

St. Louis & Missouri Bank On

# Federal Spy Center

By Kathleen McCormick

ST. LOUIS OFFICIALS EXULTED WHEN THE NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY (NGA) ANNOUNCED in June 2016 that it planned to stay in the city and build its new facility, Next NGA West, on the disinvested North Side. The \$1.75 billion complex, known as the “spy center,” would be the largest federal project in St. Louis history, representing thousands of jobs and millions of dollars in tax revenue and development. Had the NGA opted to leave, the city would have lost its single largest source of tax revenue. City and state officials committed significant resources to keeping the facility.

The NGA is the nation’s primary source of geospatial intelligence, providing the U.S. Department of Defense and intelligence community with digital mapping for counter-terrorism and counter-narcotics efforts, border and transportation security, and humanitarian and disaster relief. NGA Director Robert Cardillo said the agency chose the North Side site because of the city’s partnerships with universities and technology companies, the appeal of the urban setting to younger workers, and because the NGA’s data facilities and workforce were already in town. “Next NGA

West will be attractive to millennials and the next generation of the NGA workforce,” Cardillo said at the August 2017 Department of Defense Intelligence Information Systems Worldwide Conference, in St. Louis.

The new NGA facility, which will be located about a mile northwest of downtown and several miles northwest of NGA’s current location on the Mississippi riverfront, will spur “a transformation with reinvestment and redevelopment” in the city’s North Side, said Don Roe, executive director of the St. Louis Planning and Urban Design Agency.

The NGA’s plan calls for one million square feet of buildings and the same amount of structured parking, surrounded by a 500-foot security perimeter. Given the North Side’s history of disenfranchisement, economic stress, neglect, and blight, some wonder whether this ultra-secure facility will be an unapproachable fortress in the neighborhood, and whether it will ultimately benefit the community.

Credit: Chris Lee/St. Louis Post-Dispatch/Polaris

CITY AND STATE LINK PROJECT TO NORTH SIDE REVIVAL



## Site Opportunities and Challenges

From 1866 to 1904, St. Louis was the fourth largest city in the United States, with booming flour mills, shoe factories, meatpacking plants, and brick, paper, and paint manufacturing facilities drawing thousands of European-immigrant workers. But the second half of the 20th century saw large-scale loss of industry, suburban sprawl, and white flight, and the urban population declined from 857,000 in 1950 to 312,000 today.

In the past two decades, the city has worked to reinvent itself as a technology and bioscience center. These efforts have borne fruit for the downtown Central Corridor, stretching from the iconic Gateway Arch on the Mississippi

riverfront west to Forest Park, and encompassing the city's major universities, museums, and other popular amenities. Cortex Innovation Community and T-REX have attracted a highly skilled workforce. The 200-acre Cortex campus—formed in 2002 by Washington University, BJC Healthcare, the University of Missouri—St. Louis, St. Louis University, and the Missouri Botanical Garden—has generated over \$550 million in investments and 4,200 jobs within the 250 companies located there. And the T-REX technology incubator building has provided a home for 200 companies since 2011, including 180 startups and 2,230 jobs. Its annual economic output is over \$350 million.

But the city has remained deeply divided racially and economically. The South Side of the city has become increasingly white and affluent and has attracted the lion's share of new development. In the core North Side neighborhoods around the NGA site, 93 percent of residents are black and half live below the federal poverty level, and there are hundreds of vacant buildings and empty lots.

Former Pruitt-Igoe playground, near Jefferson Avenue, between Cass Avenue and Carr Street; and a recent view of the western end of the Pruitt-Igoe site, near Jefferson Avenue. Credits: left, The State Historical Society of Missouri; right, Michael R. Allen.



