

ULI ADVISORY SERVICES PANEL

Point Park University

September 30-October 5, 2007
Pittsburgh, PA

Urban Land Institute
Point Park University Advisory Panel

Pittsburgh, PA
October 5, 2007

Introduction

Leigh Ferguson
Sloss Real Estate, Birmingham, AL

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ULI—The Urban Land Institute

ULI—the Urban Land Institute is a nonprofit research and education organization.

Mission:

Promote leadership in the responsible use of land to create and sustain thriving communities worldwide.

Advisory Services

Assembles teams of land use professionals to make strategic recommendations on land use challenges.

- Program started in 1947
- 20-30 panels each year
- Teams composed of ULI members
- Panels organized across the country

The Panel Process

- Define the scope of the assignment
- Prepare background briefing materials
- Assemble the expert team
- Tour the site
- Interview stakeholders
- Debate and form recommendations
- Produce a final report

The Assignment

“Point Park University’s goal is to create a strong, vibrant campus experience that complements the strong academic experience while being a respectful member of the surrounding community that is part of Downtown Pittsburgh. The success of the campus will be the success of the neighborhood and vice versa.

“The challenge is: How can Point Park University engage downtown stakeholders and residents to create a new, dynamic neighborhood along Wood Street and the Boulevard of the Allies that complements other downtown districts?”

The Panel

Chair:	Leigh Ferguson
Market:	Belinda Sward Chris Lambert
Development Strategies:	Peter Smirniotopoulos Brian Jones
Planning and Design:	Adam Krom Otto Condon
Implementation:	Terry Foegler John Gunther-Mohr

Sponsors

- Point Park University
- Commonwealth of Pennsylvania, Department of Community and Economic Development
- Allegheny County Department of Economic Development
- The Urban Redevelopment Authority of the City of Pittsburgh
- The Heinz Endowments

Special Thanks

- Paul Hennigan
- Marianne Geyer
- Sheila Rawlings
- Point Park University students
- Community members who shared their ideas with the panel

Defining the Study Area



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This Morning's Program

- Introduction
- Market Potential
- Development Strategies
- Planning and Design
- Implementation
- Conclusion
- Question and Answer

Market Potential

Belinda Sward

Newland Communities, San Diego, CA

Chris Lambert

Brailsford and Dunlavey, Washington, DC

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Background

- Downtown retail supply exceeds demand by 298,000 square feet of gross leaseable area (GLA)
- This gap suggests that many existing stores may fail to achieve target sales, require subsidies, and be in risk of closing
- Increasing support for downtown retail will require increasing the downtown population and growing the downtown workforce



University Retail Support

- Current GLA in university-owned buildings totals 6,000 square feet, including the bookstore and Starbucks
- Recent and anticipated building acquisitions will grow the university's GLA to 30,000 square feet



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Analysis of Student Expenditures

- The university anticipates a 3% annual enrollment increase
- A majority of full-time underclassmen will purchase a meal plan.

	Population		Annual Retail Expenditures			Total
	2007	2012	Books/ Supplies	Food/ Entertainment	Clothing	
University Students	3,592	4,193				
Full-Time, less meal plan	2,043	2,385	\$900	\$1,184	\$1,654	\$3,738
Other Students	1,549	1,808	\$900	\$3,264	\$1,654	\$5,818

Student Spending in the Study Area

- Typically, students only make a portion of their expenditures in the campus area where they live, especially for clothing.
- Currently, a very low percentage of students live on campus.
- The panel assumed only 10% of the expenditures are near campus
- The university can grow student expenditures and retail demand by increasing the number of students living on-campus.

	Population 2007	Total Annual Expenditures	Percent in Area	Total Annual Expenditures in Area
University Students	3,592	\$16,648,816	10%	\$1,664,882
Full-Time, less meal plan	2,043	\$7,636,734		\$7,636,734
Other Students	1,549	\$9,012,082		\$9,012,082

Current Retail Demand

- Assuming a conservative sales target of \$150 per GLA, current student demand will support a total 11,000 square feet of GLA

	Population 2007	Total Annual Expenditures in Area	Average Sales/GLA	GLA Supported
University Students	3,592	\$1,664,882	\$150	11,099



Current Retail Demand

- Most retailers target a minimum of \$300 to \$350 per GLA to support their store. Pittsburgh's current downtown market only achieves around \$125 to \$150 per GLA in sales on average.
- Based on a healthy sales target of \$300 per GLA, current enrollment can only support 5,500 square feet of GLA.



Future Demand Potential

- Assuming expected enrollment growth of 3% per year, increased on campus living, and a \$300 per GLA sales target, there will be support for 16,000 square feet of GLA by 2012.

	Population 2012	Percent in Area	Total Annual Expenditures in Area	Average Sales/GLA	GLA Supported
University Students	4,193	25%	\$4,858,608	\$150	32,391
Full-time, less meal plan	2,385			\$300	16,185
Other Students	1,808				

Other Retail Demand

- Increased downtown workers, downtown non-student residents, and visitors can provide additional support for an additional 5,000 square feet of retail.
- The panel cautions that the above should be growth in these sectors versus taking sales away from existing stores.
- More housing will create more retail demand. The city and university should pursue a downtown housing strategy and the city should pro-actively strengthen the downtown workforce.
- Events strategies are proven tools to bolster retail health by extending people's stays and increasing expenditures. Events can include outdoor performances, music, and arts-related events.

Office Space

- There is minimal net support for new office space within the university buildings beyond the university's direct needs.
- Much of this will include university related support services such as printing, production, and other small businesses, including start-ups.
- The panel believes there could be potential support for approximately 4,000 to 6,000 square feet of space.

Retail and Office Summary

- The panel believes that there is potential support for 16,000 up to 20,000 square feet of street level retail and small office spaces in the University's academic and residential buildings in approximately 5 years.
- This assumes:
 - Doubling the number of students who live on and adjacent to campus
 - Generating potential from non-student demand
 - Increasing the percent of student expenditures in the University area, which may or may not occur and depends on the store mix and increase in out-of-state students.

