By Lauren Herstik

LOS ANGELES — When the University of Southern California’s campus extension opens in South Los Angeles on Thursday, it will not just welcome 2,700 new college students. It will also be an ambitious test of a public-private partnership hoping to remake a historically underserved neighborhood.

The $700 million USC Village is a sprawling addition to the university, extending across 15 acres as part of the school’s efforts to expand the availability of student housing and increase the amount of academic space it has. The university broke ground on the project in September 2014, part of a $6 billion campaign to bolster its endowment, scholarships, research funds and overall investment.

The project’s scale is enormous, adding a total of three million square feet of student housing, retail, academic and green space. When it opens, it will effectively have added a neighborhood’s worth of stores, including 15 restaurants, a pharmacy, a Trader Joe’s grocery store and a Target. There will be more than 250 trees, nearly 500 underground parking spaces and about 1,500 bike racks.

But the project also brings together one of California’s poorest areas and one of its wealthiest universities.

Though South Los Angeles lies near the city’s booming downtown and the ascendant neighborhood of Inglewood, it has seen little development in past decades. The area was hit by bouts of racial violence in the 1950s and 1960s, setting off a “white flight” that was followed by an exodus of African-Americans after the city’s 1992 riots. Now mostly Latino, South Los Angeles’s two City Council districts are the poorest in the city.

McCarthy Honors College has an 8,000-square-foot dining hall that seats more than 400, is also open to the public. Photo by Carlos Gonzalez for The New York Times
You had high rates of poverty, dropouts; the infrastructure was bad,” said Curren Price, a city councilman who represents a South Los Angeles district. “Trash in the alleys, streets neglected.”

By contrast, U.S.C.’s student population is markedly wealthier, and more diverse. Many of the schools that send students to the university are elite institutions like Beverly Hills High School or Harvard-Westlake, and annual undergraduate tuition (about $50,000) is almost double the median household income in the City Council district that is home to the campus ($26,300).

The development began as a priority of C. L. Max Nikias, the university’s president, who introduced the campus expansion plan in 2011. To get the community and city on board with USC Village, the largest of his proposed projects, he put forward an unusual public-private partnership. Though Dr. Nikias had fielded proposals from eager private developers, he decided instead that the university should make a greater financial investment. “A private developer will come and go,” Mr. Nikias said in an interview in May. “We, as a university, are here to stay.”

Among the commitments the university made was a $16 million fire station built on university land and at no cost to the city, as well as a $20 million pledge to Los Angeles’s Affordable Housing Trust Fund, which is meant to offset concerns about how the addition to the neighborhood could drive up the already prohibitively high cost of housing. The university also promised that 30 percent of workers employed for the project would be from the local area. Those promises helped win over local leaders, and the City Council unanimously approved the USC Village plan in 2012.

As a result, of the 4,000 construction workers who helped build USC Village, 38 percent were from within a five-mile radius. Many of them have gotten work with other contractors in the area after their various parts of the project were finished. The project’s labor agreement also includes stipulations for preferential hiring of military veterans, the formerly incarcerated and “disadvantaged” workers, including minorities, people with disabilities and those with a history of homelessness. “We saw it as, we’re going to do a project where we offer the local community an opportunity to get into our trades,” said Ron Miller, executive secretary of the Los Angeles/Orange Counties Building and Construction Trades Council, an umbrella group representing 48 labor unions. “That’s a well-paying career. It will allow them to stay in the area, maybe afford to buy a house, send their kids to school.”

The project has been built to fit in with U.S.C.’s overall aesthetic. Low-slung red brick buildings with a Gothic exterior are grouped around an open public square and a clock tower. Tree-lined avenues lead into the center.

USC Village is one of several substantial construction projects in the neighborhood. The Los Angeles Memorial Coliseum, in Exposition Park adjacent to the university,
will undergo renovations after the coming N.F.L. season, and the soccer-specific Banc of California Stadium is being built for the Los Angeles Football Club. Both will be used, along with existing facilities, for the 2028 Summer Olympics, for which Los Angeles was recently picked as host city.

In all, combined with the influx of retail tenants at USC Village, another 8,000 permanent jobs are being added, and will be filled with the same local-hire provisions as the construction work.

Once USC Village opens, Dr. Nikias is also hoping to strengthen ties to the local community, both with a raft of open spaces — the ground-floor retail and piazza-style green space will be open to the public — as well as programs that support high school students and young people in the area.

The university is now looking to build a biotech-focused campus, through another public-private partnership. It is in the works for East Los Angeles, a mostly Hispanic enclave that has not yet seen intense development.

As the university works to acquire the land and prepare for the permitting process for its East Los Angeles expansion, a procedure that typically takes five to seven years, it is working with social services agencies in the hopes of helping the local community as it has tried to do in South Los Angeles.

Tammy Membreno, the executive director at Barrio Action Youth and Family Center, which works with low-income youths and families, warned that when powerful institutions move into small neighborhoods, it was not uncommon for less influential constituents to worry they may be pushed out by gentrification.

“We look at institutions as so big that that door doesn’t open for some of us,” Ms. Membreno said. “In this case we need to weigh the benefits that this expansion creates for the Eastside. It comes with the potential of having more jobs for our families. To inspire local residents.”

Rather than pushing for financial support from U.S.C., Barrio Action is looking at ways to form a longer-term partnership. “They can give you a grant but the grant only lasts for so long,” Ms. Membreno said. “If you build a relationship, you build a bridge with the system.”