### **ECPA Urban Planning Initiative**

### **Case Study: The Boston Waterfront Innovation District**

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This post is the third in a series of four entries that focuses on initiatives encouraging innovation through sustainable urban design.

The American entrepreneur lives a life of unpredictability: When does work begin and end on a regular day? What is my next source of income? How do I make business connections? The Boston Waterfront Innovation District, conceived in 2010, does not seek to answer these questions, but rather to acknowledge the tenuous nature of entrepreneurs' lives and nurture them through their "Work, Live, Play" strategy. The Innovation District is located on 1,000 acres of underdeveloped land on South Boston's waterfront peninsula between the Boston Harbor, Boston Logan Airport and two major highways. The current economic downturn exposed the need for faster innovation to spur economic growth, and the Boston Mayor Thomas M. Menino saw this as the opportune moment, and place, for an innovation district.

The district's motto, "Work, Live, Play," points to the professional, cultural, and social considerations given to the design of the district. "Work" is founded on the idea that "people in clusters innovate at a quicker rate, sharing technologies and knowledge easier" and that "ideas need a tight ecosystem" (City of Boston). Thus the district seeks to cluster people and firms to innovate faster and ultimately spur economic growth. The Boston Innovation District is unique for its attention to the themes "Live" and "Play," making the district an attractive place to be. The city seeks to "build flexible housing options to work for flexible lifestyles," creating alternatives that are affordable and accessible and make sense for "the innovation workforce" the district will attract (City of Boston). The final principle, "Play," is embodied in public spaces that facilitate networking and provide stimulating environments in restaurants, nightlife attractions, and cultural institutions to spur creativity. Individually, these three principles foster innovation, and together, increase exponentially the potential for entrepreneurs.



A view of the South Boston Waterfront prior to the creation of the Innovation District.

The team at the City of Boston Mayor's office gave insights into the district.

# What was the reasoning behind creating the Boston Waterfront Innovation District when you did?

Mayor Thomas M. Menino launched the Innovation District in January 2010 as Boston's welcome mat for entrepreneurs. Based on the notion that proximity and density are key contributors to business productivity, the Mayor aimed to create a place where the best ideas and brightest entrepreneurs would come together to strengthen one another. The economy was beginning to rebound from the recession at the time the initiative was launched, and many small businesses and start-up companies were looking for space to locate and grow. With its mix of work spaces (i.e. office, industrial, research, convention, etc.) and relatively affordable real estate, the Innovation District offered an attractive home for companies across a variety of sectors. Creating the Innovation District was a chance to add to and support Greater Boston's innovation economy, which already has an established presence in places such as the Longwood Medical Area, Cambridge's Kendall Square, and the Route 128 technology corridor.

#### How was the location of the Innovation District selected?

The 1,000 acres along the South Boston Waterfront that comprise the Innovation District represented an excellent opportunity to redevelop an area of the city that was at a transition point. While the area is still a working port, maritime commerce has declined in recent history and given way to a new economic focus. The Marine Industrial Park section of what would be the Innovation District began to attract burgeoning companies in biotech and clean tech that could repurpose the existing industrial space for labs and research. More traditional office space in and around the Fort Point Channel section of the district attracted start-up firms and growing companies in technology, digital design, new media and ecommerce. Convenient public transportation, close proximity to the airport and downtown, and a successful convention center all helped to increase traffic to the area. The potential to purposefully grow a cluster of businesses in the innovation economy made this location a natural fit for development.

#### How did the Innovation District originate?

At the beginning of his fifth term, Mayor Menino challenged his administration to pursue an agenda centered on shared innovation. The challenge extended to transforming education, making over basic city services, and bringing the city closer together across diverse backgrounds. From an economic development perspective, this meant delivering on the potential of the waterfront and creating new jobs. Understanding that the waterfront was at a point of transition, the Mayor called for a new approach to development – one that was both more deliberate and more experimental. Inspired in part by similar districts nationally and internationally, the goal was to attract clusters of innovative workers, build flexible housing options to fit the lifestyle needs of this workforce, and grow public infrastructure and programming, such as networking opportunities and co-working spaces, to foster the innovation ecosystem.

