



South Bank

3401 Grays Ferry Avenue

Press

UNIVERSITY OF PENNSYLVANIA EXPANDING EAST OF THE SCHUYLKILL

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“ The [South Bank] property has ‘infinite possibilities’ as a place to nurture start-up businesses and ‘technology transfer,’ where faculty with ‘great discoveries can attract venture capital’ and bring ideas to market.”

– Linda Loyd, quoting Amy Gutmann, President, University of Pennsylvania

The University of Pennsylvania is unveiling development proposals for 23 acres it purchased from the DuPont Co. — its biggest acquisition east of the Schuylkill — while continuing to grow the main campus in West Philadelphia with new buildings, more green space, and better linkages to Center City.

Penn bought for \$13 million the former DuPont Marshall Laboratory at 34th Street and Grays Ferry Avenue in September 2010, and almost immediately relocated its transit operations there. On a surface lot where its buses and cars had parked at 32d and Walnut Streets, glass is now going up on an 80,000-square-foot nanotechnology center scheduled to open next year.

University trustees on Thursday were updated on plans for the former Marshall Lab site and on the next phase of the university’s 20-year, multibillion-dollar campus development plan, which began in 2006 with Penn’s acquisition of 24 acres from the U.S. Postal Service along the Schuylkill.

Penn president Amy Gutmann told trustees that the Marshall Lab property has “infinite possibilities” as a place to nurture start-up businesses and “technology transfer,” where faculty with “great discoveries can attract venture capital” and bring ideas to market.

“This kind of expansion is absolutely necessary if the research at Penn is going to be an economic engine for our society,” she said.

Asphalt parking lots that once belonged to the Postal Service have been converted into 24-acre Penn Park, next to the Schuylkill Expressway, with athletic fields, tennis courts, and green space.

Where tennis courts used to be on 33d Street in front of the Palestra will soon be a 2.75-acre grassy expanse with tree-lined walkways and plantings, known as Shoemaker Green.

Farther south, at 34th and Spruce Streets, a paved parking lot will be transformed this summer and fall into another open green space, directly across from the Hospital of the University of Pennsylvania, as a place for reflection and a break for hospital visitors and staff.

With many students away for the summer, now is prime construction time and cranes and trucks are everywhere on campus. The top three floors are under construction on the Perelman Center for Advanced Medicine on Civic Center Boulevard. A new addition to Steinberg-Dietrich Hall is in the works for the Wharton School.



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Silverman, the main law school building, is getting renovations. In April, a new law building, Golkin Hall, opened in the 3400 block of Sansom Street. It was an example of what's happening all over campus — taking a site that may have been a parking lot, or one-story building, and putting in something more substantial.

“One of our limitations with an urban campus is the insatiable desire and need to grow,” said university planner Mark Kocent. “Where do you do that? One option is to look at sites that are underdeveloped, that might be parking lots or former one-story buildings.”

The new Golkin Hall connects to Silverman Hall, the original law school, and “allows the entire law campus to be interconnected instead of being a series of separate buildings,” said Anne Papageorge, vice president for facilities and real estate services.

Also on the drawing board are a neural behavioral life sciences building on 38th Street near Woodland and a 350-bed student residence hall on Hill Field along Chestnut Street. The College House residence will preserve green space by putting the dining area under a sloping lawn. The veterinary and dental schools are targeted for renovations.

Penn's current development plans are almost exclusively east of the university's western residential neighborhood. Over the years, there have been “pushes and pulls” in the relationship, said Barry Grossbach, who chairs the zoning committee of the Spruce Hill Community Association.

“There is a history here of positive cooperation and attention to the neighborhood, but as in any relationship between a large institution like Penn and a community with diverse opinions, there's always going to be some tension,” he said. An example now is a proposed graduate-student housing development at 40th and Pine Streets. The site has long been a subject of contention and has prompted “vigorous discussion within the neighborhood,” Grossbach said.

Penn leased the land to a private developer, who found that a building there was “on the local historic district register,” Grossbach said. The Philadelphia Historical Commission recently ruled that the building can come down, but the site must be rezoned. “It's very complicated.”

Key to Penn's development plans is the 23.1 acres of land across the Schuylkill, which is called Penn's South Bank.

“People have asked me over and over again, ‘Do you have any plans to cross the river?’ And I would always say, ‘No, we have no plans, but if the right opportunity came, I would consider it.’ This was the perfect opportunity,” Gutmann said.