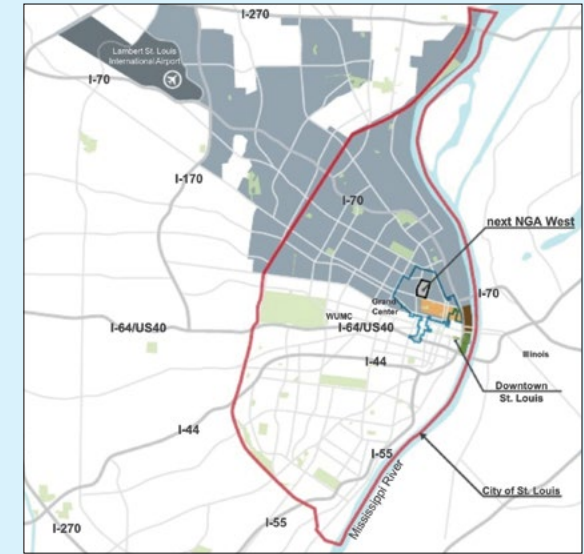
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Figure 1  
Next NGA West Site in Proximity to Areas with Federally Funded Initiatives

- 2014 Strong Cities, Strong Community
- NorthSide Regeneration, LLC TIF\* Boundary
- 2015 Promise Zone
- 2015 Choice Neighborhood
- 2015 North Riverfront Open Space and Redevelopment Plan
- 2015 CityArchRiver

\* tax increment financing

Credit: St. Louis Development Corp.



On the North Side, which has some of the nation's highest violent crime rates, development comes mostly in the form of self-contained, subsidized affordable and low-income housing, said Alan Mallach, city planner, senior fellow for the Washington, DC-based Center for Community Progress, and author of *The Empty House Next Door: Understanding and Reducing Vacancy and Hypervacancy in the United States*, to be published by the Lincoln Institute in May 2018. The neighborhoods there have few jobs and lack resources such as new market-rate housing, health-care facilities, transportation connections, grocery stores, and other amenities. The area encompasses several federal economic and community development zones (figure 1).

St. Louis officials initially proposed building the new NGA complex on a vacant 34-acre North Side site where part of the infamous Pruitt-Igoe public housing project once stood. Erected in the 1950s and acclaimed as a monument to modern architecture, the project was supposed to be a great leap forward for the large number of residents living in overcrowded 19th-century tenements. But Pruitt-Igoe's 33 high-rise

apartment buildings were demolished in the 1970s following years of neglect, high crime rates, and abandonment, and the project became a case study in how not to provide public housing. Most of Pruitt-Igoe's 57-acre site was never redeveloped and now exists as a wild urban place with vacant fields and heavily forested areas. The city wanted the U.S. government to assume some responsibility for a federal site that had so spectacularly failed the community, but the NGA plan was scrapped in 2015, when the agency expanded the site's size requirement to 100 acres.

The city chose a new site for the NGA campus just north of Pruitt-Igoe at the intersection of North Jefferson and Cass Avenues, in the St. Louis Place neighborhood, and ultimately delivered 97 acres. This new site proved challenging and costly to procure.

In the decades after Pruitt-Igoe was razed, few incremental public and private efforts to redevelop the North Side with new housing and services succeeded, outside of reinvestment pockets such as the Old North St. Louis historic district. Roe, who presented the NGA project at Lincoln's 2016 Big City Planning Directors



Institute (BCPDI), said two federal initiatives by the Obama administration will leverage revitalization around the site: the 2015 designation of North St. Louis as part of a Promise Zone, giving the high-poverty area priority access to federal investments, and the 2016 award of a U.S. Department of Housing and Urban Development Choice Neighborhoods grant. The \$29.5 million grant will go toward rehabilitating a distressed 625-unit public housing complex into a less densely packed group of buildings, funding social services, and building a new community center. The idea is to invest in low-density, mixed-income housing in diverse neighborhoods, green space, educational opportunities, job training, and social services for some 14,000 residents.

“We see [the NGA relocation] as a complementary project” that will, at the very least, bring better transit to the near North Side, said Esther Shin, president of Urban Strategies, Inc., in St. Louis, the nonprofit managing the Choice grant efforts.

## The Effort to Keep a Valuable Asset

The city looked at the new NGA facility as “a retention effort” that will spark new growth and services in the North Side neighborhoods, said Otis Williams, executive director of the St. Louis Development Corporation (SLDC). Williams led the city’s initiative.

One fundamental reason the city wanted to retain the NGA presence was tax revenues. People who live or work in the city contribute 1 percent of their earnings each year, and this income tax represents the city’s largest source of general revenue. If NGA had selected another location outside St. Louis—such as its nearest rival for the project, a cornfield site near the Scott Air Force Base east of the Mississippi in St. Claire County, Illinois—the city would have lost as much as \$2.6 million in annual payroll-tax revenue from NGA’s 3,100 current employees, who earn an average salary of around \$85,000.

