

INNOVATION DISTRICTS

Robert Parker

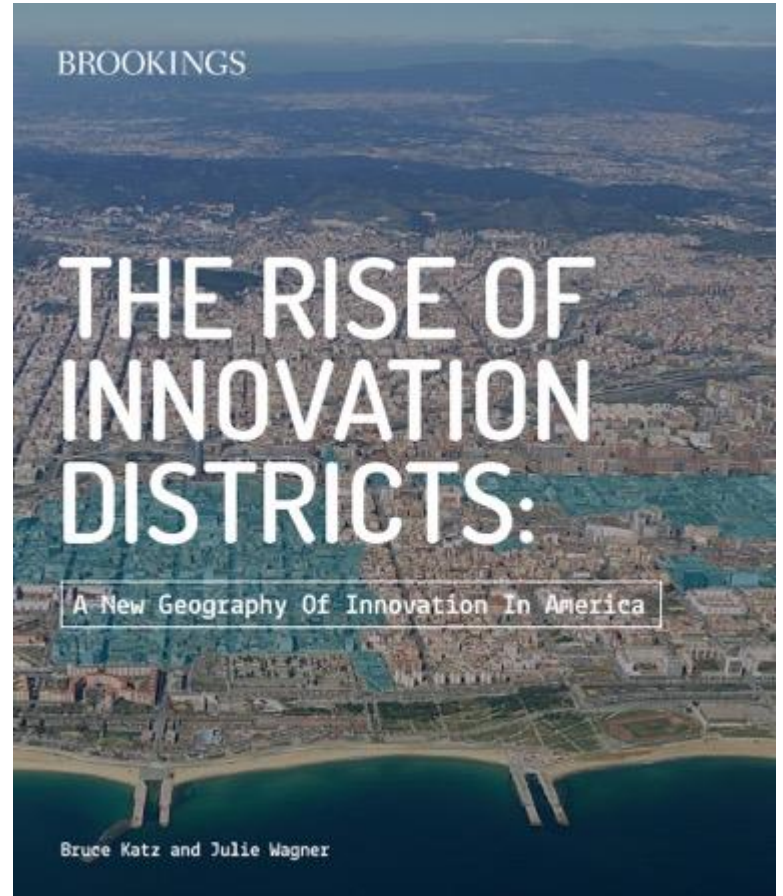
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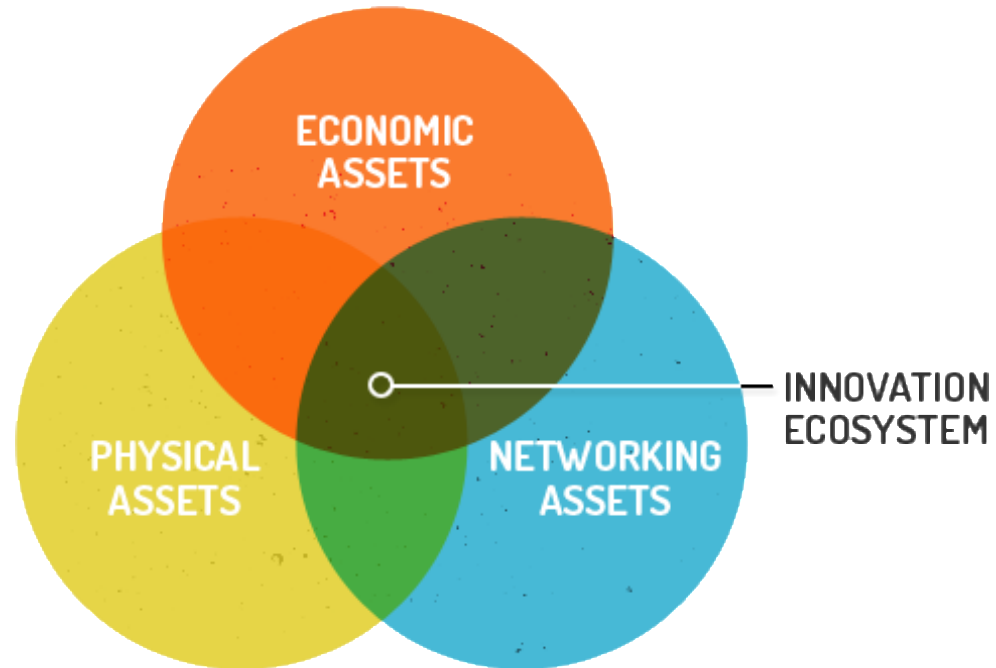
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Innovation is when new or improved ideas, products, services, technologies, or processes create new market demand or cutting-edge solutions to economic, social and environmental challenges.



WHAT IS AN INNOVATION DISTRICT?



