Bellevue Gardens Community Urban Redevelopment Corporation (BGCURC), Corryville

1999 Clifton Heights Community Urban Redevelopment Corporation (CHCURC), Clifton Heights

2001 University Heights Community Urban Redevelopment Corporation (UHCURC), University Heights

2003 Uptown Crossings Community Urban Redevelopment Corporation (UCCURC), Corryville

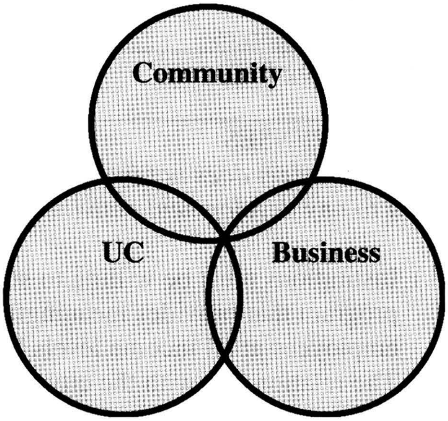


(6.) Voting control of the development entities must be held by the neighborhoods and/or business associations around the institution, with a minority voting presence from the institution. In the University's case, this typically means having one out of three corporate members and one out of five trustees votes. See Figure 2.

Typical Development Corporation Structure
Fig. 2

Typical Goals:
- Develop new housing, retail and business.
- Stabilize existing business districts.
- Work in partnership with city and regional initiatives.

Typical Membership:
- 5 Trustees
- 3 community leaders
- 1 local business leader
- 1 UC representative



(7.) Institutions must be willing to invest in this partnership in two ways. First, they must provide an initial operating grant to assist in funding such basics as an office, an executive director, and legal/consulting services. See Figure 3. By giving the development corporation a presence, an operating grant enhances the stature of the partnership. It also enables the development corporation to carry out objective planning activities by a consultant selected by its board, rather than using staff of the University. Operating grants may also take the form of leases and joint use agreements to use some spaces and provide secure income for projects. Second, institutions must be willing to add their loan capital to other investments of private capital to make projects feasible. This must be done through subordinate loans at reasonable rates, which take the place of bond investments in the institution's portfolio.

Typical CDC Operating Budget, CHCURC
Fig. 3

2001 BUDGET	
Wages/Benefits	$143,000
Rent/Utilities	$11,000
Office Supplies	$4,000
Professional Services	$42,500
Fees/Permits/Charges	$7,500
Total Operating Expenses	$208,000
Studies	$52,000
TOTAL EXPENSES	$260,000

Note: This budget does not include acquisition; demolition or site improvements related to any development activities

(8.) Institutions must be willing to support an Employee Assisted Housing (EAH) program that provides meaningful incentives and increases the number of employees at all income levels living nearby in owner-occupied housing.

(9.) The relationship with the city should be formed early and kept open, with differences between the institution and the neighborhoods and business districts worked out in advance. (The city is neither a good initiator nor a good referee.) Taking a thoughtfully prepared joint vision to the city for assistance is more effective than expecting the city to arbitrate differences as they arise.

(10.) Requests to the city should be realistic and should focus on policy support (zoning, land assemblage procedures, traffic engineering, etc.). Street/infrastructure improvements should be expected on most projects, but not large subsidies. The largest projects may include major contributions proportional to the other capital being invested.

Case Studies in Uptown Partnerships with the University of Cincinnati

- The overall economic development goals of the University of Cincinnati's partnerships were established publicly through merging the University Master Plan, a major commercial/retail market study, and a land use plan developed with the development corporations. The major goals are: 2,000–3,000 new student beds within three blocks of campus edges, integrated with retail when appropriate and drawing residents from the immediate areas outside this zone to homes available for reuse as single family homes.
- 150,000 square feet of new retail space, with average sales of $350 per square foot.
- 100,000 square feet of rehabilitated retail space with the same average sales figure.
- 500 market rental units spread across all income levels.
- 250 new owner-occupied units spread across all income levels.
- 200 rehabilitated single-family homes returned to owner occupancy.
- 100,000 sq. ft. of small business and business incubator space.