“If you’re going to grow in the next few years, you’re competing with Amazon and Google, and you need to be in the city and make a place where people want to be,” said Mark Johnson, principal of Denver-based Civitas, an urban design and landscape architecture firm that consulted on the NGA site for the city. “Staff recruitment and retention needed to be the most important issue.”

Since the early 1950s, the Springfield, Virginia-based NGA and its precursors, including the Defense Mapping Agency and the National Imagery and Mapping Agency, has operated its western headquarters in a series of converted 19th-century riverfront buildings at the 27-acre St. Louis Arsenal complex. In 2014, the agency announced it needed a new facility to allow for workforce expansion, heightened security, and new technology. The NGA plans to move into its new home by 2024.

In its bid to keep the NGA, the city offered free land, cleared of buildings on the North Side site. This meant assembling 551 properties quickly. A 2015 blight study reported that 78 percent of the

land was vacant, and 6 percent had vacant buildings, for a total of 84 percent vacancy, according to the Environmental Impact Statement for the NGA campus. Roe said 137 structures on the site included active businesses and 63 homes inhabited by owners or renters. Most property owners agreed to sell to the city, though as the *St. Louis Post-Dispatch* and other local media reported, the process was somewhat contentious.

A historic brick house was moved several blocks to an appropriate infill site, but the city demolished 17 structures on the National Register of Historic Places, according to the *Post-Dispatch*. One was the redbrick Buster Brown Blue Ribbon Shoe Factory, built in 1901, when St. Louis was one of the nation’s largest shoe manufacturing cities. (Listing on the National Register does not, by itself, prevent a property’s demolition.)

The city spent \$69 million acquiring properties within the 97-acre NGA site, including approximately \$3.75 million to compensate owners of the 46 properties taken through eminent domain, and funds to buy back properties that the city had previously sold to a local developer, according to Russell Halliday, principal with consulting firm Stantec and NGA site preparation manager for the SLDC.

“It’s an unusual relationship where the city is making a lot of efforts to keep a federal employer as opposed to a private-sector employer. To the extent that it sets a precedent, it’s a precedent we really want to think about carefully.”



The family home of Charlesetta Taylor, an early opponent of the NGA’s North St. Louis relocation, was itself relocated—from 2530 North Market Street to nearby 2200 St. Louis Avenue. As *St. Louis Public Radio* reported, the city spent roughly half a million dollars moving the 367-ton house. Credit: St. Louis Development Corp.

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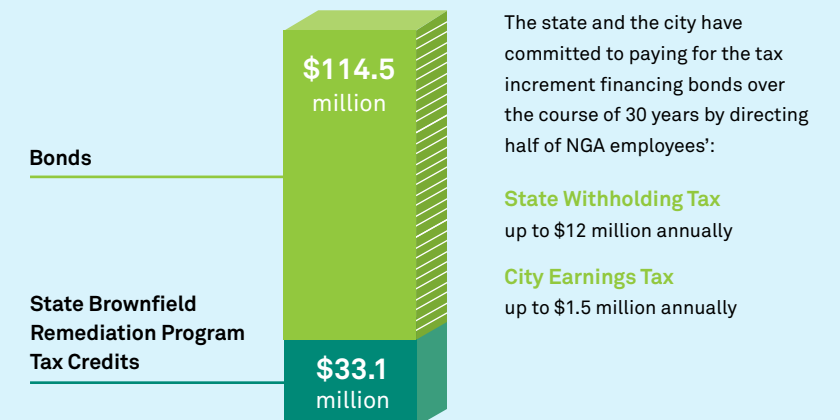


In their successful bid to keep the National Geospatial-Intelligence Agency’s western headquarters, the State of Missouri and City of St. Louis offered to acquire and deliver the land for the project, ready for construction. Credit: National Geospatial-Intelligence Agency.

Figure 2  
**State and Local Contributions Backed by Tax Revenue, Credits**

The funding from the State of Missouri and the City of St. Louis has come primarily through the sale of \$114.5 million in bonds and \$36 million in transferable state brownfield tax credits (which netted the state \$33.1 million).

