
Campus and Community

*Transformative Partnerships Unlocking
the Future of Higher Ed*



Authors

Molly Dawson, Kyle Doran, Nolin Greene, and Jake Segal

Acknowledgments

This report would not have been possible without the insight and guidance from the following individuals:

<i>Kimberlee Cornett</i>	<i>Director, Impact Investments, Robert Wood Johnson Foundation</i>
<i>Dr. John Silvanus Wilson</i>	<i>Visiting Scholar, Harvard Business School and former President, Morehouse College</i>
<i>Brad Kelsheimer</i>	<i>Vice President and Chief Financial Officer, Lumina Foundation</i>
<i>Ommeed Sathe</i>	<i>Head of Strategy, Lafayette Square</i>
<i>Tracy Palandjian</i>	<i>CEO and Co-Founder, Social Finance</i>
<i>Andrew Chen</i>	<i>Vice President, Impact Investing at Social Finance</i>

The authors would also like to acknowledge the expert counsel from dozens of experts in higher education, community development, academia, and real estate development and investing.

About Social Finance

Social Finance is a national impact finance and advisory nonprofit. By working with public, private, and social sectors, we create partnerships and investments to measurably improve lives. In the past decade, we have mobilized over \$225 million to help more than 35,000 individuals realize improved outcomes in education, economic mobility, health, and housing. Learn more at socialfinance.org.

This work is possible due to Social Finance's partnership with the Robert Wood Johnson Foundation. We took on this intellectual journey as an opportunity to unearth new frontiers of cross-sectoral partnerships between institutions of higher education and the broader communities they sit in. Throughout our work we strive to optimize impact across different kinds of capital and assets in service of the community.

*This report is made possible by generous support from
the Robert Wood Johnson Foundation.*



Foreword

The COVID-19 pandemic has imposed untenable financial strains on colleges and universities across the country. Enrollment declines, forgone room and board revenue, added health and safety expenses, and the costs to enhance remote learning have forced many institutions to make drastic cuts. Nearly three-quarters of all private universities expect a decline in net tuition revenue this year.¹ There is intense pressure on higher education leaders to navigate these uncharted waters. Even those institutions that manage to weather this storm may find their approach unsustainable and opt out of the journey post-pandemic.

As a former college president, I am well aware that financial precarity and fiscal pressures are not new to higher education. The recent challenges involving increased competition and enrollment uncertainty had already been forcing institutions to consider revenue diversification, mergers, or closures. The post-pandemic world may intensify many of the conditions we were already facing pre-pandemic. And with more enrollment declines on the horizon and increasing demand for alternative education programs, more postsecondary institutions will find themselves competing for fewer students. All of these challenges have converged in a sector already operating at only 75% capacity.²

The future for many postsecondary institutions is uncertain. Only 41% of recently surveyed chief business officers at private, nonprofit schools were confident their institutions would be financially stable over the next 10 years. The pandemic has forced many institutions to stall capital projects, furlough employees, cut staff salaries, and eliminate adjunct faculty positions.³ Some are even shedding programs with low enrollment and focusing efforts on their core institutional strengths. And the impact of financial difficulties extends well beyond postsecondary campuses. As campuses struggle, their surrounding communities can expect fewer jobs, decreased purchasing of local goods and services, and damage to a neighborhood's vibrancy. Institutions that go under leave a hole in their communities. This report can help both institutions and communities to think more creatively as they navigate through important transitions.

In these trying times, many institutions will reach for the common playbook of austerity, revenue diversification, and strategic discipline. But there is another option. This moment demands that many institutions not only adapt to the current challenges but also transform from them. It is a moment that requires presidents and trustees to reconsider the industry's longstanding high-risk financial model. Benefiting from a new leadership posture, these institutions can differentiate themselves by thinking in new, creative ways. By leaning into their mission while embracing new business strategies, institutions can use their relationships, physical assets, and human capital to forge bold initiatives to financial sustainability and community resilience.

This report suggests a new approach for institutions bold enough to forge this less familiar path. Rich with real-world examples and well-timed guidance, the six ideas herein present innovative solutions for postsecondary institutions as they consider their future identity, financial longevity, and role in their community. Though the solutions are varied in nature, they all suggest expanding an institution's educational scope to preserve and deepen its educational mission.

This extraordinary time demands extraordinary solutions and fresh, new ideas. Results will not come easily, and there will be no panacea for struggling postsecondary institutions. However, it is our hope that this report can spur self-reflection, promote new discovery, and/or start new conversations. With a spark of ingenuity stewarded by resolute leadership, institutions can emerge from this critical moment with the momentum and resolve to shape a better future. Rather than merely offer tactical guidance to help institutions to survive, this report offers the kind of transformative, strategic guidance designed to help them thrive in an increasingly uncertain era.

— *Dr. John Silvanus Wilson, Jr.*
Former President, Morehouse College

Executive Summary

Colleges and universities are experiencing stagnant enrollment, higher costs, and heightened competition from online programs and new kinds of training. Faced with this new financial reality—coupled with the shocks and costs related to COVID-19—higher education leaders and their community partners are confronting the question of how to prepare for the future.

This report draws from past examples to identify six archetypes of bold postsecondary transformation—opportunities for institutions to reassess and reimagine the role of their campus assets. These transformations have converted dorms to senior housing, created new on-campus joint ventures, developed centers for innovation, established hubs for community services, and more.

Ultimately, the transformations are about leaders building new partnerships with their communities that let them evolve to meet a changing world. Our hope is that this work will inspire trustees, presidents, and community partners to expand the range of strategic options and consider more transformative, long-term changes that build greater sustainability and greater agility to meet an uncertain future.



Introduction

Many institutions of higher education have been facing a dire financial reality and significant evolutionary pressure. With costs rising dramatically and enrollment stagnating—and with momentum for online learning and innovative models of pedagogy surging—more institutions are competing for fewer students. Some higher education institutions with large endowments, brand recognition, and economies of scale are thriving, but many smaller, private, nonprofit colleges and universities are struggling to survive. When the COVID-19 pandemic hit in 2020, those fissures only deepened, forcing most institutions to incur additional costs while generating less revenue. For those already facing significant strains, the 2020-2021 academic year represented a crisis.

Closures can have lasting consequences for all who support an institution. Students are forced to navigate complex bureaucracies while making unexpected decisions about accommodations, employment, and transportation. Faculty see their careers uprooted and may be hard-pressed to find readily available employment nearby. Administrators and other institution staff face sudden job loss, the prospect of forced moves, and a similar lack of stability.

Moreover, when institutions of higher education face financial precarity, the surrounding community is also burdened. As a major employer and purchaser of goods and services, many postsecondary institutions are anchor institutions that ground the local economy and often help define the community itself. In the direst of situations, the closure of a higher education institution can impart lasting and serious damage to its home community.

The COVID-19 pandemic has made longstanding challenges acute, and sometimes existential. Many institutions will continue to avoid making hard decisions about campus closure through aggressive donor campaigns, targeted expansion (or constriction) of educational offerings, and optimization of core administrative functions. But for others, these conventional turnaround efforts will not be enough.

Colleges and universities, in partnership with civic leaders, community members, and other local partners, can also explore a road less traveled: transformation. This involves the strategic deployment of campus real



INSTITUTIONS HAVE CONCEPTUALIZED THE CAMPUS AS AN ISOLATED ISLAND, AND AN EXCLUSIVE ISLAND AT THAT. WHAT WOULD HAPPEN IF THEY BEGAN TO REIMAGINE THEMSELVES AS A MORE POROUS INSTITUTION THAT IS CONNECTED TO THE BROADER AND LARGER COMMUNITY?"

— Henry Taylor, *Professor of Urban & Regional Planning*
University at Buffalo

estate to bolster an institution’s long-term financial position while strengthening its ability to serve the community. Transformations can preserve an institution’s mission and legacy of education, all while making surrounding neighborhoods more resilient and inclusive.

While infrequent, these transformations have been taking place for decades. No two are precisely the same, but each reimagines and repurposes campus assets to adapt to a changing economy and context, while generating income and maintaining an institution’s legacy and civic impact.⁴



Take St. Catharine College, about an hour’s drive south of Louisville, Ky. The small Roman Catholic liberal arts institution closed in 2016 after years of mounting debt and deep operating deficits.⁵ However, the campus closure did not mark the end of the institution’s service to the community. In August 2020 the substance-use treatment provider Addiction Recovery Care (ARC) began leasing the campus for a first-of-its-kind rehabilitation and job training center. This innovative use of various campus assets enabled ARC to care for its patients from the beginning stages of addiction recovery until the day they leave the program fully employed.⁶

In contrast, when Marian Court College in Swampscott, Mass. closed in 2015, its core structures, including Calvin Coolidge’s Summer White House, were razed. In its place lies luxury, ocean-view condominiums. While the property maintains a replica of the building’s original facade and public access to a cliff-view promenade, the transformation left behind little of its original community-driven use.

While these two examples highlight two poles of more significant postsecondary transformations, there are a range of partnership-, asset-, and development-based strategies that institutions—both open and closed—can explore.

After analyzing dozens of transformed institutions and interviewing experts in academia, community development, impact investing, and real estate, we uncovered six main types of transformations that enable institutions to expand their mission, drive financial sustainability, and better serve the community.

THE SIX TYPES OF TRANSFORMATION



Joint ventures between **Alternative Education Providers** and four-year institutions can pair skills-based training and employer partnerships with degree-seeking programs or an institutional brand to prepare students for in-demand careers.



Senior Housing developments on university land or in partnership with university programming can provide a growing demographic with underutilized amenities and engaging activities.



Innovation Centers catalyze and incubate startups. Whether a smaller, stand-alone center on campus or a multi-acre real estate transformation, these partnerships pair knowledge economy industries with research and experiential opportunities for students and faculty.



Social Services Hubs provide a centralized place on campus for complementary social services to co-locate. Often centered around a particular target population in the community or a major service provider, these partnerships provide a tighter patchwork of wraparound supports for those in need.



Large Employers can occupy a portion of campus facilities, providing ongoing revenue to the institution and/or serving as an anchor tenant. These concentrations of office space may be augmented by retail, restaurants, or housing.



Mixed-Use Redevelopment of campus space can drive revenue diversification, support campus operations, and provide a community need (e.g., housing).

These transformations are not straightforward; knowing where to start is a challenge. Organizations like McKinsey and the Crossing Capital Group are helping university leaders take the first step: analyzing which programs, partnerships, and assets are the core value drivers for the institution, or which value drivers can be unlocked through targeted investment or collaboration. Beyond that, trusted partnerships that can face uncertainty and weather turbulent times will also be critical. The confidence and guidance of institutional leadership—both presidents and boards—will also be essential to articulate a new vision, build a secure holding environment, and shepherd faculty, students, and alumni through a new frontier while working to maintain the institution’s educational mission.



What are the core value drivers for the institution, or which value drivers could be unlocked through targeted investment or collaboration?

Community partnerships are essential to successful transformation efforts. Civic leaders can help forge new connections, leverage political capital, and deploy incentives to attract partners and investment. Civil society groups can play a lead role in helping institutions engage with the surrounding community and better understand the needs of their neighbors. The private sector can bring employment opportunities and development expertise, while impact investors and philanthropy can offer a financial platform to explore and execute on new, bold ideas.

Real potential for change exists in this unprecedented uncertainty for higher education. Whether it is the rebirth of a former institution or the reinvention of an existing one, these transformation efforts represent a set of innovative opportunities to differentiate in the competitive higher education market, secure long-term sustainability, and reinforce the identity and resiliency of communities.

Continuum of Divergence from Prior Identity



METHODOLOGY

Just as there is no existing roadmap for postsecondary transformation, there is a dearth of research on this subject matter and few prominent examples to draw from. Our approach blended research techniques to inform our findings and slate of recommendations.

As a starting point, our team used the U.S. Department of Education’s Integrated Postsecondary Educational Database System (IPEDS) to construct a comprehensive list of every private, nonprofit postsecondary institution that had merged or closed in the last 10 years. We analyzed publicly available documents that described the trajectory of each institution in its final days and its post-closure transformation. We also conducted in-depth interviews with stakeholders involved in institutions that had closed and since undergone small or large adaptations. Alongside large transformations of closed institutions, we also researched case studies of institutions that remained open—in part—by engaging in similar transformation efforts.