Retail Store Types and Locations

- Given that the majority of support will emanate from university students and the university, stores could include:
 - University bookstore and supplies
 - Small pharmacy, personal needs, and clothing related
 - Coffee, sandwich, deli, pizza and similar
 - Bars and entertainment
 - Movies
- Preferred locations are along Wood Street or First Avenue versus Boulevard of the Allies, which the panel believes doesn't lend itself for retail.

Retail Character

- The character of the retail experience should be both fun and safe, with opportunities for learning and appropriately priced offerings.
- Indoor and outdoor space should be designed with music and furnishings that create third places for students and how they live today.
- The retail character should complement and serve the surrounding community.



Demand for Housing and Recreation

- Methodology
 - Analyzed Demographics
 - university enrollment projections
 - Age and student class
 - full-time/part-time status
 - location of home residence
 - retail spending capacity
 - Benchmarked the University against comparable institutions

Housing Demand: Undergraduates

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Full-Time	2,497	2,499	2,618	2,723	2,817	2,906	2,988	3,085
		0%	5%	4%	3%	3%	3%	3%
Part-Time	578	601	565	556	553	545	536	522
		4%	-6%	-2%	-1%	-1%	-2%	-3%
Graduate	471	492	523	548	571	632	669	693
		4%	6%	5%	4%	11%	6%	4%
Total	3,546	3,592	3,706	3,827	3,941	4,083	4,193	4,300
		1%	3%	3%	3%	4%	3%	3%

Housing Demand: Undergraduates

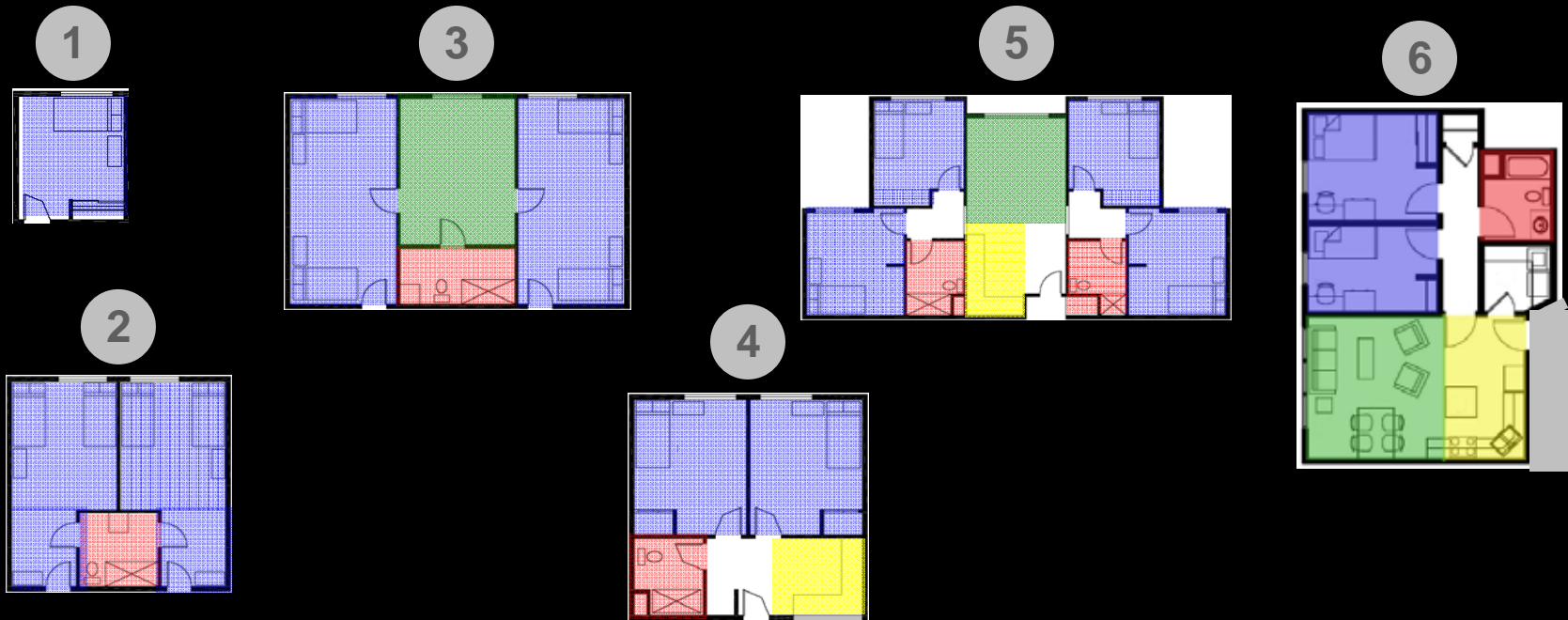
- Demographics
 - 17% of undergraduates from outside Pennsylvania.
 - Increasing share of undergraduates from outside Pittsburgh
 - 67% of undergraduates are traditional age (18-24 years old).

Housing Demand: Undergraduates

- Benchmarking / Trends
 - Many universities offer on-campus housing for well in excess of ½ of student body.
 - Capture rates for underclassmen on campuses with “live-on” policies typically in the ninety-percentile range.
 - Capture rates even for upperclassmen often exceeds 30% and may approach 50%.
 - Examples:
 - Regional Western PA Universities – IUP, WCU, etc.
 - Smaller Urban Private Colleges – Meredith, Davidson, etc.

Housing Demand: Undergraduates

- Benchmarking / Trends
 - Continuum of Unit Types (integrate with following slide)



Housing Demand: Undergraduates

- Net Demand
 - Gross Demand in 2007 1,500
 - Existing 740
 - Net Unsatisfied Demand 760

Housing Demand: Others

- Demographics
 - Enrollment growth requires corresponding level of faculty and staff employment growth.
 - The University has hired 26 full time faculty alone - 13/year - in past 2 years.
 - Very limited supply of downtown housing affordable – especially for younger faculty.