Credit: St. Louis Development Corp





The City of St. Louis is expected to finish preparing the 97-acre NGA site—a process involving the acquisition, clearing, and remediation of the north St. Louis property—by late 2018, and transfer it to the U.S. Air Force. Construction is scheduled to begin by 2020. Credit: Robert Cohen/St. Louis Post-Dispatch/Polaris



## Site Preparation and Financing

In addition to razing the buildings, the city agreed to clear the site of infrastructure including 27 streets, relocate utilities, and remediate arsenic in the soil. And it agreed to construct new infrastructure such as sidewalks and a full highway interchange.

The State of Missouri is providing the majority of the total \$147.6 million in public funding needed to ready the site and provide access—\$114.5 million in bonds has been set aside for construction costs, and \$33.1 million in funds resulting from the sale of Brownfield Remediation Program tax credits. The city will allocate half of the earnings tax generated by the NGA—up to \$1.5 million per year—and the state will direct up to \$12 million in state withholding taxes for the next 30 years to the project (figure 2).

The city and state investments in the NGA's cross-town move, which is effectively the shuttering of one military/intelligence installation and construction of another, reverses the usual roles in military base closings. In those cases, the federal government typically cushions the blow to the local economy, said David Merriman, professor of economics at the University of Illinois at Chicago and author of *Improving Tax Increment Financing (TIF) for Economic Development*, a Lincoln Institute policy report to be published in July 2018. "It's an unusual relationship where the city is making a lot of efforts to keep a federal employer as opposed to a private-sector employer. To the extent that it sets a precedent, it's a precedent we really want to think about carefully," he said. "This really raises questions about the federal government's responsibility here."

NGA West site preparations are slated to be completed by November 2018, when the land will be transferred to the US Air Force, which also owns the current NGA facility, said Stantec's Halliday. The project is being overseen by teams from four separate entities: the city and its redevelopment corporation; the NGA, which will lease the site; the Air Force; and the Army Corps, which has issued a request for proposals (RFP) for design-build firms.

By early 2019, the Corps will select a firm to design and build the project. Its total \$1.75 billion price tag includes \$700 million for design and construction; the rest will pay for outfitting the campus with specialized NGA equipment, as well as the city's costs for preparing the site for development.

Construction, due to begin by 2020, will tentatively include a 900,000-square-foot office building, a visitor center, inspection facility, access control points, one million square feet of parking garages plus surface parking, a cafeteria, fitness center, meeting spaces, and a campus landscape of grass, trees, and walking paths. Roe said the land within the NGA site, upon the federal government's request, has been consolidated into one zoning district that allows for mixed-use buildings—offices, housing, small commercial, retail, and restaurant spaces—at greater heights than in the surrounding residential area.

## Community Wants and Needs

The agency has said the project will create jobs in construction, security, maintenance, and administration that do not require a college education and will be made available to the community. The city is working to help neighborhood residents prepare, said Sal Martinez, executive director of the North Newstead Association, a community development corporation. The St. Louis Agency on Training + Employment (SLATE) has opened offices in the area and is focusing on the skills needed for NGA employment—technical skills like coding and software design.

"SLATE programming could be a gateway to that world and spark an interest in residents," Martinez said.

Choice grant manager Esther Shin said residents understand that NGA's highly skilled and relatively affluent staff of 3,100 will largely transfer to the new site, potentially displacing existing residents and businesses as new housing and services are built. "There's definitely some tension, but the important thing is to be sitting at the table with NGA. The city, NGA, and

residents see this as an opportunity to leverage other jobs for folks who live in the neighborhood," Shin said.

"Some residents don't want this facility in their neighborhood," noted Martinez, "but the greater percentage are excited about what this can do for North St. Louis and the city. I'm very confident that amenities will come with redevelopment around the NGA, such as sit-down restaurants, major shopping, and other retail entities that will want to take advantage of these new workers and the residents." In the past, it has been difficult to bring in "grocery stores, shoe repair, dry cleaners, office and school supplies, everyday things that people in thriving neighborhoods take for granted," he noted. "But now we're getting calls and interest from commercial developers because they see the potential for customers."

National Geospatial-Intelligence Agency, city and state officials, and the U.S. Army Corps of Engineers pitched the NGA West project to area residents and local businesses in a series of events preceding construction. On offer: blight reduction, public safety, and development opportunities. Credit: St. Louis Development Corp.





