

# ANCHOR DISTRICTS COMPACT COORDINATION



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RESEARCH MANAGER, U3 ADVISORS





**Universities, hospitals, and other large not-for-profit organizations** that “anchor” their communities. They are the largest employers and landholders within their neighborhoods and are key conveners for investment, ideas, and impacts.

As our world becomes more urbanized, **anchor institutions** are increasingly **vital to the health and success of our cities and communities.**



# IMPACT OF ANCHOR INSTITUTIONS IN US

**10,500+**

degree granting  
institutions and  
hospitals

**\$1.64T**

Annual  
expenditures

**11M+**

Total employees

**26.3M**

Total  
students

NOTE: Anchor Institutions refer to  
hospitals & universities

SOURCE: IPEDS 2017, AHA 2019  
ACS 2017





# ANCHOR INSTITUTIONS

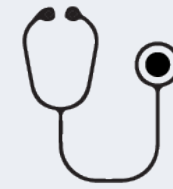
## CORE MISSIONS



EDUCATION



RESEARCH



HEALTHCARE

## INDIRECT IMPACTS

COMMUNITY DEV

EQUITY

SUSTAINABILITY

& MORE





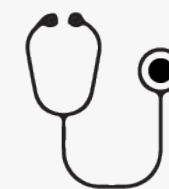
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Anchors must achieve missions under  
**INCREASING CHALLENGES**

### DEMOGRAPHICS

**11%**

Decline in college aged populations between now and 2029

### FINANCES

**15%**

Average growth in college expenses over the last five years

### CONSOLIDATION

**16%**

Average annual growth in hospital mergers since 2005





## CORE MISSIONS



EDUCATION



RESEARCH



HEALTHCARE

## INDIRECT IMPACTS

COMMUNITY DEV

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& MORE

Anchors must achieve missions under  
**INCREASING CHALLENGES**

AVERAGE TENURE

**6.5** years for a  
university president

AVERAGE TENURE

**5.6** years for a  
hospital CEO



GO IT ALONE





OR WORK **TOGETHER**

**ANCHOR DISTRICTS**



U3 Advisors works at the intersection of **campus and city**.

We advance the institutional mission through transformative **economic, real estate, and programmatic strategies and interventions** that positively impact their communities.

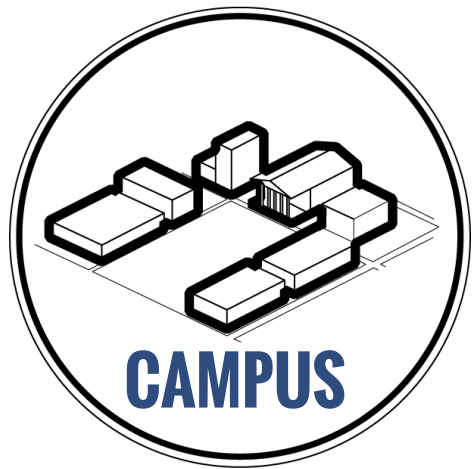




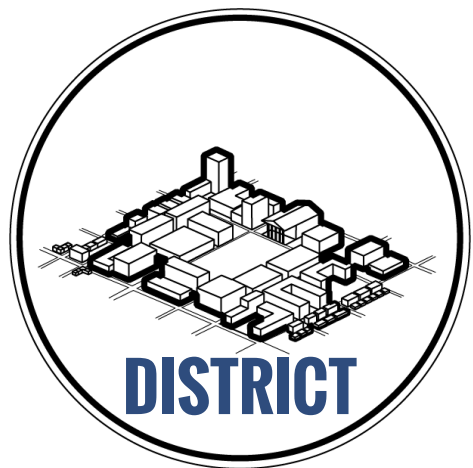
# SCALE OF INVESTMENTS



**Advance and implement parcel specific institutionally aligned development projects.**



**Work within and along side non-profit anchors to align their institutional mission with its campus vision.**



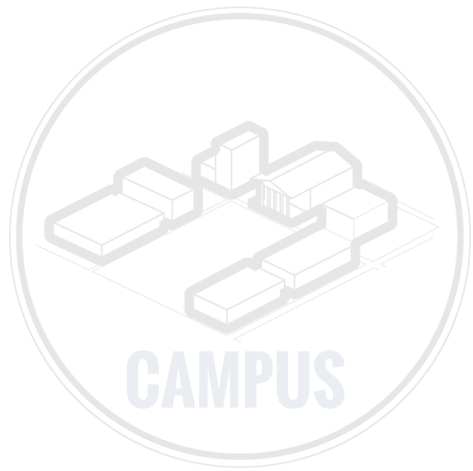
**Leverage the economic power and demand of anchor institutions to increase vitality, promote connections and create economic opportunity.**



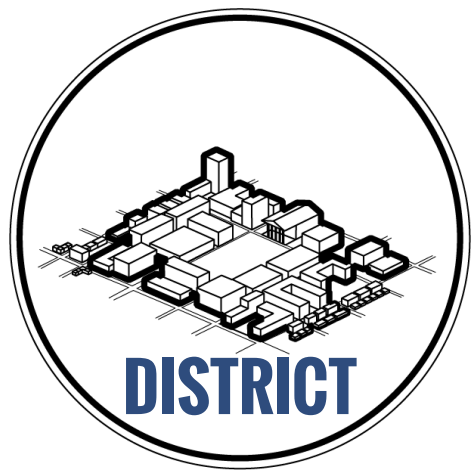
# SCALE OF INVESTMENTS



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**Leverage the economic power and demand of anchor institutions to increase vitality, promote connections and create economic opportunity.**

FOCUSING ON OUR SHARED GEOGRAPHY

# ANCHOR DISTRICTS

A relatively **new type of urban core**, separate from the traditional CBD, in which multiple universities, hospitals, and other anchor institutions are the primary **economic engine**. These anchors drive their local economies, but have profound externalities (positive and negative) on their communities. Community service corporations can steward the growth of anchor districts, leveraging the influence of respective anchors and managing “the space between.”

## HISTORY OF THE TERM

- ▶ The concept has been around informally since the 1970s
- ▶ First formalized in 2012 by University Circle Inc (Cleveland) through the formation of the Anchor District Council



# URBAN SCALE OF ANCHORS

SMALL



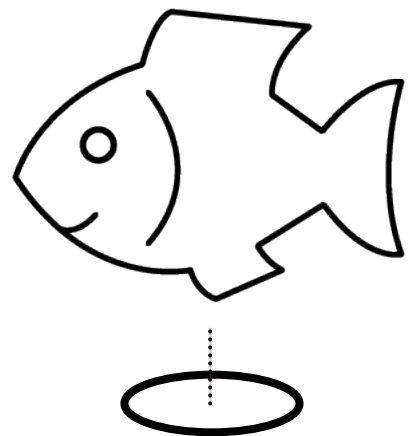
LARGE

## COLLEGE TOWNS

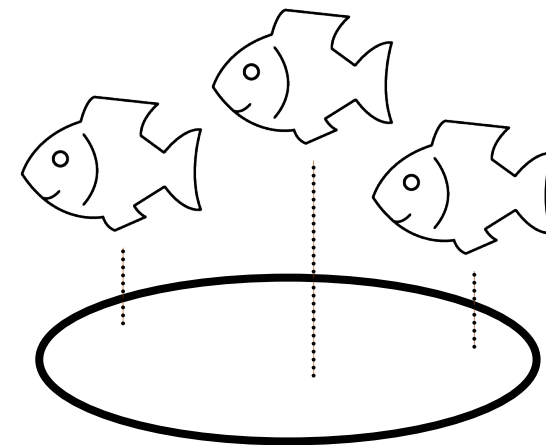
- ▶ Small town/city
- ▶ Singular anchor institution
- ▶ Anchor driver of local economy
- ▶ Large influence

## URBAN CENTERS

- ▶ Large city
- ▶ Multiple anchor institutions
- ▶ Various drivers of local economy
- ▶ Smaller, neighborhood-level influence



**BIG FISH** in  
a small pond



**LITTLE FISH** in  
a big pond

# URBAN SCALE OF ANCHOR DISTRICTS

SMALL



LARGE

## COLLEGE TOWNS

- ▶ Small town/city
- ▶ Singular anchor institution
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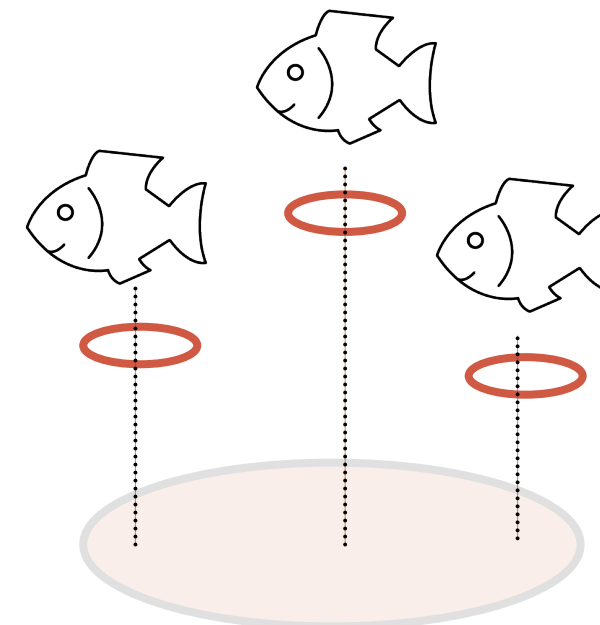
## URBAN CENTERS

- ▶ Large city
- ▶ Multiple anchor institutions
- ▶ Various drivers of local economy
- ▶ Smaller, neighborhood-level influence



## ANCHOR DISTRICTS

- ▶ Concentrated impact at district level
- ▶ Partnerships between multiple anchor institutions
- ▶ A driver of district economy



