Creating an Innovation District at the University of Pittsburgh

February 2017 :: Pittsburgh, PA

Today's Agenda

- Project Vision
- Dynamics of an Innovation District
- Stakeholder Roles
- Benefits of an Innovation District
- Next Steps
- Discussion

Project Vision

- The Plan for Pitt
- Major Initiatives

Collaborating with an Experienced Partner

Wexford is a development company **EXCLUSIVELY** focused on partnering with universities, academic medical centers, and research institutions to create vibrant, mixed-use communities built on a foundation of discovery, innovation and entrepreneurial activity.

10
YEARS IN BUSINESS

5.0 M SF
DEVELOPED OR
UNDER DEVELOPMENT

120
TENANTS INVOLVED IN
INNOVATION

15,000
JOBS IN PROJECTS

97%
LEASED PORTFOLIO

UNIVERSITY / INSTITUTIONAL RELATIONSHIPS

BROWN

DONALD DANFORTH
PLANT SCIENCE CENTER
DISCOVERY | COMMUNITY | IMPACT

Drexel
UNIVERSITY

Duke
UNIVERSITY

ILLINOIS INSTITUTE
OF TECHNOLOGY

OLD DOMINION
UNIVERSITY
I D E A FUSION

PennState

Penn
UNIVERSITY of PENNSYLVANIA

THE
UNIVERSITY
OF RHODE ISLAND

UNIVERSITY OF
MARYLAND

UNIVERSITY
OF MIAMI
U

WAKE FOREST
UNIVERSITY

Washington
University in St.Louis

Yale University

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The Changing Innovation Landscape

- Talent is the real currency of innovation. Nothing can substitute for it

- Companies looking for multi-dimensional relationships with leading research institutions

- Universities strategically focusing on private sector involvement

- Innovation has become almost entirely a social enterprise

- Resource concentration for capital efficiency

- Creative and productive value of real estate trumping economics

- The importance of density within proximity

- Innovation can create social and economic inclusion

Understanding Innovation Districts / Knowledge Communities

"Innovation Districts are geographic areas where anchor institutions and companies cluster and connect with small firms, start-ups, business incubators, and accelerators. They are physically compact, transit-accessible, and technically wired; they offer mixed-use housing, office, and retail."

 - Bruce Katz, The Rise of Innovation Districts; The Brookings Institution

- Create environment that encourages collaboration between private and institutional research
- Provide space and support services for start-up companies created from the university's research as well as established companies seeking opportunities to work with the university
- Enhance faculty recruitment and research funding efforts
- Strengthen overall research capacity and promote entrepreneurship
- Provide experiential learning opportunities for students
- Physically improve neighborhood around university campus
- Interconnect environment physically and programmatically (versus collection of isolated buildings)

Elements of a Knowledge Community

1. University
2. Environment
3. Innovation Elements
4. Community Engagement

University
Discovery and Talent

- Access to Talent (faculty & student)
- Research and Technology Transfer
- CORE Facilities, Labs and Equipment
- Intellectual Capital

Environment
Live, Work, Play, Learn

- Flex / Cool Environments Suited to Innovation Clusters
- Space Matriculation for Growth and Scale
- Lobbies and Public Spaces that Promote Collaboration
- Vibrant Mixed-Use Community

Innovation Elements
Infrastructure for Innovation

- Innovation Centers
- Shared Lab Facilities
- Maker Spaces
- Venture Capital

Community Engagement
Activation, Congregation, Inclusion

- Community College and Work Force Development Pathway
- Events and Programming
- Public Convening Spaces
- Safe and Secure

714M	#5	314	80
Life Sciences Research Expenditures	NIH Funding	Invention Disclosures	Patents Issued
121	13	861	12
License Options	Companies formed from Pitt Discoveries	Consulting Clients Across the Institution	Student Start-ups

