A plan to revive 3,700 acres of Philadelphia’s Lower Schuylkill River—an industrial area that has long been home to oil refineries—is now underway. On May 21, the Philadelphia Planning Commission adopted the Lower Schuylkill Master Plan, which seeks to turn the area into a thriving manufacturing hub.

“It took us 18 months to pull it together,” said Thomas Dalfo, senior vice president of real estate services for the Philadelphia Industrial Development Corporation (PIDC). “The concept is to take this industrial district, which in a larger respect under performs compared to what it has done historically, and bring it up to the standards of the city’s other districts. We want to get the vision out into the market and let [potential businesses] know where the city’s investment is going.”

The plan, spearheaded by PIDC, calls for the creation of three “campuses” along the river: An Innovation District, a Logistics Hub, and an Energy Corridor. In addition, the PIDC envisions 46-acres of green space, including 5 miles of trails winding along the river.

In the northwest portion, the Innovation District will be reserved for education and research related businesses along with artisanal manufacturers. The University of Pennsylvania’s new South Bank Campus, occupying 23-acres of the new district, is already in sync with PIDC’s mission for the area and is geared towards academic research and commercial endeavors. The Logistics Hub, just south of the Innovation District and in close proximity to the airport and interstate, will provide space for distribution, warehousing, and manufacturing. Across the river to the east, the Energy Corridor will sustain and build upon its current use as a site for oil refining by attracting additional investment. Right now, Dalfo estimates that oil and gas manufacturer Philadelphia Energy Solutions takes up somewhere between 1,400 and 1,500 acres of the Corridor—making up a substantial chunk of the land that is part of the master plan.

“The bulk of the land is privately owned and there is not a plan to do extensive public acquisition,” said Dalfo. “The intention of the plan is to make use of strategically placed public assets on the river along with targeted public investments in infrastructure.”
While the plan will develop gradually over time, the PIDC anticipates that it will eventually have an economic impact of $63 billion and yield $860 million in private investment. Dalfo said that they will first focus their efforts on the Innovation District, which has the highest level of public land available for development. It also encapsulates UPenn’s South Bank Campus, where there has already been a surge of new activity. Penn acquired the former DuPont Marshall Research Laboratories campus in 2010, which is only a short distance from University City, to provide a place for academic research and business ventures, in addition to space for basic institutional functions, such as storage and transportation.

“This is a sequential process,” said Paul Sehnert, director of real estate development at Penn Facilities and Real Estate Services. “We are beginning to fill spaces and repurpose buildings as we do the planning. There is a lot more vibrancy in the last year with the Working Dog Center [Penn Veterinary Medicine’s program] in place now, a steady stream of tenants [several from Penn’s Center for Technology Transfer], and more on the way.”

The university has enlisted the help of local planning firm Wallace Roberts and Todd (WRT) to sketch out long and short-term objectives for the campus. Richard King, senior associate at WRT, said that immediate planning will entail improving the streetscape to provide better connectivity between the South Bank Campus and the main campus as well as “improving buildings to a point that enhances their usability.”

Penn intends on repurposing four existing buildings on the site, which can accommodate a variety of uses from light fabrication and research to typical office space. The university and WRT have also identified other potential parcels on the campus that would be appropriate for future development. “These buildings are pretty robust structures. They have good bones,” said Sehnert. “We’ll be matching tenant demand with space that is available until there is a critical mass that says we need a site to build a new building.”

While the South Bank Campus is still in the early phases of planning, it is a critical piece of the Lower Schuylkill Master Plan. “PIDC saw this northern end as an early linchpin to the creation of this innovation district,” said Mark Kocent, principal planner at Penn Facilities and Real Estate Services. “It is pretty visionary right now. We’re just trying to get our arms around what the property can be.”