**'ANCHOR' FISH**  
in a multiple, smaller  
ponds



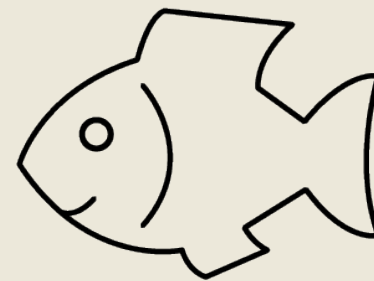
# DISTRICT DRIVERS

INNOVATION, CULTURE, ART

ECONOMIC ENGINE

EMPLOYMENT

EDUCATION



**ANCHOR DISTRICT**

1-3 sq mile area | 24/7 activity

# FOCUS AREAS OF ANCHOR DISTRICTS

ANCHOR DISTRICTS CAN WEAR MANY HATS

## REAL ESTATE

Development  
Services

Real Estate  
Support Programs

## COMMUNITY / ECONOMIC IMPACTS

Housing  
Support

Business  
Development

Local  
Hiring

Education &  
Public Health

## PLACE-BASED PROGRAMS

Quality Public  
Spaces

Clean & Safe  
Streets

Programming /  
Marketing

Transportation  
Services

Shared  
Facilities

ANCHOR DISTRICT

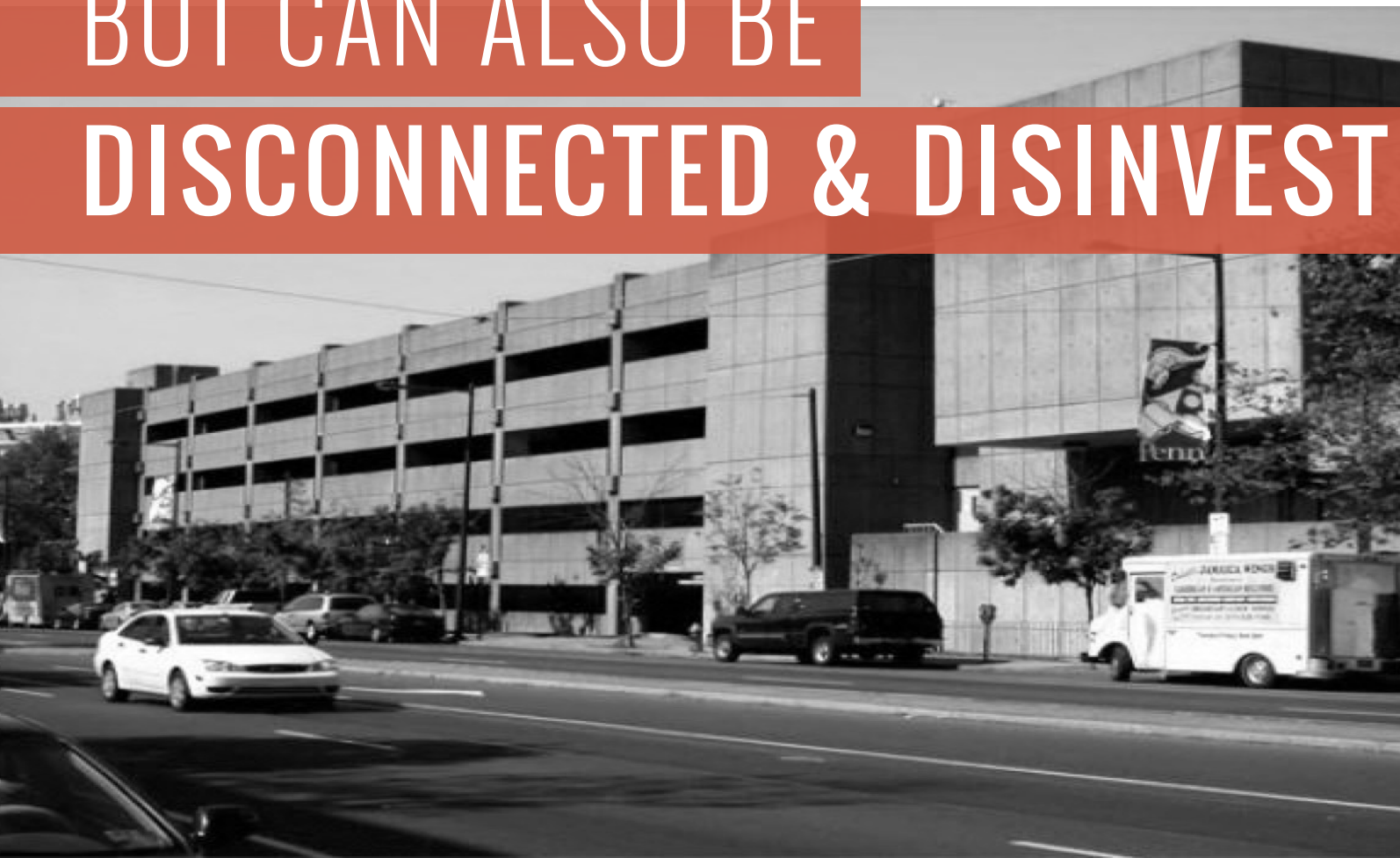


# ANCHOR DISTRICTS CAN BE VIBRANT & INCLUSIVE





# BUT CAN ALSO BE DISCONNECTED & DISINVESTED



In a recent study of an newer anchor district, estimated that **~90%** of the employees and students were taking single use automobiles to work/campus; in another parking composed almost **40%** of all land



# OR EXCLUSIVE



In six\* of the most mature anchor districts, rental prices are **21%** greater than their respective cities and have increased at faster paces.

\*Longwood (Boston); UCD (Philadelphia); University Circle (Cleveland); University District (Columbus); Medical Center Area (St Louis); Midtown (Detroit);

## WHERE ARE THE EXISTING FORMAL ANCHOR DISTRICTS?

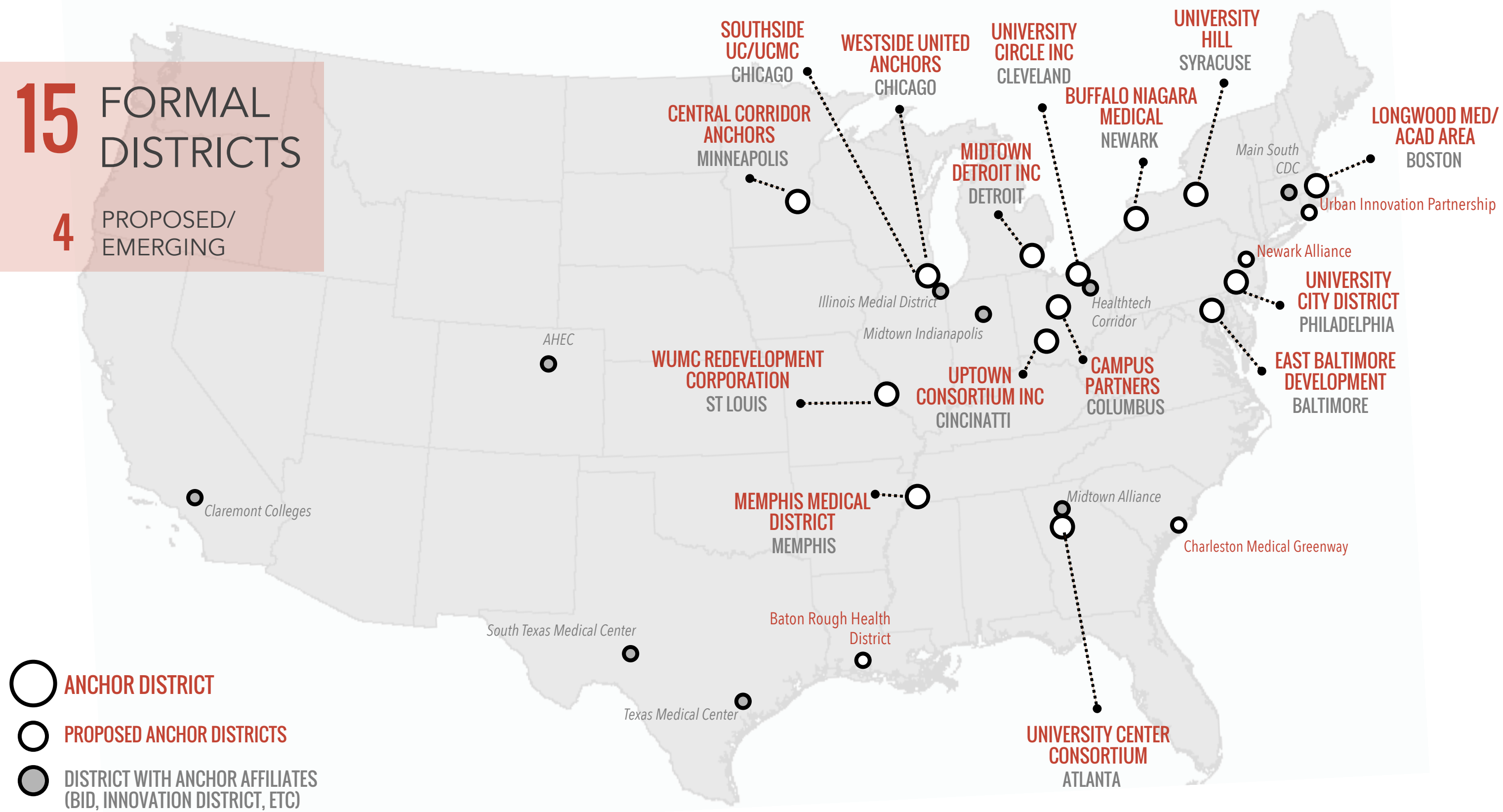




# WHERE ARE THE EXISTING FORMAL ANCHOR DISTRICTS?

15 FORMAL DISTRICTS

4 PROPOSED/EMERGING



LEARNING FROM WHAT IS OUT THERE

# ANCHOR DISTRICTS

Source: All subsequent data taken from respective websites, annual reports, financial statements, or 1099 reports  
\*2009 denotes the time of Midtown Inc’s “rebirth” to its current structure  
\*\* Syracuse no shown, due to lack of data available online

	TOTAL ANCHORS	SELECT MEMBERS	YEAR FOUNDED
CLEVELAND, OH UNIVERSITY CIRCLE INC	5	Case Western University   University Hospitals   Rainbow   Cleveland Institute(s) of Art & Music	1960
BOSTON, MA LONGWOOD MEDICAL AREA	8	Children’s Hospital   Bingham Womens   Harvard Medical Schools   Colleges of /Fenway	1972
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2	Washington University   BJC Healthcare	1995
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5	CHOP   UPENN and HUP   Drexel   USciences	1997
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4	Clark Atlanta University   Morehouse College   Morehouse Medicine   Spelman College	1998
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+	University at Buffalo   Kaleida Health   Roswell Park	2002
COLUMBUS, OH CAMPUS PARTNERS	1	Ohio State University	2002
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2	Johns Hopkins Health and Hospital   MICA	2003
CINCINATTI, OH UPTOWN CONSORTIUM INC	5	University of Cincinnati   Cincinnati Children’s Hospital   UC Health   Tri Health   Cincinnati Zoo	2005
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9	Ausburg University   Fairview   Hennepin Healthcare   Metro State University   Regionss Hospital   St Catherine’s	2008
DETROIT, MI MIDTOWN DETROIT INC	3	Henry Ford Health System   Wayne State University   Detroit Medical Center	2009*
CHICAGO, IL UC SOUTHSIDE	2	University of Chicago   University of Chicago Medicine	2010
MEMPHIS, TN MEDICAL DISTRIC COLLABORATIVE	8	St Jude   Methodist/LeBonheur   UTHSC   Regional One   BCHS   SCO   SWTCC   ALSAC	2016
CHICAGO, IL WESTSIDE UNITED ANCHORS	6	AMITA Health   Lurie Children’s Hospital   Cook County Health   RUMC   Sinai Health   UI Hospital and Health	2018