We also relied on a diverse mix of experts and thought leaders across a mix of industries and sectors to understand both historical and suggested strategies to work with institutions, weigh development opportunities, and engage communities. We spoke with practitioners, academics, financiers, developers, government officials, and impact investors who lent their experience and expertise as we charted this course. We supplemented these conversations with background research that provided additional context and helped to generate insights that may shape transformation.



Tales of Transformation

In March 2015, after over 100 years of postsecondary instruction, Sweet Briar College, nestled in the foothills of Virginia’s Blue Ridge Mountains, announced that it was closing its doors for good. Yet even after faculty had been laid off and students transferred to other institutions, the Sweet Briar community was not done fighting.⁷ Bolstered by a monumental fundraising effort that amassed nearly \$30 million in under four months, the institution reversed course, rehiring over 200 faculty members and enrolling 240 students for the following fall semester.⁸ Immediately thereafter, the college undertook substantial renovations by updating its brand, revamping its curriculum and course offerings, adjusting the academic calendar, and reducing pricing. By rethinking the structure of its curriculum and rejecting the growing trend of high tuition by offering steep discounts, Sweet Briar was able to differentiate itself in a crowded, competitive market.⁹

While Sweet Briar represents an exceptional display of determination, not all colleges that follow these tactics will be successful. At times, institutions will need to implement a more untraditional approach that seeks new ways of generating value.

An Early, Unconventional Transformation

As a striking example, Lasell College—a small, private, nonprofit institution in Newton, Mass.—found itself in financial distress in the early 1990s. With shrinking enrollment and a limited endowment, the college was strongly considering subdividing and selling a 13-acre parcel next to its campus for a quick cash infusion. Rather than convert the parcel to single-family residences, however, the institution, town, and community partnered to build a continuing care retirement community (CCRC) on the land. After an initial zoning setback, the college hatched a novel plan to build the CCRC through existing guidelines. It even required the CCRC residents to also register as students.

Lasell Village, as it came to be called, now offers a full continuum of senior living options with over 200 independent living apartments, nine assisted living apartments, and a 38-bed skilled nursing facility. Most residents must fulfill Lasell’s annual requirement of 450 hours of educational activities, which can range from auditing courses at Lasell University (Lasell gained university status in 2019) to tutoring undergraduates.¹⁰ Conventional students and seniors interact in traditional course offerings, volunteer opportunities, mentorship engagements, and other extracurricular activities. These interactions are further explored and investigated through a novel research center on aging and intergenerational studies.

As the university addresses challenges from a hypercompetitive marketplace and a nationwide slowdown in student enrollment, Lasell Village leans into a growing demographic. The novel partnership provides Lasell University with a diverse revenue source and a more resilient business model. Each year, Lasell Village pays fees for rent, management, and tuition, and partners with the university for joint administrative services and economies of scale for technology, security, and maintenance. Residents pay upfront for the lease of an apartment, and many make generous gifts and bequests to the university.

Preserving a Commitment to Community

An even more transformative example can be found in Marygrove College, a small liberal arts school on 50 acres in northwest Detroit. In the winter of 2016, 30 days away from missing payroll and facing a \$7 million loan repayment, the institution was on the brink of foreclosure.¹¹ A last-minute debt restructuring alongside a generous capital infusion from the Kresge Foundation gave Marygrove time to navigate a more sustainable financial path forward, but even with this lifeline, Marygrove's challenges persisted.

With enrollment cut in half within three years, Marygrove ceased undergraduate operations after the fall of 2017.¹² Soon thereafter, the college transferred its property, buildings, and debt obligations to a newly formed nonprofit entity, the Marygrove Conservancy.

This new entity was more than just a mechanism to shore up the university's finances. After a further injection of capital from the Kresge Foundation (raising the total to nearly \$50 million), the Marygrove Conservancy embarked on transforming the campus from an exclusively postsecondary institution to a broader, "cradle-to-career" approach.¹³ By offering a holistic set of child and family supports, a new early childhood learning center, and a K-12 charter school embedding teacher-training programs affiliated with

the University of Michigan, the institution began to expand its partnerships and reconfigure its buildings for alternative educational uses.

Student enrollment never rebounded, and the postsecondary institution ceased operations in the fall of 2019.¹⁴ But from its closure came a new beginning, with the Marygrove Conservancy securing an innovative New Markets Tax Credit financing package in 2020 to construct a new state-of-the-art facility for its early



By offering a holistic set of child and family supports, a new early childhood learning center, and a K-12 charter school embedding teacher-training programs affiliated with the University of Michigan, the institution began to expand its partnerships and reconfigure its buildings for alternative educational uses.

childhood programming. When the 28,000-square-foot building is complete in the fall of 2021, it will serve over 1,000 children and young adults.¹⁵

Though the Marygrove campus boasts elegant stone buildings and lush green landscaping, the transformation was never just about preserving the institution's physical identity. To the partners involved, the institution served a pivotal, anchoring force in the surrounding community. With high percentages of Black homeownership, mixed-income housing, and proximity to community amenities, the Detroit neighborhood surrounding Marygrove was one of opportunity and resilience.¹⁶ The institution's deep connections to the neighborhood—through its student population and its ability to support community development—gave it an outsized presence in the community.

Looking Forward

The Marygrove transformation is only two years old, and it is too early to declare success. But the yearslong effort reflects how a neighborhood anchor and an economic engine can be reimagined for community benefit while still retaining pieces of its core identity.

This transformation required large upfront capital injections to preserve the campus and facilitate a smooth transition. Other institutions have followed different paths. Lasell College's transformation to an academic and retirement community hybrid required less philanthropic investment but resulted in significant financial benefits. These benefits and a suite of subsequent strategic decisions helped shore up Lasell's finances and chart its sustainable path to the thriving institution it is today. Other transformations have depended less on capital raises and redevelopment and more on novel, innovative partnerships. Whether an alliance with another postsecondary institution, an alternative education provider, a major employer, or an innovation ecosystem, relationships can be just as transformational as capital and assets.

While the strategies can vary, the Sweet Briar, Lasell, and Marygrove transformations—alongside others—leave in their wake a pivotal suite of questions for those who care deeply about the impact of institutions on our communities: What novel solutions should at-risk institutions consider, how can we support their learning and exploration, and how do we marshal the necessary resources to inspire these opportunities?

PART 1

The Transformation Imperative

Even before COVID-19, many postsecondary institutions were facing significant financial precarity. Enrollment was stagnating, costs were mounting, and competition from online programs and new kinds of training were proving to be more and more unforgiving. Enrollment at private, four-year nonprofit universities climbed at a snail's pace in the last eight years, even decreasing in 2016.¹⁷

While enrollment at postsecondary institutions has languished, the popularity of online learning has grown.¹⁸ With the expansion of alternative online credentials and the blending of learning modalities, postsecondary institutions are facing competitive pressures from inside and outside the arena of traditional higher education. By the fall of 2018, over one-third of all enrolled college and university students had taken at least one online class.¹⁹ As the “perfect storm” of waning demand for higher education met a growing supply of offerings, more and more institutions found themselves competing for fewer and fewer students.

The landscape has been challenging for many institutions and future barriers loom. With the number of high school graduates expected to decline 10% between 2026 and 2037,²⁰ postsecondary enrollments seem unlikely to experience a natural rebound. Many observers of higher education have made predictions about the viability of postsecondary institutions. The late Clayton Christensen, Kim B. Clark Professor of Business Administration at the Harvard Business School, predicted in 2013 that as many as half of all American universities would go bankrupt in the next 10 to 15 years.²¹ Similar forecasts followed, with Moody's predicting in 2015 that postsecondary institutional closures would increase threefold from their 10-year average.²² While other predictions put the incidence of closure at closer to one-quarter of all universities, few segments of the higher education market seemed immune as they headed into 2020.²³ Then the COVID-19 pandemic struck.



As the “perfect storm” of waning demand for higher education met a growing supply of offerings, more and more institutions found themselves competing for fewer and fewer students.



THE SCARY THING IS THAT 15 YEARS FROM NOW, MAYBE HALF THE UNIVERSITIES WILL BE IN BANKRUPTCY.”

— Clayton Christensen
Kim B. Clark Professor of Business Administration
Harvard Business School
Speaking at Startup Grind 2013

COVID-19's Effects

As COVID-19 swept through the United States in the spring of 2020, universities sprang into action to mitigate the spread of the virus, establish testing protocols, and shift course delivery. By the middle of March 2020, more than 1,100 colleges and universities across all 50 states had moved their offerings online. The fall semester brought even more widespread adjustment as 96% of institutions moved to either hybrid or all-online learning.²⁴



If institutions were teetering on the brink of financial difficulty before 2020, the COVID-19 pandemic pushed many over the edge.

But these new measures came at a price. From purchasing additional personal protective equipment, to expanding student accommodations, to conducting surveillance testing and contact tracing, schools faced unprecedented strains on their operating budgets.²⁵ While federal support provided a temporary life raft to institutions, it will not be enough to keep

them afloat in the long term. Funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act only covered 2% of total institutional annual revenue, and the nearly \$40 billion in the American Recovery Plan (ARP) for education amounted to under 6% of the same figure.²⁶ These will help ease the pain for colleges and universities, but for public institutions in particular, a longstanding trend of underfunded university systems will likely give way to more dramatic cuts as COVID-19 continues to impact state budgets.

While exact figures are still being determined as of the writing of this report, in fall 2020 Moody's predicted that fiscal year 2021 would be the first time in 12 years that both the average private and public educational institution would lose net tuition revenue.²⁷ While for-profit colleges drove the spike in recent closures, a new wave of closures concentrated in private liberal arts institutions may be next.²⁸



The Transformation Imperative

Given the unprecedented financial precarity and the importance postsecondary institutions have for their students, faculty, staff, and surrounding communities, institutions of all kinds should consider innovative ways to transform their campuses and augment their revenue sources. Through new strategic partnerships, expansion of student populations, or reinvention of physical campus space, postsecondary institutions can address structural challenges and revitalize themselves. By gaining a competitive edge in the marketplace and diversifying cash flows, institutions can chart a course for longer-term viability.



Sudden and precipitous closures can have crushing impacts on the students, staff, and surrounding community. Students are forced to navigate complex bureaucracies to acquire transcripts and determine transfer protocols, all while their housing and employment prospects have been turned upside down. Staff (who may not have ready employment alternatives) may lose their income and benefits, while local vendors and contractors may lose their largest client or find themselves with a stack of unpaid invoices.²⁹



By gaining a competitive edge in the marketplace and diversifying cash flows, institutions can chart a course for longer-term viability.

And for institutions facing more dramatic financial challenges, transformation provides an opportunity to preserve their connection to the community and maintain their legacy. Anchor institution transformations can make the surrounding community more resilient while preserving an institution's legacy of social advancement and its presence as a civic asset.