Impressive
Institutional
Fundamentals

A Growing Regional Innovation Ecosystem

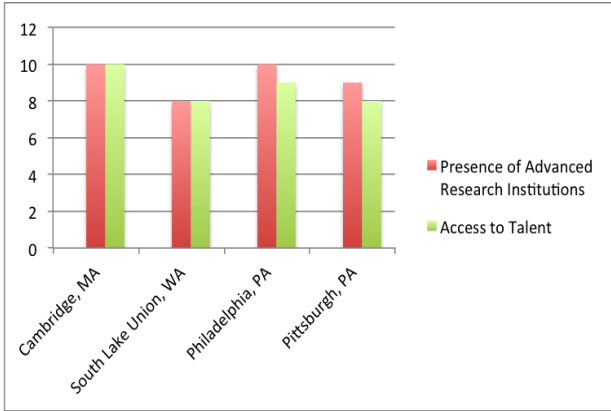- Strong Universities
  - 40 Colleges and Universities – CMU, Pitt, Duquesne, UPMC
  - $3 billion in regional research and development
  - 36,000 graduates per year
  - Collaboratively-focused
  - Emphasis on finding commercial applications for research
- Significant Local Financing and Support Base
  - #3 in venture capital (per capita)
  - Adams Capital, Birchmere Ventures, Draper Triangle, Bain Capital
  - Ben Franklin Technology Partners
  - Keystone Innovation Zone Program
- Compact Geography; Concentrated Population
  - Easy to make connections
  - Friendly and collegial environment