LEARNING FROM WHAT IS OUT THERE

# FUNDING

## FUNDING MECHANISMS



PERCENT OF BUDGET



	TOTAL ANCHORS	SELECT MEMBERS	YEAR FOUNDED	TOTAL REVENUE	ANCHOR CONTRIBUTION	FOUNDATIONS GRANTS	FEES FOR SERVICES	ENDOWMENT INVESTMENT
CLEVELAND, OH UNIVERSITY CIRCLE INC	5	Case Western University   University Hospitals   Rainbow   Cleveland Institute(s) of Art & Music	1960	\$14M	<div></div>	<div></div>	<div></div>	<div></div>
BOSTON, MA LONGWOOD MEDICAL AREA	8	Children's Hospital   Bingham Womens   Harvard Medical Schools   Colleges of /Fenway	1972	\$34M	<div></div>	<div></div>	<div></div>	
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2	Washington University   BJC Healthcare	1995	\$2.3M	<div></div>		<div></div>	
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5	CHOP   UPENN and HUP   Drexel   USciences	1997	\$12M	<div></div>	<div></div>	<div></div>	
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4	Clark Atlanta University   Morehouse College   Morehouse Medicine   Spelman College	1998	\$1.4M	<div></div>	<div></div>	<div></div>	<div></div>
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+	University at Buffalo   Kaleida Health   Roswell Park	2002	\$8M		<div></div>	<div></div>	
COLUMBUS, OH CAMPUS PARTNERS	1	Ohio State University	2002	\$12M	<div></div>		<div></div>	
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2	Johns Hopkins Health and Hospital   MICA	2003	\$23M	<div></div>		<div></div>	<div></div>
CINCINATTI, OH UPTOWN CONSORTIUM INC	5	University of Cincinnati   Cincinnati Children's Hospital   UC Health   Tri Health   Cincinnati Zoo	2005	\$3M	<div></div>	<div></div>	<div></div>	
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9	Ausburg University   Fairview   Hennepin Healthcare   Metro State University   Regions Hospital   St Catherine's	2008	-		<div></div>		
DETROIT, MI MIDTOWN DETROIT INC	3	Henry Ford Health System   Wayne State University   Detroit Medical Center	2009*	\$6M	<div></div>	<div></div>	<div></div>	
CHICAGO, IL UC SOUTHSIDE	2	University of Chicago   University of Chicago Medicine	2010	\$1M	<div></div>	<div></div>		
MEMPHIS, TN MEDICAL DISTRIC COLLABORATIVE	8	St Jude   Methodist/LeBonheur   UTHSC   Regional One   BCHS   SCO   SWTCC   ALSAC	2016	\$5M	<div></div>	<div></div>		
CHICAGO, IL WESTSIDE UNITED ANCHORS	6	AMITA Health   Lurie Children's Hospital   Cook County Health   RUMC   Sinai Health   UI Hospital and Health	2018	-	<div></div>	<div></div>		

LEARNING FROM WHAT IS OUT THERE

# SERVICES

-  FULL SERVICE OR INITIATIVE
-  PARTIAL SERVICE OR INITIATIVE

PLACEMAKING & FACILITIES

COMMUNITY& ECONOMIC

	TOTAL ANCHORS		SHARED FACILITIES	CLEAN & GREEN   SAFETY	TRANSPORTATION SERVICES	MARKETING   PROGRAMMING	REAL ESTATE DEVELOPMENT	HOUSING	ECONOMIC DEVELOPMENT	EDUCATION & PUBLIC HEALTH
CLEVELAND, OH UNIVERSITY CIRCLE INC	5									
BOSTON, MA LONGWOOD MEDICAL AREA	8									
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2									
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5									
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4									
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+									
COLUMBUS, OH CAMPUS PARTNERS	1									
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2									
CINCINATTI, OH UPTOWN CONSORTIUM INC	5									
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9									
DETROIT, MI MIDTOWN DETROIT INC	3									
CHICAGO, IL UC SOUTHSIDE	2									
MEMPHIS, TN MEDICAL DISTRIC COLLABORATIVE	8									
CHICAGO, IL WESTSIDE UNITED ANCHORS	6									



LEARNING FROM WHAT IS OUT THERE

# ANCHOR DISTRICTS

COMPARED TO THEIR **RESPECTIVE CITIES\***, THESE DISTRICTS EXPERIENCED

11%

Greater population  
growth

9%

Greater reduction in  
housing vacancy

7%

Greater increase in  
housing prices

*\*Compared using 2017 census data compared to the census year closest to organization's founding*

LEARNING FROM WHAT IS OUT THERE

# ANCHOR DISTRICTS

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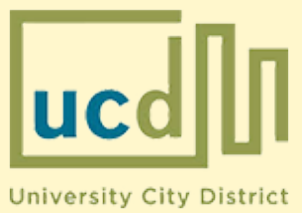
Greater population growth

9%

Greater reduction in housing vacancy

7%

Greater increase in housing prices



University City District, Philadelphia

1,040

Low income residents hired through job training program

\$37M

Total wages eared by participants



Memphis Medical District, Memphis

670

Housing Units

25K

SQF of Retail

120K

SQF of Office Space

New into the district in the last three years



Midtown Detroit, Detroit

1,200+

People received incentives to live or rent in the district

80%

Remained for at least three years after the subsidy

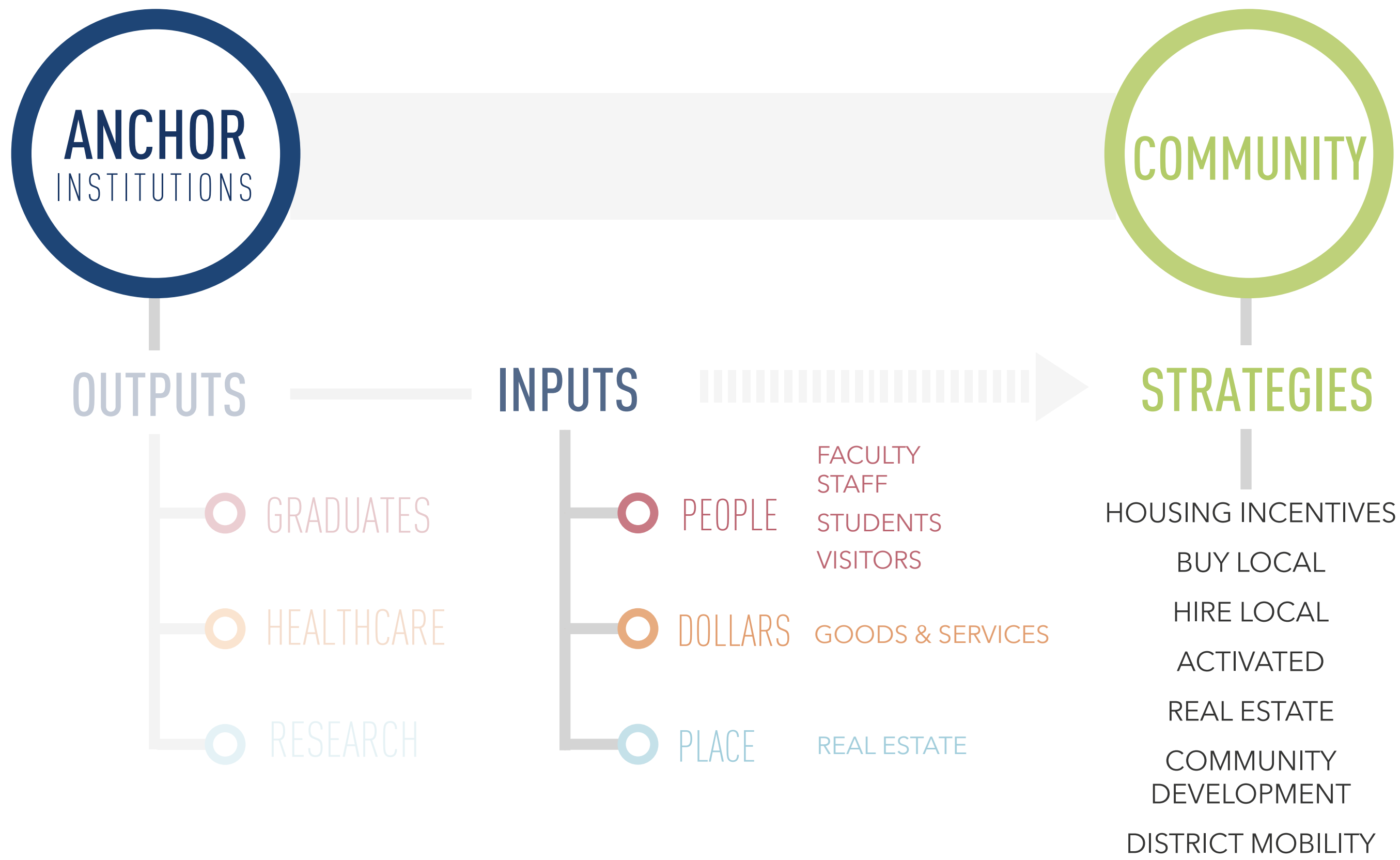
*\*Compared using 2017 census data compared to the census year closest to organization's founding*





How can a district move from  
**potential to actual**

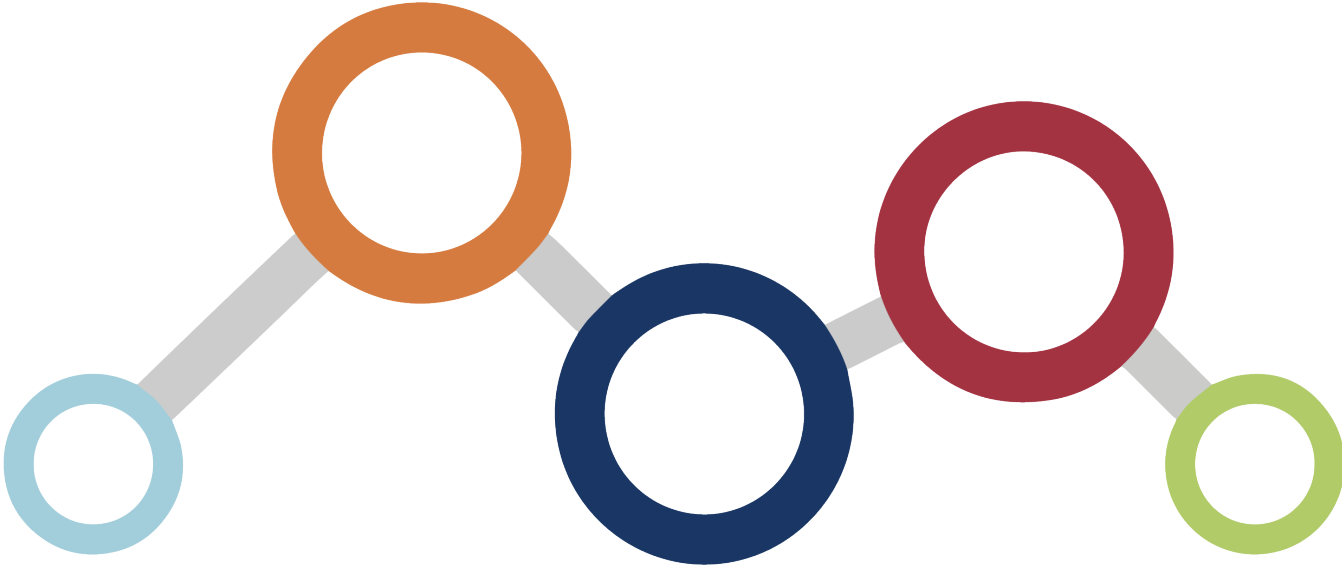






# FORMING MMDC

Realizing the need in the district, **7 anchor hospitals and universities** in Memphis formed a non-profit entity to managed shared initiatives:



MEMPHIS MEDICAL DISTRICT  
COLLABORATIVE



COLLABORATORS



# MEMPHIS MEDICAL DISTRICT

## TOTAL EMPLOYEES

(2014)	(2018)
15,968	20,111

## TOTAL STUDENTS

(2014)	(2018)
7,940	7,346

## TOTAL PROCUREMENT\*

(2014)	(2018)
\$709M	\$948M

## TOTAL REAL ESTATE

(2014)	(2018)
250 Acres	300 Acres

- ①

ALSAC/ST. JUDE
- ②

MLH
- ③

REGIONAL ONE
- ④

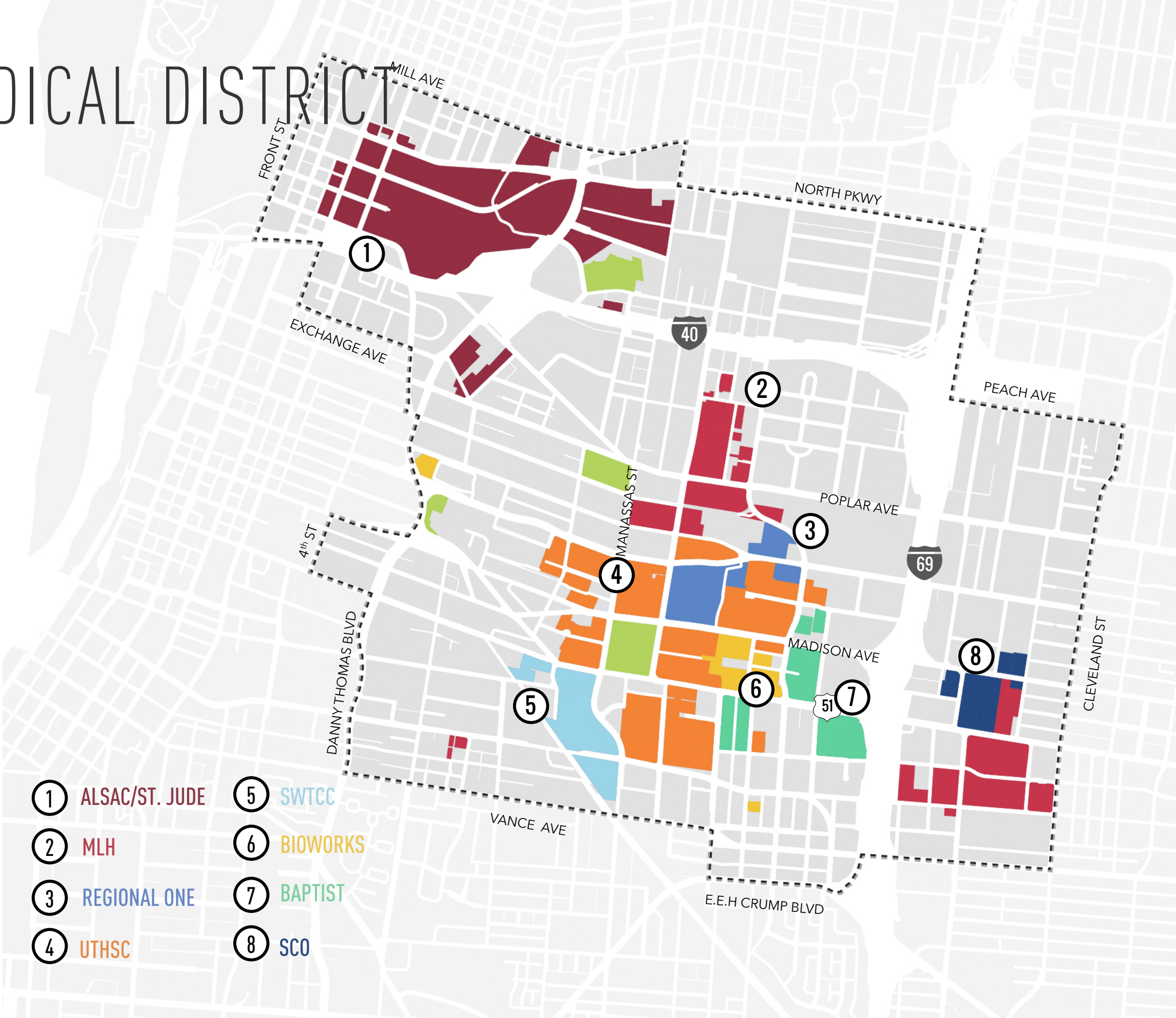
UTHSC
- ⑤

SWTCC
- ⑥

BIOWORKS
- ⑦

BAPTIST
- ⑧

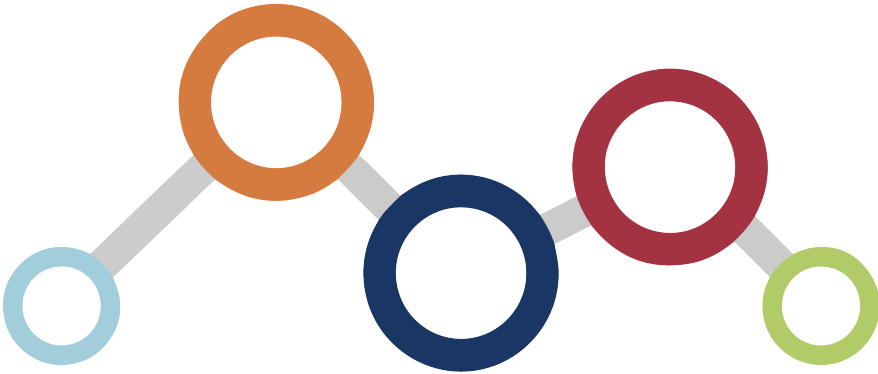
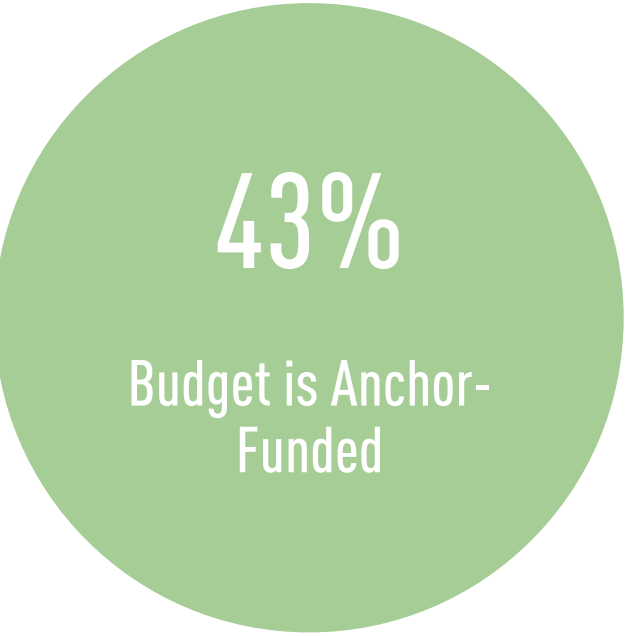
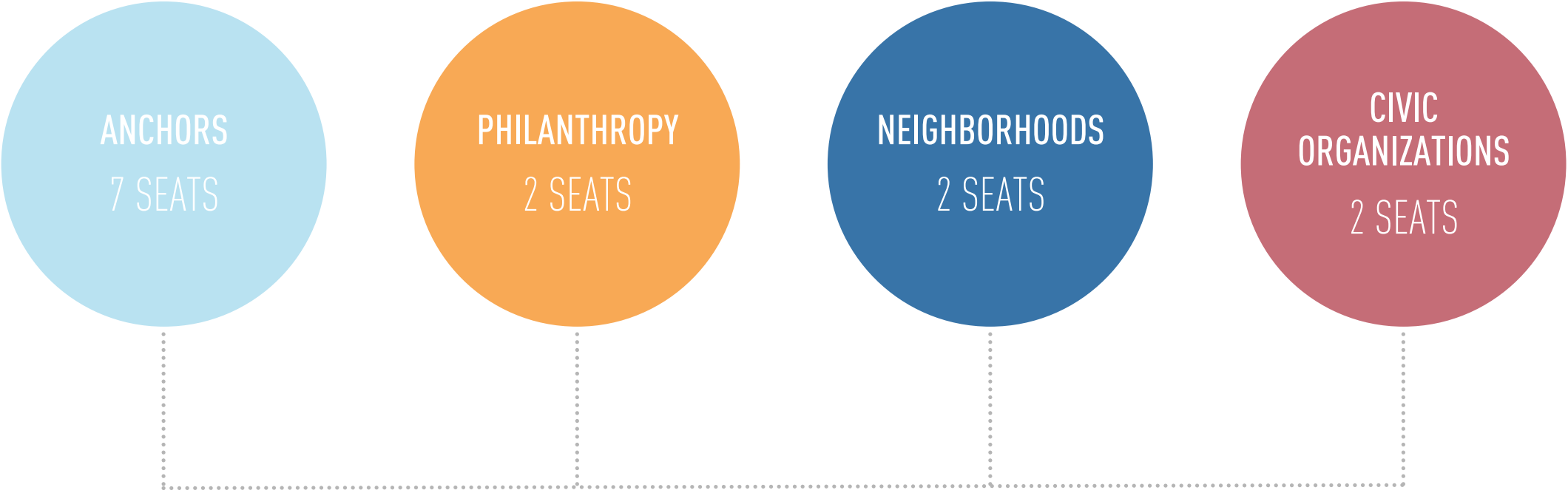
SCO



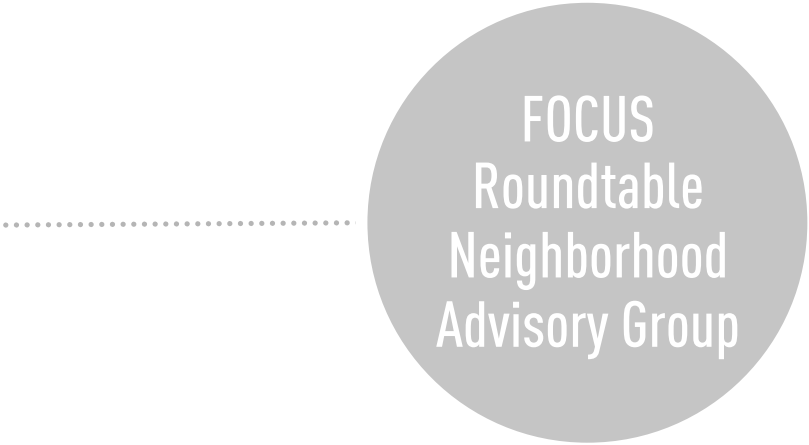
\*Addressable only; capital/operating; not including ALSAC or SWTCC



# MMDC BOARD STRUCTURE



MEMPHIS MEDICAL DISTRICT  
COLLABORATIVE





# INVESTMENTS 2016 - 2018

**\$295M** leveraged in Real Estate Investment

**\$2.66 M** Quality public Spaces

**\$1.4 M** Community Development

**\$1.36 M** Clean and Safe Streets

**\$1.1 M** Planning & Real Estate

**\$341 K** District Events

**\$490 K** Mobility

**\$302M**

total District investment



## WHAT ARE THE ANCHOR DISTRICT POSSIBILITIES?

**3,500** DEGREE GRANTING UNIVERSITIES

**7,000** HOSPITALS

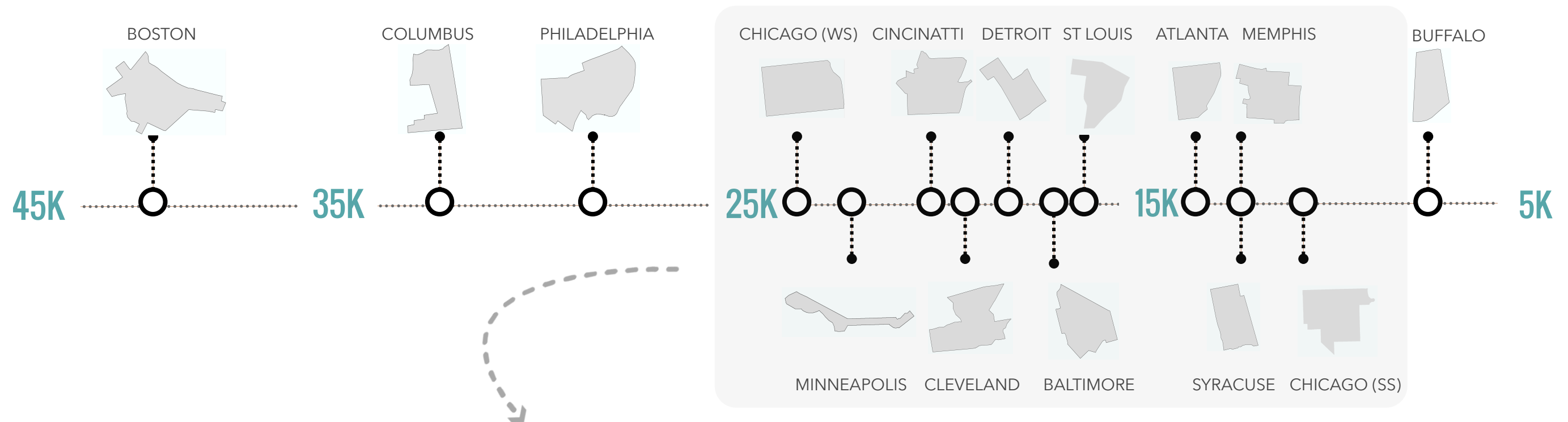
**ONLY 15** FORMALIZED  
ANCHOR DISTRICTS