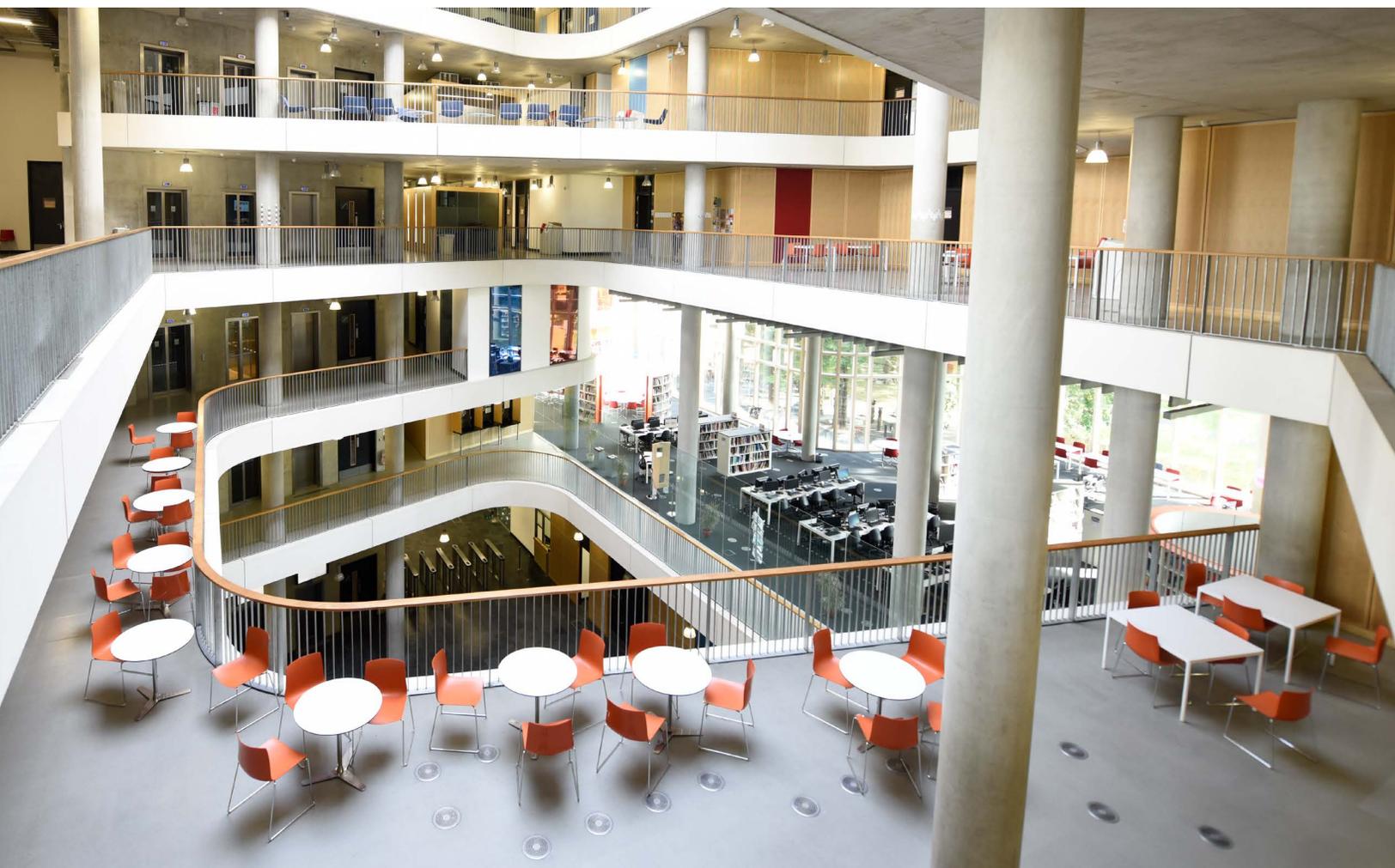
These kinds of transformations are not easy; not all institutions that attempt them will succeed. Administrators and boards of trustees may be reluctant to take on large, unorthodox initiatives that could appear risky. There is also a need to implement these changes in partnership with key faculty, staff, students, and alumni leaders. Major changes require the support of trusted partners: community leaders, developers, and funders.

That said, the institutions that quickly merge or change their brands do not often yield lasting negative outcomes. Conversely, in the most stubborn examples, institutions sit dormant as a slew of buyers and sellers cycle through, bringing a grand vision for transformation but reselling shortly after a main investor, a critical zoning decision, or a key organization falls through.

Some institutions languish on the market, failing to secure a buyer for years on end. Sojourner-Douglass College, a private, nonprofit, four-year college in Baltimore, closed in the spring of 2015. Its main buildings remained vacant and deteriorated significantly³⁰ until November 2019, when the property was sold in a foreclosure auction for 44 cents on the dollar.³¹ Yankton College offers a bleaker example still. After 100 years in operation, Yankton College closed precipitously in 1984, and the campus sat vacant for four years. As noted in an *Atlantic* article about the closure, “real-estate negotiations take time even when the hiccups are few and the demand is high—time that a closing college can’t afford to waste.”³² In 1988 it became a federal prison.

Innovative transformation is not the sole option available to struggling postsecondary institutions. Either alongside transformative strategies, or in lieu of them, institutions can optimize their core business practices, find operational efficiencies, and diversify their revenue streams in more traditional ways. Indeed, in recent months, many struggling postsecondary institutions have explored stronger partnerships or shared services, or merged as a means of survival.

Many institutions will continue to avoid hard decisions about campus closure through aggressive donor campaigns, targeted expansion (or constriction) of educational offerings, and optimization of core administrative functions. But for others these conventional turnaround efforts will not be enough.



PART 2

Transformation Opportunities

After examining dozens of past transformations and speaking to a variety of industry experts, we uncovered three categories of dimensions that institutions should consider when contemplating their own transformation journey. Postsecondary institutions could start with a self-assessment of their desired position across these dimensions to develop a transformation that fits their specific needs.

DIMENSIONS OF TRANSFORMATIONS



Foundational Dimensions

- The strength of the transformation's value proposition
- The degree to which the institution's administration is supportive of the idea of change and involved with those changes
- The degree to which the transformation maintains the original mission of the institution



Planning Dimensions

- The degree to which the campus is maintained as a large parcel or split into subdivisions
- The degree to which any development involves adaptive reuse or complete redevelopment
- The degree to which the institution's assets serve a commercial or a civic/ community purpose (alongside any continued educational purpose) after the transformation
- The degree to which the transformation's real estate use is primarily commercial or residential



Execution Dimensions

- The degree to which the transformation utilizes private capital with market-rate return expectations or government/philanthropic capital with lower return expectations
 - The degree to which the key partnerships supporting the transformation efforts stem from community organizations and foundations, private real estate developers, or others
 - The amount of time allotted for the planning and execution processes of the transformation
-

These dimensions can help higher education institutions select a set of transformative strategies to consider. Though each transformation will be curated to the specific context of an institution, our research uncovered six different models of postsecondary transformation. This section describes those models and presents them in the order of their likelihood to help a postsecondary institution strictly adhere to its core educational mission. While some of these transformations may seem more disruptive than others, each can be deployed with varying degrees of intensity. From a pilot exploration, to a major strategic partnership, or even a redefinition of a campus space, these strategies give institutions the option to dip their toe into transformation or lean in with a much stronger commitment.

THE SIX ARCHETYPES



Alternative Education Partnerships

Leverage campus facilities to integrate alternative/supplemental education into an institution's existing model through partnership with an independent training provider. *Example: Yale University and Flatiron School*



Senior Housing

Repurpose buildings or land to provide senior housing such as continuing care retirement communities, skilled nursing facilities, and independent living. *Examples: Lasell Village; Newbury College*



Innovation Centers

Reimagine campus facilities for startup incubator purposes. These centers couple co-working, R&D, industry-relevant training, and potential for co-living facilities. *Examples: College of St. Joseph; Georgia Institute of Technology*



Social Services Hubs

Repurpose buildings or land to provide either one intensive social service experience or a hub for multiple nonprofits and government agencies to co-locate. *Examples: Dana College; St. Catharine College*



Large Employers

Adapt or redevelop campus to support a large-scale expansion of office space, often anchored by one large employer, surrounded by complementary firms. *Examples: Bell Labs; Denver Federal Center*



Mixed-Use Redevelopment

Infill or redevelop campus for both community and commercial uses, such as health clinics, housing, and/or office space. *Examples: Marian Court College; Burlington College*

Alternative Education Partnerships

The Backdrop

As postsecondary education has become more expensive and less accessible, programs that offer credentialing for in-demand skills and provide a clear pathway to employment have seen steady growth.³³ Many postsecondary institutions have come to view these programs as siphoning students from traditional offerings.

Rather than viewing these programs as competition, institutions can come to recognize them as complementary programs that offer creative synergies to the traditional higher education model. In our research, one alternative education provider argued that these targeted skill sets align well with liberal arts degrees, rather than replace them. Pairing the analytical and critical thinking skills of a liberal arts education with the practical application of a data science certificate, for example, can blend subject matter expertise and highly sought-after skills.

Goals

Partnerships with alternative education providers could help traditional institutions better align their programming and course offerings with industry demand and equip their students with employable skills. These partnerships would allow the institution to offer courses on skill sets with better employment outcomes, such as information technology, advanced manufacturing, or health care. This, in turn, could boost enrollment and revenue for an institution, as prospective students grow more optimistic about the future that the course offerings of the institution will present them.

The partnership also adds value to the alternative education provider's business model, as the provider can rely on the institution for student acquisition, leverage the institution's amenities and support services, and potentially access the institution's accreditation and Title IV funding. When deciding which alternative education providers to partner with, institutions should consider current employment demands, large regional employers, existing relationships with local firms, and fit with existing course offerings.

Models

There are several models that both postsecondary institutions and alternative education providers can consider when determining the details of a partnership. These models are characterized by the extent of integration between the alternative education provider and the institution.

Partnership Models

<p>Provider-Led Example: Yale University and Flatiron School</p>	<p>Institution-Led Example: Birmingham-Southern College and Flatiron School</p>	<p>Integrated Campuses Example: Dominican University and Make School</p>
<ul style="list-style-type: none"> • Training provider partners with institution to offer courses used toward degrees or certificates for an agreed-upon fee • University leads recruiting and admissions but uses training provider’s developed curriculum and faculty for course delivery 	<ul style="list-style-type: none"> • Training provider partners with institution to offer courses used toward degrees or certificates for an agreed-upon fee • University leads recruiting and admissions, and its faculty then delivers the curriculum developed by the training provider 	<ul style="list-style-type: none"> • Training provider partners with institution to offer an accelerated bachelor’s degree earned across campus. Faculty teach at their respective campus, and students take courses at either campus • Training provider utilizes Title IV accreditation of the university to access federal funding



Several cautions with these partnerships exist. In analyses led by The Century Foundation, experts have pointed to the potential for alternative education partnerships to cause brand confusion for students, for higher education institutions’ federal funding to limit the possibility and/or degree of revenue sharing in these partnerships, and for brand licensing to add to racial inequities among students if it draws students from lower incomes to effectively subsidize their higher-income peers.³⁴ Leaders must take these cautions to heart in order to design student-friendly partnerships that maintain an institution’s mission.

Case Study: Yale University and Flatiron School

In 2019 Yale University and Flatiron School, an IT education provider, launched a collaboration called Yale x Flatiron School Web Development Bootcamp³⁵ that introduces Yale students to full-stack web development. The resulting course, taught during Yale's 10-week summer session, uses Flatiron School's high-intensity format and carries two Yale College credits. The program merges Flatiron School's experience and expertise in teaching project-based, in-demand coding skills with Yale's liberal arts approach to computer science. Yale students who receive financial aid for traditional coursework pay 50% of the Yale x Flatiron School tuition of \$8,800.³⁶ The course uses Yale University space and Flatiron School instructors.

The Flatiron School has partnered with several other academic institutions in similar collaborations, including Harvard Business School and the University of Cambridge Institute of Continuing Education.³⁷ As with the Yale x Flatiron School Web Development Bootcamp, these arrangements typically see Flatiron licensing its technology and curriculum to the university in question, helping to design the program and train university stakeholders to run it. Instruction, recruitment, and other parts of the coursework may be provided by Flatiron School during a startup phase, and are eventually conducted by the university. In these arrangements, university partners gain access to proven coding education models and Flatiron School increases its reach to new students.



This archetype is well suited for institutions with strong student and local labor market demand for the skills taught in these courses. The institution should have space to dedicate to the course and, if possible, faculty and staff with some background in related subjects to help illustrate connectivity between the provider and the institution. Across types of partnerships, institutions should be clear on partners' roles and responsibilities of partners to avoid brand confusion.



ARCHETYPE

Senior Housing

The Backdrop

With the number of college-aged youth expected to decline over the next decade, many institutions will face difficult decisions as they try to rightsize their facilities.³⁸ On the opposite side of the demographic spectrum, the number of older adults is rising in the United States as baby boomers age into retirement. University-based housing partnerships for older adults provide institutions with an opportunity to expand the use of facilities, supplement a shrinking demographic, and reinvigorate campus life.

