# 6 Ways RE Projects Can Balance Campus, Commercial Needs

By **Bob Burton** (November 5, 2026)



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On Sept. 19, the University of Tennessee, Knoxville, announced the groundbreaking for the 865 Neyland entertainment district. A public-private partnership with KKR's Arctos Partners LP, RVX Ventures and Magellan Development Group, the project combines retail and entertainment with a condo-hotel tower.

Eleven days earlier, the University of South Florida said it had broken ground on the mixed-use Uptown Landing project, under a master development agreement with ACE Fletcher LLC — an entity comprising Capstone Development Partners, Aureate Development and Ellison Development.[1] Within walking distance of the new on-campus stadium, the project's first phase includes student housing, restaurants, retail, a hotel and conference center, and an academic research building.

These announcements illustrate an important distinction in university real estate. A sports venue can bring attention and visitors to a development, but the surrounding district must also serve a campus whose academic, residential and research activities continue when the stands are empty.

For university counsel and development partners, the central challenge is translating that combination into enforceable agreements. Ownership, financing and governance documents must accommodate commercial activity without compromising the university's educational mission or its ability to adapt over decades.

The same challenge arises in on-campus and campus-adjacent developments without a stadium anchor. Housing, research, hospitality and retail can share infrastructure and institutional identity while operating under very different financial and operational requirements.

Six considerations for university counsel and partners negotiating and drafting effective campus mixed-use development agreements follow.

**1. Start with the university's objectives.**

Before selecting an ownership structure, universities should determine what the district is expected to accomplish. Recurring revenue may be one objective, alongside student housing, research capacity, recruitment, alumni engagement and connections with the surrounding community.

Those objectives do not necessarily produce the same development decisions. An athletic department may favor an entertainment venue that attracts fans and sponsors.

Academic leadership may need dependable access to classrooms or research facilities. A housing operator may prioritize predictable noise levels, while a hotel operator seeks evening programming.

A project charter should identify these priorities and establish which requirements are nonnegotiable. Those decisions should then carry into the master development agreement,

ground leases, recorded covenants and operating arrangements.

Otherwise, broad expressions of institutional purpose may offer little guidance when a commercially attractive proposal conflicts with campus needs.

The review also must distinguish public from private institutions. For public universities, counsel should identify applicable procurement, disclosure and approval requirements before committing to transaction terms or delivery schedules.

Private universities have different constraints but still need a clear allocation of authority among trustees, administrators and operating units.

**2. Give institutional control a workable structure.**

University districts bring together parties with different time horizons. The institution may view its land as a generational asset. Developers and investors may require an exit within a much shorter period. Operators need authority to respond quickly to customers and market conditions.

Giving every stakeholder approval rights over every decision can make the district difficult to operate. Giving a commercial operator unrestricted discretion can leave the university unable to protect essential interests.

The documents should separate reserved institutional decisions from routine operating decisions. The university might retain approval over material changes in use, institutional branding, major redevelopment and interference with essential campus functions. An identified district manager should have defined authority over ordinary programming, maintenance and coordination.

An effective governance structure should distinguish three levels of authority: institutional control over fundamental campus interests, district-level responsibility for shared facilities and operations, and component-level autonomy for individual owners and operators. The challenge is preserving meaningful university oversight without making ordinary commercial decisions dependent on multiple approvals.

Approval procedures need response periods, escalation paths and dispute-resolution mechanisms. Emergency authority should be explicit. A security incident should not require multiple parcel owners to negotiate who can close a pedestrian route or redirect traffic.

These arrangements should survive leadership changes. A district that depends on an informal understanding between a university president and a developer's principal may lose its operating logic when either leaves.

**3. Make each component financeable.**

A combined hotel, student housing facility and research building may require separate ownership interests, financing and operating agreements even when they share parking, utilities or structural systems.

Different components may also rely on tax-exempt financing, conventional mortgage debt or private equity, each with its own requirements.

The ownership and governance structure must accommodate those differences without

compromising the financing or operation of adjoining uses.