- Approximately $500 million in total investment, including all parking requirements for the space listed above.
- $375 million in investment from development corporation bonds, banks, city infrastructure, and private investors, combined with $125 million in loan co-investment from the area institutions. (Currently, $75 million has been approved by the University's Board, of which $30 million is drawn and another $40 million set for draw within 18 months.)
- Other private investment in retail and housing (rental and owner-occupied) in Uptown of at least $100 million by 2008.

Within the six development corporations, which range in age from one to eight years, project development is at many different stages. The following are examples of what has been accomplished or is scheduled for construction within the next 12 months.

Urban Outfitters Store

This new retail outlet started as an empty church across the street from the southern edge of the campus. The pastor and church council planned to move from the area but wanted to preserve their building. They came to the University for advice, with the idea that the church building might become student housing. They refused to sell to anyone who would tear down the building, as it was the legacy of their last 70 years. This was in an area that did not yet have a development corporation, at a time when the Uptown partnership was just developing its principles. A study concluded that housing would not work well in the space. But there was some general interest from a few developers in the Uptown, and this opportunity was presented to them.

After making three unsuccessful attempts, the developers at last found a match with a retail concept—an Urban Outfitters store. The offer was contingent on closing the loan for the project in only two weeks. The contract was signed, the University Board approved a $3.3 million loan, and the store opened in September 2001.

Signing one of the most desirable retail names in the country was a major step forward, since it demonstrated the reality behind the market research showing strong demand. The opening of the outlet was a major event, well worth the speed required to close this deal. See Figure 4.

Urban Outfitters Site, Clifton Heights
Fig. 4

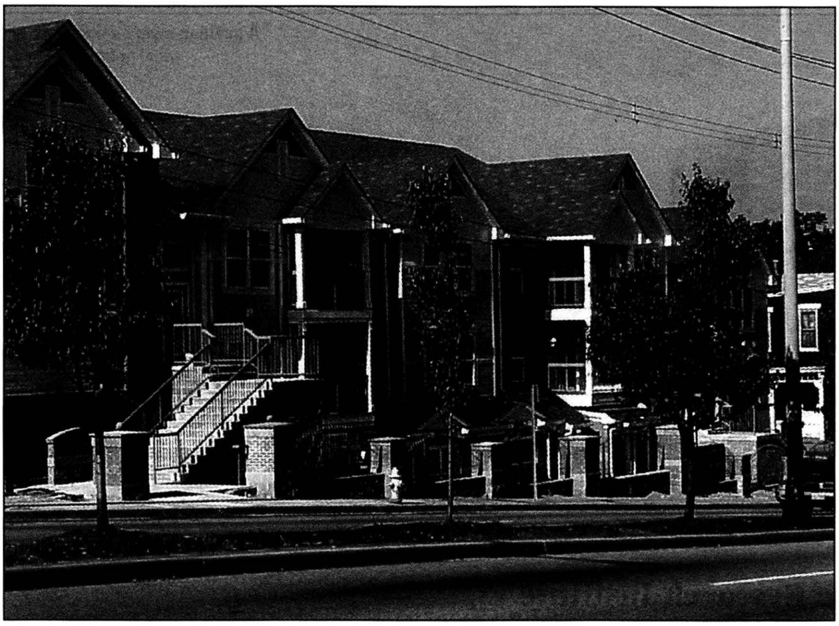
Bellevue Gardens and Uptown Traditions

Working with a new development corporation dedicated to new housing, the University and its community partners targeted an area with many empty houses across from its East Campus. The land had been assembled by a medical practice corporation, but not used for more than ten years, and a few of the buildings had become crack houses.

The partnership developed a plan to purchase the land, thereby preventing its development by yet another chain drug store, and committed itself to clearing the property and constructing two buildings with 20 rental units each. A few months later, the University's Medical Center heard of the project and offered to market it to medical students, residents, and visiting professors. That plan has worked well, and the Bellevue Gardens apartments have been fully occupied for over a year with 80 percent of that demand from the above categories. See Figure 5.

Now, that area has been under further study and a four-square-block plan has been developed. The plan provides for 286 residential units (both rental and owner-occupied), with market units targeted at low, medium, and high-income levels, and also 75,000 square feet of commercial/retail space and underground parking. The first phase started construction in the spring of 2004.