Housing Demand: Others

- Benchmarking / Trends
 - Workforce housing projects seen across nation in recent years to provide affordable below-market rental and for-sale housing.
 - Many universities now offer housing as a recruitment and retention incentive/amenity.
 - Successful examples:
 - Urban Universities: GMU, GW, NYU, etc.
 - Many UC and other California campuses

Housing Demand: Others

- Some market exists for university-controlled housing for graduate students and faculty/staff
- The University should not develop for the off-campus community at this point in time

Recreation Facilities

- Nationally, universities increasingly use recreational spaces to help meet their missions:
 - Recruitment of high quality students in increasingly competitive environment.
 - Wellness, recreation, and competitive athletics needs of campus community.
 - Community engagement.
- Facilities provide range of spaces for:
 - Competitive Athletics
 - Organized and Drop-In recreation
 - Wellness, Education, and Rehabilitation

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Development Strategies

Peter Smirniotopoulos
UniDev LLC, Bethesda, MD

Brian Jones
Forest City Commercial Group, Los Angeles, CA

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Development Principles

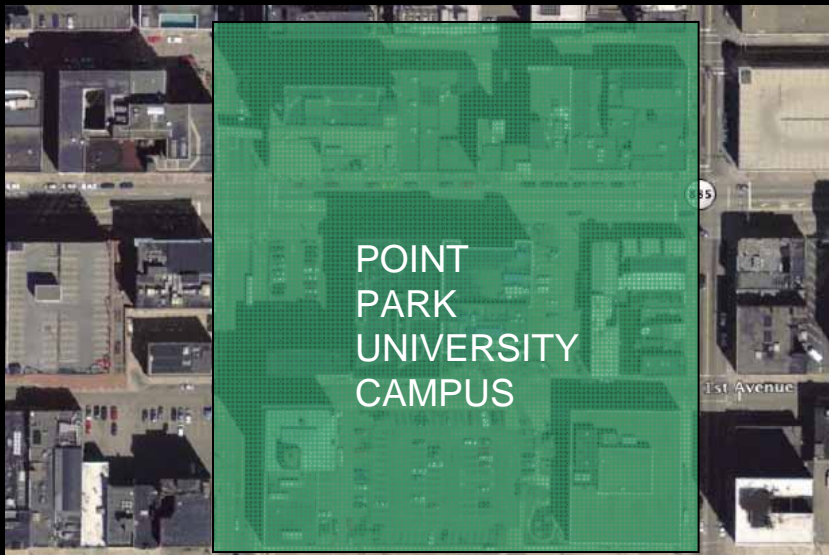
Point Park University should:

- Reinforce / expand core mission
- Consolidate / concentrate students and facilities
- Make campus more visible to strengthen function/reputation
- Use new, signature buildings to increase visibility
- Preserve rather than defer future growth opportunities
- Lead the revitalization of Wood Street



Creating a Campus

- Create a cohesive and compact campus
 - between Wood and Smithfield Streets
 - and between Fort Pitt Boulevard and Fourth Avenue



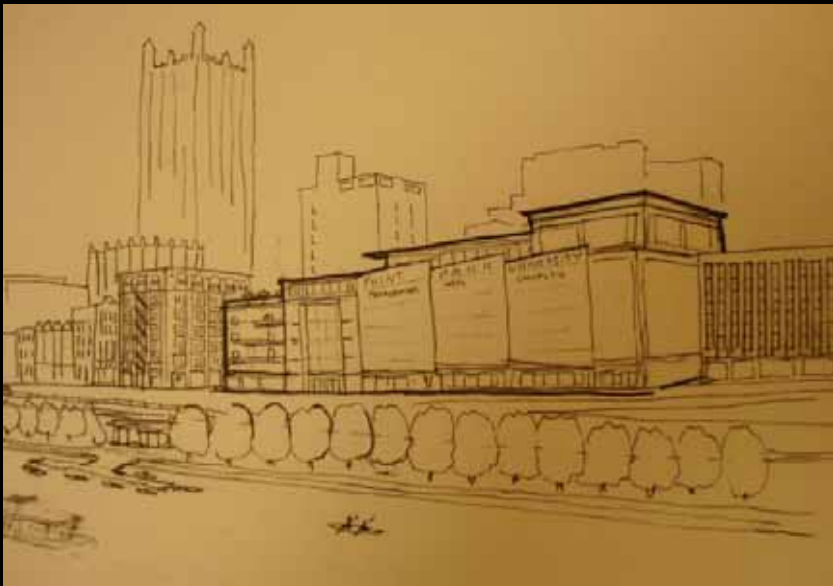
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Creating a Campus

- Create a campus gateway
 - from the Smithfield Street Bridge,
 - including an iconic building visible from Smithfield Street



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Creating a Campus

- Develop a unique University gathering place
 - First Avenue between Smithfield and Wood Streets
 - Tenant storefronts with student-oriented retail
 - New student union/activities center will add vitality



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Creating a Campus

- Create an urban academic village with 1,500 residents
 - 741 existing students beds within proposed campus
 - Add ~760 new student beds