- Corporate Research Centers
  - Google, Uber, Disney, Intel, RAND, Seagate, Alcoa, Bayer, Crucible, PPG, US Steel

Accolades:
- Most Livable City (Forbes)
- Resilient City (Grosvenor)
- Expansive Philanthropic Sector
- Best City for Millennials (Greatist)
- Top Comeback City (Forbes)
- Smartest City (Movoto)
- Emerging Food Town (Bon Appetite)
- Bikeable City (Bicycling Mag)
- Most Affordable (Demographia)
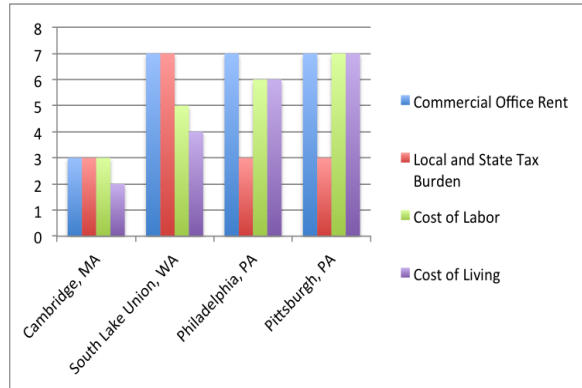- Best to Start a Business (Kiplinger)
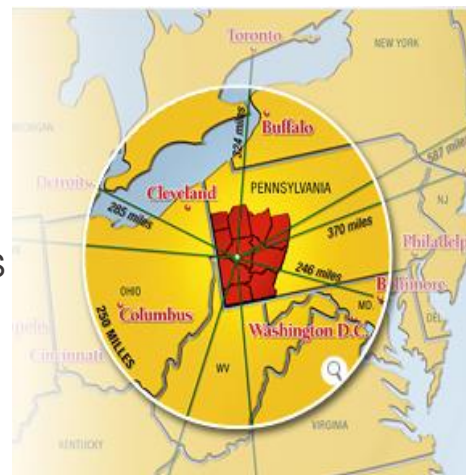
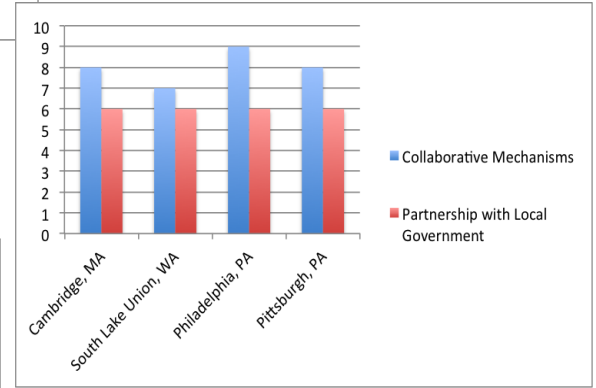# Pittsburgh Ranks Favorably With Peer Innovation Districts Across Several Elements
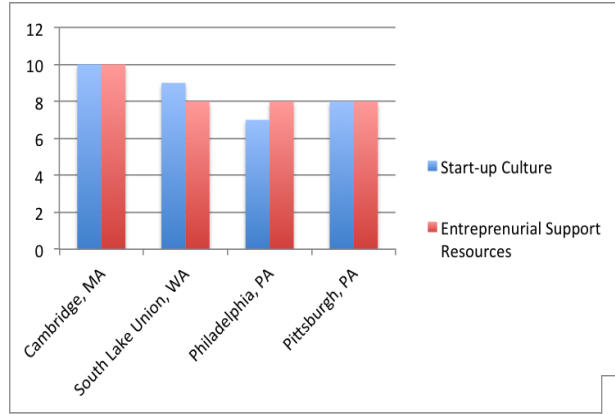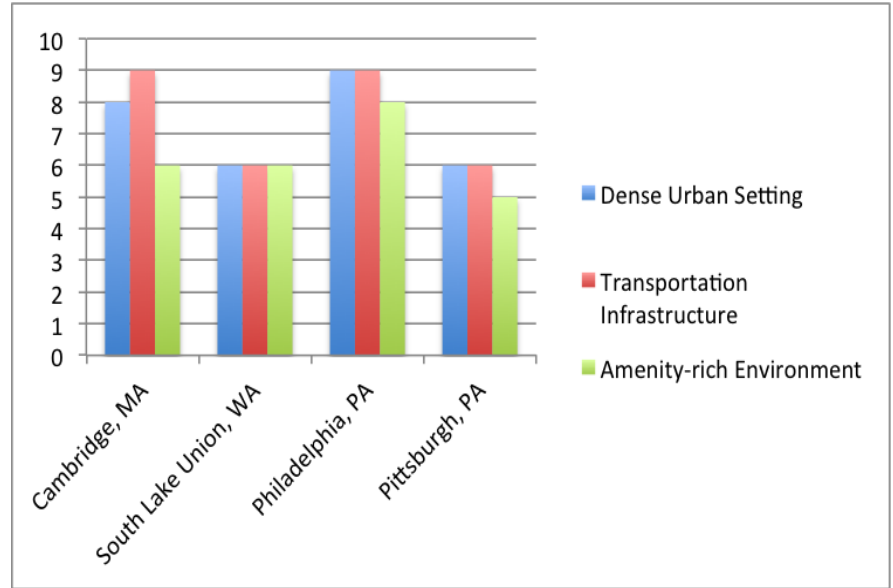

