



Riverfront Development Corporation  
OF DELAWARE

**UD STUDY MEASURES ECONOMIC IMPACT OF RIVERFRONT**

*Report highlights shift from public to private investment, growth in fiscal revenue & more*

(WILMINGTON, DE) June 14, 2007 — The Wilmington Riverfront has generated nearly \$67 million in fiscal revenues for the city, county and state since 1996, according to an economic impact study released today by the Riverfront Development Corporation of Delaware (RDC).

Conducted by the University of Delaware's Center for Applied Demography and Survey Research, the study addresses the impact of Riverfront redevelopment activities from 1996–2006, including the shift from public to private investment, growing revenues generated from taxes, return on investment to city, state and county governments, and the outlook for continued growth.

“The amount of public investment made in the Wilmington Riverfront has simply been unprecedented in any other economic development or public works project in Delaware’s history,” said Michael S. Purzycki, executive director of RDC. “This report shows how that public investment has been leveraged to attract significant private investment, establishing the Riverfront as an economic engine for job growth and a growing source of tax revenue.”

Between Fiscal Years 1996 and 2007, Riverfront Wilmington received more than \$270 million in public funds from city, county, state and federal agencies, as well as \$617 million in private investment. In FY1996, 100 percent of investment was from public sources. In FY2007, 91 percent of investment was from private sources.

According to the study, this investment has generated nearly \$67 million in fiscal revenues, including:

- \$9.7 million in wage taxes, \$1.7 million in property taxes, and approximately \$550,000 in head taxes for the City of Wilmington.
- More than \$50 million in revenue for the State of Delaware, including \$23.9 million in personal income tax and \$17.8 million in bank franchise tax.

Public agency support at the Riverfront has centered on infrastructure improvements for capital assets such as roads, bulkheads, paving and buildings. The effectiveness of those investments was measured in terms of return on investment. The study calculated the annual return on investment for 2006, and total returns for 1997 through 2006.

- The City of Wilmington, which invested \$16.8 million through 2006, received more than \$18.5 million in revenues from 1997-2006 for a total return of 110.8 percent. Revenues for 2006 were more than \$5.9 million, representing an estimated return on investment of 35.4 percent for that year alone.
- The State of Delaware invested \$213.6 million from 1997-2006 and received \$50.8 million in revenues over that period for a total 23.8 percent return on investment. In 2006, the state received \$18 million in revenue, an estimated 8.5 percent return.

According to Simon Condliffe, who led the study, the estimated fiscal revenue of \$20 million in 2006 is likely to be exceeded in 2007, and Riverfront activity is forecast to surpass \$30 million in state revenue by 2012. After a jump in growth between 2007 and 2008, the rate of state revenue growth is estimated to be approximately 9 percent per year.

“At this pace, the state can expect to break even on its Riverfront investment by 2013, assuming a further \$5 million of public investment,” said Condliffe.

The report sites projects such as Christina Landing, AAA Mid-Atlantic, the Barclays buildings, Chase Center on the Riverfront, Shipyard Shops, Riverfront Market, Delaware Center for the Contemporary Arts and the ING buildings for transforming the Riverfront into a thriving center of employment, recreation and residential life for the city.

“It’s been remarkable,” said Purzycki. “We’re looking ahead to many more exciting years and growth and development on the Riverfront.”

To download the full report on the Fiscal and Economic Impact of the Wilmington Riverfront, go to: [www.cadsr.udel.edu](http://www.cadsr.udel.edu).

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