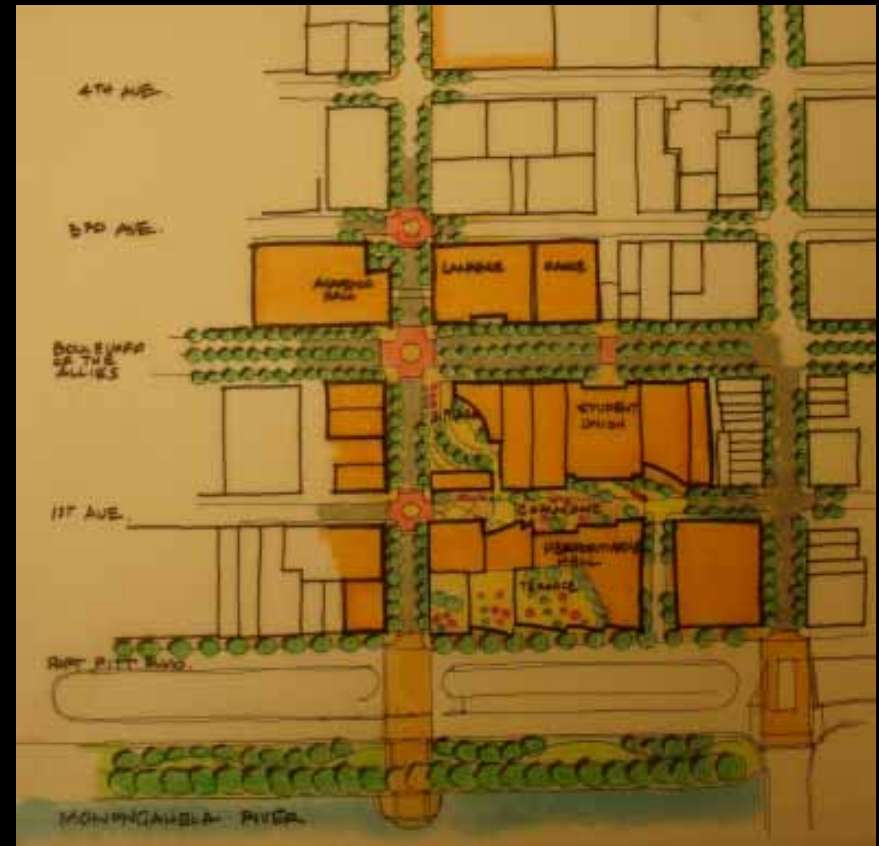


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Creating a Campus

- Clearly define boundaries with:
 - streetscape improvements
 - consistent architectural vocabulary of university buildings
 - key intersections



Bring the Theater Home

- Pursue a joint venture with the Allegheny County Industrial Development Authority to develop the campus block along Fort Pitt Boulevard
- Develop an iconic theater complex at the Smithfield Street Bridge gateway into the campus



Create a Commons

- Develop student gathering and activity spaces along First Avenue between Wood and Smithfield Streets
- Consider purchasing the YMCA and adjacent properties to create student activity center



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Expand Student Housing

- Develop 759 additional beds in university-controlled residence halls to increase the total student beds to 1,500 by 2013
- Preserve and capitalize upon opportunities for other types of housing

Retail Space on Wood Street

- Create consistent streetscape and campus gateways
- Program with university-oriented uses
- Configure spaces to meet needs of incubator retail

Create a Consortium

- Partner with the neighboring Art Institute and Culinary Institute to create a Neighborhood Arts Consortium
- The Consortium should help organize incubator restaurants, dance studios, galleries in Wood Street storefronts

Manage the Corridor

- Establish neighborhood design and tenant design criteria to establish a uniform character
- Use professional leasing, development, and management expertise



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Reality Check

- Retail space will not generate net revenue streams for the university in the short-term
- The University should not pursue development of market-rate housing on its properties
- Monitor the success of other projects and be prepared to pursue new opportunities as they present themselves

Development Goal

- “Create a strong vibrant campus experience to complement the strong academic experience while being a respectful member of the surrounding community
- “The success of the campus will be the success of the neighborhood and vice versa.

