Six ways for innovation districts to build welcoming, safe, integrated places

Transforming such environments demands nuanced understanding, finance, experimentation, partnership, and long-term commitment

Innovation districts face a multi-dimensional challenge: how to create an exciting, educational, safe, and inclusive place. These qualities are essential to innovation districts—hyperlocal geographies that typically combine academic and medical institutions, corporate R&D centers, startups, and entrepreneurial support organizations, clustered in mixed-use communities to encourage creativity, collaboration, and innovation.

Creating a welcoming place isn't easy. A district's landscape may feel sterile or uninviting to residents and to a community, with many activities and events hidden from view inside buildings and labs. Transforming such environments requires a thoughtful approach: understanding what a community wants, taking time to experiment with public spaces and places, and identifying creative ways for financing activities to help residents feel ownership of the space.

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This guide offers six recommendations that build on decades of work and reflection by Nate Hommel, who is based in West Philadelphia. Nate is director of planning and design at University City District, a nonprofit organization representing a partnership of anchor institutions, businesses, and residents whose goal is to improve the quality of life of, and provide economic uplift to, Philadelphia's University City area. UCD has been providing placemaking services to innovation districts that fall within its purview for more than twenty-five years.

An example of a parklet, which can transform a street and make it more welcoming.
Source: University City District.

1 Hold ongoing conversations with stakeholders

A continuing dialogue helps minimize the difficulties caused by changes in district stakeholder leadership.

Conversation should be the starting point for a district that is striving to make impactful change and convince stakeholders to provide financing. Listening can be time-consuming, but it helps districts understand what stakeholders need so that they can be more responsive and effective. A continuing dialogue helps minimize the difficulties caused by changes in district stakeholder leadership or by the arrival of new developers in the area; such changes bring fresh needs and concomitantly less understanding of the delicate processes involved in placemaking.

These conversations should foreground the value that innovation districts bring to the placemaking endeavor. As Hommel explains, "A part of our president's job is to convince funders that our work is viable and necessary, so they continue to support us. . . . We need to be good partners to all the different local players and anchor institutions for the district to thrive."

2 Define the value that the district provides

Districts are in a unique position to create and maintain public spaces.

Conversations with stakeholders help identify the value of a district in knitting a place together and in mediating and solving problems. Districts are in a unique position to commission or supply technical know-how to create and maintain public spaces; they are also well positioned to negotiate with stakeholders and regulatory and city authorities. An innovation district is ideally situated to take on this complex role.

3 Monetize the value the district provides

Districts can sell their services outside the district on a fee-for-service basis.

Detailing the value provided by districts helps persuade stakeholders to support financing. Districts can add a further entrepreneurial layer to their activities by selling their services to companies and institutions that are located outside the district on a fee-for-service basis. UCD, for example, developed Green City Works to maintain the district's public spaces and to support local workforce development. Green City Works became a vehicle for UCD to provide quality jobs for local residents and to bring its own landscaping work in-house. Additionally, UCD sells these services to other entities in Philadelphia.

The design and maintenance of green spaces is one strategy for strengthening a district's quality place— and generating revenue. Source: University City District.

4 Build as broad a base of funding sources as possible

Contributions come from board members, fee-for-service revenues, and philanthropy.

UCD's experience suggests some approaches to operationalizing diverse funding sources. It has three primary funding streams that supply its $10 million (USD) budget: contributions from board members, fee-for-service revenues, and philanthropy.

Its twenty-seven-member board of directors draws contributions from a broad range of actors, including large institutions, real estate developers, property owners, businesses, and individuals. Its fee-for-service revenues are generated from multiple activities, including contracting out Green City Works, contracting out staff from its workforce training programs, and performing fee-for-service placemaking and landscaping services for other entities.

5 Take advantage of the services of existing provider organizations

Try to involve existing organizations that are already offering, or able to offer, the needed services.

Rather than creating an in-house team to provide a service, such as street sanitation or ensuring street safety, innovation districts should try to involve existing organizations that are already offering, or able to offer, the needed services. Innovation districts should open discussions with other entities—perhaps an overlapping Business Improvement District—to ascertain whether they can supply the services needed by the district through a fee-for-service arrangement.

6 Appreciate that the perfect is the enemy of the good

Do a small project first, blow their minds with a parklet or similar, and make them really excited.

As Nate Hommel explains, "You have to build trust. So do a small project first, blow their minds with a parklet or similar, and make them really excited. You can fail at $5,000 easier than failing with $5m." For example, starting with a temporary new parklet or program allows an organization to test an idea while avoiding a large upfront investment. The initiative can then be evaluated and improved through multiple iterations, or it can be dropped if it has failed.