## Project Connect

In 2016, the city launched Project Connect, an initiative to engage neighborhood stakeholders and coordinate redevelopment efforts by the public and private sectors. Project Connect provides “a vision for city and regional agencies to collaborate,” said Isa Reeb, a Civitas urban designer and Project Connect coordinator. Working with over 30 entities, including federal, state, and local agencies, community groups, and some 30,000 residents who live and work in the eight neighborhoods surrounding the NGA site, the group produced the Project Connect Action Plan, published in April 2017.

The action plan summarizes market, traffic, and storm water studies; financial modeling; and community and city goals for catalytic redevelopment around the NGA site. The plan presents priorities and locations for infill development to improve the place and character around the NGA site, gateway mixed-use development east of the NGA site to connect with downtown, neighborhood redevelopment with a community center, new retail and service development, including a potential local and regional retail center on the Pruitt-Igoe site, and locations for light

manufacturing and industrial development that could bring more permanent jobs. The nonbinding plan is also intended to guide future investments in streets, transit, bicycle access, social services, parks, open spaces, and storm water facilities. Public realm redevelopment can draw on revenues from a tax increment financing district established in 2009 that allows for up to \$390 million to be used primarily to finance infrastructure improvements, but because the neighborhoods have been so distressed, other funding sources likely will be needed. A newly hired Project Connect manager will work with the SLDC on a process for reviewing redevelopment projects.

“Continued alignment and coordination is key to the success of this area, and to changing the perception of this area,” said Reeb. “We’ve had a lot of discussions with developers, [and] we want to hold them accountable.”

The NGA’s new western headquarters is taking shape in the St. Louis Place neighborhood, north of downtown. A diminished but cohesive community of roughly 200 people resided within the construction footprint when the city began purchasing the land. It acquired 46 properties through eminent domain. Credit: Paul Sableman (Flickr)



A potential scheme for the NGA campus includes the facility’s requisite 500-foot security barrier and buffer zone. A key question is how such a secure facility can be integrated with the surrounding neighborhood and how amenable the NGA and the Army Corps of Engineers, which is overseeing the construction, will be to creative solutions. Credit: St. Louis Development Corp.

## Security Buffer: Isolation v. Engagement

Probably the greatest controversy surrounding Next NGA West has to do with its rigid security protocols. Post-9/11, federal regulations for an intelligence-mapping facility require 500 linear feet of defensive space from property line to building. The March 2017 RFP soliciting design and construction firms indicated the site would need a “layered security” approach, with access controlled by fences, bollards, and other barriers. A visitor control center, remote inspection facility, and checkpoints will manage access to the main operations building, which will have another layer of security.

The NGA has discussed the 500-foot security barrier at community meetings that include city and Army Corps representatives. “The community respects the need for security,” Martinez said, “but we don’t want this to be an intimidating barrier.” He said many community

members would like to see ample green space around NGA that would provide a “calming and welcoming feel,” perhaps with monuments to the area’s cultural history and art created by local schoolchildren, “to soften the wall and honor the neighborhood.” Residents desire places for community members to meet within the building and outside the perimeter, as well as tours of what he said could become a “destination site.”

“Space and programming within the building for exhibits and educational opportunities like mapping and data-analysis programs for kids could benefit the community and help bridge the divide,” said city planner Alan Mallach, who has not worked directly on the project but offered perspective during a presentation of the NGA project at the 2016 BCPDI.

Mallach said Next NGA West is “very challenging” and unlike any project he has seen in other U.S. cities. Because of the “sheer size” of the facility and the buffer, he said, “it runs the risk that what you’ll have is a black hole with no

real connection to the neighborhood. If it's just a high-security box, there are no spillover benefits," he said. "What would make a facility with a big wall and security gates attractive for housing, cafes, and shops in a commercial district?" The NGA buildings will be a self-contained workspace, he said, and most workers would not feel the need to relocate from a pleasant and more stable neighborhood to move across the street from a gated facility in a transitioning area.