Bellevue Gardens, CCDC/BGCURC
Fig. 5

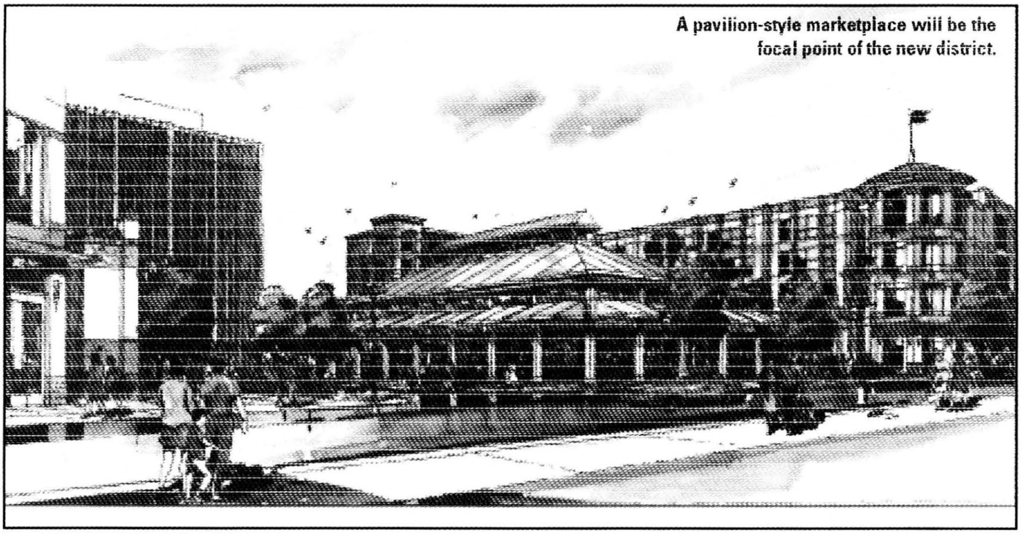


Calhoun Street Mixed Use Project

The Calhoun Street project, which may be the most complex yet, involves both the University side and the "private side" of a major boundary thoroughfare. The goal is to create a new, double-sided retail district with 110,000 square feet of commercial space; 750 beds of student housing (privately owned and managed); 245 units of market rate owner-occupied housing above the retail housing; and 1,600 parking spaces split among the University, the housing, and the shopping area. The north portion of the project (the University side) will sit on an air rights lease above a University owned garage.

The project is nearing a final developer contract valued at $126 million, with construction started on the $40 million University-owned garage in February 2003. The University loan commitment is around $40 million, and the student housing is being built to University standards, including a full technology network. The project also includes a public park. This was a major need of the community, and could not be achieved by other means. A park is also an appropriate amenity to create near student housing and is comparable to the green space standards that the University insists on in its on-campus system. All of the creative planning, organizational, communications, and investment principles discussed above have been used to bring this project to the brink of construction. See Figure 6.

Calhoun Street Mixed Use Project, CHCURC
Fig. 6



Genome Research Institute

A new University research institute focusing on genomics required hundreds of thousands of new square feet, which could not fit on campus. By chance, a series of pharmaceutical company mergers left empty a research facility located ten miles north of campus. The University worked for two years and with two different companies to convince the owner (a company now located in Strasbourg, France) to donate the property to the University. The University then invested $46 million to turn the donation into a functioning Genome Research Institute. Difficult negotiations were required to interest faculty in relocating off-campus, but the effort was ultimately successful. Occupancy began in March 2003. The City of Reading, in which the facility is located, has become an energetic new partner, contributing free perimeter security and creating a redevelopment plan based on the University's revitalization of this research center.

Stratford Heights

The neighborhood on the western edge of campus contains a great deal of housing, largely occupied by students. This is the location of a once-vibrant "Fraternity Row." The Greek chapter houses scattered throughout the area are generally in poor condition. They meet neither the new suite-style floor plans nor technology standards that students now prefer, and they have no open space. The area also includes a 400-car surface parking lot owned by the University.

After some miscommunication, the University and an organization known as the Greek Affairs Council discovered many common goals. It became clear that the development corporation model could address those goals. Today, the development corporation has a final developer contract and financing pending on a $67 million student groups-housing development with 710 beds, about half of which are in 30-bed units that will house Greek chapters, with full technology network, parking for over 600, and related green space. The remaining beds are for the general student population. All of this will be owned and operated by the development corporation controlled by the neighborhood partnership. See Figure 7.

