Penn’s South Bank campus is the tip of the spear when it comes to recasting underused industrial property on the Lower Schuylkill as a zone for gritty creativity and economic growth.

Last week Penn announced new plans to begin more deliberately transforming this 23-acre former DuPont campus into a buzzing hive of research and entrepreneurship, starting by establishing a new business incubator called the Pennovation Center.

Penn envisions South Bank becoming a “vibrant environment that fosters collaboration, supports business innovation and promotes the development, transfer and commercialization of Penn’s research,” Penn’s Vice-President for Facilities and Real Estate Services Anne Papageorge said over email.

To help that vision become reality, Penn has been working with the design firm Wallace, Roberts & Todd (WRT) to create a flexible development framework and capital investment strategy for South Bank’s growth.

The Pennovation Center, Penn’s first major move based on that plan, is “intended to kick start the overall transformation of the site, and will support innovation–driven economic development, which often depends on the marrying of entrepreneurs with an expert workforce and scientifically advanced facilities, both of which Penn can supply,” Papageorge explained.

Penn will release a Request for Proposals this month for design services to help bring the Pennovation Center to life in a converted industrial building on the property.

University Architect David Hollenberg said this sort of real estate venture is not like anything Penn has tried before, which makes this new phase at South Bank both challenging and exciting. The question before Penn now, he explained, is how best to seed South Bank in order to cultivate the kind of entrepreneurial start-up culture and attractive physical environment that Penn aspires to see grow there.
“We have our eyes open that to go down here people have to have a sort of pioneer mentality at first. Tenants are drawn to South Bank these days because it provides low-cost space on flexible terms. But one measure of success, Hollenberg suggested, will be when tenants are drawn to South Bank because they want to be part of its creative community of researchers and entrepreneurs.”

- David Hollenberg, University Architect, University of Pennsylvania

Since Penn bought South Bank for $13 million back in 2010 the site has absorbed overflow uses from the main campus, given academic researchers room to experiment, and provided affordable space for start-up and nonprofit tenants. Right now the tenant mix is wildly diverse, ranging from Penn Vet’s working dogs and Penn Transit’s fleet to a start-up drone robotics company and storage for the Free Library.

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In order to get there Penn needs to lead the way through strategic investment.

Four of South Bank’s roughly 30 existing structures were identified by Penn and WRT as worthy of reuse. That frees up a lot of space for purpose-built new buildings and shared amenities to be added over time.

Right now about 68,000 square feet in South Bank’s buildings are occupied, split almost evenly between Penn-related and commercial tenants. That 50/50 balance is expected to continue as South Bank grows in the coming years. WRT’s plan projects that South Bank has the capacity to absorb 750,000 square feet of leasable space over the next 20 years. (That’s a measure of what the market could bear, not the site’s physical capacity which is far higher.)

WRT’s plan is not proscriptive but establishes core principles for South Bank’s growth. It identifies adaptable zones for development and ways to better connect South Bank to its surroundings, such as the Grays Ferry Crescent trail.

“One [key principle] is to capitalize on the river environment and this wonderful trail and greenway that exists there by bringing these fingers of greenery into the site to promote the idea of access to green resources. The other one is to really work off of existing gateways and potential future gateways to organize circulation on the site. That creates these parcels that are very flexible,” explained WRT principal Ignatio Bunster during a presentation to Penn trustees on last Thursday.

There is perhaps no greater impediment to South Bank’s growth than its poor connectivity – both within the site and to its surroundings. The gated campus has a distinctly auto-centric suburban feel, but Penn realizes that it must improve that condition if South Bank is to become a location of choice.

South Bank is within a mile of the heart of Penn’s campus, but getting there without a car can feel daunting. To augment the lone SEPTA route that passes South Bank, Penn Transit started providing on-demand shuttle service last week. That’s a start.
“Connectivity is key,” acknowledged Ed Datz, Penn’s executive director of real estate. “The health system is so close yet nobody feels that its close because of what you have to walk through to get there.”

The pedestrian environment is especially challenging, given the wide, fast expanses of 34th Street and Grays Ferry Ave as well as a nearby Schuylkill Expressway interchange. There is, however, a bike lane that connects to the Grays Ferry Crescent. Penn is already in conversation with public partners like the Streets Department and PennDOT about improving the environment around South Bank for pedestrians and cyclists. But those changes will take time.

Fortunately Penn’s public partners see South Bank as a project not just for Penn but as an economic engine for the city that is leading the way to create the “Innovation District” envisioned in the recent Master Plan for the Lower Schuylkill.

In the near term Penn plans to do what it can to improve South Bank’s streetscape along 34th and Grays Ferry, which will in turn create a better gateway and give South Bank an identity all its own. Penn also plans to install new controlled-access gates to South Bank from the Grays Ferry Crescent trail this spring, and to 34th Street in the near future.