

**Clifton
Anderson**



Cheyney University of Pennsylvania
1837 University Circle
P.O. Box 200
Cheyney, PA 19319-0200
Office (610) 399-2220
Fax (610) 399-2415

Cheyney University of Pennsylvania Testimony Pennsylvania Education Committee & Legislative Black Caucus Joint Public Hearing on HBCU Financial Support/Resources

Good afternoon, Chair Schweyer (Majority Chair), Chair Topper (Minority Chair), Chair Nelson (PLBC Chair) and Members of the House Education Committee and PA Legislative Black Caucus.

Cheyney University of Pennsylvania is creating a new model for higher education through its ground-breaking strategy of Campus Monetization through Public-Private Partnerships. The institution has developed this comprehensive approach in order to fundamentally improve the University's economic opportunities and enhance the overall academic experiences for its students. This eBort creates multiple wins—a win for Cheyney students, a win for the University, a win for its strategic partners, and ultimately, a win for the Commonwealth of Pennsylvania.

To this end, Cheyney engaged Mosaic Development Partners, a Philadelphia-based, real estate development firm, to attract companies and organizations to lease space in underutilized buildings on campus. (For context, as of 2018, on Cheyney's campus approximately 400,000 square feet of building space stood unoccupied or underutilized.) Cheyney is leveraging its real estate to attract life science, technology, agribusiness, energy, healthcare, light manufacturing, and sports management companies to lease available space on campus. The University's innovative model exposes its students to leading-edge industries while they matriculate; enhances the campus' role in the region's economic future; and generates nontraditional revenue—thereby elevating the University into a position of financial strength.

As of the date of this report, four companies have established a presence on Cheyney's campus and lease space from the University. These businesses include Herban Farms (agribusiness), Navrogen (cancer research biotechnology startup), ASI Chemicals, Inc. (chemical compound testing for the biopharmaceutical industry), and SureBiochem (outsourced laboratory testing). Additionally, four other companies—Advanced Alchemy Labs (hemp processing for medicinal purposes), Sonali Solar (solar panel manufacturing), American Additive Manufacturing (large-scale 3D printing using metal composite), and Shoot 360 (cutting-edge, immersive skill development for basketball players)—have each signed a lease agreement or a letter of intent to lease space and establish a presence on campus.

These public-private partnerships benefit Cheyney students, the University, and the strategic partners in the following ways:

- On-campus partners are required to offer paid internships to Cheyney students.
- Cheyney students gain hands-on experience, enabling them to apply what they learn in the classroom to real-world environments.
- These partnerships contribute to the development of a diverse pipeline of talent in growing, cutting-edge fields.

- The partners have direct access to a pool of job-ready graduates.
 - The University benefits through lease revenue, as well as profit-sharing agreements with the more established businesses that will be coming to campus.
 - The University also benefits by attracting third-party funding sources to address its deferred maintenance challenges.
 - The partners help to inform the University's array of academic offerings, their employees serve as mentors, etc.

Additionally, the university recently announced the creation of the ThinkUlator, which will offer biologics, cell, and gene therapy start-up firms and early-stage businesses the opportunity to pursue their science by leasing wet laboratory and process development space in an incubator building dedicated to private enterprises in a campus setting. This program will be the first of its kind housed on an HBCU campus, further enhancing the students' experience. Additionally, the University has partnered with Chester County Economic Development Council to position the ThinkUlator as Chester County's regional incubator hub.

In late 2023, the Mid-Atlantic Clean Hydrogen Hub (MACH2) was selected as one of seven national hubs to enter negotiations with the US Department of Energy for a federally-funded award for the production, distribution, and consumption of clean hydrogen. MACH2 is comprised of a coalition of project partners across the entire hydrogen energy supply chain throughout the Southeast Pennsylvania, Delaware, and South New Jersey region. Cheyney is one of several regional institutions of higher education selected to participate in the MACH2 project. Cheyney's role, specifically, will be establishing a Regional Hydrogen Safety Training Certification Center on campus. The lab and the training curriculum will be developed in partnership with the American Institute of Chemical Engineers, a global leader in hydrogen safety training, and industry experts. The university is working collaboratively with other hub partners, businesses, and the community at large, to develop a robust workforce ecosystem in support of this emerging technology.

For each of the future tenant projects, a capital stack of necessary funding is being arranged. Funding is required to retrofit the buildings for tenant use, purchase equipment, and fund other initial start-up activities. Though Mosaic and the University have been successful in securing partial funding from a variety of sources (e.g., Redevelopment Assistance Capital Program (RACP), federal, and grants, along with private debt and equity by the future tenants), additional funding is needed and would accelerate the process of getting these future partners on campus.

Ultimately, from a financial perspective, the overarching aim is to position Cheyney to be less reliant on tuition revenue and state appropriations. These potential partnerships, once operating, will also benefit the regional, Commonwealth of Pennsylvania, and U.S. economies through job creation, technology transfer and bring significant financial investment and net proceeds to Cheyney University.