Planning and Design

Adam Krom

Wallace Roberts Todd, Philadelphia, PA

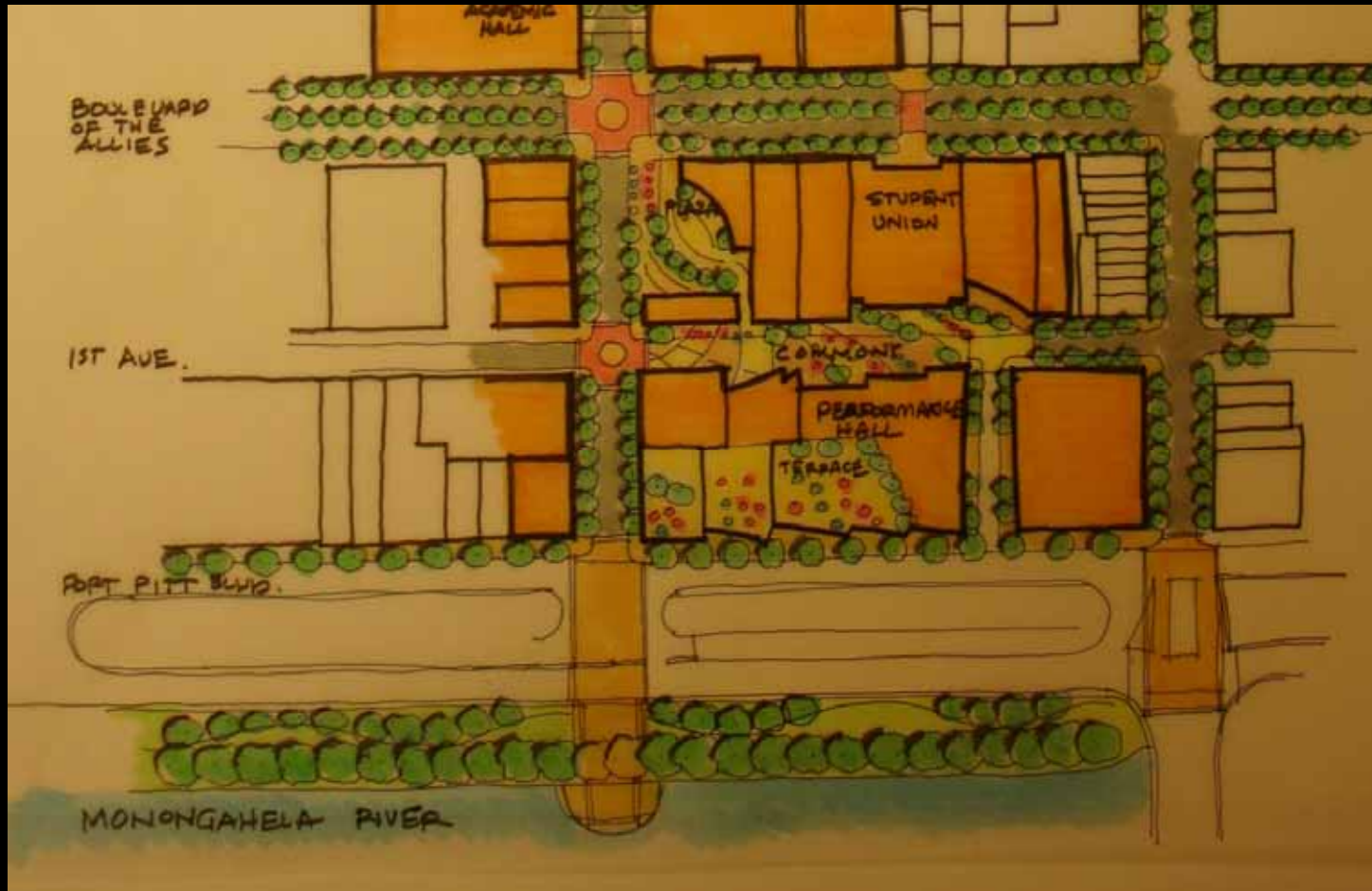
Otto Condon

Zimmer Gunsul Frasca Architects, Washington, DC

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Creating a New Campus



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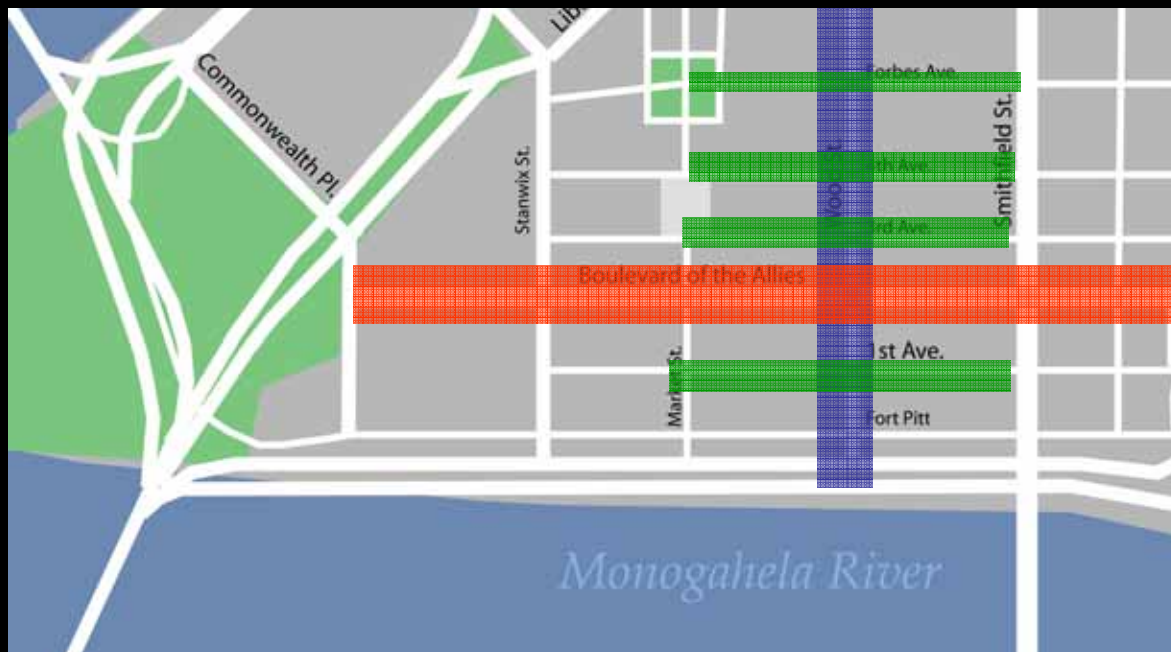
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Campus Environment

- Buildings (Street Walls)
- Streets
- Civic Spaces

Street Types

- Regional boulevard (Boulevard of the Allies)
- Neighborhood corridor (Wood St.)
- Local campus streets (the Avenues)



Existing Conditions



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Street Walls: University Buildings

- The University is a good steward of historic buildings.
- New buildings should be architecturally bold, but should always honor the pedestrian.



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Street Walls: Other Buildings



- Work with neighboring property owners to take advantage of grants and loans for façade improvements.

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Lighting



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Lighting



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Lighting



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Lighting



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Streetscape



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Creating a Grand Boulevard



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Creating a Grand Boulevard



Proposed streetscape cross-section for Stanwix Street and Boulevard of the Allies

Gateways



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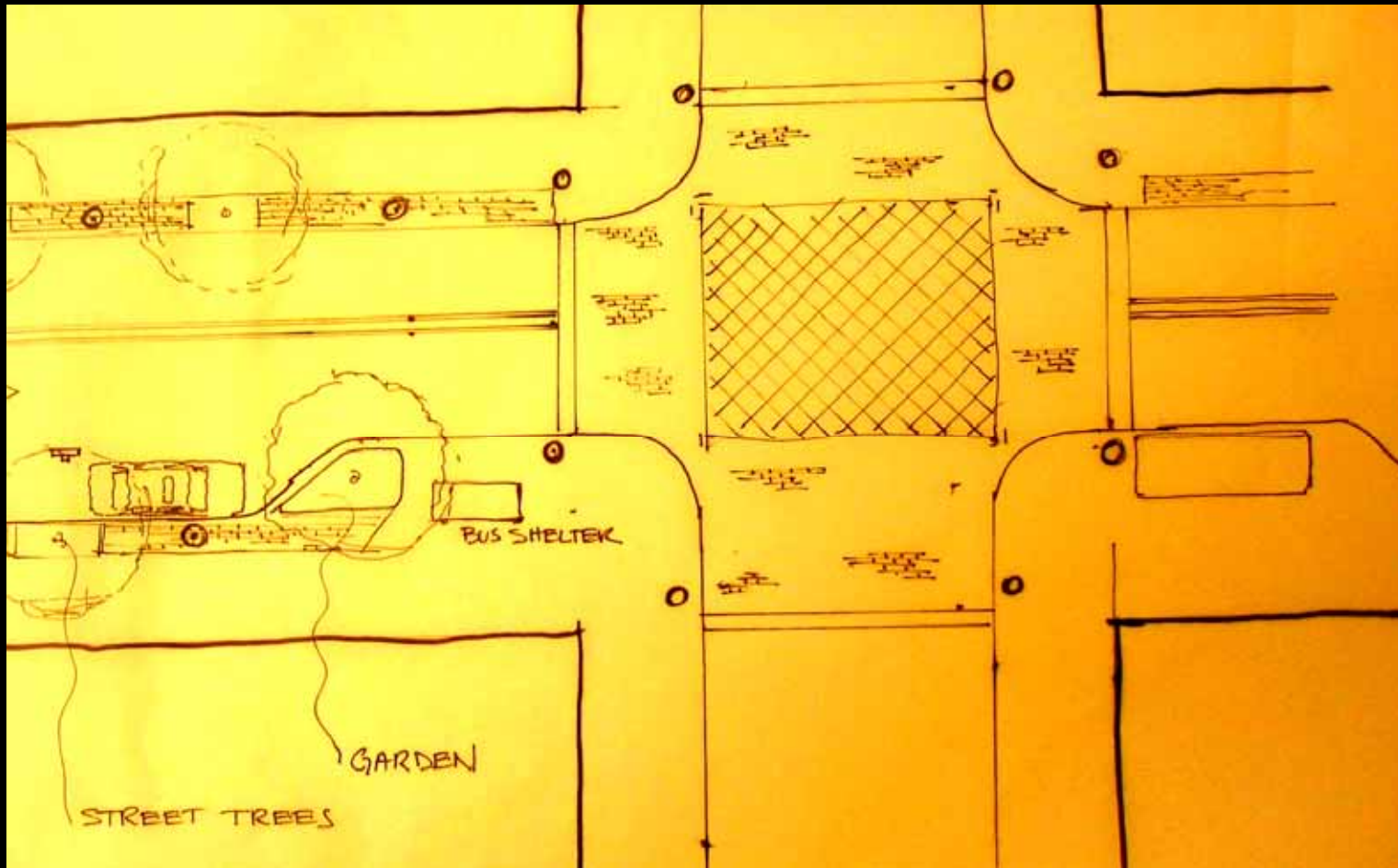
Public Art



