2

Case Studies and Best Practices

What other cities are doing and what we can learn from them

District of Columbia Office of Planning

ONE CITY

Brooklyn Case Study

Brooklyn Navy Yard's Visitor Center.

Brooklyn Navy Yard's Building 92 Showcases Products Made in their Buildings.

A Plaster Molder at Greenpoint Manufacturing Design Center.

Greenpoint Manufacturing Design Center.

A Playful Temporary Urbanism Focused on Locally-Made Key Lime Pie in Red hook, Brooklyn.

A Kitchen Making Empanadas at Industrial City, Brooklyn.

A New Outdoor Park at Industrial City, Brooklyn.

Small Clothes Manufacturing Company at Industrial City, Brooklyn.

Lessons Learned:

AUTHENTICITY

New industrial users often rent space in renovated, pre-WWII industrial buildings. While these structures are often flexible and relatively inexpensive, they are also considered "authentic" by makers and emerging businesses who love the aesthetic of mixing new renovations with "gritty" and "real" industrial structures.

IT'S COMPLICATED

The Greenpoint Manufacturing and Design Center (GMDC) had somewhat modest beginnings in terms of staffing and experience, and it took seven years before the group was ready to redevelop a second building.

EXPAND THE TERM "INDUSTRY"

This process not only allows greater inclusivity for workers and budding enterprises, but also attracts a greater pool of tenants and investors—demonstrating the acceptance of creativity and innovation as part of 21st-century industry.

LOCAL FOOD AND MEDIA ARE IMPORTANT

Locally produced food can drive demand for the District's industrial space. Media companies have been an important element of the Brooklyn demand.

ZONING TO BENEFIT BUSINESSES

Committing to long-term industrial uses with no provision for conversion to residential uses helps to assure long-term stability for artists and small businesses.

PARTNERSHIPS

Some of Brooklyn's redevelopment and revitalization has depended on non-profit entities acting as "credit tenants" and subleasing to emerging businesses—offering these start-ups access to market-rate developments they otherwise could not afford.

TAX CONCESSIONS

Real estate tax exemptions can be a useful tool for lowering development costs.

TAX EXPERTS

If a project involves tax credit financing, District staff should encourage the developer to work with a Historic or New Markets Tax Credit provider with previous successful financings in the District.

VEHICULAR ACCESS AS AN ASSET

In some areas of Brooklyn, particularly Red Hook, access to highways and an emphasis on car-based developments allow the districts to position themselves as unique offerings in an otherwise transit-oriented metro area.

STABILITY

The investments made by economic development non-profit organizations in Brooklyn (Southwest Brooklyn Industrial Development Corporation, East Williamsburg Valley Industrial Development Corporation, Greenpoint Manufacturing and Design Center) enable growth and stability in existing industrial areas impacted by market-rate pressures.

BUILD RELATIONSHIPS

For economic development agencies, fostering relationships among tenants, merchants and residents is of the highest importance, allowing them to keep their fingers on the pulse of the neighborhood—and creating the type of environments attractive to young, emerging businesses.

SIGNIFICANT FUNDING

Brooklyn Navy Yard benefited from massive grant funding from the federal government.

Philadelphia Case Study


A Co-working Space at the 3rd Ward, Philadelphia.

A Sewing Space at the 3rd Ward, Philadelphia.


An Employee Center at Urban Outfitters Headquarters, The Navy Yard, Philadelphia.


Apadptive Reuse of Historic Structures, The Navy Yard, Philadelphia.


Pleasant Community Spaces, The Navy Yard, Philadelphia.


The EEB Hub Philadelphia Navy Yard, Involves researchers from Academe, Two DOE Laboratories, High-Profile Global Industry Partners, and Regional Economic Development Agencies.


The Globe Dye Works in Philadelphia Now is Being Converted for Craft Manufacturing and Art Production.


A rendering of 3rd Ward's new complex in Philadelphia - the building formerly housed former church and box manufacturer.

Lessons Learned:

EXPAND THE TERM "INDUSTRY"

To attract a wide range of maker, creative and start-up businesses, and research and development, "industrial" must be defined beyond manufacturing and smokestacks.

PRIVATE, NON-PROFIT GOVERNANCE

The market discipline provided by a board of directors with substantial private-sector representation is invaluable in focusing the economic development activities and achieving financial self-sufficiency.

QUALIFIED STAFF

The Philadelphia Industrial Development Corporation (PIDC) model emphasizes the importance of qualified staff focused on industrial development on a day-to-day basis, working with businesses and pro-actively seeking out and developing industrial properties. It requires a much larger scale of operations than possible in Ward 5.

FOCUS THE MISSION

PIDC's focus on creating jobs for the 28 percent of the city's residents that live in poverty has helped it adapt its programs and activities to expand beyond manufacturing to include logistics and distribution jobs, which provide valuable career-ladder opportunities.

