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U.S.

Today: An Abandoned GE Factory. Tomorrow: Hip Lofts

Development aims to transform Fort Wayne's old GE complex into modern downtown like projects in Durham, N.C., and St. Louis

By *Shibani Mahtani*

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FORT WAYNE, Ind.—City developers are betting they can turn an abandoned complex, where General Electric Co. once employed almost 40% of the city's workforce, into a development with loft apartments, an incubator office space for startups and a food hall.

The goal is to transform the city of 260,000, which has seen stagnant wages, a decline in domestic population and hasn't fully been able to replace thousands of manufacturing jobs lost in the 1980s.

"We were among the Midwest communities that have been painted as part of the decaying Rust Belt for a long time," said John Sampson, president of the Northeast Indiana Regional Partnership, a business development group.

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Former Manager Turns Caretaker of Old GE Campus



AMY POWELL FOR THE WALL STREET JOURNAL

The project, budgeted for \$440 million in a mix of public and private funds, will have part of its 39 acres complete and ready for leasing in 2020, but it will take almost a decade to completely overhaul the entire factory space that made motors and transformers for GE.

"They are really swimming upstream here," said Rob Paral, a demographer at the Chicago Council on Global Affairs.

Fort Wayne, first settled in the 1790s as a military outpost where the St. Joseph and St.

Mary's rivers join to form the Maumee, boomed for much of the 20th century. By the 1980s, only a few hundred workers remained at the GE plant. GE eventually closed the plant in 2015.

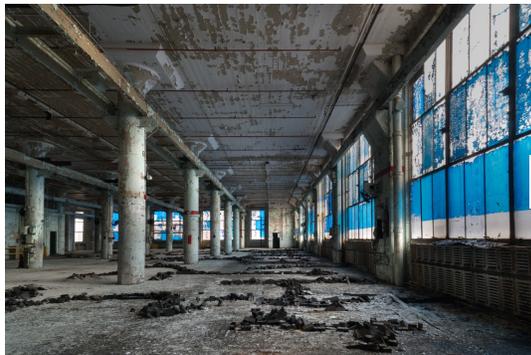
As the factory's impending abandonment was apparent, Eric Doden, then president of the Indiana Economic Development Corporation, negotiated with GE to sell the site to a single developer, Baltimore-based Cross Street Partners, who are leading the project.

"What are your choices? To sit and look at this for 40 to 50 years as it crumbles?" said Mr. Doden, now chief executive of the Greater Fort Wayne Inc., the city's chamber.

Developers behind similar projects in Durham and St. Louis say it can take decades for the benefits of such projects to take hold. Durham's American Tobacco Campus, for example, opened in 2004, but has added amenities and facilities since, including a startup incubator, and only became a serious magnet for millennial talent in the past six years or so.

Inside The Old GE Campus At Fort Wayne

City developers are betting they can turn an abandoned complex, where General Electric Co. once employed almost 40% of the city's population, into a development with loft apartments, an incubator office space for startups and a food hall.



Buckled floors in a room at the former GE campus. AMY POWELL FOR THE WALL STREET JOURNAL

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The project is one of the most ambitious efforts to convert industrial complexes into modern downtowns. In Durham, N.C., the American Tobacco Campus turned an old tobacco warehouse into a mixed-use district that has spurred the growth of a thriving startup scene. The Cortex district, made up of repurposed old factories and warehouses and also new construction, has done the same for St. Louis.

Durham and St. Louis planners say their efforts have been bolstered by a national trend of young people moving away from expensive coastal cities, like San Francisco and New York, to more affordable cities as well as multinational companies ditching suburban campuses for downtown locations, following a population shift.

Fort Wayne's downtown has new loft buildings, condominiums, farm-to-table restaurants and coffee shops, and its downtown population has grown by 14% from 2000 to 2017, compared with 5% for Fort Wayne as a whole. Still, it is dominated by blighted residential areas, particularly around the GE site. The city's domestic population has been in decline for years, bolstered only by new immigrants largely from Myanmar.

"I didn't step into downtown Durham for the first six years I lived here," said Anil Chawla, founder of the startup ArchiveSocial. He has lived in Durham since 2004 and his startup was incubated at the American Underground space in the American Tobacco Campus. "But coming here and seeing how things have changed has been truly amazing," he said.

Developers of the Fort Wayne project have taken exploratory trips to Durham. They are also borrowing from similar projects they have developed in other cities, including the Hoen Lithograph building, a similarly abandoned manufacturing building in Baltimore, and also the Cortex Innovation community in St. Louis.

"Our economic data and indicators are ahead of what Durham was 20 years ago, and the signs are encouraging," said Mr. Sampson. "But it could still go either way."

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