USING WHAT WE KNOW TO UNCOVER WHAT WE DO NOT

# ANCHOR DISTRICTS

## AVERAGE DENSITY OF STUDENT/EMPLOYEES PER SQM



## ANCHOR DISTRICTS

- ▶ Average densities between 12,000 and 30,000 employees and students per square mile
- ▶ Typically between 3 and 8 anchors, but instances where 1-2 giant anchors dominate their landscape

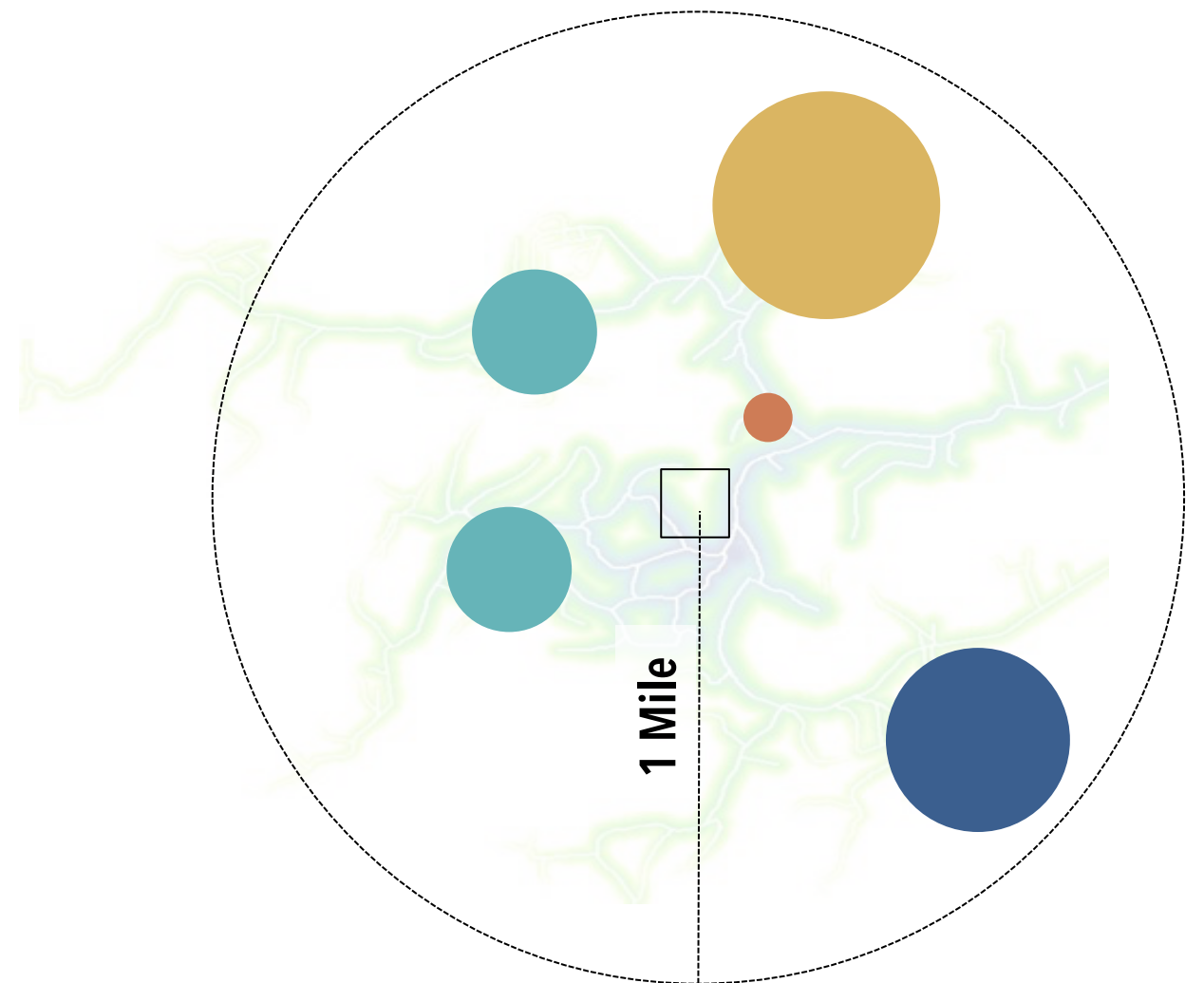


MAPPING WHAT IS "NOT QUITE THERE"

# UNCOVERING POTENTIAL DISTRICTS

## METHODOLOGY

- ▶ Segment the USA into grids of 300 x 300 meters.
- ▶ Every grid searches in a mile radius and calculates the total number of hospital/university employees and students\* within that area and the total number of discrete institutions
- ▶ Identify and isolate those that meet the density/size criteria as potential districts to explore

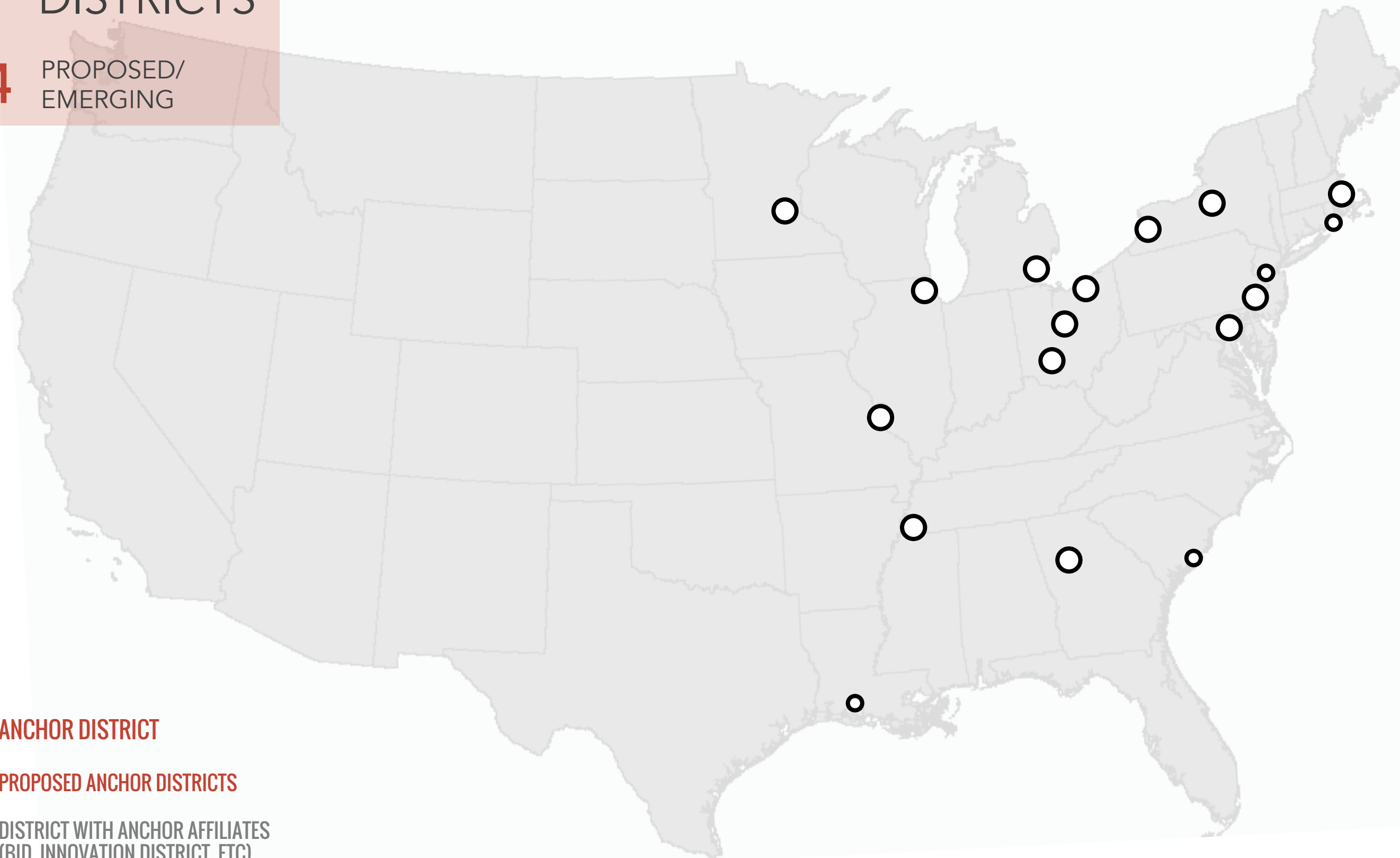


*\*Using a custom dataset created using data from IPEDS, Data.gov, and Dun and Bradstreet to estimate the total number of students and employees at each university/hospital*