INNOVATION CULTURE

RESEARCH ASSETS

BUSINESS CLIMATE

COLLABORATIVE ENVIRONMENT

(Econsult Solutions/Wexford Research)

…But Lags Peers in Two Critical Components
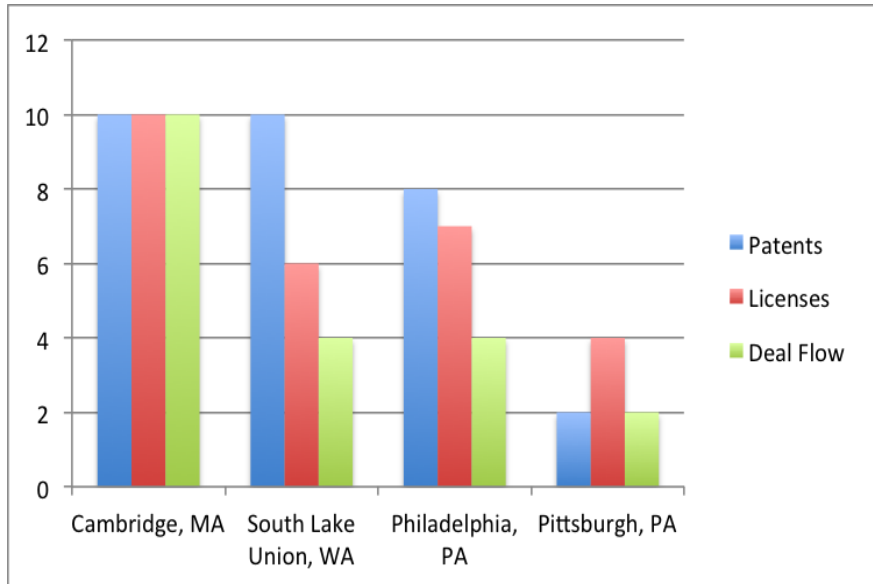
COMMERCIALIZATION PRODUCTIVITY