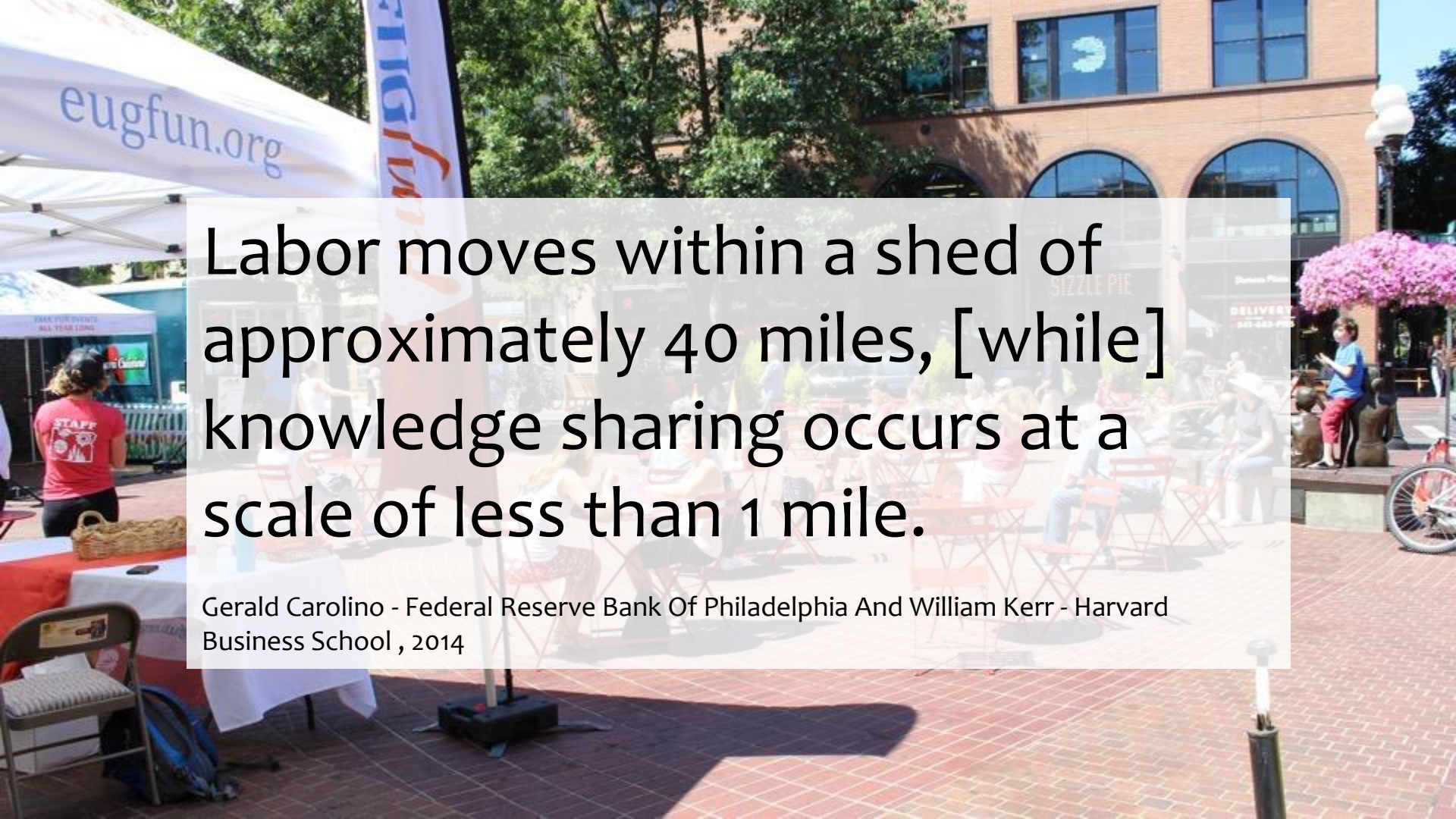
“Innovation districts constitute the ultimate mash up of entrepreneurs and educational institutions, start-ups and schools, mixed-use development and medical innovations, bike-sharing and bankable investments—all connected by transit, powered by clean energy, wired for digital technology, and fueled by caffeine.”

-Katz, B., & Wagner, J. (2014). The Rise of Innovation Districts.

WHAT IS THEIR PURPOSE?

- Connecting local entrepreneurial ecosystems with research institutions
- Accelerating research commercialization
- Nurturing innovative ideas and talent
- Urban revitalization
- Spurring private investment
- Job growth and economic development
- Building new narratives





Labor moves within a shed of approximately 40 miles, [while] knowledge sharing occurs at a scale of less than 1 mile.