**15** FORMAL  
DISTRICTS

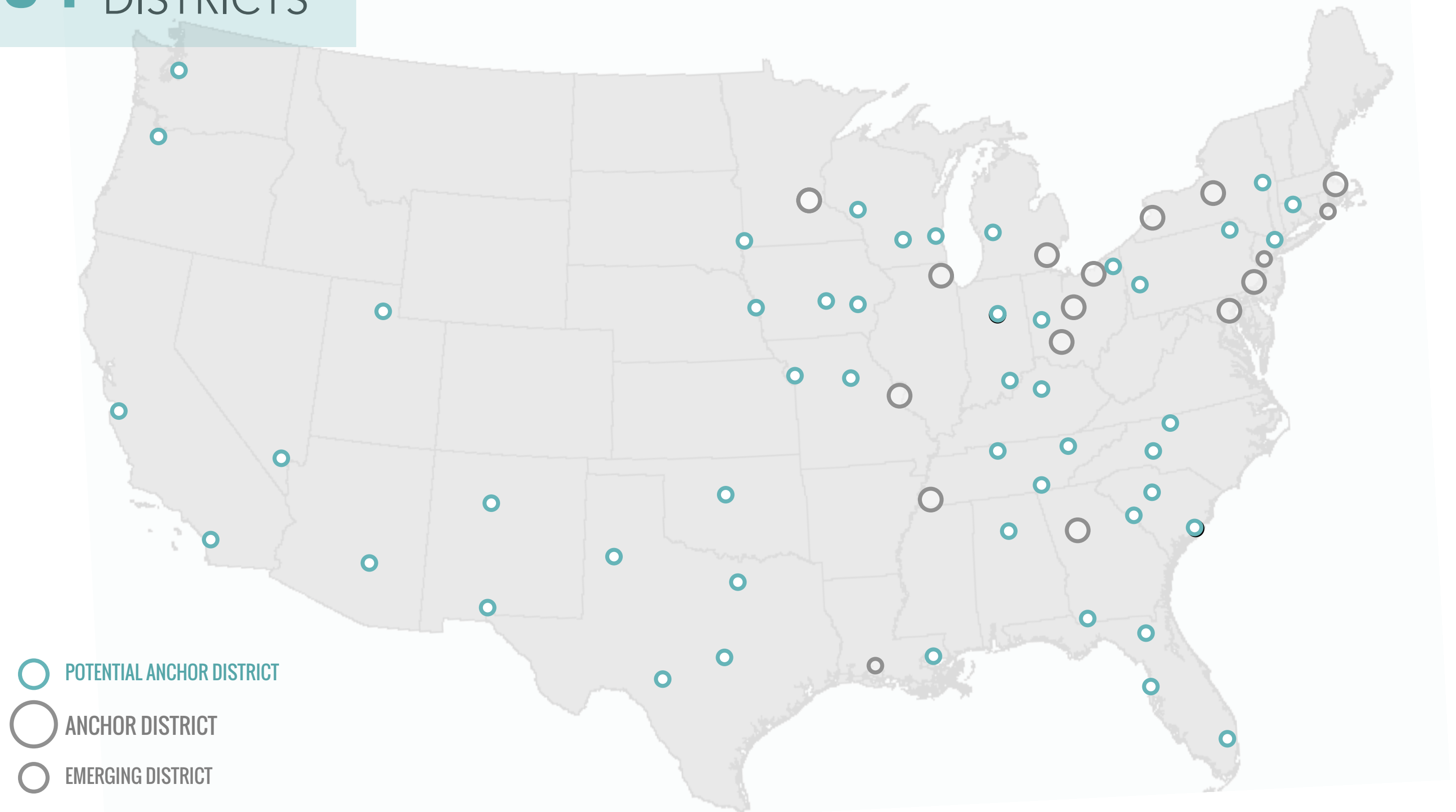
**4** PROPOSED/  
EMERGING

- ANCHOR DISTRICT
- PROPOSED ANCHOR DISTRICTS
- DISTRICT WITH ANCHOR AFFILIATES  
(BID, INNOVATION DISTRICT, ETC)





# 84 POTENTIAL DISTRICTS



HOW DO THESE POTENTIAL DISTRICTS SCALE

# CATEGORIZING POTENTIAL IMPACT

## INFLUENCE

RATIO OF INSTITUTIONAL POPULATION TO TOTAL POPULATION

LOW ● ..... ○ ..... ● HIGH

- ▶ Determine whether the institutions have a disproportionate impact relative to the population
- ▶ Calculated as the ratio of students/employees to residents within a standard radius around the potential district

Every current Anchor District has a ratio of at least **1.2 Students and employees to residents** within its geography

## CONDITION

ECONOMIC CONDITIONS OF THE NEIGHBORHOOD

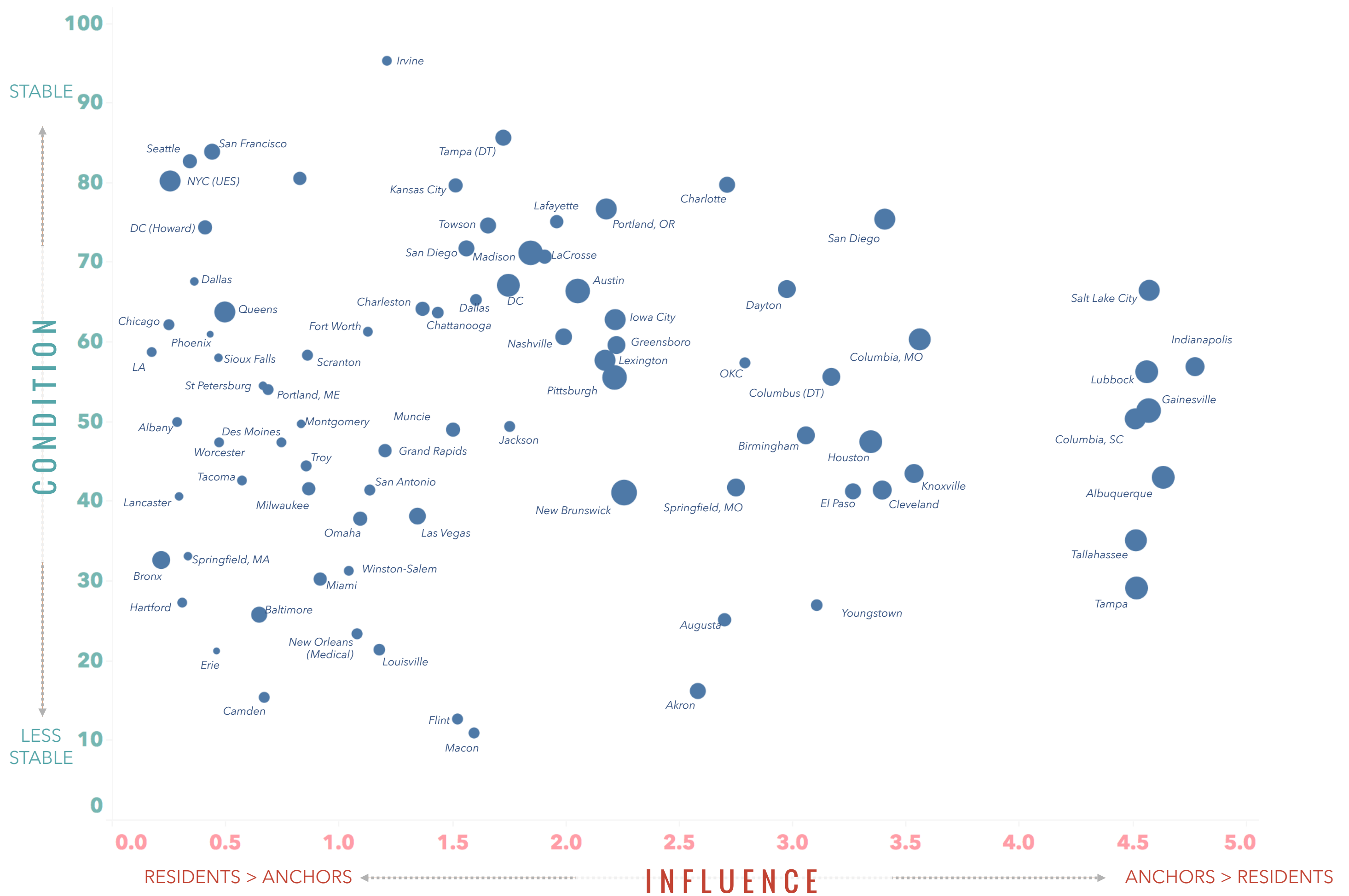
LESS STABLE ● ..... ○ ..... ● MORE STABLE

- ▶ Determine whether institutions anchor an economically stable neighborhood, a neighborhood with historical disinvestment, or a gentrifying neighborhood.
- ▶ Calculated as a composite score of population change, poverty, income, and housing prices compared to respective MSAs

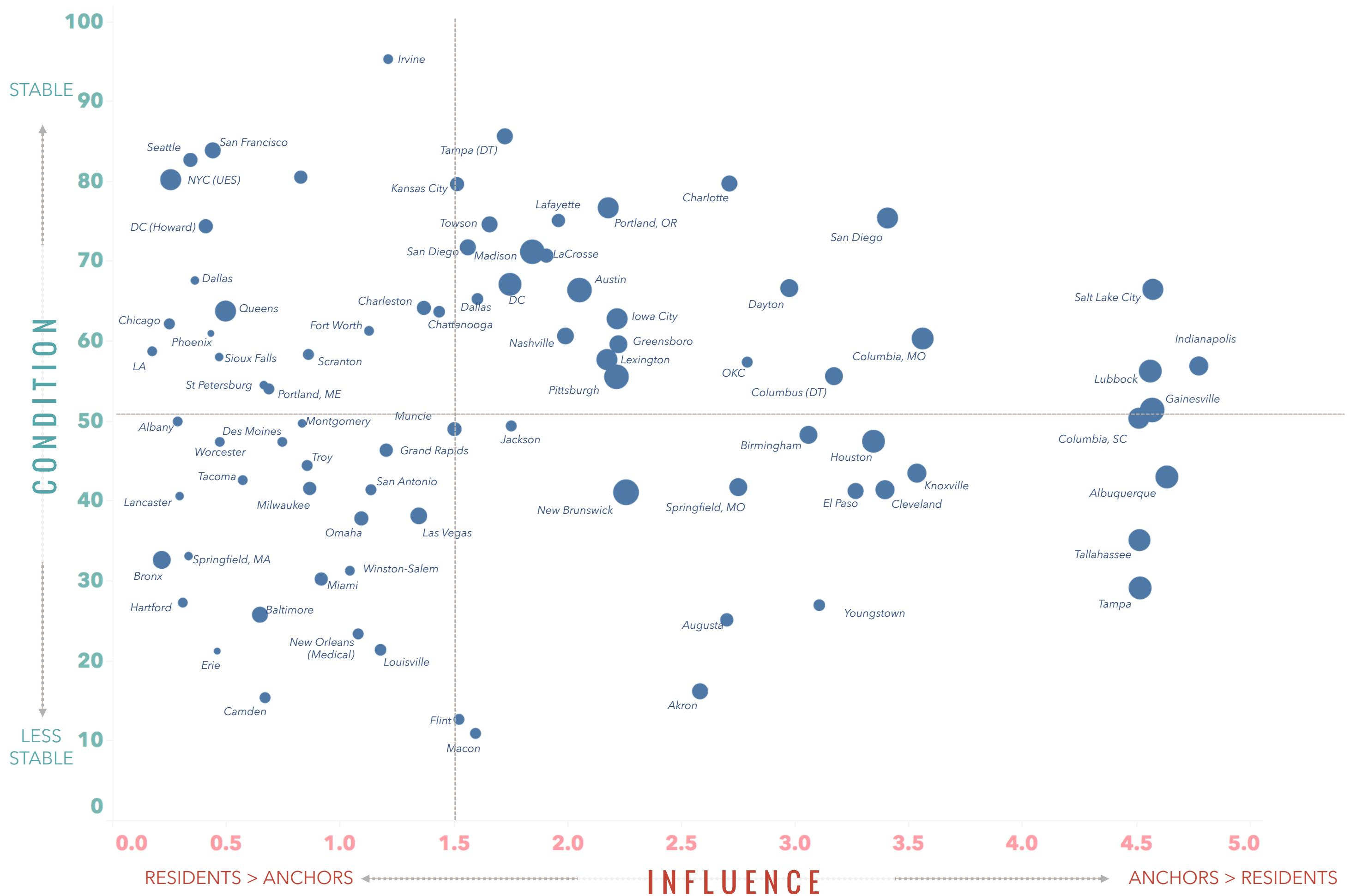
Often current anchor districts were challenged at their founding, though some districts have historically been strong

