

---

**FOR THE EXCLUSIVE USE OF CYNPAUL@UPENN.EDU**

---

From the Philadelphia Business Journal:

<https://www.bizjournals.com/philadelphia/news/2023/02/14/university-of-pennsylvania-development-projects.html>

SUBSCRIBER CONTENT:

# Inside Penn's \$1.3B construction boom – with another \$440M in the pipeline

*Feb 14, 2023, 10:32pm EST*



University of Pennsylvania

A rendering of the Vagelos Laboratory for Energy Science and Technology at 3200 Walnut St.

The University of Pennsylvania is one of the top academic institutions in the country, but in University City it also takes the

role of real estate developer.

To be exact, there is \$1.3 billion in construction currently underway at the Ivy League university, with \$440 million more in the pipeline. The projects under construction include \$772 million of new development, \$388 million of reinvestment and renovations, and \$133 million in projects underway by third-party developers.

It's all part of the Penn Connects plan, a campus development strategy which dates back to the early 2000s under previous President Amy Gutmann. In total, the plan stretches nearly 75 projects in various stages of development, some completed, others still years out from delivery. The developments are a mix of academics, mixed-use, athletics, residential and administrative buildings. Each of which will contribute to the growth of the ever-burgeoning University City.

Though much of the planning was put in motion under Gutmann, the completion and development of many of the projects will come under the watch of newly inaugurated President Liz Magill. Anne Papageorge, the senior vice president for facilities and real estate at Penn, said that with any administration transition, a shift in vision could be possible. Magill is in the planning process of the university's "Tomorrow, Together" strategy which will ultimately outline a vision for the next century for Penn.

"We will pursue opportunities and move forward with the projects that we are in process with," Papageorge said. "I think at this point, we have not seen any shift in approach."

Even in a part of the city that's as characterized by cranes as it is academics, there are still a few sites that Penn's development team has its eye on, Papageorge and University Architect Mark Kocent said.

"We're always looking for opportunities to acquire land when it's appropriate or in a strategic location because we're an institution that's here for the long haul," Papageorge said.

That's the long term. But in the immediate future, projects are progressing quickly and some have recently hit milestones as they approach completion. Others are still in the early planning stages

and could help transform Penn's campus over the course of the next decade.

Papageorge noted the facilities and real estate department is in "a little bit of a holding pattern" with the new administration, but you wouldn't know it by looking around Penn's campus. In just the past few weeks, a pair of major academic buildings have been topped off — when the last beam is placed atop the structure — and are readying to come online.

Here's a look at what's underway and what's in the works:

**The Graduate School of Education Building** at 3700 Walnut St. reached the topping off milestone a couple of weeks ago and the \$36 million project is expected to open in the fall. The project adds over 16,000 square feet of new space to the academic building with close to 17,000 square feet of renovated space. The expansion will allow the Graduate School of Education to consolidate most of its functions into one location.

Five blocks away on Walnut is the **Vagelos Laboratory for Energy Science and Technology**, a building that got underway in early 2022. The \$173 million project at 3200 Walnut St. will add 112,000 square feet of lab space for wet chemistry research and optics research along with offices, a courtyard and collaborative space. The building will be shared by the School of the Arts and Sciences and the School of Engineering and Applied Science. It is expected to be completed in February 2025.

At 34th and Chestnut streets will be **Amy Gutmann Hall**, a project that will be the city's largest mass timber building to date when it is topped off this summer. The 116,000-square-foot building will be a data science hub that holds the namesake of the school's longest-serving president.

Outside of academics, Penn is also upgrading their athletic facilities. The school is embarking on the development of the first facility designed solely for track and field in Greater Philadelphia. The **Ott Center for Track and Field** will sit on a plot of land along the Schuylkill River in between Penn's baseball and field hockey fields. Work on the \$69 million project is expected to start in

September with completion of the 72,000-square-foot complex scheduled for summer 2024.

One of the priciest projects underway is the addition of seven floors onto the existing **Perelman School of Medicine** building at 3600 Civic Center Blvd. on the south end of campus. The \$363 million project will add seven floors and 217,000 square feet of lab research onto the structure and is expected to be completed in March 2025.

Infills, overbuilds and redevelopments may need to be the projects of choice as University City runs out of vacant parcels to build on.

One such redevelopment is the McDonald's at 40th and Walnut streets. The campus staple for over 50 years closed its doors in January but Penn aims to reopen the fast-food restaurant in a redeveloped mixed-use space at the same location at **3935 Walnut St.** in summer or fall of 2024. The more than \$35 million project is a partnership between Penn and Mosaic Development Partners. Plans call for six stories, mainly of office space, with McDonald's on the ground floor.

Penn also is holding to a longstanding commitment to not expand into the West Philadelphia community, Papageorge and Kocent said. That means much of the expansion has been east toward the river and the Grays Ferry neighborhood.

One of those projects is the 484,000-square-foot, \$365 million project at **Pennovation Works**, which is being developed in partnership with Longfellow Real Estate Partners. At the 23-acre Grays Ferry site, Papageorge said Penn has the ability to build close to 2 million square feet of space, 10 times the current 200,000 square feet of development. That would not be traditional academic space, but rather room for growing companies and startups that are coming out of the research at Penn.

There are also a pair of restoration projects going on at some of the university's most historic sites. The first building on Penn's West Philadelphia campus, College Hall, is undergoing a restoration to its West Wing that will cost nearly \$88 million and is expected to be completed in January 2025. The building dates back to 1871 and

houses the president, provost, School of Arts and Sciences, the history department and the undergraduate admissions office.

The university will also spend \$238 million on a three-phased renovation to its Quadrangle. The Quad dormitories date back to the 19th century and the project is slated to run through August 2026, with ground work already in motion.

Penn is one of the most well-funded universities, with an endowment of nearly \$21 billion. It also finished a fundraising campaign of \$5.4 billion in 2021 under Gutmann. But cash will still need to come in to continue to fund the ambitious pipeline of projects, and one that could continue to grow.

Projects totaling \$1.3 billion are "a lot of construction to manage at one time so we're quite busy as we are in addition to some of the things in design," Kocent said. "But our expectation will be that as the senior leadership creates some new visions or some new priorities, there will be some other physical projects that follow from that. Our process typically had been the strategic planning is closely followed with a close analysis of financial capacity and abilities, and maybe even another fundraising effort."



**Ryan Mulligan**

Reporter - *Philadelphia Business Journal*

[Back to Top](#) ▲

## PHILADELPHIA **BUSINESS JOURNAL**

[User Agreement](#) | [Privacy Policy](#)

[Your California Privacy Rights](#) | [Ad Choices](#)

© 2023 American City Business Journals. All rights reserved. Use of and/or registration on any portion of this site constitutes acceptance of our [User Agreement](#) (updated January 24, 2023) and [Privacy Policy](#) (updated January 24, 2023). The material on this site may not be reproduced, distributed, transmitted, cached or otherwise used, except with the prior written permission of American City Business Journals.