SENSE OF PLACE

(Econsult Solutions/Wexford Research)

The Opportunities are Significant

1. Amplify and expand our strengths as a University

2. Create a gateway for corporate interaction

3. Enhance the fabric of the Oakland neighborhood and surrounding community

4. Align with larger Pittsburgh innovation ecosystem

Amplify and expand our strengths as a University

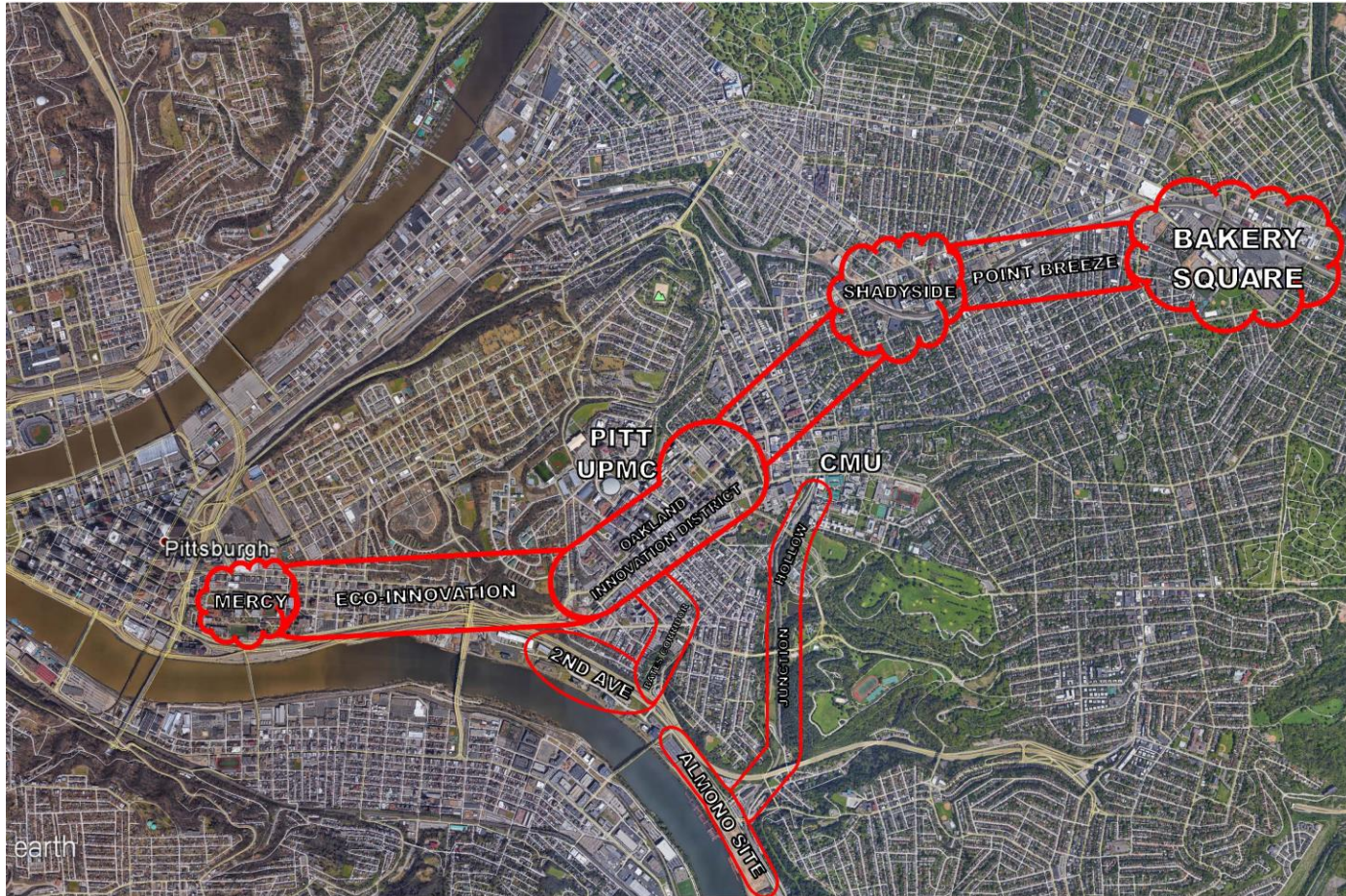# Create a gateway for corporate interaction

