



Planning for A NEW AMERICAN UNIVERSITY

Polytechnic campus, ASU

For colleges and universities east of the Mississippi River, one of the most prevalent challenges today is to keep students living on campus longer and to develop a strong sense of intellectual community. But for schools west of the Mississippi, this challenge has a very different twist – namely, how do you accomplish this in the midst of an enormous enrollment boom that shows no signs of letting up?

A map of U. S. colleges and universities will clearly show the significantly greater number of schools in the East versus the West. And while the number of schools in the West is slowly growing, the real question is how those schools will keep pace with the tremendous increase in population growth and employment in the region. The impact of this population

growth is even greater for public universities, where the demand for higher education is not only increasing in numbers, but in the variety of students seeking that education. As the Hispanic population explodes in the West, public colleges and universities are faced with the added challenge of building well-regarded academic schools and cutting-edge research programs, while meeting the demands of a more diverse population.

“The single biggest question faced by our university is: How do we operate the university of today while working to become the university of tomorrow?” says Arizona State University President Michael M. Crow. Although ASU is not alone in this growing trend, it is clearly leading the way.

“This decade is perhaps the most crucial in the history of ASU, representing unprecedented growth and change,” says President Crow. “Arizona continues to be one of the fastest growing states in the United States, and ASU currently assumes 95 percent of the net growth (among the three state universities) in the university system. In order to accommodate the diverse academic, residential, and cultural needs of a flourishing university community, we must build an institution that fits the needs of both current and future generations.”

As the only major research university in the heart of one of the most rapidly urbanizing metropolitan areas in the nation, ASU, under the leadership of President Crow, has embarked on a mission to provide leadership for a region that lags behind comparable

metropolitan areas in a number of educational, economic, and environmental indicators. The school’s mission, as articulated by President Crow, is clear: “To provide the best education for the broadest spectrum of qualified students in the region and move aggressively toward establishing a global presence.”



Michael M. Crow, President, ASU

“ASU has adopted the approach of building a single and unified institution that is ‘One University in Many Places,’” explains President Crow. This mission is no small task under any circumstances, but it is especially complex for a school comprised of four distinct and diverse campuses along the Interstate 10 and Interstate 17 corridor of Arizona, ranging from downtown Phoenix to suburban Glendale.

To accomplish this global mission, the university needs to establish a distinctive sub-mission at each site, creating unique centers of excellence while instilling a sense of community. In some cases, this goal includes increasing the student body more than 2,000 percent over the next ten years.

ASU’s largest and most well-known campus is located in Tempe, where 50,000 students currently matriculate in a wide range of academic areas. Although plans for this campus include only a small increase in total student enrollment, they set a goal of increasing the number of students living on campus from 6,400 in 2005 to 15,000 in the next five to 10 years. The plans further seek to increase research grant revenues on campus from \$45 million to \$300 million, necessitating a myriad of enhanced research facilities and accommodations. All of this is to be accomplished on the school’s current 642-acre site.

In order to meet these goals, campus administrators and planning consultants have developed a new plan that will dramatically increase the density on the campus for academic, research, and student life activities. An important part of this plan is the creation of a large area of housing villages designed to attract students to living on campus and ultimately enhance the student life experience.

The goals for ASU’s West campus are similar to those for the Tempe campus, but on a smaller scale. West campus school administrators have identified a need to capitalize on the campus’ strengths in the liberal arts in order to make way for the burgeoning number of students projected for this growing area of the state. Known as the West Valley, the region is seeing a

tremendous boom in employment, and the West campus is at the forefront in preparing this new workforce for the future. When the three-phase master plan is complete, the campus will grow from 7,000 to 15,000 students, 3,750 of whom will live on-campus, up from the current 400 student residents.

Even more dramatic growth is slated for the school's Polytechnic campus, where university administrators plan to grow from 3,600 students to 15,000 students in the next ten years. Here the campus' unique relationship with a local community college located within its grounds provides a natural and growing source of qualified students interested in pursuing Polytechnic's specialized focus. In addition, the campus' proximity to Williams Gateway Airport offers students unique and varied opportunities for experiential learning. The four-phase master plan for Polytechnic includes increasing the number of on-campus housing by nearly fivefold and increasing the amount of building square footage by 500 percent.