Goals

To rightsize the excess capacity many institutions are experiencing, postsecondary institutions can consider transforming their current buildings and adapting their programming to serve a growing population of older adults. This transformation opportunity incorporates several value propositions, as it leverages existing amenities, creates stronger ties between an institution and the community, and reinvigorates campus life.

Negative stereotypes cast retirement communities as dull, unengaging facilities where residents passively engage in a daily routine of unstimulating activities. Research suggests that older adults want to remain actively engaged in their communities as they enter retirement.³⁹ Universities naturally contain many amenities and experiences on campus to fulfill that desire. From courses to performance arts to sporting events, postsecondary institutions offer a multitude of options for older adults to forge community and stay engaged.

Not only do these university-based retirement communities (UBRCs) provide engagement for older adults, they also provide unique enrichment opportunities for students. Seniors can support students through mentorship, career training, employment counseling, and emotional support. In return, seniors can take advantage of lifelong learning opportunities and interaction with young adults. These communities also present a research opportunity to better understand how older adults can enrich a learning environment and the effect of lifelong learning on the aging process.

Models

There are a range of university senior living models across the United States, largely defined by how strongly they are integrated with the college or university. On one end of the spectrum are senior living facilities that are independently owned and operated, located far from campus, and with a loose brand affiliation. On the other end of the spectrum are retirement communities co-located on campus, with integration opportunities (or requirements) that blur the line between where the campus ends and where the retirement community begins. When determining which UBRC model to consider, institutions can review a set of dimensions that help define how integrated the senior community will be with the institution's campus and student body. Below are the dimensions to consider.⁴⁰

FIVE LESSONS FROM SUCCESSFUL UBRCs



Location

Successful UBRCs are often located within one mile of the institution's campus.



Programming

Successful UBRCs often have a defined program for resident engagement with institution resources.



Residents

Successful UBRCs often include residents who were alumni, faculty, and/or staff of the institution.



Housing Continuum

Successful UBRCs often offer a full continuum of housing and care options.



Documented Financial Relationship

Successful UBRCs often have a documented financial relationship with their affiliated college or university.

Case Study: Lasell University and Lasell Village

In the early 1990s, Lasell College—a small, private, nonprofit institution in Newton, Mass.—found itself in financial distress. With shrinking enrollment and a limited endowment, the college strongly considered subdividing and selling a 13-acre parcel adjacent to its campus for a quick cash infusion. Rather than convert the parcel to single-family residences, however, the institution, town, and community built a continuing care retirement community (CCRC) on the land. After an initial zoning setback, the college hatched a novel plan to build the CCRC through existing zoning code: require the residents to also register as students, with the same access and responsibilities as their neighbors two generations younger. Thus, the nation's first senior living community embedded in a higher education institution was born.

Lasell Village, as the CCRC is known today, provides state-of-the-art residences, dining, and recreation facilities, in addition to access to amenities of Lasell University (Lasell gained university status in 2019). The community offers a full continuum of senior living options with over 200 independent living apartments, nine assisted living apartments, and a 38-bed skilled nursing facility. Most residents must fulfill Lasell's annual requirement of 450 hours of educational activities, which can range from auditing courses at the university to tutoring undergraduates.

Beyond the programmatic collaboration, the university also reaps financial benefits. When the development began, the university received \$6 million in upfront development fees and a ground rent payment.⁴¹ Since then, Lasell Village has paid Lasell University (both are governed by the same parent nonprofit) annual fees for rent, management, and educational offerings. The two institutions benefit from enhanced purchasing power, administrative services, and economies of scale for technology, security, and maintenance. Lasell Village residents also make occasional donations and bequests to the university. With a long waitlist for admission, Lasell Village has demonstrated to universities and senior housing developers alike the sizable market and financial benefits of engaging, intellectually stimulating senior living.



This archetype is well suited for institutions that have underused or unused dormitories or other potential residential spaces on their campus. Institutions located in communities that already have a significant older population or offer services and experiences that older populations might be interested in may find it easier to build and fill a UBRC.

ARCHETYPE

Innovation Centers

The Backdrop

While students may journey to small and midsize cities for an education, not all remain in the community post-graduation.⁴² As a result, the local community and labor market lose valuable skills and human capital generated from within the institution. Local economies, in turn, can fall short of fully capitalizing on the talented labor cultivated in the institution, and students miss out on the chance to continue to engage with the communities they have called home for years.

Goals

To encourage innovation in the local economy, provide an ecosystem for startup firms, and place talented young adults in the local labor market, institutions could explore developing an on-campus innovation center. Such centers could become economic engines for their communities by catalyzing business and investment throughout the surrounding area.

An innovation center can provide office space for new, local businesses to test partnership opportunities that leverage the research orientation, skilled talent, and integrated coursework found on a campus. In return, an innovation center could provide a source of rental income and an opportunity for experiential learning, work-study, internships, co-ops, and other real-world exposure for students. The involvement of firms representing area industries can provide opportunities for further partnership and growth. The space could also reserve rooms for student-created startups and offer competitions, programming on entrepreneurship, and seed funding to refine and execute student-developed business plans.



Models

While there are a multitude of campus innovation centers across the country, two models serve as helpful guides. One model is comparatively small scale, with a single campus building serving as a dedicated innovation center. This center might have limited office space or coworking space for early-stage companies to rent, some office space for administrators and entrepreneurship professors, and a large amount of space for student workshops and events. This space may invite larger firms to participate in events and competitions but likely lacks the scale to catalyze a regional economy or draw larger firms. Examples of these “university-first” models include Harvard Innovation Labs, Innovation Alley at Marquette University, and the Social Innovation Lab at Johns Hopkins University.

On the other side of the spectrum is what might be called an “industry-first” model, characterized by the development of office space, research and development facilities, and other complementary commercial development across several city blocks adjacent to either a single campus or a cluster of campuses. Examples of this model include Kendall Square in Cambridge, Mass.; the Cortex Innovation District in St. Louis; and Tech Square in Atlanta.

When considering the exploration of an innovation center, postsecondary institutions must ask if there are relevant industries that could benefit from the resources of an innovation center and that are aligned with the curriculum of the institution. There needs to be a strong industry alignment in order to entice companies and research organizations to invest in the innovation center. A strong labor market in the surrounding area will enable skilled talent to incubate and grow an idea for future investment or expansion in the community. Finally, government and investors can work together to cultivate a local venture capital ecosystem and seed the economy for innovation.

Case Study: College of St. Joseph

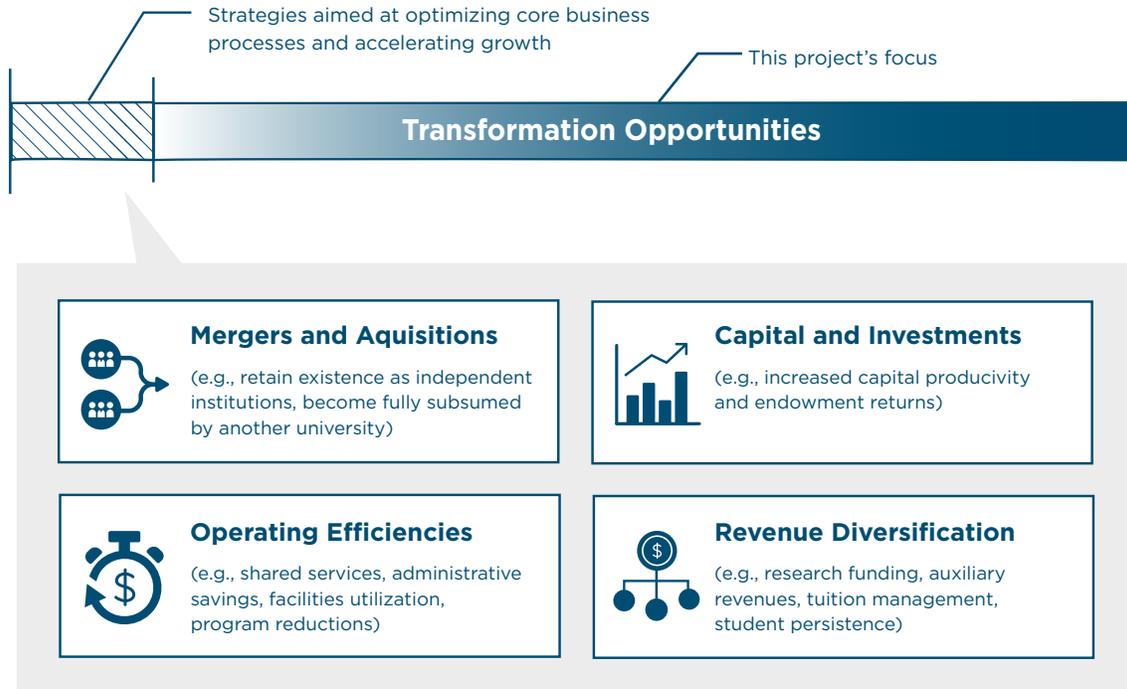
Although the innovation center archetype is most prominent with universities in large urban centers, it should also be considered for institutions hoping to retain or enhance their role as the economic engine of a smaller community. One such example occurred in 2018 when the College of St. Joseph in Rutland, Vt., closed after years of enrollment declines and a low endowment. In 2019 Vermont Works, a social impact investment nonprofit, received funding from local philanthropies and a grant from the Northern Border Regional Commission to conduct a feasibility study on where and how to develop a purpose-built innovation center and entrepreneurship hub. Although Vermont experienced a cascade of college closings while the feasibility study was being conducted, the group decided that the College of St. Joseph presented a strong opportunity due to its location in a small city and its placement within a federally qualified Opportunity Zone. Through a public-private partnership, stakeholders from the College of St. Joseph, Vermont Works, Vermont Innovation Commons, and several regional economic development agencies envisioned a newly transformed campus—an innovation center providing non-accredited education and workforce development, accelerator programs for entrepreneurs and startups, office space for startups and business tenants, and space for co-housing.⁴³

The push for an innovation center was driven by a desire to keep local companies from leaving the state and to provide the conditions for remote workers to succeed and find community.⁴⁴ As one of the states most severely impacted by “brain drain,” Vermont has been pioneering a suite of recent initiatives to attract remote workers and stunt the exodus of young, talented workers.⁴⁵ Unfortunately, the vision of transforming the College of St. Joseph into an innovation center did not come to fruition, and the property ultimately went into foreclosure. Despite the outcome, the vision serves as an example of how community needs can serve as a source of inspiration when developing plans for an innovation hub.



This archetype is well suited for institutions that have underused or unused space and are in communities with growing labor markets, or institutions that have seen recent companies in a specific industry move into the area. An institution would also ideally have an academic link to the industry or industries present in the innovation center, giving them the potential to connect students to the companies and startups coming into the space.

INNOVATION CENTERS



Many postsecondary institutions, as a routine part of strategic planning, undertake a suite of business strategies that aim to optimize core business processes and accelerate growth. These approaches to drive efficiencies and increase revenues attempt to maximize the value proposition of the traditional higher education business model. These strategies, while well known and understood, constrain the higher education leader to the traditional paradigms of the higher education operating model. These conventional strategies may be enough to save some institutions from the brink of financial disaster, but they are not a panacea.

- **Mergers and acquisitions:** Leverage resources of multiple institutions to drive growth and decrease costs.
- **Capital and investments:** Recalibrate investment strategy to increase capital productivity and endowment returns.
- **Operating efficiencies:** Explore areas to increase efficiency, such as administrative savings, program and curricular reductions, facilities utilization, and cross-services sharing.
- **Revenue diversification:** Explore additional auxiliary revenue sources, such as research funding and athletic revenue streams, and strategies to extend existing revenue, such as tuition management and student persistence.

While these more traditional business optimization strategies are not included in this report, they can conceivably be used in conjunction with (and may even be a result of) more fundamental transformation. Indeed, these strategies may even serve as a good starting point for transformation exploration within at-risk institutions as they represent more targeted efforts to change specific practices rather than large seismic shifts.