Enhance the fabric of the Oakland neighborhood and surrounding community

Anchor and align with larger Pittsburgh innovation ecosystem

Knowledge Community Success Factors

"CORTEX has since become an unquestioned success, positioning St. Louis as an emerging, national center of bioscience, technology, and innovation."

 - John Dubinsky, Chairman of Cortex

- Viewed as critical element of institutional strategy: faculty and student recruitment, expanded research enterprise, closer corporate collaboration, entrepreneurial activity

- Functions as central element of region's innovation strategy

- Creates/leverages urban elements (housing, retail, hotel, green space) into walkable community and activated public realm

- Upwardly scalable (150K SF to over 1 million SF) to create density and amenities

- Supported by civic, governmental, and private support structure

- Has a governance structure that provides for swift decision-making, sustainable financial performance, advocacy activities, knowledge community management and placemaking

Coming together at the right time

"Pitt, CMU and UPMC hope to remake health"

(Pittsburgh Post-Gazette)

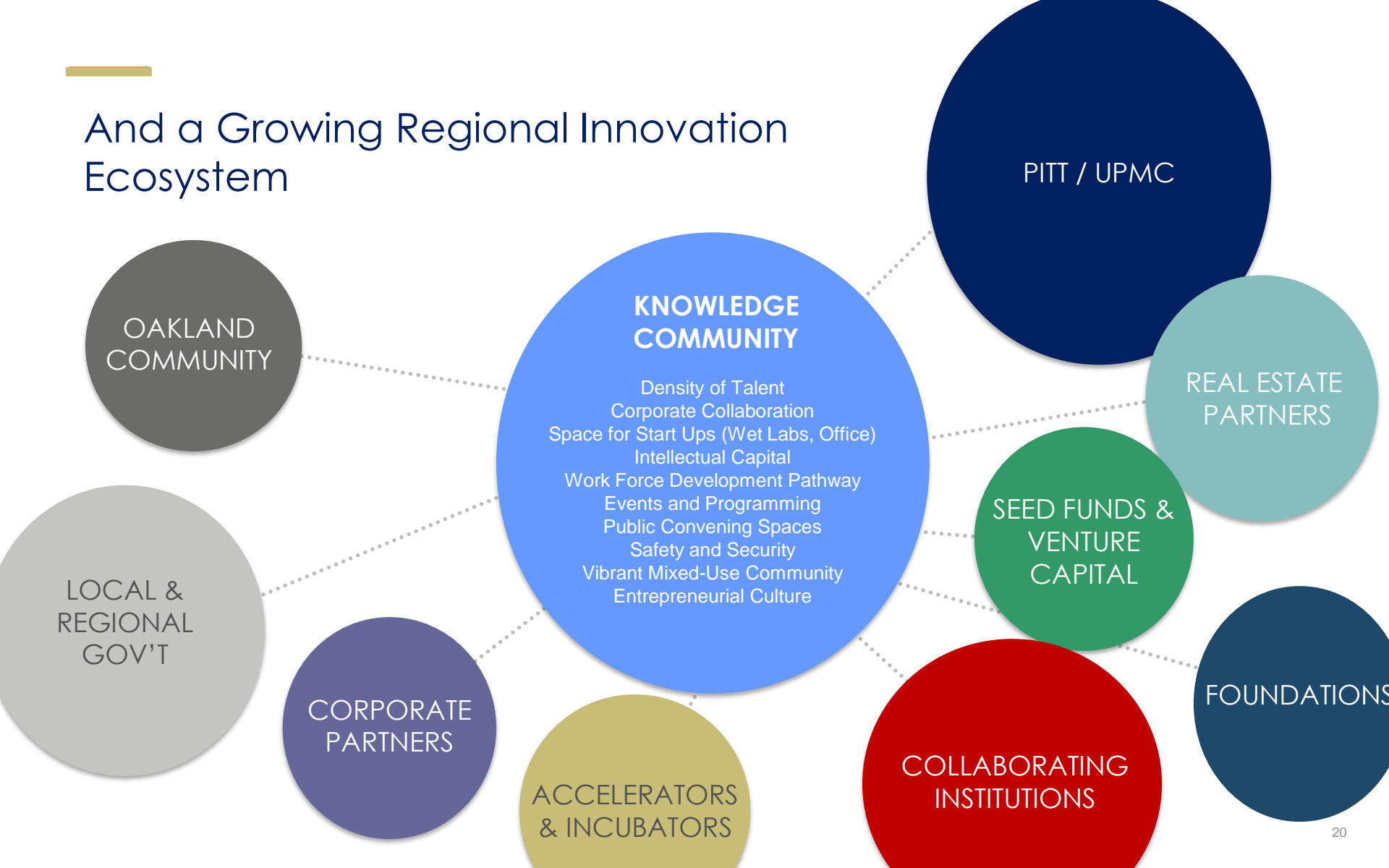**"Why Brookings Institution is optimistic about Pittsburgh"**

