

ELEMENT K

Economic & Community Development

AVENUE NOR

K. Economic & Community Development Element

Element Defined

A strong and stable economy provides for job growth, thriving businesses, and resources for developing and preserving the other important aspects of our communities, like green space, education, and infrastructure. Economic development is key to increasing employment opportunities and reducing unemployment and poverty rates. Strong economic development policies and a collaborative and innovative economic development network allowing New Castle County to attract high quality jobs and support startups, small businesses, and minority-owned businesses.

New Castle County must be ready to adapt and maintain a robust economy no matter how the markets change. Diverse industries and redevelopment of brownfields³³ and greyfields³⁴ contribute to an economy that must be responsive to changing conditions while supporting our existing communities. Efforts should be made to ensure that County residents have access to the education and training necessary to secure jobs that pay a living wage to support their families and their communities into the future. New Castle County's future economy requires an innovative, entrepreneurial business environment and a workforce that is prepared for new industries and jobs that will arise.

A strong and stable economy is just one piece of a vibrant community. It is important to ensure that a strong economy's benefits reach all citizens equitably. To ensure that County residents take advantage of employment opportunities, housing should be located near employment centers, with [transportation infrastructure](#) in place to link residential and employment centers. Amenities, community resources, and employment opportunities in areas where people live improve quality of life and contribute to the success of overall economic development efforts. Good [community design](#), with a combination of safe housing, employment opportunities, convenient transportation options, and vibrant streetscapes, creates an environment where businesses, large and small, want to relocate and remain. As industries and employment opportunities evolve with changing technology, education and training will need to evolve, as will infrastructure for transportation, energy transmission, and internet access will need to be updated to support a robust and resilient economy into the future.

³³ As defined by the EPA a brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

³⁴ Greyfields are abandoned or underutilized commercial properties, like older shopping centers or malls, which are opportunities for infill and redevelopment.

What We Heard

New Castle County residents weighed in on economic development during the NCC2050 process. In these discussions, residents highlighted the need for thoughtful planning regarding where diverse economic opportunities are located and encouraging new businesses and industries. The public agreed that there

“We need to understand that NCC is part of a regional economy that includes the City of Wilmington and Philadelphia. This means we should create sites and facilities where regional businesses can employ residents independent of their location.” – Kurt Foreman, CEO, Delaware Prosperity Partnership

“Opportunity only exists if there are anchoring investments in the neighborhood.” – Public Participant, NCC2050 Deep Dive Session, 2/24/2021

“Thinking outside of the box is needed by government officials, developers, planners, college students and even elementary, middle and high school students. One little spark can light a big idea.” – Public Participant, NCC2050 Deep Dive Session, 2/24/2021

“I would like to see us have a strong new business concierge service that guides businesses through the process of locating in NCC.” – Public Participant, NCC2050 Deep Dive Session, 2/24/2021

should be more job growth where there is available housing, including opportunities for more density and mixed use.

New Castle County Today

The county Gross Domestic Product (GDP)³⁵ has fluctuated since 2010, from a low of \$43,625,435 in 2013 to a high of \$48,281,554 in 2015. Federal Reserve data through 2019 (**Figure K-1**) showed a more consistent GDP around \$45,000,000 and growing slightly before the COVID-19 pandemic. GDP is a traditional indicator of the size of the economy and how it is performing. According to the International Monetary Fund (IMF), a growing GDP is typically a sign that employment is increasing, and residents have more money to spend. If the GDP is not growing or dropping, it may be a sign that businesses need additional support.

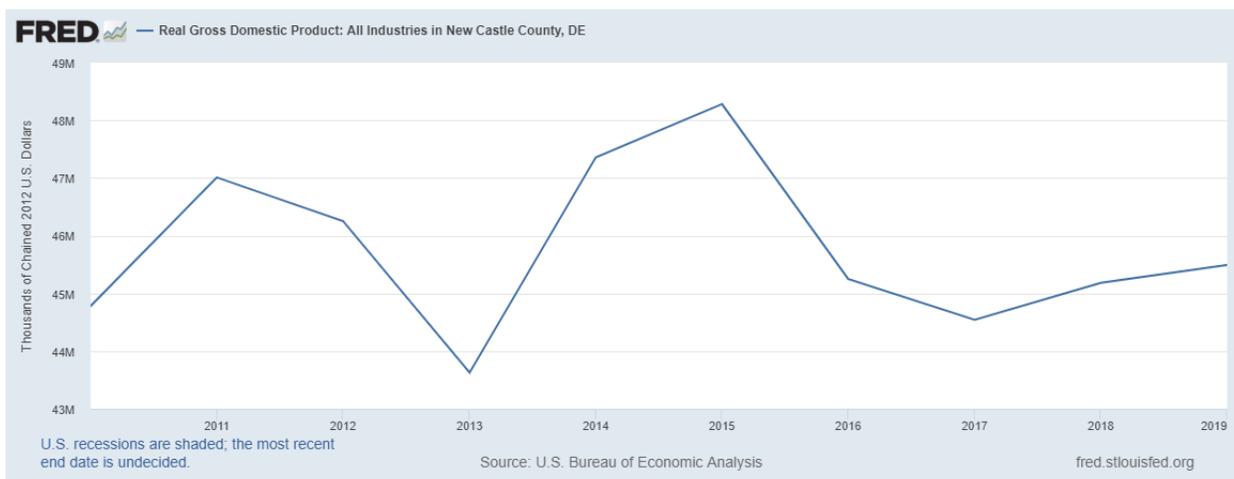


Figure K-1: Real Gross Domestic Product: All Industries in New Castle, DE

³⁵ GDP is the market value of the goods and services produced by labor and property in a particular location. (Source: U.S. Bureau of Economic Analysis: <https://fred.stlouisfed.org/series/GDP>)