ARCHETYPE

Social Services Hubs

The Backdrop

When postsecondary institutions consider how to enhance their community connections, many first turn to commercially oriented opportunities. However, it is also important for institutions to consider how to secure their future through a more service-related orientation. In particular, struggling universities that lack clear prospects for commercial development may provide a rare opportunity for a county or state entity to spearhead the creation of a consolidated social services hub. Such a hub can offer the institution opportunities for incremental revenue and additional goodwill and, in return, provide a centralized area for services and organizations that can address the community's most pressing needs.

Goals

Community leaders could view available campus space as an opportunity to create a hub for social services such as public health care clinics, job training services, and public benefits offices. The vast network of buildings and special-use assets on a campus could offer a variety of spaces for nonprofits and government services to co-locate with the educational institution and expand the community's social services infrastructure. Many of the campus buildings, including residence halls, food service facilities, and health services centers, provide a natural fit for the provision of services to support the health and welfare of the surrounding community. Consolidating the locations of disparate social services could help provide a one-stop shop for residents seeking assistance, while reinforcing the campus as a powerful community anchor.



Models

We have seen two general models for transforming a postsecondary campus into a social services hub. In the first, several social service providers, such as government agencies and nonprofits, come together in a single location. This “population-first” model seeks to co-locate public benefits and social services aimed at a common group of beneficiaries. A campus could contain offices for federal, state, and local benefits, such as the Supplemental Nutrition Assistance Program (SNAP); the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); and Temporary Assistance for Needy Families (TANF), while also providing community benefits like a food pantry, legal aid, childcare assistance, and wraparound case management. Community members could use the space as a one-stop shop for their needs, and the organizations inhabiting the hub can work together to ensure a more seamless transition of care from one service to another.

In the second model, available campus space is used to host a single social service. This “service-first” model occupies a portion of or the entire campus to provide a wraparound, intensive service such as in-patient behavioral health services, in-patient substance use treatment services, or foster care transition services. In this model, the various campus buildings may be well suited to serve a function aligned with their postsecondary use. For example, student housing can be adapted for inpatient residences, athletic facilities for resident recreation, dining halls for residential meal services, libraries for reading space, classrooms for activities and meetings, and administrative space for program offices.

While social services hubs serve a worthy cause, it may be difficult for these facilities to achieve long-term financial sustainability. Therefore, these hubs often rely on philanthropic or government partners to aid in the initial acquisition, planning, and development of the campus. To augment financing beyond government options, social services hubs can consider the sale or lease of nonessential property and buildings. Social services hubs may also lack the natural connections to research, employment, and coursework that a proximate institution provides. Higher education institutions should seek to forge strong integrations between these hubs and their campus, like those found in innovation centers; for example, a school of social work or nonprofit administration could offer a promising relationship.

Case Study: Dana College

A 150-acre campus in rural Nebraska sat vacant for 10 years, until an Omaha developer purchased and donated the campus to the nonprofit Angels Share in 2018. Angels Share, working to end homelessness in the Omaha area, had visions of transforming the campus into “a holistic campus where foster youths who have aged out of the system can live, learn, and work.”⁴⁶ Ed Shada, Angels Share President and Chairman of the Board, wanted to use the property to help end homelessness by interacting with youth aging out of the foster care system.⁴⁷

Since taking over the property, Shada has also seen interest from other nonprofit entities and employers. The prospect of on-site job training and employment services has attracted interest from a veterans’ services organization, while the prospect of concentrated job seekers has attracted interest from local employers.



SOCIAL SERVICES HUBS

Although the transformation is still in its early stages, Angels Share has made the path to financial sustainability a key priority. The project's startup costs have been funded by a combination of philanthropic donations and the sale and lease of ancillary real estate assets. A local church purchased a property to expand its offerings of youth services; the public school system has expressed interest in renting the gymnasium; and local companies have expressed interest in training and hiring the youth who will come to live on the campus. In November 2020 the first tenant moved onto the property, and the true impact of the Dana College transformation became a reality.⁴⁸ Dana College's transformation is an excellent example of transforming a former campus into a financially viable center for social services.



This archetype is well suited for institutions with enough space to provide a location for multiple social service offerings. Ideally, the institution should be easily accessible to community members, such as close to public transportation and/or main thoroughfares. Institutions that already have strong relationships with their local government and nonprofit service providers may have an easier time transitioning the space into a social services hub and attracting tenants.

ARCHETYPE

Large Employers

The Backdrop

While some postsecondary institutions find themselves in suboptimal real estate markets, others exist in prime locations. Some institutions, especially those with access to transit or situated near an industry hub, may provide a strong value proposition by transforming a portion of their campuses into office space. With large parcels, facilities, and office space, postsecondary institutions can provide necessary pieces of a work environment. Subdivided or closed postsecondary institutions can serve as a relocation or an expansion site for a single corporate headquarters or an ecosystem of industry-aligned firms.

Goals

To align the facility needs and interests of companies, health clinics, or other private enterprises with the development goals of institutions, campus leadership can consider transforming a subset of buildings into a corporate campus. While we have found no prominent examples of colleges or universities transforming their campuses into new office hubs, there are examples of large industrial and military campuses taking this route.

Because institutional campuses are often located on large parcels of land with multiple existing buildings, they present a uniquely adaptable option for the range of needs employers may have for their corporate campuses. Companies could benefit from many of the campus amenities, such as fitness centers and cafeterias, when trying to design a corporate campus that meets their employees' needs.

In return, the relocation of a large corporation could support the local economy as employees move to, and conduct commerce in, the surrounding area. This transformation could also extend beyond the relocation of an initial firm and ignite further growth in the local community as complementary firms are attracted on-site or nearby. As more complementary firms relocate nearby, the opportunity for firms to partner and collaborate grows. In addition, when a company relocates to a recently subdivided campus parcel, enrolled students may have a pipeline to employment at the employer, benefiting the institution and company alike.

Models

These transformations can carry high upfront capital costs depending on the level of renovation necessary. These costs, among other factors, can influence what happens with the campus or parcel, such as if an employer purchases part of the campus outright, if parcels are purchased by a commercial real estate company and then rented out to tenants, or if the institution itself serves as the landlord. Often, the difference in purchaser determines whether the campus is used for one corporate occupant or if the site is anchored by a primary tenant with an ecosystem of firms in aligned industries renting smaller amounts of office space.

Due to the substantial upfront capital costs, these projects are often designed with significant community input and public sector partnership. Therefore, it is important to establish strong partnerships between the real estate developers and local planning and economic development departments. To minimize upfront costs, local governments can utilize a range of development incentives (such as tax increment financing) to help offset the initial cost of renovation.

THE UNIQUE FIT BETWEEN SPECIAL-PURPOSE CAMPUS ASSETS AND MUNICIPAL GOVERNMENT USES

One challenge of this archetype—for open and closed institutions alike—is the diversity of special-purpose assets found on the property. Colleges and universities often operate as mini towns, equipped with their own array of facilities such as athletic complexes, dining services, health care facilities, fire and police services, utility management, libraries, and performing arts spaces. One would be hard-pressed to find another use case that leverages all these facilities for their original purpose. As a result, most transformations of large campuses undergo the complex work of subdividing the campus parcel or adapting special-use facilities to more general uses.

However, the varied functions of municipal or regional governments may prove a natural fit for the diverse uses of campus real estate assets. Like postsecondary institutions, municipalities are responsible for a variety of disparate services and functions, many of which map directly to the special-purpose assets found on academic campuses. Athletic facilities can be repurposed by the municipal recreation department, police and fire services can be subsumed by local brigades, and health facilities can be adapted for public health uses. University fleet services can be transitioned to the local public works department, libraries can be repurposed for public consumption, and academic spaces can be converted to administrative offices or public meeting rooms.

While we have not yet seen an example of a postsecondary transformation into a municipal hub, we have seen examples of municipalities purchasing subdivided pieces of campuses. Both the College of St. Joseph in Rutland, Vt.⁴⁹ and Dana College in Blair, Neb.⁵⁰ subdivided their parcels and sold athletic fields to the local municipality. Furthermore, we have seen smaller examples of municipal services being provided within a larger network of tenants (see Bell Labs case study), and the promise of a social services hub has the potential to provide municipal health, housing, and human services as well.

Case Study: Bell Labs

Built in 1962, the Bell Labs building in Holmdel, N.J., was an R&D facility that produced transformative inventions in telecommunications and computing for 44 years. When first constructed, the 1.9 million-square-foot mirror glass building designed by architect Eero Saarinen was lauded as an architectural marvel. The unique building sat on 473 acres, making the property and building exemplars of a corporate campus. When Bell Labs dissolved in 2007, the building—set for demolition—was saved by a group of passionate scientists. In 2013 the Somerset Development Corporation purchased the now-historic property, which it calls Bell Works, for \$27 million with the vision of transforming the property into a “Metroburb,” providing amenities of urban life in a suburban setting.

As its first anchor tenant, iCIMS, a cloud-based recruiting and talent platform with more than \$200 million in annual revenue, moved its headquarters and 2,000 employees to Bell Works in 2017.⁵¹ While iCIMS created a strong anchor on the property, there were also plans to include a public library, a Montessori school, retail space, health and fitness centers, and dining and hotel space. To help finance the development of Bell Works, Somerset sold 103 acres to the development firm Toll Brothers, which has plans to develop 225 single-family homes, most of them restricted to residents 55 or older.⁵² This transformation has been so successful for Somerset that it is planning to replicate the concept of a Metroburb in a Chicago suburb, turning an old AT&T research facility into a commercial mixed-use space.



This archetype is well suited for institutions with space either in or near a prime real estate market or a large industry hub that seeds the labor market. Institutions located in communities that offer business-friendly financing options, such as tax increment financing, may find it easier to encourage corporations to relocate.



ARCHETYPE

Mixed-Use Redevelopment

The Backdrop

Many struggling postsecondary institutions have an abundance of land and buildings but not enough activity to optimize its use. Some institutions are situated in valuable real estate markets and can consider repurposing noncore, ancillary properties as commercial real estate assets. Doing so can diversify traditionally overconcentrated revenue streams while retaining ownership and control over the assets themselves. For institutions that have closed, mixed-use redevelopment can add sought-after housing, open space, and other amenities to a community while helping the closed institution maintain its financial obligations.

Goals

Many institutions struggle to keep up with the deferred maintenance of aging, underutilized facilities. Often, colleges and universities do not utilize these real estate assets to their fullest potential. Mixed-use redevelopment projects can transform the real estate of an institution to ensure long-term cash flows and bolster financial viability. Some are still aligned with the purpose of the larger campus. Institutions such as Howard University in Washington, D.C.,⁵³ and Johnson C. Smith University in Charlotte, N.C.,⁵⁴ have recently redeveloped spaces adjacent to their campuses in partnership with private developers. While the buildings are no longer official campus properties, they may still be used to house and serve students and other affiliates of the university.



Models

While redevelopment may reduce the campus footprint, it can enhance the use and value of existing real estate assets. Rather than being viewed as a disinvestment in student services, institutions can use newfound income to refocus on initiatives directly aligned with their mission. In these transformations, community engagement is critical, as a key goal is often to ensure the property both supports and is supported by the surrounding community. In this union of financial expectations and community need, the future project could be composed of return-generating properties, such as retail and office spaces, as well as community benefits, such as affordable housing, open space, or subsidized offices for local nonprofits.

An institution could choose between several financial models to support redevelopment, such as selling land or buildings, long-term leases, or sale and subsequent leaseback. These tools, described in more detail in the Financing Tools sidebar, offer stakeholders different levels of authority and promises of financial return.

FINANCING TOOLS

Asset Contribution	The institution contributes land or buildings it owns in exchange for an equity stake in the project.
Asset Co-Ownership	The ownership of a mixed-use space is divided across different parties, often based on the use and the relevant equity stake.
Historic Preservation Tax Credits	Qualified historic structures may receive federal and state tax credits for their rehabilitation, which can then be resold to tax credit investors.
Long-Term Leasing	The institution retains long-term ownership of its real estate while allowing it to be developed for alternative use.
Low-Income Housing Tax Credits	Investors receive tax credits in exchange for investments in the acquisition, rehabilitation, or new construction of affordable housing.
New Market Tax Credits	Investors receive tax credits in exchange for special-use real estate investments in qualified low-income communities.
Opportunity Zone	Investments in designated census tracts receive preferential tax treatment, and if they are held for 10 or more years, investors are not subject to federal capital gains taxes.
Private Activity Bond	Government-issued, tax-exempt bonds provide a lower cost of capital in exchange for being secured by future project revenues.
Sale-Leaseback	The institution transfers title and ownership of land or building to another party but immediately begins to rent the property from the buyer.
Tax Increment Financing	A municipality provides subsidized financing backed by future tax revenues, such as property or sales taxes, within a designated area.