Stratford Heights, UHCURC
Fig. 7

College of Applied Science (CAS) Campus

The success of the partnerships described here has positioned the University to confront new challenges with some confidence. For example, the University's College of Applied Science will soon put the partnership principles to a test. This college was located from 1912 to 1989 on the edge of Cincinnati's CBD. That facility no longer met the college's needs. Attempts to find a site on campus for a new home were not successful, because it would cost twice the available funds to build a new facility. At the same time, nearby Xavier University was closing its operations on a subsidiary campus. The property had just been purchased by a private company, which planned to use only a third of the land overlooking the Ohio River for a high-rise condominium project.

A quick negotiation resulted in a contract to build a new home for the College of Applied Science, using two existing buildings and a small addition, for only 25 percent above the original budget, rather than 100 percent. Occupancy occurred in 1989. This example of using old institutional property sensitively to serve a new institutional purpose, like the two described earlier, is a real success story.

However, recent growth plans and a restructuring plan that moved several programs to the College of Applied Science have now doubled the space requirements. The University may find it cannot respond to this pressure on the existing land. To intrude into the neighborhood is unacceptable. Thus, the University of Cincinnati is again faced with the kind of dilemma that will test the principles developed through negotiation and practice. The University is committed to find a solution within its principles, even if it involves another relocation of the college.

Lessons Learned

The University of Cincinnati has colleges with founding dates in the early nineteenth century, but it established its present campus location in the 1890s. Thus, its relationship to the surrounding neighborhoods is representative of the histories of many institutions in relation to America's mid-century ills.

Today, like all universities, the University of Cincinnati has a tremendous capital investment in Cincinnati's Uptown area. It is essential that we be a good neighbor and work for a better quality of life. It is in our interest to do so and reflects the desire to be good community stewards. In fact, the University recognizes the importance of collaboration; community partnership is the primary focus of the University of Cincinnati's 2004 academic plan.

It is impossible to address all the relevant lessons learned through the University of Cincinnati experience at the same time. However, the following reflects key lessons learned as the terms of engagement are changing, as local communities' need for substantial help from outside grows, and as publicly engaged institutions are more aggressively and creatively engaged to identify the problems, explore potential solutions, and test those solutions in real life with the local community as partners.

First, community development off campus often begins with the institutional strength and innovation of the on-campus transformation. With the conception of the University Master Plan in 1989, the plan has come to serve as the catalyst behind the transformation of the campus over the last 15 years into the great urban research university it is today. By its very nature the process of building a plan and thinking about the physical impact of the campus on surrounding neighborhoods leads one to focus on community development off campus.

Second, great urban universities must continue to work endlessly to be true partners with their neighbors through community-based partnerships that are thoughtful, ultimately self-supporting, practice self-determination, and are effective for everyone. By necessity this perspective will heighten sensitivity of personal and institutional accountability, challenging all community partners to align their community development objectives with a commitment to quality.

Third, the mutual benefit in the health and well-being of the institution and residential communities begins with a planning process focused on broad community inclusion that seeks greater connectivity for leveraging local assets with the institution's quality of life and modern amenity package. This can only be accomplished when community relationships are nurtured, mutually cooperative, and respected at all times. This leads to a sense of appreciation among partners that engenders sponsored cooperation such as lending that blends capital structures and revenue streams without occupancy guarantees and monetary guarantees that manage financial risk.

Most of America's large, urban institutions have their roots in the nineteenth century, but the universities and their cities have both changed dramatically since then. To be successful in the future, town and gown must learn to coordinate change for mutual benefit. This discussion of how the University of Cincinnati and its Uptown neighborhoods are working together to "Build a Better Uptown: Building Better Neighborhoods" today indicates how other universities might approach similar situations.

Author Information

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K. Scott Enns became the first Coordinator of Community Development for the University in 2001 after four years with the City of Cincinnati Planning Department and 12 years as a private sector consultant. His full-time focus is assisting local community councils, development corporations, business associations, and the City with neighborhood planning and economic development initiatives that create and implement development plans in Cincinnati's Uptown area.

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