(Pittsburgh Business Times)

"Pitt, Bayer collaborating on research"
(Pittsburgh Business Times)

And a Growing Regional Innovation Ecosystem

PITT / UPMC

OAKLAND COMMUNITY

KNOWLEDGE COMMUNITY

Density of Talent
Corporate Collaboration
Space for Start Ups (Wet Labs, Office)
Intellectual Capital
Work Force Development Pathway
Events and Programming
Public Convening Spaces
Safety and Security
Vibrant Mixed-Use Community
Entrepreneurial Culture

REAL ESTATE PARTNERS

LOCAL & REGIONAL GOV'T

SEED FUNDS & VENTURE CAPITAL

CORPORATE PARTNERS

FOUNDATIONS

ACCELERATORS & INCUBATORS

COLLABORATING INSTITUTIONS

20

Next Steps

- Map the real estate assets with an eye toward connectivity
- Identify magnetic programs to anchor the innovation district
- Further develop and continue to share communication plan
- Work toward the development of a detailed master plan
- Consider the creation of a branding strategy
- Begin implementation of the innovation district
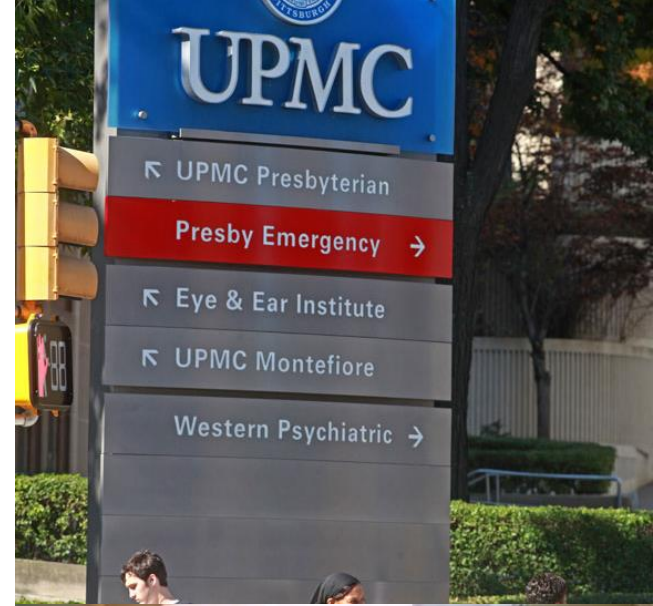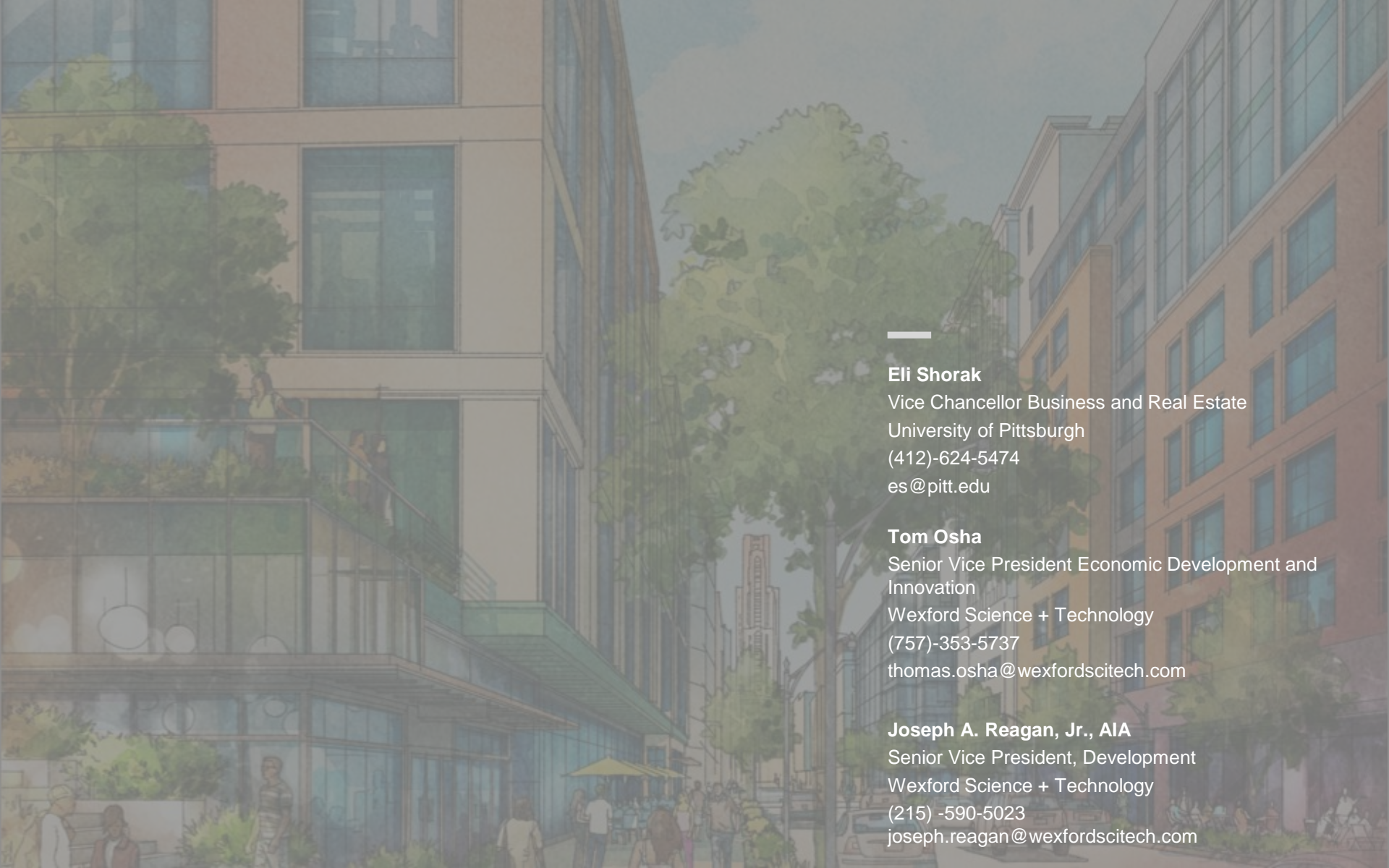
Eli Shorak
Vice Chancellor Business and Real Estate
University of Pittsburgh
(412)-624-5474
es@pitt.edu

Tom Osha
Senior Vice President Economic Development and Innovation
Wexford Science + Technology
(757)-353-5737
thomas.osha@wexfordscitech.com

Joseph A. Reagan, Jr., AIA
Senior Vice President, Development
Wexford Science + Technology
(215) -590-5023
joseph.reagan@wexfordscitech.com