Toni Griffin, professor in practice in urban planning at the Harvard Graduate School of Design, who also provided an independent perspective at Lincoln's 2016 BCPDI, observed that "It's challenging when you have a suburban typology in an urban environment in this very big lot site with very little development." Griffin, who has worked on urban revitalization projects in Detroit, St. Louis, and Washington, DC, noted that NGA's security perimeter width is more than twice the 200 linear feet of an urban block in many cities. To make the site as urban as possible, she said, designers will have to be "more creative about what they allow to exist within the security belt," she said. "There has to be some sort of value and usable amenities for the community there." Project designers could place the building at the perimeter, at the edge of the street wall, to activate local businesses, and use that as a first line of defense, with more secure functions set back, she noted.

Griffin points to the Navy Yard in Washington, DC, as an example of the project's catalytic potential. Contractors for the Navy set up their offices adjacent to the secure federal facility, which "created demand for investment in the neighborhood," including not just commercial office space but also restaurants, shops, and services, as well as market-rate and affordable housing. Griffin said St. Louis could ask NGA and the Army Corps not to program the campus with

everything employees need during their day. With the number of employees at NGA, "that's a fairly large consumer potential if the workers were encouraged to patronize businesses within the neighborhood."

For project leaders, security is the primary objective, rather than integrating the facility within the urban fabric. "We've expressed that our security requirements specify a secure barrier," and that shared public space for elements like recreation fields and walking paths within that barrier would not be permitted, said David Berczek, chief of corporate communications for Next NGA West.

Residents don't want the facility to "look like a fortress," according to Halliday, who has been asked by the city to find out what the community wants. "A barrier wall can be done in so many ways" and does not have to be a brick wall with barbed wire, he said. "We're informing the NGA and Army Corps: please consider the neighborhood."

NGA security forces will have jurisdiction adjacent to the site to protect NGA employees and neighborhood residents, and the site will have 24-hour security patrols. How will this security scenario play among residents of North Side—a community with a racial dynamic and socioeconomic conditions similar to those of nearby Ferguson, Missouri, which experienced protests and riots after a white police officer killed an unarmed black teenager, Michael Brown, in August 2014?

Martinez said the grand jury's decision not to indict the police officer for any crimes related to Brown's death "strained things a bit, but that happened outside of this district." Martinez said the Fourth District of the metro police assigned several officers specifically to building strong relationships within the community. "They show up at block meetings, neighborhood association meetings, and other events, and we have a very good working relationship."

Even if the place ends up being a fortress, Martinez said, NGA's security measures, such as new exterior lighting and strengthened police presence, will provide the "ancillary benefit" of helping make the North Side safer.

## Next Steps for St. Louis

"There's no playbook for a project of this size and complexity," said Civitas's Reeb. "The area is so distressed that single projects here and there will not be effective in changing the opportunities and perceptions of the area. We need everyone to focus on the same vision for the same areas" and pursue opportunities "where the city can make an impact."

Around the NGA site there is vacant land, and Roe said the city is evaluating zoning and proposing short-term changes, with an overlay zone "to enhance and protect the site and goose development." He said the city is considering public-realm projects that would benefit residents and encourage new commercial development for firms that work with NGA, innovation clusters, and service-oriented businesses.

But the classified nature of the NGA's work and its strict security requirements limit the facility's potential for spin-offs and other development compared to university research and technology hubs, according to Merriman.

Reeb, meanwhile, is focused on two areas not immediately adjacent to the NGA site. At Cass Avenue and North 14th Street, about a mile east of the site, manufacturing could give way to mixed-use development as a segue to downtown. At Florissant and St. Louis avenues, about a mile northeast, vacant land could be redeveloped for apartments and neighborhood-serving retail, and infrastructure enhancements could improve safety and connectivity.

Developers will begin planning more projects "when they see NGA starting," Halliday said. "We're hearing interest from local and outside developers about mixed-income housing and commercial development." Redevelopment plans underway include a nearby medical clinic and a grocery store/gas station.

Despite the agency's non-negotiable security demands, an August 2017 *Post-Dispatch* article quoted NGA director Cardillo as saying the agency wants close collaboration on its campus with contractors involved in geospatial mapping, cybersecurity, and other defense systems. "We wall ourselves off at our own risk," he said. Reinforcing that the agency is looking to develop its future workforce in St. Louis by encouraging science and technology education in local school districts and universities, Cardillo added, "We're placing a bet on St. Louis, and it's a hundred-year bet." □

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