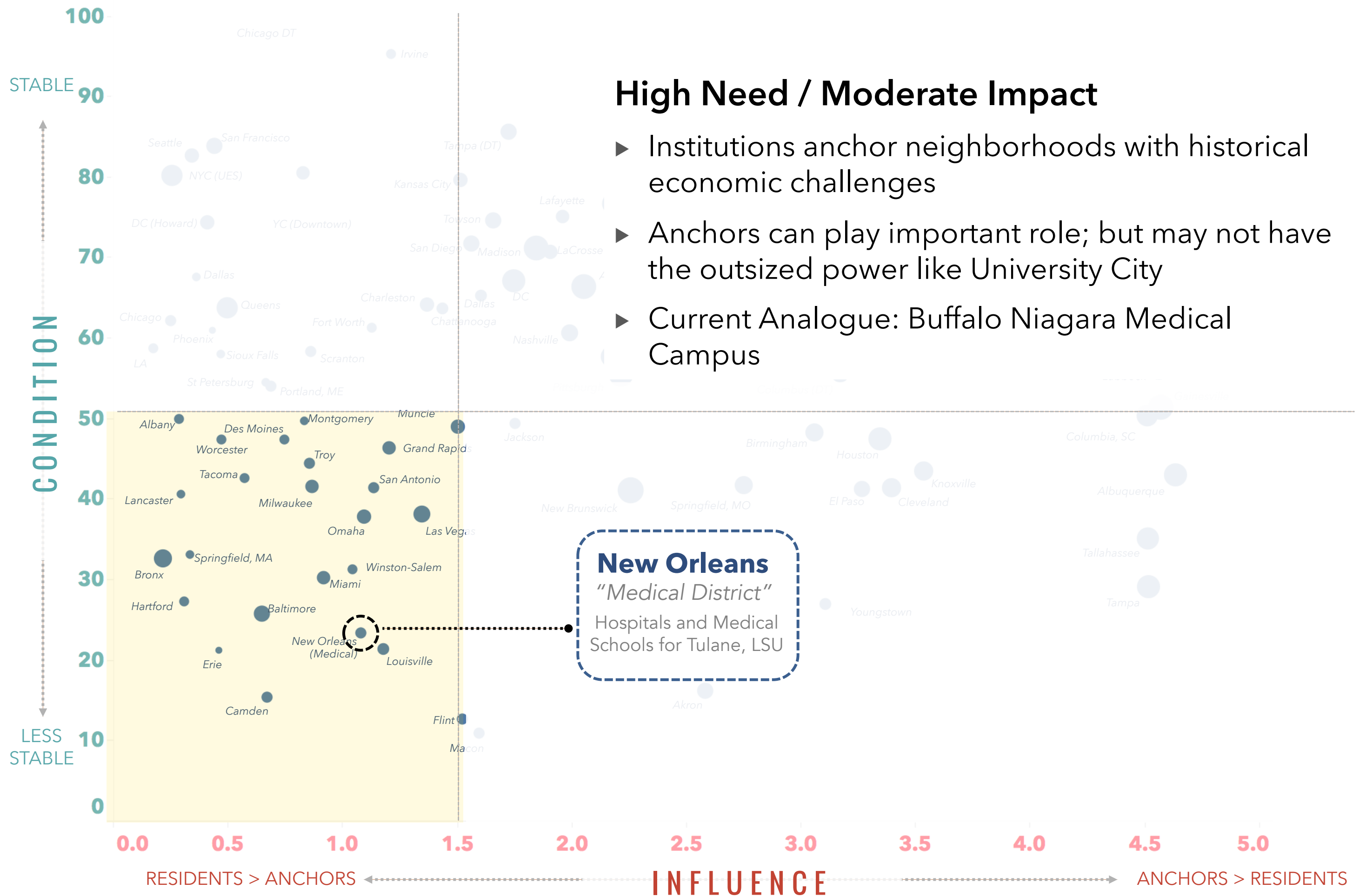




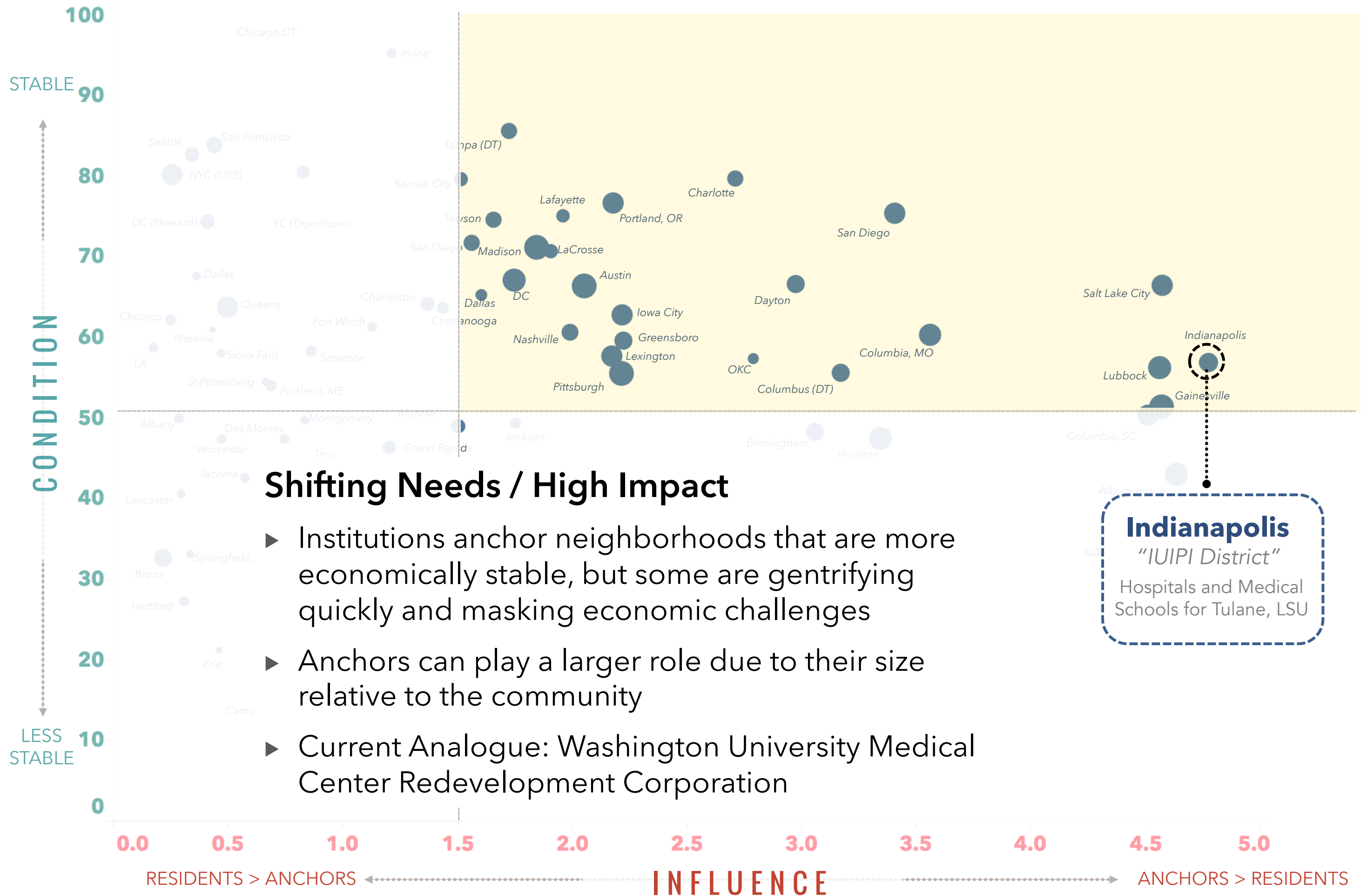


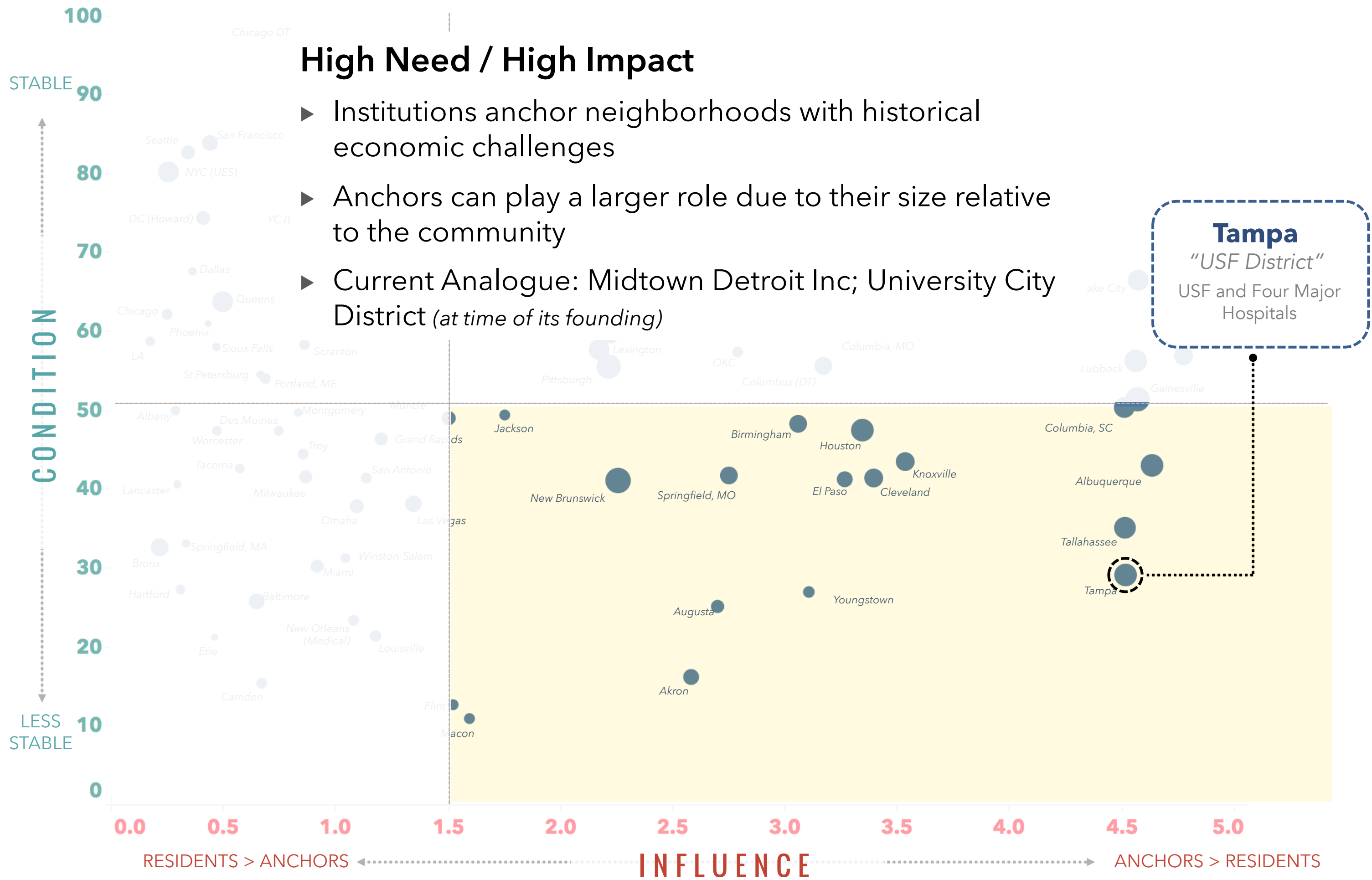














# TAMPA, FLORIDA

# USF DISTRICT

**1 SCHOOL**  
**43,000**  
STUDENTS

**1,045**  
ACRES OF  
PROPERTY

**4 HOSPITALS**  
**18,000+**  
EMPLOYEES

**\$3,700,000,000**  
ANNUAL  
REVENUES

## THE “DISTRICT”

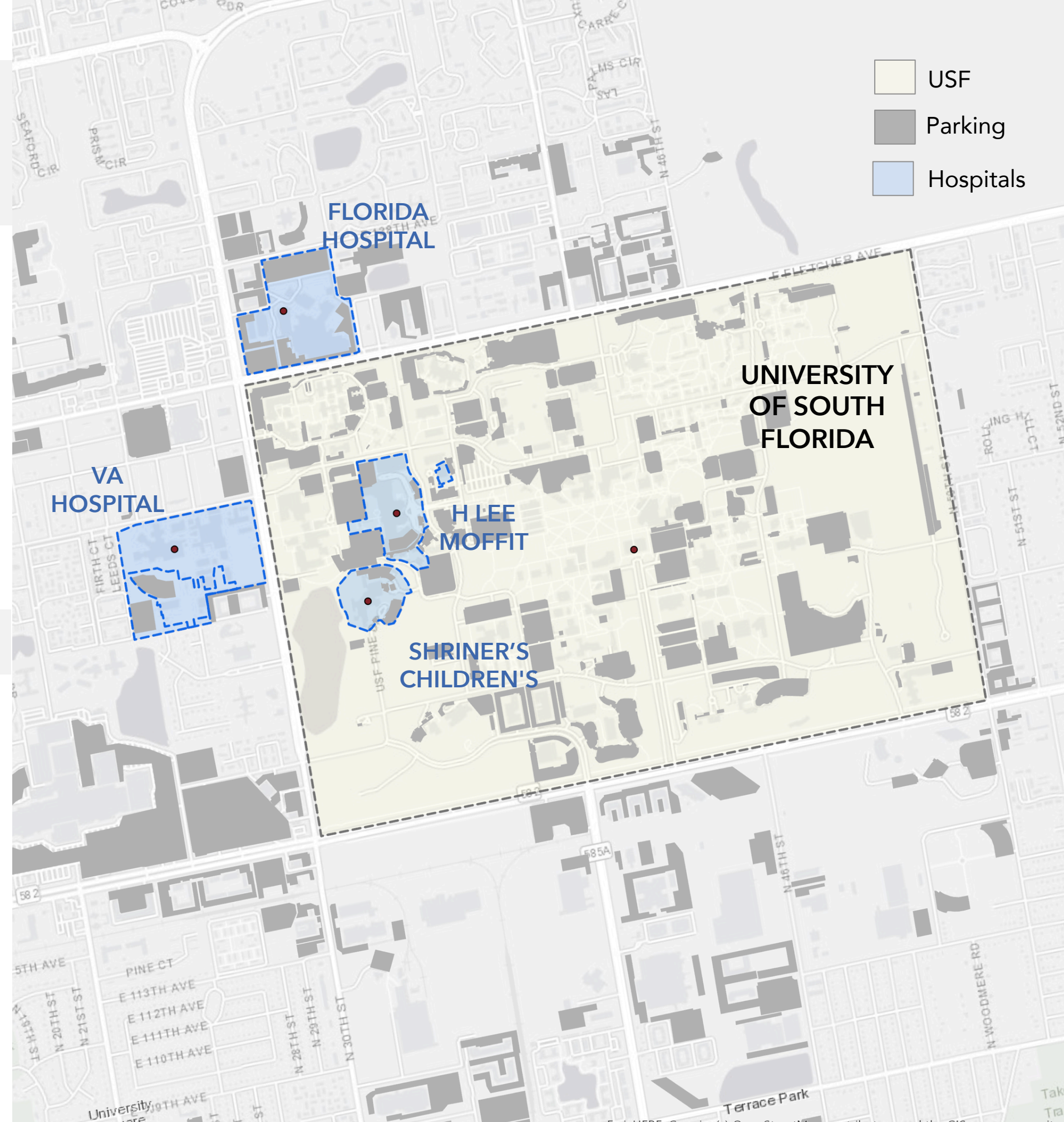
**11%** unemployment in the  
surrounding neighborhoods

**10 YRS** of population stagnation,  
despite Tampa’s growth

**20%** of the land around the  
anchors is parking

## OPPORTUNITY

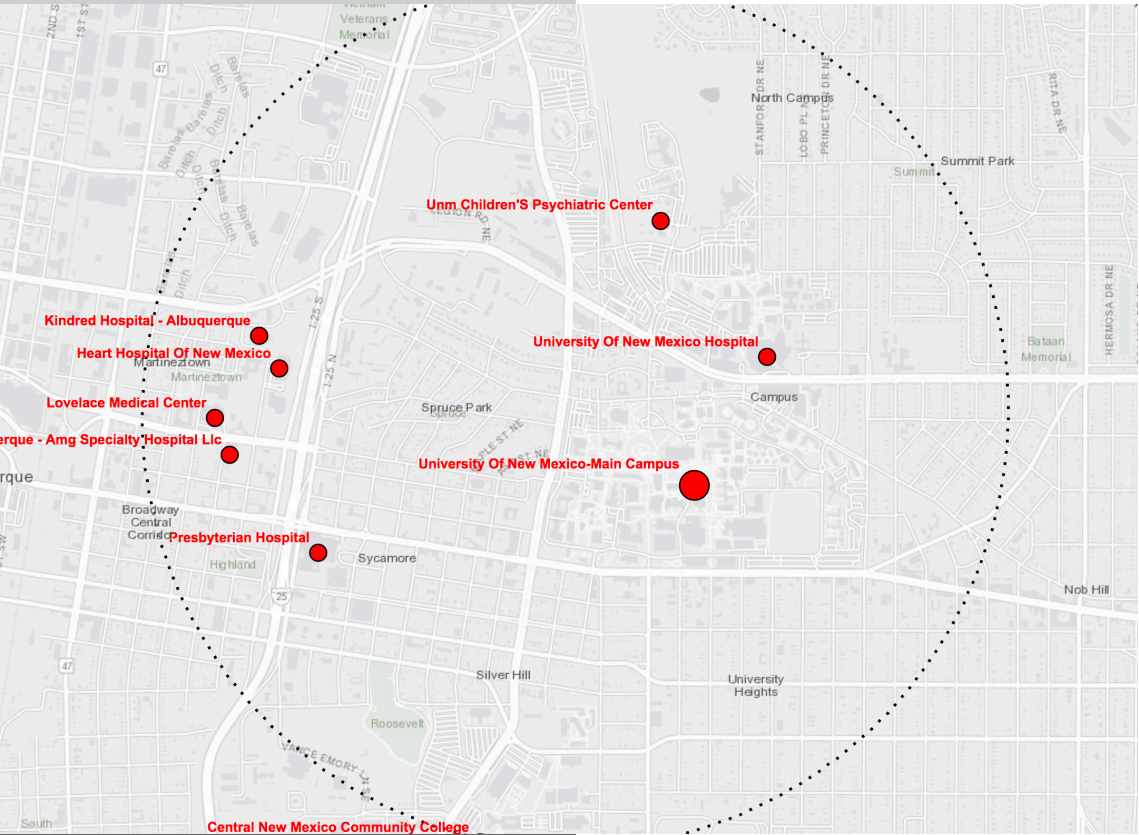
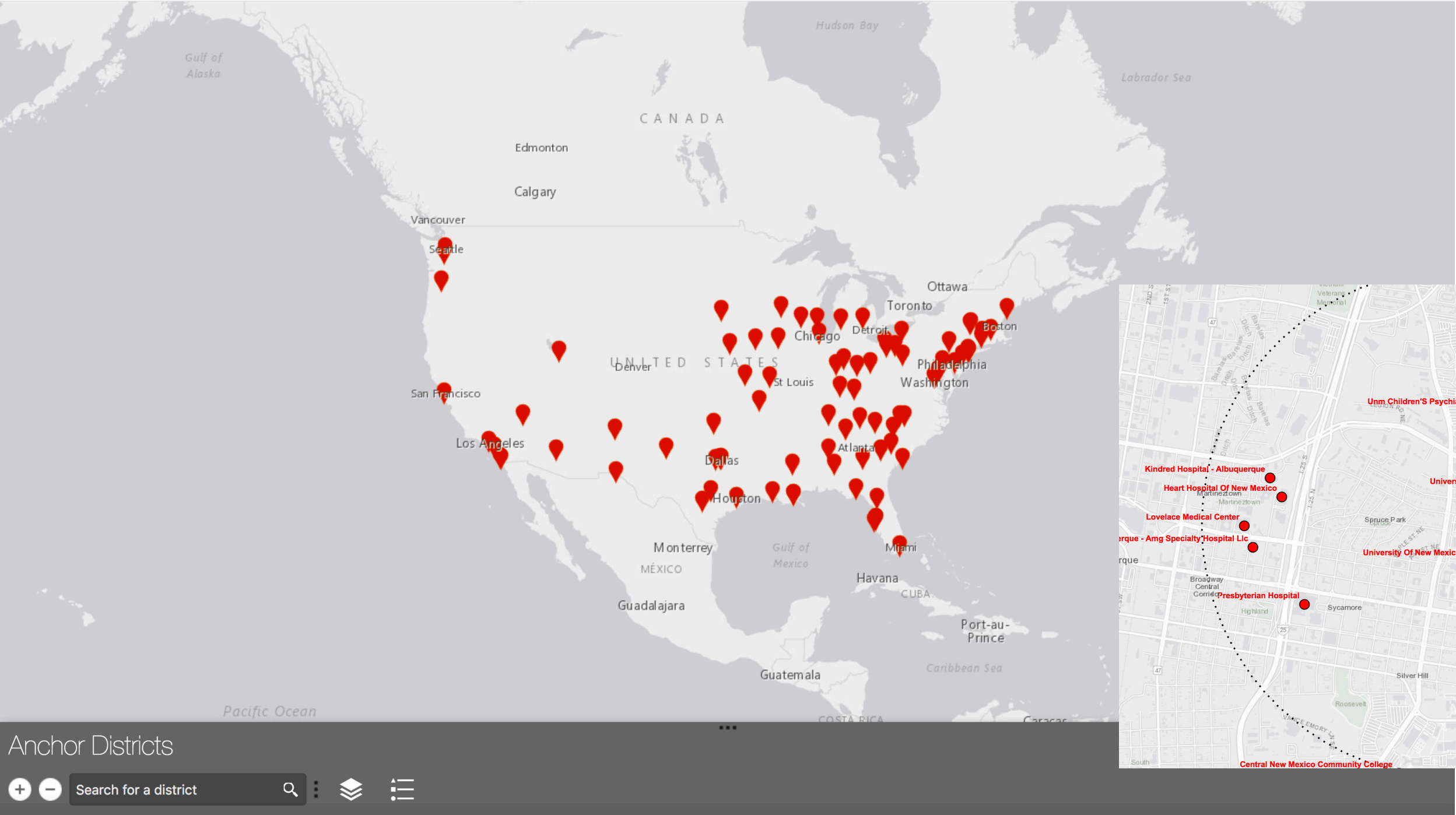
Within Tampa there are at least 6 local and national  
foundations that donate ~\$70M annually



OPEN DATA IS KEY

# LIVE WEB APPLICATION

Click to access map





# TRANSFORMING POTENTIAL INTO ACTUAL **KEY LESSONS LEARNED**

## **CONVENE**

Anchor leadership, potential funders (i.e foundations), and key community members must establish initial working group

## **COLLECT DATA**

Clear definition of anchor demand drivers and supply-side trends to understand the state of the potential district

## **VISION AND STRATEGY**

Clear definition of the goals for forming an anchor district, the types of interventions that are need, and the roles of the individual participants

## **INVEST AND IMPLEMENT**

Creation of a formalized entity structure to implement the strategy; partial \$\$ investment must come from anchor institutions to demonstrate “skin in the game”