“It enables us to have a 23-acre plot immediately across the river from our campus, where we can expand our technology transfer and commercialization of discoveries by Penn faculty on very favorable economic terms. Ultimately, I think it could be our technology park,” she said.

In the near term, the university will put a data center there, and already a couple of small start-up companies that were outgrowths of Penn's engineering faculty discoveries are in Grays Ferry.

“Core academic functions” will not move “because one of our major strengths as an educational institution is that any student here or faculty member can walk between schools on the campus in 10 minutes,” Gutmann said. All back-office operations “have potential there, and we are already starting to do that — storage, off-site library storage.”



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DuPont wanted \$26 million for its automotive-paint lab, manufacturing and testing facility, which closed in 2009.

Penn paid \$13 million for the 250,000 square feet of laboratory, office, and warehouse space.

The property is “well-served by infrastructure, by utilities, which makes it more affordable because you don’t need significant additional investment to bring utilities to the site,” Papageorge said. “We have steam, power, gas. There is a lab building that we believe with some renovation can serve chemical, chemistry-type research.”

The site has about nine buildings. Some may eventually be removed, and new buildings are envisioned, along with streets, and open space. The Schuylkill River Trail opened in that area this month, from 34th Street south more than a half mile.

“We will, as opportunities or uses or possible interested tenants appear, develop parcels,” Papageorge said.

When Penn embarked on the two-decade campus development plan in 2006, Grays Ferry was not even a thought.

In the first five years, the university built or renovated 1.1 million square feet of space and spent \$1 billion. The Penn health system spent \$1 billion, and private developers invested \$500 million on various building and renovation projects.

In the second phase, 2011 through 2015, the university estimates it will spend \$1.1 billion, the health system will spend \$500 million, and private developers will spend about \$600 million.

In 2006, Brandywine Realty Trust purchased from Penn the 30th Street Post Office building, which now houses offices for the Internal Revenue Service. Brandywine leased the Postal annex land from Penn and built a parking garage.

On either side of the garage are two parcels, known as Cira South. Brandywine wants to begin construction in the next two years on a 30- to 40-floor office and mixed-use retail building at 31st and Walnut Streets, and a 20- to 30-story residential apartment building at 31st and Chestnut Streets, said president and CEO Gerard Sweeney. The ground is owned by Penn and leased to Brandywine.

“When we commenced this project it was before the economic downturn,” Sweeney said, referring to Cira South. “We had hoped to start it by now. We are in the process now of both marketing and financing discussions, and we’d certainly hope to start those within the next couple years.”

The next stage of the campus expansion will include building the additional research and teaching space, more student housing, improving connections with pedestrian walkways between West Philadelphia and Center City, and renovating older buildings to make them more environmentally sustainable or sound — such as replacing outmoded lighting in all campus buildings, Gutmann said.

“Over the last eight years, we have spent \$200 million to \$250 million a year for various capital building and renovation projects,” the president said. “We paid for that through a combination of our internal savings, our revenue stream from what some of those projects can generate in terms of research, and gifts. It’s all a matter of really good financial planning and also the kind of generosity we’ve gotten in our \$3.5 billion campaign.”



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By the end of September, he will have a greenhouse on Penn's South Bank campus in the Gray's Ferry neighborhood where plants harboring vaccine or drug proteins can grow and be harvested. The facility will be used first for a collaborative project with Novo Nordisk. Daniell also has current support from Bayer for translational research.

Penn's dental school is well positioned for Daniell to take advantage of interdisciplinary collaborations. Within Penn Dental Medicine, he is collaborating with Anh Le, chair and Norman Vine Endowed Professor of Oral Rehabilitation, to work on vaccines against oral tumors. Cross-school partnerships within Penn are also developing. A project involving the Perelman School of Medicine, for example, will focus on developing a vaccine to protect hemophilia patients from developing immune reactions against injected blood clotting factors. Daniell has been already invited to join Penn's graduate programs in immunology and in gene therapy and vaccines.

"I'm quite excited because the rationale for me to move here is that hospitals and clinics are in place for the technology to be validated," he says. "President Amy Gutmann's mantra about integrating knowledge was also very attractive to me. Many universities have these brick walls around their disciplines. But, if I were to work in isolation, I'd never get to the finish line."

At its core, Daniell's work aims to improve the human condition with the same energized sense of innovation that led to the tech boom.

"Unlike the fantastic inventions that we see in things like cell phones and IT and so on, medicine hasn't had the same types of leaps and bounds of progress," says Daniell. "I see a lot of room for improvement."