Case Study: Howard University

Since 2016, Howard University—a historically Black college and university (HBCU) located in the heart of Washington, D.C.—has engaged Alvarez & Marsal, a real estate advisory firm, to advance its Real Estate Development and Capital Asset Management (REDCAM) strategy. As an innovative university, Howard has been considering new opportunities to expand the value and use of its real estate. Through the partnership, the university successfully converted former student housing into market-rate apartments and redeveloped its East Campus. In accordance with addressing community need, 36 of the market-rate apartment units are designated for affordable housing.⁵⁵ Howard remained open to students throughout the entire transformation process.

Case Study: Burlington College

Burlington College—a 33-acre campus on a lakefront estate in Burlington, Vt.—closed its doors in 2016. Shortly thereafter, local real estate developer Eric Farrell bought the property and began construction on Cambrian Rise, a 700-unit, \$80 million housing development on the site, which will also have 150,000 square feet of retail and business space.⁵⁶ After collaborating with the city of Burlington, the Vermont Land Trust, and the Champlain Housing Trust to host a public process about the property's future, Farrell added a 12-acre public park and nearly 150 affordable housing units to the development plans.⁵⁷



This archetype is well suited for institutions with real estate located in a high-growth market. Institutions with relationships with commercial real estate developers and urban planners may have an easier time connecting various stakeholders and establishing a collective vision. Government relationships will also prove useful if the institution needs to navigate the rezoning process.

PART 3

Key Considerations for Transformation

Every institution has its own portfolio of assets, legacy relationships, and community dynamics that will make its transformation unlike any other. Despite this variability, the experts we interviewed identified pitfalls that should be considered across institutions—pitfalls that accompany the promise of transformation—many of which center on two core questions: Who takes part in planning for the transformation, and what are best practices for engaging those people?

At its core, institution leadership will be charged with driving any transformation. It is these leaders' knowledge of institutional assets and liabilities, in combination with their appetite for thinking creatively about transformation, that will make change possible.

At the same time, given the central role that institutions of higher education play in their communities, institutions should incorporate community and public perspectives as early as possible in the planning process.

The remainder of this section highlights a few of the many words of advice we heard from experts throughout our research process.



THERE'S NO PLAYBOOK FOR THESE KINDS OF TRANSFORMATIONS, AND I'M NOT SURE THERE SHOULD BE. THE BEST WE CAN DO IS DEVELOP GUIDELINES AND CONSIDERATIONS FOR THIS WORK."

— Neil McCullagh, *Executive Director*
Corcoran Center for Real Estate and
Urban Action, Boston College Carroll
School of Management



Institutional Considerations

Experts we spoke with counsel higher education leaders—executive management and boards of trustees—to think carefully about an institution’s assets and business strategy, and to be cognizant of external dynamics and positioning, in pursuing transformation.

Start with the Value Proposition

Getting a clear look at an institution’s value proposition at the start of any potential transformation is critical, focusing on the institution’s physical assets, human capital, core relationships, and economic role in the community. This assessment will help determine which options to explore and who might be valuable to bring on board as an early-stage partner.



YOU NEED TO START WITH WHAT YOU WANT YOUR VALUE PROPOSITION TO BE FOR TRANSFORMATION. IT’S EASIER TO SOLVE THE PUZZLE WHEN THAT’S FIGURED OUT.”

— Feras Qumseya, *Co-Chair*
Urban Land Institute Housing Initiative Council

Approach Transformation Through a Long-Term Business Strategy Lens

At its core, anchor institution transformation should be viewed as an exercise in driving value, rather than shedding resources. For example, Lasell College decided to convert donated property to senior housing rather than sell it outright led to Lasell Village, thereby generating ongoing revenue from rent, educational offerings, and management services.



MAINTAINING OWNERSHIP ALTERED THE WAY PEOPLE SAW US, SHIFTING AWAY FROM OVERRELIANCE ON ANNUAL FUNDRAISING CAMPAIGNS TO HOLDING ASSETS AND REAL ESTATE—USING THE ASSETS WE SECURED.”

— Don Blanchon, *CEO*
Whitman-Walker Health

Start Small—or Use Assets to Buy Time

Despite the “transformation” moniker, institutions do not need to reimagine their entire campus at the start of a process. Any parcel, individual building, or other existing asset has the potential to generate value and may be easier to transform than a project with a larger scope. Strategies here range from leasing parts of campus, to selling buildings outright as Wright State University did,⁵⁸ to forming a partnership to allow an alternative education provider to use part of campus.⁵⁹ A smaller deployment could provide a crucial revenue injection and buy time to complete the planning stages of a larger transformation.



WHILE THE LONG-TERM GOAL WAS FOR THE CAMPUS TO BE ENTIRELY SELF-SUSTAINABLE, IN THE BEGINNING WE FIRST RELIED ON SELLING OFF PARTS OF THE CAMPUS. THIS INITIAL REVENUE WAS CRITICAL, SINCE MANY DONORS WERE RELUCTANT TO STEP IN UNTIL LATER STAGES OF THE PROJECT.”

— Ed Shada, *President and Chairman of the Board*
Angels Share, Inc.

Be Aware of External Factors

Some leaders may be reticent to take transformational steps if broader shifts in higher education seem imminent. Policy and philanthropic priorities like the \$70 billion pledged for HBCUs by the Biden-Harris administration or a perceived interest from large funders can change a leader’s calculation of when to engage in transformation.⁶⁰ Yet external forces may be transactional rather than transformational; they may even create opportunities to complement or supplement a broader strategy.



OFTEN WHEN A SCHOOL IS STRUGGLING, THEY THINK THEY NEED MORE REVENUE AND FEDERAL AID CAN BE PERCEIVED AS AN UNLIMITED FUNDING SOURCE. BUT THIS IS TRANSACTIONAL, NOT TRANSFORMATIONAL. OPPORTUNISM MUST BE PAIRED WITH A LONG-TERM STRATEGY IF AN INSTITUTION IS TO TRULY TURN ITSELF AROUND.”

— Dr. John Silvanus Wilson, *Former President*
Morehouse College

Bring Trusted Partners in Early

Leveraging trusted partners with deep relationships can streamline transformation. Where trust is hard to come by due to a previous unproductive engagement, an institution may be unwilling or unready to participate in transformation conversations. In these cases, building bridges through affiliated partners, longstanding confidants, or a third-party intermediary can help to facilitate conversations and increase the likelihood of a productive engagement.



IT'S RELATIONSHIPS IN THE COMMUNITY THAT WILL MAKE REDEVELOPMENT POSSIBLE. YOU CAN'T DO IT JUST PARACHUTING IN AS AN OUTSIDER."

— Steve Norris CRE, *Principal*
Norris Realty Advisors



External Engagement Considerations

Depending on the scope and nature of transformation, authentic external and community engagement is critical to identifying transformation needs, unlocking potential in a campus, and gaining trust. Experts advise being clear with the public on its role in transformation and leveraging transformation to reset relationships and reinforce existing partnerships.

Follow Public Participation Values and Best Practices

Public participation thought leaders have developed seven values that institutions can use to ensure a successful community engagement process. These values, captured by the International Association for Public Participation (IAP2), state that an effective public participation process “seeks out and facilitates the involvement of those potentially affected by or interested in a decision,” “includes the promise that the public’s contribution will influence the decision,” and “provides participants with the information they need to participate in a meaningful way,” among others.⁶¹ As part of an ongoing effort, for example, owners of the now-closed Marylhurst University held public meetings seeking targeted input on a proposal to create affordable housing on a portion of the campus.⁶²



RATHER THAN CLAIMING TO BE THE EXPERTS, HOW CAN WE TAKE WHAT THE COMMUNITY HAS LONG BEEN ASKING FOR THROUGH LONGSTANDING PUBLIC PARTICIPATION FORUMS AND CREATE A VIABLE PROJECT AROUND IT?”

— Howard Kozloff, *Founder and Principal*
Agora Partners

Set Appropriate Expectations for the Public

In collaborating with the community, experts advise being candid about the goals of the transformation and the constraints it will encounter. In IAP2’s framework, which plots the degree of impact the public has on a decision on a spectrum of “inform” to “empower,” the community surrounding a campus will likely fall in the “involve” or “collaborate” categories.⁶³ This helps to advance conversations beyond token participation while acknowledging that final decision-making rests with the institution.



FOR COMMUNITY ENGAGEMENT TO BE SUCCESSFUL, IT'S CRITICAL TO BE HONEST ABOUT ITS CONTENT AND PROCESS.”

— Jonathan Hui, *Program Officer*
Kresge Foundation

Use Transformation as an Opportunity to Reset

Even—or especially—in cases of strained town-gown relationships, experts advise using transformation as an opportunity to press the reset button. Engaging community leaders in candid conversations that help shape the direction of the campus will help to drum up initial interest in any new programs, ensure the community feels a sense of ownership about the institution’s success, and improve the transformation’s viability of success.



YOU HAVE THE OPPORTUNITY TO FLIP THE MODEL FROM UNIVERSITY-COMMUNITY PARTNERSHIPS TO COMMUNITY-UNIVERSITY PARTNERSHIPS. GOVERNANCE STRUCTURES SHOULD INTEGRATE WITH RESIDENTS.”

— Henry Taylor, *Professor of Urban & Regional Planning*
University at Buffalo

Leverage Existing Relationships and Comparative Strengths

Experts stress the importance of forging or leveraging partnerships early, especially in communities of color. This can mean plugging into existing community needs assessments or planning initiatives, taking an honest look at historical mistrust between communities, leveraging existing community engagement initiatives the institution has in place, and activating partners.



GO DEEP INTO THE COMMUNITY TO FIND OUT WHO THE REAL COMMUNITY ORGANIZING VOICES ARE—NOT JUST THE USUAL SUSPECTS, BUT THE GRASSROOTS ORGANIZATIONS, TOO.”

— Diane Bell-McKoy, *CEO*
Associated Black Charities

Transformation is Taxing for All Parties

Due to the potential size and complexity of transformation, all parties involved should be prepared for years of planning and action. By thinking expansively about partnerships and sharing the burden of planning and maintenance, institutions can extend their windows of opportunity for transformation.



[DEPENDING ON THE ARCHETYPE,] MAINTENANCE OF THE CAMPUS ALONE WILL BE ARDUOUS—MAINTAINING AN INSTITUTION, ITS GROUNDS, AND ALL OF ITS BUILDINGS WILL PUT STRAIN ON THE FINANCIAL VEHICLE.”

— Pilar Hogan Closkey, *Executive Director*
St. Joseph’s Carpenter Society



A Future Forged Through Transformation

Institutions of higher education are facing unprecedented uncertainty. Following the wave of instability caused by COVID-19, institutions continue to face fierce competition and decreasing enrollment.

In addition to reaching for familiar optimization strategies, postsecondary institutions should consider innovative approaches to drive value, promote financial sustainability, and broaden their missions. Through a new strategic partnership or an unconventional use of campus space, they can build stronger ties with the community while strengthening their financial foundations.

We believe these tools will become more and more necessary in the years to come. Transformation is not easy, and few institutions have pursued this path so far.

But for leaders able to envision a new future for their school—to think expansively about options and make hard choices to forge deeper community connections, to bring together the right network of partners and financing—there is an opportunity to adapt campuses to a dynamic and exciting future. We see, even in the midst of reckoning, a new dawn of conversion, resilience, and hope across the postsecondary landscape.



**THE MAIN OBSTACLE TO
TRANSFORMATION IS THE
FEAR OF THE UNKNOWN.”**

— Doug Linkhart, *President*
National Civic League

APPENDIX

List of Stakeholder Interviewees

Many experts and practitioners helped shape this report by providing insights and guidance. We're grateful to the following interviewees and more for their help throughout our research process.