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Traffic Calming



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Public Space

- Should the University create new parks/ and or open space? If so, where and what amenities should they contain?



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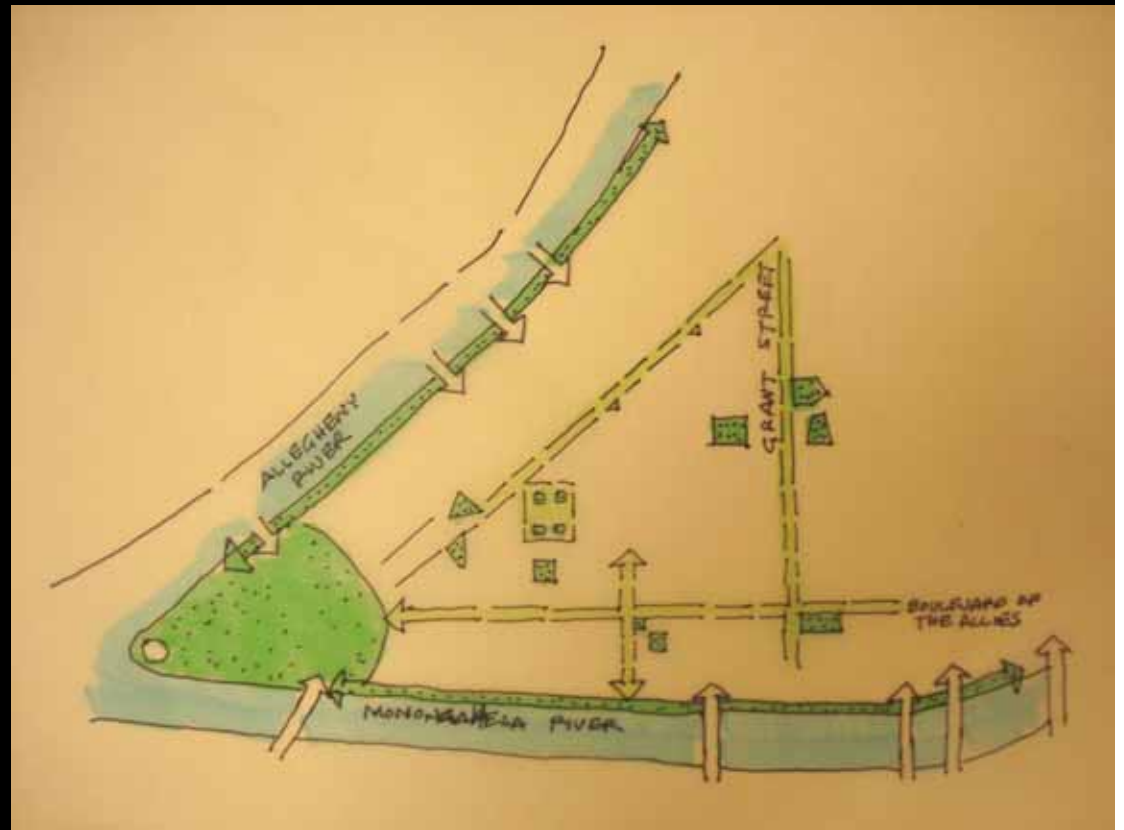
Why?

- Enhance the live/learn environment
 - Meeting people
 - Time between classes
 - Studying
 - Performing