SITE CONTROL IS KEY

Because the costs of assembling and preparing industrial properties often exceed their market value and ultimate sales price, the private sector cannot be expected to undertake major brownfield remediation and site preparation.

FEES TO SUPPORT OPERATIONS

Revenues from financing and other fees have allowed PIDC to achieve self-sufficiency in supporting its own operating costs.

IMPROVEMENT DISTRICTS

The Port Richmond Industrial Development Enterprise program encouraged by the Urban Industrial Initiative shows the potential for a special assessment district approved by the businesses to provide public safety, cleanup and capital improvements.

PROTECT INDUSTRIAL USES

Philadelphia's experience underscores the importance of protecting industrial zoning and preventing conversion of industrial facilities to other uses.

SHARED FACILITIES & EQUIPMENT

Grove Dye Works, 3rd Ward and Crane Arts demonstrate the appeal of shared space and equipment in supporting artists, artisans and other makers. Co-working and shared educational experiences also help to build community and engage nearby residents.

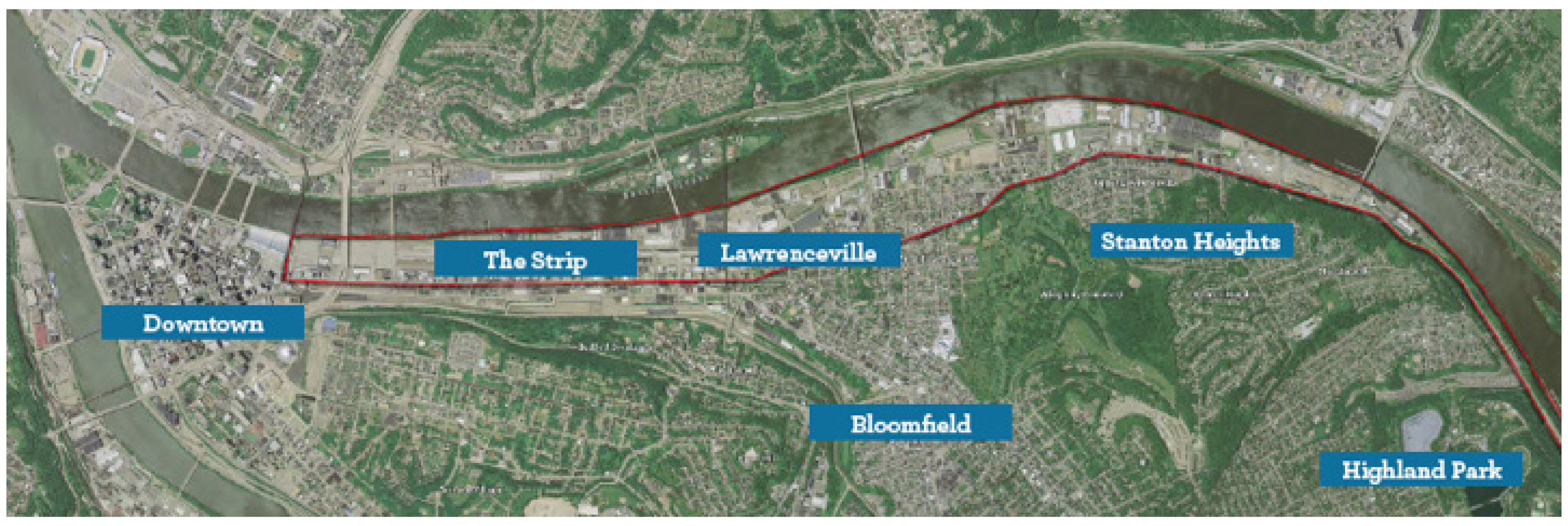
JOB ARE CREATED AT DIFFERENT RATES

Relative to the 1,500 jobs created in one major distribution facility in Philadelphia, the number of jobs associated with the artisan and maker market pales in comparison.

PARTNERSHIPS

The Penn State Energy Efficiency Building Hub initiative, encompassing the Navy, 11 academic institutions, federal labs, industrial partners and local community and technical colleges, underscores the value of broad-reaching partnerships that can pursue major federal and other funding.

Pittsburgh Case Study



The Location of The Strip and Lawrenceville Relative to Downtown Pittsburgh.

The Pittsburgh Strip District.

The Pittsburgh Public Market at the Strip District.

The Waffle Shop, an East Liberty-Based Public Art Space that Serves Food and Invites Patrons to Take Part in Video Talk Shows.

Bakery Square, East Liberty Pittsburgh.

The Carnegie Library of Pittsburgh, East Liberty Neighborhood Library Serves One of the Most Economically and Racially Diverse Populations in Pittsburgh.