Diane Bell-McKoy

CEO
Associated Black Charities

Don Blanchon

CEO
Whitman-Walker Health

David Bowers

Vice President & Market Leader
Enterprise Community Partners

James Clark

Managing Director
Mission Real Estate Development
Trinity Church Wall Street

Sean Closkey

President
Rebuild Metro

Neill Coleman

Executive Director
Trinity Church Wall Street

Paul Davidson

Community & Program Coordinator
Coalition of Urban and
Metropolitan Universities

Adam Enbar

Co-Founder & CEO
Flatiron School

Dan Friedman

Co-Founder & President
Thinkful

Pilar Hogan Closkey

Executive Director
St. Joseph's Carpenter Society

Jonathan Hui

Program Officer
Kresge Foundation

Haley Jordahl

Senior Development Manager
Denver Housing Authority

Jeremy Keele

Managing Partner & Co-Founder
Catalyst Opportunity Funds

Howard Kozloff

Managing Director
Agora Partners

Doug Linkhart

President
National Civic League

Sabrina Manville

Co-Founder
Edmit

Neil McCullagh

Executive Director
Corcoran Center for Real Estate
& Urban Action
Boston College Carroll School
of Management

Mark Naud

CEO
Vermont Innovation Commons

Rich Newburg

Leasing & Acquisitions Manager
Centercorp Retail Properties

Steve Norris, CRE

Principal
Norris Realty Advisors

Tom Ogletree

*Vice President, Social Impact &
External Affairs*
General Assembly

Feras Qumseya

Co-Chair
Housing Initiative Council
Urban Land Institute

Brian Rahmer

Senior Fellow
Well-being and Equity in the World

Aaron Seybert

Managing Director
Social Investments Practice
Kresge Foundation

Ed Shada

President & Chairman of the Board
Angels Share, Inc.

Dick Startz

Professor of Economics
UC Santa Barbara

Henry Taylor

Professor of Urban & Regional Planning
University at Buffalo

Michelle Volpe

Loan Fund President
Blue Hub Capital

John Williams

Former President
Muhlenberg College

Joseph Williams

Senior Program Director
Enterprise Community Partners

Cynthia Wong

Senior Advisor
Seattle Foundation

APPENDIX

Discussion Questions for Campus and Community Leaders

In all likelihood, anchor institution transformation will be a collaborative enterprise, drawing on the skill sets and resources of higher education leaders, mayors, developers, community members, and other community stakeholders. Drawing from an earlier discussion of the dimensions of transformation, this appendix details initial, high-level questions that may help prompt alignment on a collective vision for transformation.

Foundational Questions

- What fiscal pressures are impacting the institution today? How are they likely to evolve in the next 10 years?
- What are the risks of inaction? Can current strategies meet expected fiscal demands?
- What physical, financial, and relational assets can the institution draw on?
- Is institutional leadership willing and prepared to evaluate transformative strategic options?
- How will the institution's community impact be weighed in determining an appropriate transformation strategy?

Planning Questions

- Who can and should be involved in the transformation process?
- How can we best involve members of the community in this conversation?
- What is the feasible transformation option set? Which past transformations are good analogues to learn from?
- Who are potential co-investors? Who will the core project team be?
- Is any value enhancement needed to attract partners?
- To what degree could the institution's assets serve a commercial or a civic/community purpose (alongside any continued educational purpose) after the transformation?

Execution Questions

- What financing tools are available?
- To what degree will transformation utilize private capital with market-rate return expectations or government/philanthropic capital with lower return expectations?
- Where will key partnerships supporting the transformation efforts stem from: community organizations and foundations, private real estate developers, or others?
- How much time do we need for the planning and execution phases of the transformation?

APPENDIX

The Challenges in Predicting Institutional Closure

Predicting whether a postsecondary institution will close is a difficult task. It is a fairly infrequent occurrence. Of the approximately 1,600 active, private, nonprofit four-year institutions, typically five to 10 close each year. Even institutions on the brink of closure may walk back from the precipice through financial restructuring, a successful philanthropic campaign, or a large donor.

Many observers of higher education view the tools used by regional accreditors, state regulators, and the U.S. Department of Education to assess financial risk as insufficient measures to predict and identify institutions at risk of closure.⁶⁴ The primary tool used by the U.S. Department of Education (and many university accreditors) to assess the financial health of postsecondary institutions is called the Financial Responsibility Composite Score (FRCS).⁶⁵ This instrument, which attempts to boil measures of liquidity, capital, and net income down to a single composite measure, can be used to place institutions under a set of additional compliance schemes known as Heightened Cash Monitoring (HCM). But the FRCS has several challenges if it is used to predict an institution's failure. Not only is the relevance of its composite calculations a matter of debate, but the score also uses outdated financial data and does not base its calculations on forward-looking projections.⁶⁶

As a result, only half of the postsecondary institutions that have closed since 2010 were placed on HCM before they shut their doors.⁶⁷ And our analysis estimated that less than 8% of institutions on HCM wound up closing. The Department of Education does not claim that an institution's FRCS or activity in HCM are strong indicators of closure, and they are not.

Academics and practitioners are beginning to build better risk tools. Shortly after Mount Ida College closed unexpectedly in the spring of 2018, the Massachusetts Board of Higher Education formed a working group to review potential methods to assess the financial health of at-risk postsecondary institutions and mitigate the risk of impending closures. The working group recommended the adoption of a new screening tool called the Teachout Viability Metric, which aims to measure an institution's ability to sustain the resources necessary to teach all current students through to graduation.⁶⁸ Other experts on these matters have advocated for a more narrow focus on liquidity⁶⁹ or a new composite score that looks at a combination of enrollment and tuition discounting.⁷⁰ There is little certainty at this point that these (or other tools) are dramatically more predictive than the FRCS, but stronger tools are critical: Protecting students, staff, and donors may depend on our ability to better understand the risk factors, and the final straws, that push postsecondary institutions to cease operations.

¹ McCabe, Patrick, et al. "Lower Enrollment Due to Coronavirus Impact Will Lead to Weaker Tuition Revenue." *Moody's*, October 28, 2020.

² Lundy, Kasia, Have Ladd, Chantal McKay, Katie Swoap, and Sara Gagnon. *Quantifying the Impact of Excess Capacity in Higher Education* (EY Parthenon, October 2020). https://assets.ey.com/content/dam/ey-sites/ey-com/en_us/topics/education/ey-quantifying-the-impact-of-excess-capacity-in-higher-education.pdf.

³ Lederman, Doug. "COVID-19's Forceful Financial Hit: A Survey of Business Officers." *Inside Higher Ed*, July 10, 2020. <https://www.insidehighered.com/news/survey/covid-19s-forceful-financial-hit-survey-business-officers>.

⁴ Others have also written about the opportunity transformation presents. See, for example: Brasca, Claudio, L. Chen, M. Hojnacki, and C Krishnan. "Transformation 101: How Universities Can Overcome Financial Headwinds to Focus on Their Mission." *McKinsey & Company*, May 22, 2019. <https://www.mckinsey.com/business-functions/transformation/our-insights/transformation-101-how-universities-can-overcome-financial-headwinds-to-focus-on-their-mission>.

⁵ Shipman, Bobby. "St. Catharine: Money Shortage Forces Closure." *Louisville Courier Journal*, December 20, 2017. <https://www.courier-journal.com/story/news/education/2016/06/01/st-catharine-college-close-july/85240640>.

⁶ Godbey, Dalton. "Rehab Facility to Take Over Former St. Catharine College Campus." *WDRB*, August 31, 2020. https://www.wdrb.com/news/rehab-facility-to-take-over-former-st-catharine-college-campus/article_86a8d668-ebd2-11ea-851d-f78bc5980a05.html.

⁷ Stolberg, Sheryl Gay. "Sweet Briar Reaches Deal to Stay Open." *New York Times*, June 21, 2015. <https://www.nytimes.com/2015/06/21/us/sweet-briar-reaches-deal-to-stay-open.html>.

⁸ Svrluga, Susan. "Alumnae Vowed to Save Sweet Briar from Closing Last Year. And They Did." *Washington Post*, March 3, 2016. <https://www.washingtonpost.com/news/grade-point/wp/2016/03/03/alumnae-vowed-to-save-sweet-briar-from-closing-last-year-and-they-did>.

⁹ Biemiller, Lawrence. "After All but Closing, Sweet Briar Will Shift Curriculum and Pricing." *Chronicle of Higher Education*, September 6, 2017. <https://www.chronicle.com/article/after-all-but-closing-sweet-briar-will-shift-curriculum-and-pricing>.

¹⁰ Munk, Cheryl Winokur. "There's a New Type of Senior on College Campuses." *Wall Street Journal*, November 17, 2019. <https://www.wsj.com/articles/theres-a-new-type-of-senior-on-college-campuses-11574046000>.

¹¹ Welch, Sherri. "Struggling Marygrove College to Transfer Campus to New Nonprofit." *Crain's Detroit Business*, February 15, 2018. <https://www.craisdetroit.com/article/20180215/news/653056/struggling-marygrove-college-to-transfer-campus-to-new-nonprofit>.

¹² Clifford, Tyler, and Kurt Nagl. "Marygrove College to End Undergrad Programs, Offer Graduate Studies Only." *Crain's Detroit Business*, August 9, 2017. <http://www.craisdetroit.com/article/20170809/news/635921/marygrove-college-to-end-undergrad-programs-offer-graduate-studies-only>.

¹³ Sands, David. "Inside Marygrove College's New Direction: How It Was Saved and Where It's Going." *Model D*, February 5, 2019. <https://www.modeldmedia.com/features/marygrove-college-new-direction-020519.aspx>.

¹⁴ Seltzer, Rick. "Marygrove Doesn't Make It." *Inside Higher Ed*, June 19, 2019. <https://www.insidehighered.com/news/2019/06/13/marygrove-college-detroit-announces-plans-close-amid-continuing-enrollment-declines>.

¹⁵ Pinho, Kirk. "Early Childhood Center on Marygrove Campus Nets \$22 Million Financing Package." *Crain's Detroit Business*, October 12, 2020. <https://www.craisdetroit.com/nonprofit/early-childhood-center-marygrove-campus-nets-22-million-financing-package>.

¹⁶ Welch, Sherri. "Kresge Puts \$50 Million behind Marygrove 'Cradle-to-College' Center." *Crain's Detroit Business*, September 13, 2018. <https://www.craisdetroit.com/education/kresge-puts-50-million-behind-marygrove-cradle-college-center>.

¹⁷ Snyder, T.D., C. de Brey, and S.A. Dillow. *Digest of Education Statistics 2018* (National Center for Education Statistics: December 2019). NCES 2020-009. <https://nces.ed.gov/pubs2020/2020009.pdf>.

¹⁸ Lederman, Doug. "Online Enrollments Grow, but Pace Slows." *Inside Higher Ed*, December 11, 2019. <https://www.insidehighered.com/digital-learning/article/2019/12/11/more-students-study-online-rate-growth-slowed-2018>.

¹⁹ Lederman. "Online Enrollments Grow, but Pace Slows."