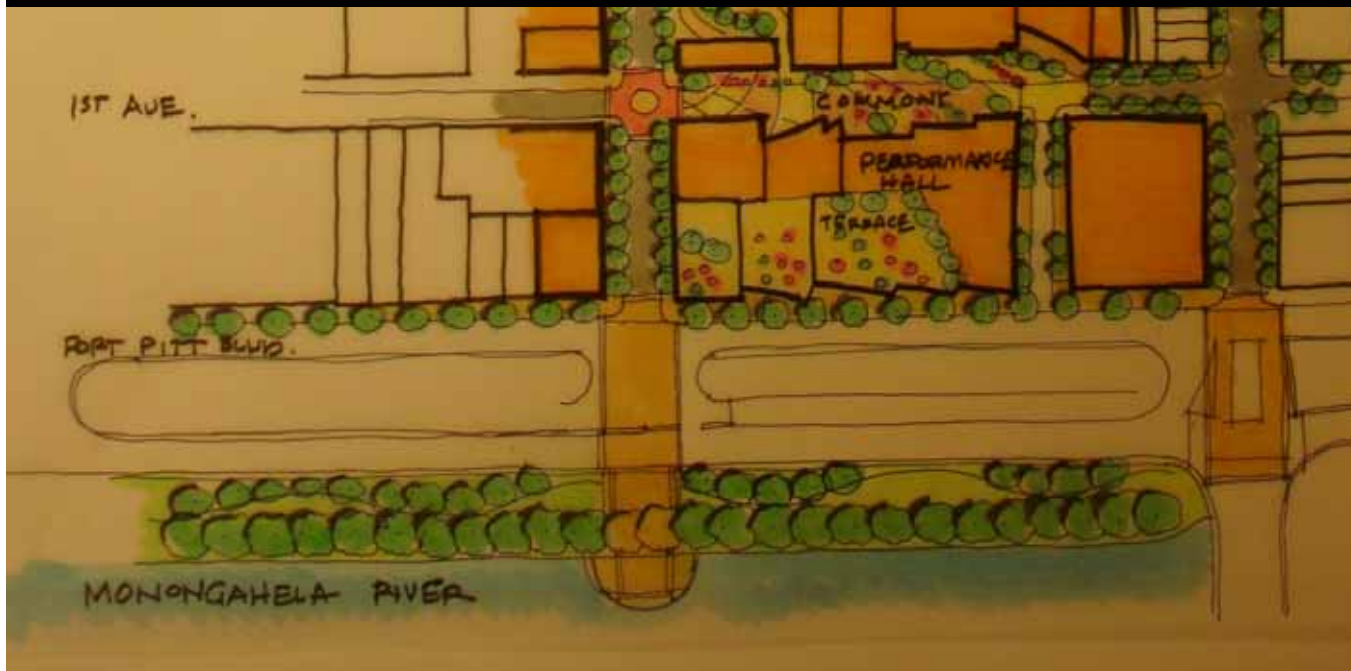
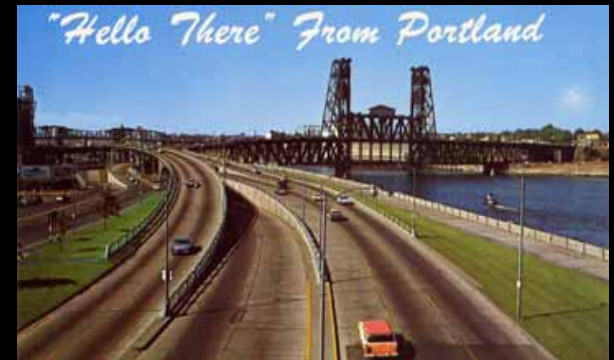
Connectivity

The city and river
The streets
The campus front door
The campus commons
The vertical university