Gerald Carolino - Federal Reserve Bank Of Philadelphia And William Kerr - Harvard Business School , 2014

A GROWING OPPORTUNITY FOR MID-SIZED CITIES



Brooks Rainwater, Contributor

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The Next Destination for Millennials: Small Cities with Innovation Districts

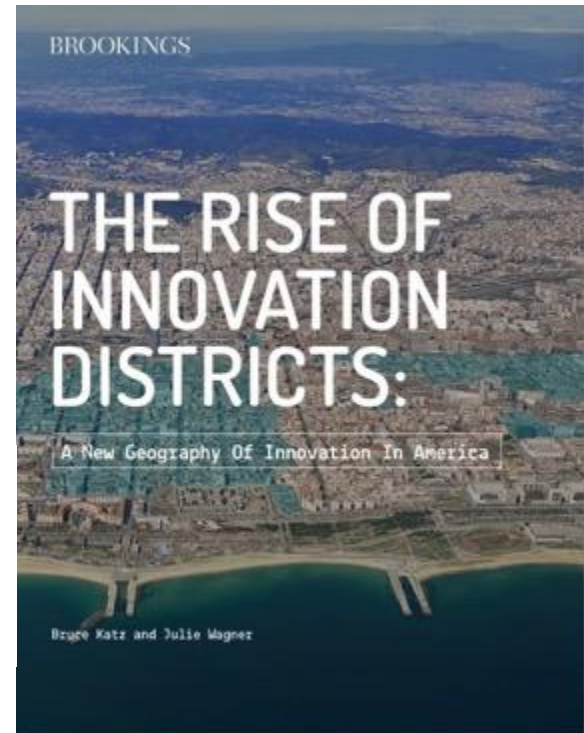
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PROPERTY LINES

The new magnetism of mid-size cities

For many millennials, second cities are becoming their first choice

By **Patrick Sisson** | May 1, 2018, 12:33pm EDT



WHO DELIVERS INNOVATION DISTRICTS?

- Mayors and local governments,
- Major real estate developers and major land owners
- Managers of research campuses
- Anchor companies
- Advanced research institutions
- Advanced medical campuses
- Philanthropic investors
- Incubators, accelerators, and other economic cultivators
- Social networking programmers

THE THREE TYPES OF INNOVATION DISTRICTS

Their location varies within a metropolis

URBANIZED SCIENCE PARK

The urbanized science park model tends to be located in suburban and even exurban areas



ANCHOR PLUS MODEL

The anchor plus model tends to be located in the downtowns and midtowns of central cities.

RE-IMAGINED URBAN AREA

The reimaged urban areas model tends to be located in older industrial areas, often along waterfronts near downtowns

WHY INNOVATION DISTRICTS MATTER

- Innovation Districts can:
 - Grow jobs in ways that “both align with disruptive forces in the economy and leverage their distinct economic position”
 - Empower entrepreneurs as platform for economic growth and job creation
 - Grow higher paying and more accessible jobs in an era of increasing poverty and social inequality.
 - Encourage denser and more efficient urban form while reducing carbon emissions.
 - Help local governments increase revenues as federal and state resources diminish.

ALBUQUERQUE

- 1 mile radius Innovation Central
 - Innovate AQB is in the district's core - 7 acres
- Established in 2015, completion in 2024
- “The vision is to be as inclusive and diverse as we possibly can.” *John Freisinger, Executive Director, Innovate ABQ*
- InnovateABQ projects 720,000 sf of new built space and 10,000 new jobs by 2024



CHATTANOOGA

- 140-acre Innovation District
- Established in 2015
- Anchoring the District is the Edney Innovation Center
 - Over 3,000 events to engage the business community in its first two years
- 10 gigabit-per-second internet link to every residence
- “Chattanooga’s downtown reflects the attention it has received from outside companies, including \$2 billion in new investment”



BOSTON

- 1,000 acre District on underdeveloped land on South Boston Waterfront
- Established in 2010
- District Hall, a hub for the District, opened in 2013
- Added over 6,000 jobs in life sciences and technology
- 10 percent of jobs are in education and nonprofits and 20 percent of jobs are in creative fields such as advertising.



THE NEW COMMUNITY DEVELOPMENT

- Goal: Enhance social mobility and build wealth for the residents of disadvantaged communities
 - Existing system is (1) housing-centric, (2) low-income concentrated, (3) subsidy-dependent, and (4) grant-driven
 - Emerging system is (1) neighborhood-centric, (2) mixed-income, (3) dependent on a coordinated “capital stack” of market-driven equity, debt, and smart philanthropy, and (4) entrepreneur-driven
- The “street corner” thesis
 - Creating a dense ecosystem of businesses, properties, and residences at strategic intersections or along strategic corridors of a community

INNOVATION DISTRICTS ARE:

- A foundation for the commercialization of ideas and the creation/expansion of firms
- A vehicle for both revenue growth and efficient use of infrastructure
- Offer prospects of expanded employment and educational opportunities for disadvantaged populations
- Support denser employment and housing, leveraging mass transit and urban core
- **In short, place still matters – vibrant districts support innovation and entrepreneurial ecosystems**