-
- ²⁰ Bransberger, Peace, C. Falkenstern, and P. Lane. *Knocking at the College Door: Projections of High School Graduates, December 2020* (Western Interstate Commission for Higher Education: December 2020). <https://eric.ed.gov/?id=ED573115>.
- ²¹ Lederman, Doug. "Clay Christensen Doubling Down." *Inside Higher Ed*, April 28, 2017. <https://www.insidehighered.com/digital-learning/article/2017/04/28/clay-christensen-sticks-predictions-massive-college-closures>.
- ²² Moody's. "Small but Noticeable Rise Expected in Closures, Mergers for Small US Colleges." September 25, 2015.
- ²³ Horn, Michael B. "Will Half of All Colleges Really Close in the Next Decade?" *Forbes*, December 14, 2018. <https://www.forbes.com/sites/michaelhorn/2018/12/13/will-half-of-all-colleges-really-close-in-the-next-decade>.
- ²⁴ Smalley, Andrew. *Higher Education Responses to Coronavirus (COVID-19)* (National Conference of State Legislatures, July 2020). <https://www.ncsl.org/research/education/higher-education-responses-to-coronavirus-covid-19.aspx>.
- ²⁵ Whitford, Emma. "COVID-19 Mitigation Costs Still Add Up after Students Sent Home." *Inside Higher Ed*, October 9, 2020. <https://www.insidehighered.com/news/2020/10/09/trying-curb-covid-19-campus-expensive-whether-colleges-plans-work-or-not>.
- ²⁶ Startz, Dick. *Coronavirus Poses Serious Financial Risks to US Universities* (Brookings Institution, April 2020). <https://www.brookings.edu/blog/brown-center-chalkboard/2020/04/21/coronavirus-poses-serious-financial-risks-to-us-universities>.
- ²⁷ Gardner, Lee. "Moody's Forecasts Widespread Drop in Tuition Revenue. Here's Why That Matters." *Chronicle of Higher Education*, October 29, 2020. <https://www.chronicle.com/article/moodys-forecasts-widespread-drop-in-tuition-revenue-heres-why-that-matters>.
- ²⁸ Sullivan, Riley. *College Towns and COVID-19: The Impact on New England* (Federal Reserve Bank of Boston, June 2020). <https://www.bostonfed.org/publications/new-england-public-policy-center-regional-briefs/2020/college-towns-and-covid-19-the-impact-on-new-england.aspx>.
- ²⁹ Sokol, Ariel, and Yan Cao. *How to Stop Sudden College Closures* (Century Foundation, October 2019). <https://tcf.org/content/report/how-to-stop-sudden-college-closures>.
- ³⁰ Simmons, Melody. "Sojourner-Douglass College Debts Total More than \$25.1 Million." *Baltimore Business Journal*, March 1, 2018. <https://www.bizjournals.com/baltimore/news/2018/03/01/sojourner-douglass-college-debts-total-more-than.html>.
- ³¹ Iannetta, Jessica. "Sojourner-Douglass College Buildings Sell at Auction for \$7.2 Million." *Baltimore Business Journal*, November 22, 2019. <https://www.bizjournals.com/baltimore/news/2019/11/22/sojourner-douglass-college-buildings-sell-at.html>.
- ³² Wong, Alia. "The College That Became a Prison." *Atlantic*, July 12, 2019. <https://www.theatlantic.com/education/archive/2019/07/colleges-are-shutting-down-and-yankton-was-precursor/593809>.
- ³³ Fain, Paul. "Alternative Credentials on the Rise." *Inside Higher Ed*, August 27, 2020. <https://www.insidehighered.com/news/2020/08/27/interest-spikes-short-term-online-credentials-will-it-be-sustained>.
- ³⁴ See, for example, Shireman, Robert and Y. Cao. "Dubious Conversions of For-Profit Colleges: Decoding the GAO Report." *The Century Foundation*, January 27, 2021. <https://tcf.org/content/commentary/dubious-conversions-profit-colleges-decoding-gao-report/>; Shireman, Robert. "The Sketchy Legal Ground for Online Revenue Sharing." *Inside Higher Ed*, October 30, 2019. <https://www.insidehighered.com/digital-learning/views/2019/10/30/shaky-legal-ground-revenue-sharing-agreements-student-recruitment>; and Cao, Yan. "UA's 'Global Campus' Is Just a Scheme to Get Cash from Low-Income Students." *AZ Central*, September 14, 2020. <https://www.azcentral.com/story/opinion/op-ed/2020/09/14/ua-global-campus-just-scheme-get-cash-ashford-students/3461736001/>
- ³⁵ Yale University. "Yale x Flatiron School Web Development Bootcamp." Accessed July 16, 2021. <https://summer.yale.edu/academics/yale-x-flatiron-school-web-development>.
- ³⁶ Yale University. "Yale, Flatiron School Create Web Development Bootcamp for Summer Session." *YaleNews*, December 7, 2018. <https://news.yale.edu/2018/12/07/yale-flatiron-school-create-web-development-bootcamp-summer-session>.
- ³⁷ Flatiron School. "Applied Tech Programs for Universities." Accessed July 16, 2021. <https://flatironschool.com/enterprise/university>.

-
- ³⁸ Barshay, Jill. "College Students Predicted to Fall by More than 15% after the Year 2025." *Hechinger Report*, September 10, 2018. <https://hechingerreport.org/college-students-predicted-to-fall-by-more-than-15-after-the-year-2025>.
- ³⁹ Wagner, David. "More Seniors Are Working—Some by Choice, Others by Necessity." *Marketplace*, May 1, 2019. <https://www.marketplace.org/2019/05/01/more-seniors-are-working-some-choice-others-without-one>.
- ⁴⁰ Munk. "There's a New Type of Senior on College Campuses."
- ⁴¹ Helsabeck, Christopher B., and David B. Ritchey. "University-Affiliated Retirement Community Development: A Resource for Universities." PhD diss., Massachusetts Institute of Technology, 2004.
- ⁴² Marshall, Paul. "Universities Must Do More to Stop the Graduate Brain Drain." *Guardian*, September 25, 2017. <https://www.theguardian.com/higher-education-network/2017/sep/25/universities-must-do-more-to-stop-the-graduate-brain-drain>.
- ⁴³ College of St. Joseph, Vermont Works Management Company, and Vermont Innovation Commons. *CSJ Center for Excellence & Innovation: A Feasibility Study*, October 2019. https://www.rutlandfree.org/wp-content/uploads/2020/11/CSJ_Feasibility_Study.pdf.
- ⁴⁴ *CSJ Center for Excellence & Innovation: A Feasibility Study*, 34–38.
- ⁴⁵ Oberhaus, Daniel. "How Smaller Cities Are Trying to Plug America's Brain Drain." *WIRED*, August 12, 2019. <https://www.wired.com/story/how-smaller-cities-trying-plug-brain-drain>.
- ⁴⁶ Moring, Roseann. "Banker's Dream for Former Dana College: A Foster Youth Transition Zone with Housing, Job Training." *Omaha World Herald*, August 20, 2019. https://omaha.com/business/bankers-dream-for-former-dana-college-a-foster-youth-transition-zone-with-housing-job-training/article_0986dcae-ba07-5adc-b2c4-159ecc70dfa0.html.
- ⁴⁷ Moring. "Banker's Dream for Former Dana College."
- ⁴⁸ Ellis, Leeanna. "He's Given Me a Place to Stay." *Washington County Pilot-Tribune & Enterprise*, November 20, 2020. <https://www.entreprisepub.com/stories/hes-given-me-a-place-to-stay,36946?&cb=1606850763>.
- ⁴⁹ "Rutland Officials Approve Purchase of College of St. Joseph Property." *WCAX*, September 10, 2020. <https://www.wcax.com/2020/09/10/rutland-officials-approve-purchase-of-college-of-st-joseph-property>.
- ⁵⁰ Hoffman, Teresa. "Council Approves Purchase of Ballfields on Former Dana College Campus." *Washington County Pilot-Tribune & Enterprise*, January 26, 2018. <https://www.entreprisepub.com/stories/council-approves-purchase-of-ballfields-on-former-dana-college-campus,8504>.
- ⁵¹ "iCIMS Commits to Continued Growth, Becomes Anchor Tenant at Bell Works." *GlobeNewsire*, November 21, 2017. <https://www.globenewswire.com/news-release/2017/11/21/1198141/0/en/iCIMS-Commits-to-Continued-Growth-Becomes-Anchor-Tenant-at-Bell-Works.html>.
- ⁵² Jacobs, Karrie. "The Bargain That Revived Bell Labs." *Architect Magazine*, May 23, 2016. https://www.architectmagazine.com/design/culture/the-bargain-that-revived-bell-labs_o.
- ⁵³ Howard University. "Community Planning and Development." Accessed May 4, 2021. <https://www2.howard.edu/external-affairs/departments/community-association/community-planning-and-development>.
- ⁵⁴ Spanberg, Erik. "Johnson C. Smith: It Takes a (Mosaic) Village." *Charlotte Business Journal*, October 12, 2012. https://www.bizjournals.com/charlotte/blog/queen_city_agenda/2012/10/jcsu-it-takes-a-mosaic-village.html.
- ⁵⁵ U.S. Department of Housing and Urban Development's Office of Policy Development and Research. *Howard University Benefits Community through Affordable Housing Developments*. Accessed May 4, 2021. <https://www.huduser.gov/portal/casestudies/study-121318.html>.
- ⁵⁶ Baird, Joel Banner. "Cambrian Rise: A Big Burlington Neighborhood in the Making." *Burlington Free Press*, September 24, 2018. <https://www.burlingtonfreepress.com/story/news/2018/09/24/cambrian-rise-new-burlington-neighborhood-development/1350132002>.
- ⁵⁷ Walsh, Molly. "Keep College Land Open, Crowd Says." *Burlington Free Press*, January 22, 2015. <https://www.burlingtonfreepress.com/story/news/local/2015/01/22/burlington-college-land-development-open-space/22147037>.

-
- ⁵⁸ Turay, Ismail Jr. "WSU Agrees to Sell Dayton Property, Acquire Parcels of Land." *Dayton Daily News*, September 21, 2020. <https://www.daytondailynews.com/news/ws-u-agrees-to-sell-dayton-property-acquire-parcels-of-land/XFKTXD3HQ5HHZJXNPY2E3714BY>.
- ⁵⁹ Dominican University of California. "Dominican Announces Computer Science Partnership with Make School." October 1, 2018. <https://www.dominican.edu/news/news-listing/dominican-announces-computer-science-partnership-make-school>.
- ⁶⁰ Murakami, Kery. "Biden's HBCU Agenda." *Inside Higher Ed*, November 16, 2020. <https://www.insidehighered.com/news/2020/11/16/bidens-hbcu-research-agenda>.
- ⁶¹ "IAP2 Core Values for Public Participation," IAP2 International Federation. Accessed May 3, 2021. <https://www.iap2.org/page/corevalues>.
- ⁶² Howell, Clara, "The Sisters of the Holy Names to Hold Public Meeting about Former Marylhurst University Property," *Lake Oswego Review*, July 14, 2020. <https://pamplinmedia.com/lor/48-news/473568-382926-the-sisters-of-the-holy-names-to-hold-public-meeting-about-former-marylhurst-university-property>.
- ⁶³ "IAP2 Spectrum of Public Participation," IAP2 International Federation. Accessed May 3, 2021. https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf.
- ⁶⁴ Seltzer, Rick. "Public and Private Measures of Colleges' Financial Strength Spark More Discussion." *Inside Higher Ed*, May 8, 2020. <https://www.insidehighered.com/news/2020/05/08/public-and-private-measures-colleges-financial-strength-spark-more-discussion>.
- ⁶⁵ Federal Student Aid. *Financial Responsibility Composite Scores*. Accessed May 3, 2021. <https://studentaid.gov/data-center/school/composite-scores>.
- ⁶⁶ Sokol and Cao. How to Stop Sudden College Closures.
- ⁶⁷ U.S. Government Accountability Office. *Higher Education: Education Should Address Oversight and Communication Gaps in Its Monitoring of the Financial Condition of Schools* (Washington, DC, August 2017). GAO-17-555. <https://www.gao.gov/products/D17347>.
- ⁶⁸ Working Group of the Massachusetts Board of Higher Education. *Final Report & Recommendations: Transitions in Higher Education: Safeguarding the Interests of Students (THESIS)* (Massachusetts Department of Higher Education, January 2019). https://www.insidehighered.com/sites/default/server_files/media/THESIS%20Working%20Group%20Final%20Report.pdf.
- ⁶⁹ Cao, Yan, and Ariel Sokol. "To Monitor for Colleges That May Soon Fold, Look to Liquidity." *Century Foundation*, April 29, 2020. <https://tcf.org/content/commentary/monitor-colleges-may-soon-fold-look-liquidity>.
- ⁷⁰ Zemsky, Robert, Susan Shaman, and Susan Campbell Baldrige. *The College Stress Test: Tracking Institutional Futures across a Crowded Market* (Baltimore: Johns Hopkins University Press, 2020).