Proving the value of an initiative allows an organization to move from an informed position of strength in seeking the involvement of anchor institutions and other stakeholders; that involvement, in turn, can go some distance toward convincing stakeholders to make permanent what began as a time-limited pilot project.
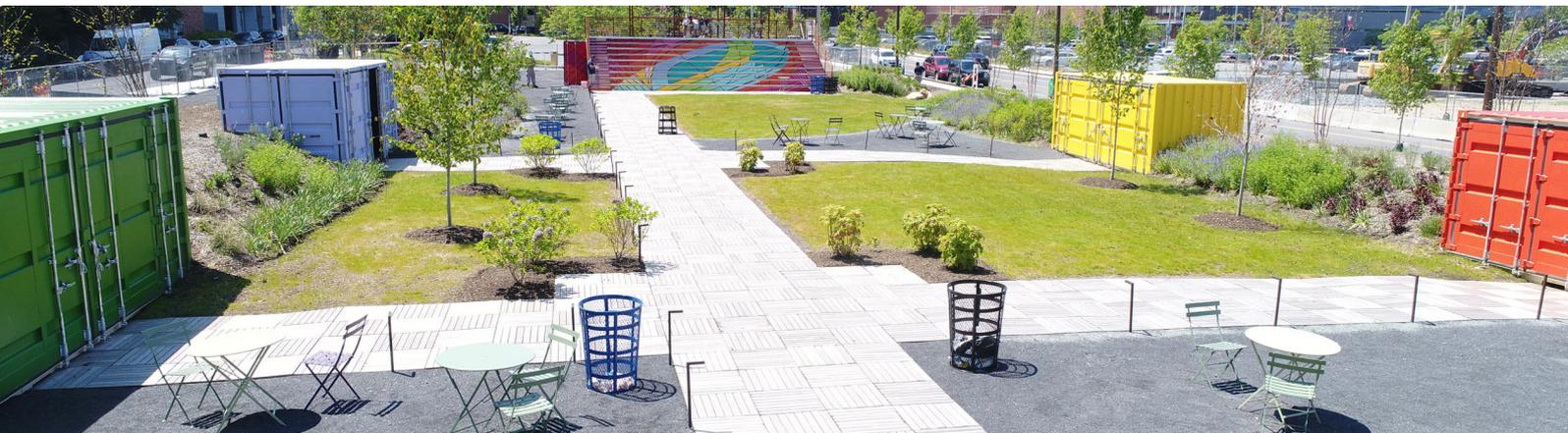
Play with temporary activities and spaces to test ideas—a powerful way to experiment and innovate at the same time. Source: University City District.

Conclusion

University City District's experience provides many ideas for innovation districts and other place-based organizations to find what Nate Hommel calls the "sweet spot"—that point where districts offer the most value to their stakeholders. Innovation districts can build broad support, develop new funding streams, experiment, and continue to grow, around such sweet spots.

Whether a district is advancing in Australia, the Middle East, or the Americas, the multi-dimensional challenge of creating safe, inviting, and inclusive innovation spaces requires innovation districts to be both thoughtful and strategic in their approach.

Use these ideas and insights from this guide to carve out a unique set of strategies to propel your district forward.

About The Global Institute on Innovation Districts

The Global Institute on Innovation Districts is a global-reaching not-for-profit organisation dedicated to conducting independent and practice-oriented research on innovation districts—new geographies of innovation emerging primarily in cities and urbanising areas. Drawing on deep analytics and proven impact, The Global Institute seeks to identify how districts transform themselves into new engines of city and regional economic growth. During a time of uneven growth, our research and work with a global network of districts aim to identify new systems for advancing inclusive innovation.

The Global Institute is comprised of researchers, practitioners, and policymakers working together to help shape the broader research and impact agenda. Generous support to advance independent research and the Global Network is provided by our Founding Partners: Lendlease, a global property and infrastructure group, and Ventas, a real estate investment trust. The opinions expressed in this publication are those of the author(s) and do not necessarily reflect the views of Lendlease and Ventas. The Global Institute would also like to acknowledge the innovation districts serving on our Steering Committee: The Advanced Manufacturing Innovation District in Sheffield and Rotherham; Be'er Sheva Innovation District; Buffalo Niagara Medical Campus in New York; Cortex Innovation Community in St. Louis; Distrito de Innovación de Medellín; Knowledge Quarter Zuidas in Amsterdam; Melbourne Innovation Districts, City North; Pittsburgh Innovation District; and the Innovation Quarter in Winston-Salem.

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