Counsel should evaluate whether subdivision, condominium structures, ground leases or a combination best supports those requirements under applicable law. Vertical integration demands particular attention to structural support, utility capacity, access, insurance, maintenance and casualty restoration.

For university-owned land, a ground lease can preserve ownership while giving a private party development rights. Its effectiveness depends on reconciling institutional protections with lender requirements.

Lease duration, permitted transfers, mortgagee notice and cure rights, and remedies following default all need to be considered together.

Termination rights deserve particular care. A university may need remedies for serious operational failures, but lenders need a credible opportunity to preserve their collateral and install an acceptable replacement operator. Those interests should be addressed before financing commitments harden.

Academic space also requires a deliberate funding and cost-allocation approach. A classroom or research component may advance the institution's mission without generating commercial rent. Its share of infrastructure and operating costs should be established rather than left to future negotiation.

**4. Write for ordinary campus days and major events.**

The district's operating documents should account for both a crowded Saturday and a routine Tuesday. A shared parking arrangement that works during the week may fail when residents, hotel guests, employees and ticket holders arrive simultaneously.

Agreements should establish parking priorities, event-day allocations, alternative access, delivery windows and responsibility for additional operating costs. Temporary security perimeters should be planned around continuing access to housing, academic space and other essential facilities.

Noise, alcohol service, outdoor programming and hours of operation require similarly specific treatment. A general promise to avoid interference offers little help when a concert overlaps with examinations or a hotel event blocks a service entrance.

Cost allocation should follow the activity that creates the burden. Baseline maintenance can be shared under an agreed formula, while extraordinary security, cleaning or traffic-management costs can be assigned to the event or use that generates them. Otherwise, academic and residential users may bear expenses created primarily by commercial programming.

For adjacent property outside university ownership, desired coordination must be secured through negotiated easements, covenants or operating agreements. Proximity and shared branding do not, by themselves, create control.

**5. Protect the brand across commercial uses.**

A university-affiliated district can influence how students, alumni, donors and visitors perceive the institution. Tenant selection, signage, sponsorship and entertainment

programming therefore deserve attention before leases and licenses are signed.

Institutional trademark rights should be distinguished from rights to name buildings, sponsor events or advertise within the district. A restaurant's supplier relationship may conflict with athletics sponsorship. A hotel operator may expect signage or marketing rights that the university considers inconsistent with its identity.

A coordinated rights review should identify existing commitments and determine which entity can grant each proposed right. Agreements should address approval standards, prohibited uses and license duration, as well as the consequences of termination or a change in operator.

The university also needs coordinated incident-response and communications procedures. Commercial operations can create institutional reputational consequences even when the university does not own or manage the affected business.

**6. Preserve the ability to change.**

University districts may develop over decades. An initial parking area may become housing. Retail demand may change. Research needs may expand. Athletics and hospitality priorities may shift with leadership and market conditions.

Early agreements should reserve defined rights to add property, develop later phases, relocate shared facilities and revise operating arrangements.

Those rights must be balanced against the access, utility and operational protections on which existing owners, tenants and lenders rely, and should be established at the outset, with objective limitations and adjustment mechanisms, rather than depending on future consent from owners and lenders whose interests may not align with the university's evolving needs.

A master declaration can establish districtwide authority and core obligations, with supplemental covenants addressing particular uses as later phases become clearer. This approach can avoid regulating every future component before its design and operator are known.

Construction agreements should also address continued campus operations: temporary parking, emergency access, utility interruptions, academic calendars and coordination with events. Phasing is an institutional operating issue as well as a construction schedule.

**Conclusion**

The September groundbreakings put university mixed-use development squarely within the sports real estate conversation. The legal work, however, extends across the campus.

The most durable agreements will let athletics, academics, housing and commercial activity support one another while giving the university practical control over the places that increasingly represent its public face.

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[1] https://www.usf.edu/news/2026/uptown-landing-name-unveiled-as-construction-begins-on-transformative-mixed-use-destination-at-usf.aspx/.