#### What do you foresee the Boston Waterfront Innovation District will look like in 10 years?

Since launching in January 2010, the City of Boston has helped attract over 50 new businesses and 2,000 new jobs to the Innovation District through aggressive recruiting and entrepreneurial support. Vertex Pharmaceuticals, developers of a new hepatitis C drug, recently broke ground on 1 million square feet of office and lab space in the district. Internationally respected researchers such as the Fraunhofer Center for Sustainable Energy will help to grow the next generation of innovative entrepreneurs with soon-to-open business incubator space. In the fall of 2011, Babson College will give the district its first higher education presence, with a classroom and conference facility to hold MBA courses, host public events, and support local entrepreneurs. Large development projects expected to break ground in the coming months will add new workspace, housing, and retail to the area. Developing flexible innovative housing models to better meet the needs of the Innovation District's entrepreneurs will be a priority over the next several years.

#### How is the district funded?

Since the majority of the land is privately held, the financial burden of this initiative will not fall on the City or our residents. The strategy for spurring physical development on the Waterfront has been to work with the developers to infuse "innovative" features to their plans. Two such examples include residential floors designed for an InnoHousing concept, more compact units without luxury finishings, as well as a Public Innovation Center for organized groups to host free entrepreneurial events in the area.

### How does the Innovation District play into the increasingly important role of sustainable economic development and corporate social responsibility in our world today?

One of the core principles for the Innovation District is to move far beyond environmental standards by aggressively testing and implementing cutting-edge green/clean technology into the District's built environment.

- Alongside a major utility company, sustainable leaders in the area have been planning to test districtscale approaches to sustainable energy infrastructure.
- The District is also actively promoting the testing of clean energy products and services, such as solar arrays, in and on existing buildings.
- The City has begun to examine the feasibility of business community owned large-scale solar.
- The effort to create housing for workers within the Innovation District is in and of itself sustainable as
  it would drastically decrease vehicle miles travelled for all of those employees.
- City proponents of the area have long discussed implementing a Beta Block to test transformative City Services (mobile applications) as well as infrastructure advancements (permeable pavement and LED street lights).
- A strong clean technology cluster has been migrating to the area and has become close partners on shaping this concept for the District, including the Fraunhofer Center for Sustainable Energy Systems.
   Their new location in the Innovation District will become a living lab for testing new clean technologies and they will share their findings and practices globally.

In addition, many of the companies located in the Innovation District are developing green technologies that could eventually be implemented to increase the district's sustainability. A few examples include:

- Oasys Water: Developing water desalination technologies
- **FastCAP Systems:** Developing high-power, high-energy and low-cost energy storage devices for the automotive and grid storage industries
- SatCon: Develops power conversion solutions and provides system design services for utility-scale renewable energy plants
- Next Step Living: A residential energy efficiency company, providing home energy diagnostics and improvements



This digital model shows the projected redevelopment of the Innovation District.

#### How will individuals be affected by the Innovation District?

We have already seen the impact of the District on the existing and newly emerging businesses community. They are not only able to meet and share ideas with one another, but they have actually become each other's partners and clients. For entrepreneurs, they now feel that there is another place for them to take a risk and start their own companies. For residents, they have seen a dramatic increase in visitors, employees, and thus amenities in their neighborhood. Within the past year, over nine new restaurants have opened with more on the way. For individuals not associated with the area, they will experience the benefit of the innovation that occurs in the District, including mobile technology improvements to everyday life, better energy storage in vehicles, or even cures for diseases such as hepatitis. It's all happening here.

# What obstacles did you overcome to create the Innovation District? Did creation of the district require changes in regulations or laws?

As the largest underdeveloped swath of land in the region, we have worked hard for decades to bring a cohesive purpose to this area. We have been able to evolve our vision with the market changes over the

past ten years, but it wasn't until we had to be on the side of creating opportunity for the growing entrepreneurial demand that we recognized the potential for the city, region, and world.

The only obstacle we have had to overcome has been one of speed. The vision for the District resonated almost instantly with people and companies looking for a place like this, and almost immediately after announcing, we received global inquiries on what the District is and how they can be involved.

This initiative has been more than a rebranding or marketing effort. The Innovation District has changed the way we look at how we do our business. As people and businesses want to come to the area, we have had to respond with a swiftness and openness that have pushed the limits of our traditional municipal role. As innovators and developers have come to us with ideas for the area that have normally been outside of our expertise, we have innovated with them to make these ideas a reality.

#### References

City of Boston. "The Strategy." Boston's Innovation District. June 28, 2010. Accessed June 23, 2011. http://www.innovationdistrict.org/about-2/the-strategy/.

Samantha Hammar and Nick Martin, City of Boston. Email Interview with authors, July 12. 2011.

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Boston Innovation District.