TechShop in Bakery Square is a Partner with the Department of Veterans Affairs to give 2,000 veterans across the country free one-year memberships.

Lessons Learned:

AUTHENTICITY
The gritty environments of formerly industrial areas give Pittsburgh's communities an authenticity that is highly valued by young and creative people.

PLACEMAKING
East Liberty's success in attracting Google and many other technology companies is due in large part to its emergence as a well-rounded community with retail, restaurants, entertainment, arts, affordable housing and pedestrian-oriented environments.

SITE CONTROL
Redevelopment in an established industrial district is often very dependent on achieving control of key sites that may not be easily relinquished by their owners. Potential tools for land acquisition include swaps of other city-owned land.

PARTNERSHIPS
Much of Pittsburgh's redevelopment and revitalization has depended on partnerships with major foundations, philanthropic partners and non-profits for whom strategically targeted investment is mission-appropriate.

UNIVERSITY CONTRIBUTIONS
Carnegie Mellon University's National Robotics Engineering Center is anchoring the revitalization of Central Lawrenceville and spinning out robotics companies.

FUNDING GAPS
In Pittsburgh, public authorities such as the URA have played an important role in providing a variety of funding programs and financing capacities to bridge gaps in the real estate market.

PARKING
Employee parking for local businesses should be adequate to prevent backlash from residents no longer able to park in front of their homes. Where it occurs, structured parking is often financed as a loss leader.

AFFORDABLE SPACE
Most tech companies are not equipped to undertake a real estate investment and prefer to rent space that is ready for move-in.

SHARED FACILITIES & EQUIPMENT
Co-working and other opportunities to share space and equipment allow early-stage companies to conserve their limited capital.

EXISTING BUSINESSES
Revitalization plans need to allow existing businesses to stay and grow along with providing job opportunities for neighborhood residents.

San Francisco and West Berkeley Case Study

National Chain Stores in San Francisco Promote Locally-Made Products.

Pier 70 in San Francisco.

The Chronicle Building in San Francisco.

Warehouses Adapted for Public Art Shows.

West Berkeley Consists of One Story and Warehouse Buildings.

Bayer Healthcare's Manufacturing Facility in West Berkeley has the City's Largest Solar Installation.

Historic West Berkeley Building to Be Reborn as Berkeley Kitchens.

Workers at Artwork Foundry on Heinz Fill Casts with Molten Bronze. (Photo: John Osborn)

Lessons Learned:

DEMAND FOR LOCALLY-MADE GOODS

The New York and San Francisco metro areas are notable for their large populations and high disposable incomes,

LOW BARRIERS TO ENTRY

Local makers are generally focused on consumer goods (such as apparel and accessories) and on consumables (food and beverages).

BUILDINGS THAT CAN BE SUBDIVIDED

Because there are few urban manufacturers than need large amounts of space (50,000 square feet and larger), a neighborhood or property redevelopment is likely to be more successful if priority is given to a building that can be subdivided for many users.

WORK WITH STAKEHOLDERS

When Berkeley officials moved forward with plans for more flexible industrial zoning without stakeholder support, the ballot measure for this change was defeated by voters.

CLEAR REGULATIONS

Ongoing regulatory uncertainty contributed to a multi-year vacancy problem among large industrial buildings as property owners anticipated up-zoning.

PROTECT THE LOSS OF INDUSTRIAL LAND

Strict enforcement of the zoning code and denial of zoning adjustments effectively remove the option of replacing industrial properties with buildings that have higher market values.

ZONING CODE ADJUSTMENTS

Do not hinder the subdivision of industrial space. Because of narrow definitions in Berkeley's zoning code, building owners have been prevented from subdividing large industrial spaces for light industry, artists and craftspeople. Such technical obstacles, if any, should be removed from the District's zoning code in order to encourage the reuse of industrial buildings.

SMALL SPACES

Artisan food makers who are in the start-up phase typically require 1,200 square feet or less. Some need only 500 square feet. This limited need means that most of them can lease space in an existing facility that has been subdivided.

SPECIALISTS

When transforming an existing industrial structure such as a warehouse to accommodate food production, District staff should give preference to a developer who specializes in food production facilities or who has a track record of creating food production space.

ENTREPRENEURSHIP MAY BE COUNTER CYCLICAL

During the recession and post-recession period, niche manufacturers and food entrepreneurs continued to be a source of demand for industrial space in West Berkeley, in spite of the regulatory uncertainty of the West Berkeley Project process and the Measure T vote (a five-year period).

SMALL-SCALE USERS ARE DRIVEN BY MARKET DE-MAND

In West Berkeley, occupancy by smaller industrial users happened piecemeal and was market-driven on the part of individual firms and landlords, with no public agency involvement.