Perhaps the most dramatic and far-reaching of the campus transformations is occurring at the university's Downtown Phoenix campus, which is slated to grow from 700 to 15,000 students in the next ten years. Here, location is key, as this ASU campus has become the linchpin in a major redevelopment effort for the city. Unlike the other ASU campus initiatives, the geographic layout for downtown Phoenix needed to significantly change and expand in order to accommodate the projected and desired growth. As a result, ASU administrators and planning consultants sought creative means of acquiring and developing the needed facilities in a cost-effective manner. The solution was use of underutilized land in the city of Phoenix and a potential partnership with developers, whose interest in a variety of joint-development and redevelopment scenarios has enabled ASU to accommodate the school's pressing growth needs while revitalizing critical parts of the city's urban landscape.



In an unprecedented move, the City of Phoenix, by voter referendum, approved a \$233-million bond initiative, where the city is actually investing in the expansion of a state institution. The incentive for the city is the economic revitalization that will come from the resulting development. This bond funding also helped to attract developers to the public/private partnership side of this equation. The first major project for the effort is Central Park East. Here, developers have purchased land at attractive rates in what is a rapidly escalating land market. On this land, they are building a complex that includes first-floor retail to revitalize the area, along with a 30-floor office tower and a 400-floor high-end condominium tower. ASU has agreed to purchase floors two through eight in each building, creating approximately 200,000 square feet of academic space for disciplines including its well-regarded School of Journalism.

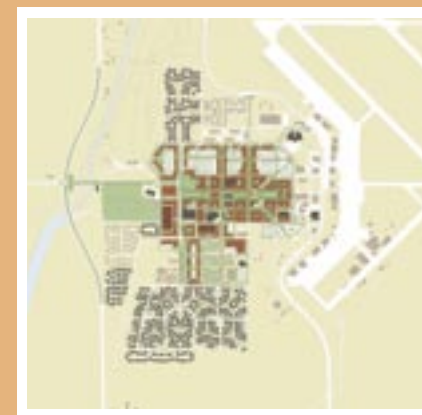
"This approach essentially provides us with free land on which to build our campus, as well as an extremely low construction cost basis to build the academic facilities we need," explains Steve Nielsen, Assistant Vice President, University Real Estate Development. "Our experience is that people want to align themselves with educational institutions, so we have leveraged that desire to build the facilities we need to keep pace with our growth."

Nielsen reports that the school plans to use this strategy for its housing needs on the Downtown Phoenix campus as well. Within the next two years, the school hopes to launch a joint-development project that will create 1,200 to 1,500 new beds.

While schools across the United States struggle with rising costs for academic spaces, ASU is making the most of its urban setting. In downtown Phoenix, the university is using joint-development opportunities to dramatically bring down the cost of building and operating campus facilities. Where funding and financing a project of this size might require many years for a campus taking this initiative on its own, the joint-development scenario accelerates the financing process by years, while also creating a tremendous new tax base for the city itself.

But cost is not the only benefit. School administrators are finding that this approach is also supporting its goal of creating a stronger and more desirable sense of community, as these mixed-use buildings are fostering much needed services and amenities right "on campus." The result is a mixed-use "college town" within a larger city that is quickly becoming a truly integrated community.

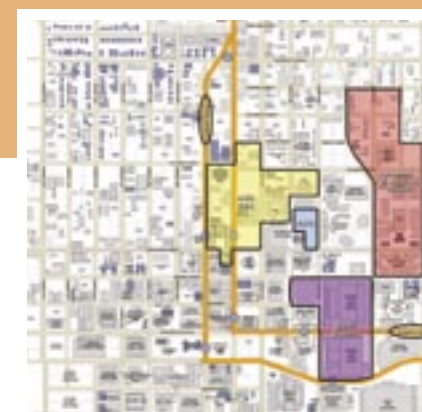
Like the master plan initiatives at the university's other three campuses, the expansion of the school's Downtown Phoenix campus is occurring at a breakneck pace. However, unlike the



ASU at the Polytechnic campus



ASU at the West campus



ASU at the Downtown Phoenix campus



ASU at the Tempe campus



Tempe campus, ASU

Tempe and Polytechnic campuses, the West and Downtown Phoenix campuses will benefit from investments of outside capital from developers and the City of Phoenix, which will change the way expansion takes shape and create an interesting and informative model for how colleges and universities in the West can economically meet the rapidly growing demand for higher education. This model is and will continue to be vital to colleges and universities in the West as they begin to accommodate a population that is increasing exponentially.

President Crow asserts that "the new American university now emerging at ASU represents a pioneering effort to redefine public research universities, and to provide for the region an institution that addresses its unique demands and dynamics while leveraging its competitive advantage through global engagement. ASU is committed to advancing higher education in terms of excellence, inclusion, and impact. We envision ASU as the solution-focused university of the future, a world-class force for creativity, discovery, and economic development."