Build Upon the City Assets

Connecting to the city and river

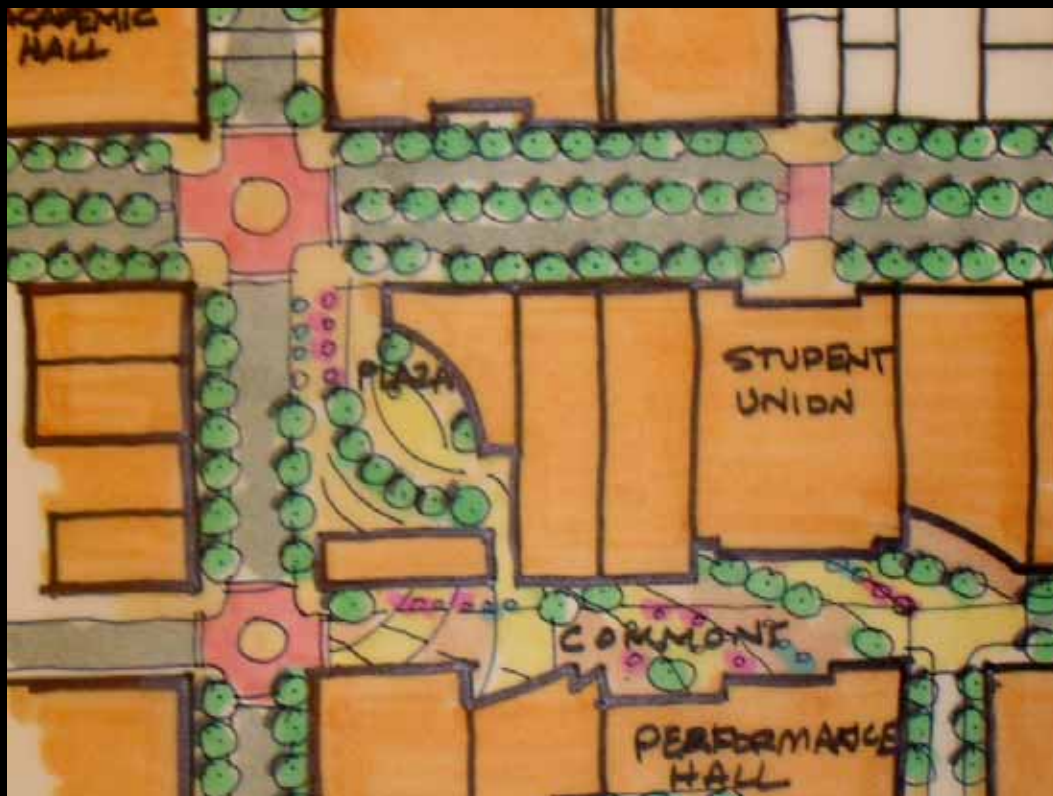


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Address the City

The campus front door – entry plaza

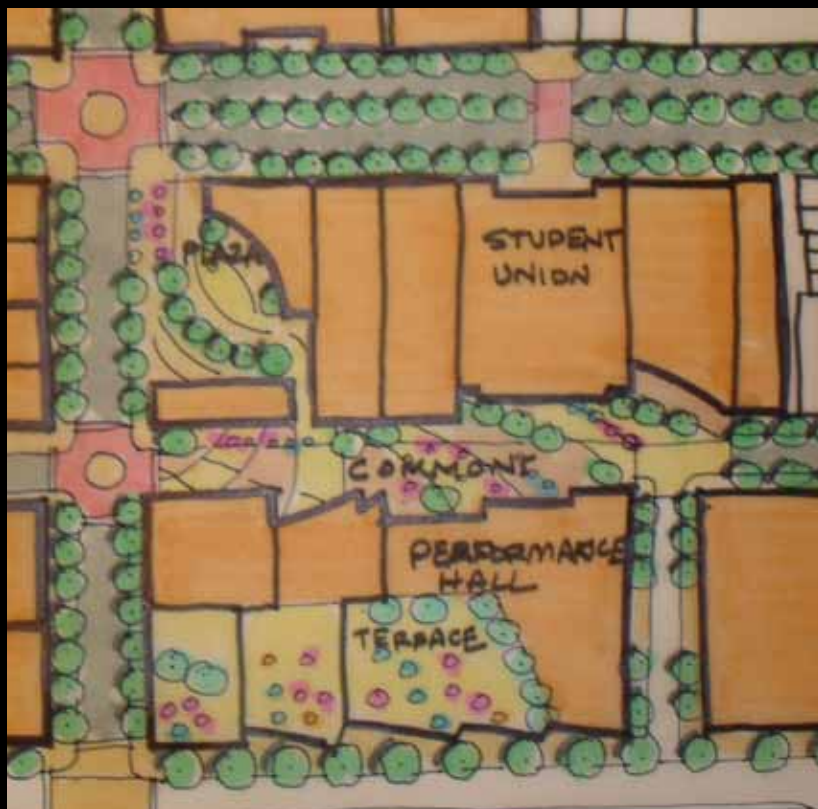


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A Lively Center

The campus commons



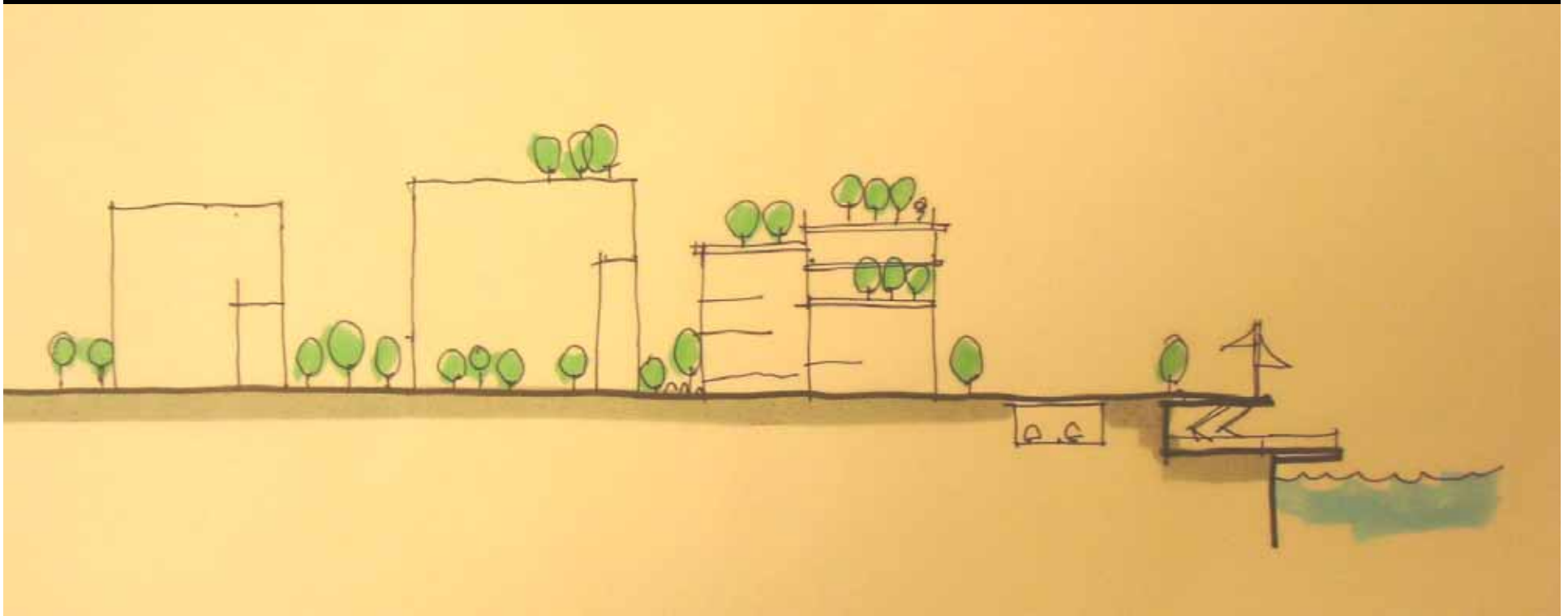
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The Vertical University

Engage the river



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The Vertical University

Public space:

- River views, terraces, and recreational rooftops
- Green roofs



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The Vertical University

Semi-public space: dormitory common space



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The Downtown Laboratory

Adjacent spaces: retail, galleries, performance, dance



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The Academic Mission “on the streets”

Exhibits and programming of public space



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Implementation

Terry Foegler

Campus Partners, Columbus, OH

John Gunther-Mohr

Bank of Scotland, New York, NY

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Point Park University as Catalyst

- Take a leadership role in downtown neighborhood
 - More than just real estate
- Alignment of interests
 - Vital downtown neighborhood
 - More housing
 - Quality Student Experience
- Note of caution:
 - Risks of speed
 - New responsibilities

Spearhead Community Planning Process

- Use institutional master plan tool
 - Ensure open public process
 - Clear set of design, zoning and development standards
 - Expedites future permits
 - Non University properties
- Community partnerships

Financial Planning

- Demonstrate institutional financial commitment
- Substantiate funding needs for planned projects
- Flexibility
- Dialogue with:
 - Foundations
 - City and Urban Redevelopment Authority
 - Major contributors
 - County, State and Federal grant sources

Demonstrate Progress

- Redevelop currently owned properties
- Physical improvements to public spaces
- Community outreach/partnership programs
 - Retail incubator program
 - Consortium arts program

Downtown as Laboratory for Learning

- Entrepreneurship program in connection with the School of Business
 - Retail incubators and other spaces
- Executive training programs
- Performance programming in public spaces through the Conservatory
- Expand service learning opportunities
 - Pre-school, performing arts high school, social services

University Organization Requirements

- Organizational options
 - Internal office
 - Affiliated entity
- Leadership
- Internal staff resources
 - Manage planning process
 - Design and construction management
 - Coordinate outreach with community partners
 - Link community needs to academic learning opportunities

Conclusion

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Questions?

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