Economic Base and Major Employers

New Castle County is an affordable option to start and grow a business compared to the rest of the region, due to affordable housing prices, low property taxes, no state-level property taxes, and tax-free shopping. Jobs in New Castle County are mainly focused on leisure and hospitality, wholesale and retail trade, finance, insurance, real estate, business services, health, and education (**Figure K-2**). Delaware is known as one of the top states in the nation for business tax climate and low business costs. More than 50% of all U.S. publicly traded companies and more than 60% of Fortune 500 companies are incorporated in Delaware. This has created a strong cluster of local business and financial companies which provide support services for these larger corporations.

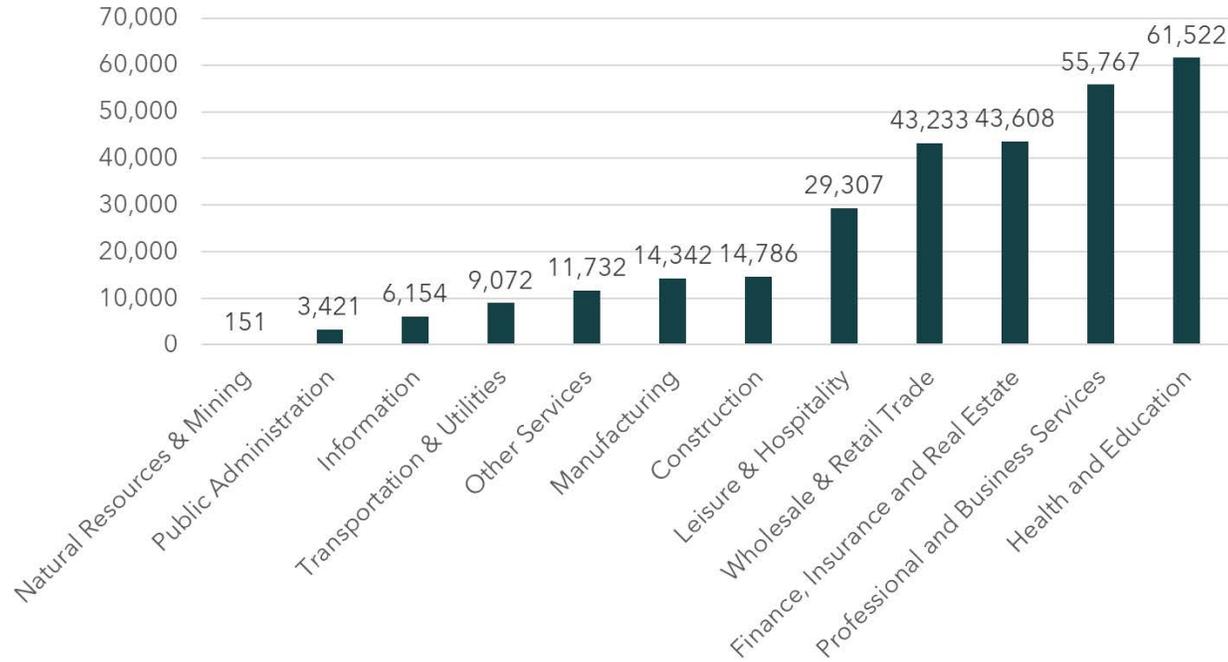


Figure K-2 Top Employment Sectors in New Castle County: Source: WILMAPCO jobs by industry 2020 estimates

Located along one of the nation’s busiest metropolitan corridors, between New York and Washington D.C., New Castle County is home to some of Delaware’s largest employers and industry hubs. The top 10 employers in New Castle County are also among the largest employers in the state of Delaware. Among the top 50 employers in the state, 41 are located in New Castle County (

Table K-1).

Table K-1: New Castle County Top 10 Employers

Name	Estimated Employment	Sector
ChristianaCare*	12,181	Education & Healthcare
JPMorgan Chase*	11,000	Business & Financial Services
Bank of America*	6,400	Business & Financial Services
University of Delaware*	4,493	Education & Healthcare
Nemours*	3,795	Education & Healthcare
DuPont*	3,400	Science & Technology
Amazon*	3,000	Manufacturing & Logistics
Delaware Technical & Community College	2,623	Education & Healthcare
Integrity Staffing Solutions	2,500	Business & Financial Services
Capital One	2,000	Business & Financial Services

Source: WILMAPCO

*Also included in top 10 employers in Delaware

According to Moody’s, the Wilmington Metropolitan Division’s industrial diversity is lower than that of other large metropolitan areas. Industrial diversity gauges the extent to which an area’s economy resembles the economy in the United States as a whole. It is important for New Castle County to diversify its business ecosystem, as diverse regional economies are better equipped to weather future economic downturns.

Labor Market

Since 2015, the total labor force in New Castle County has consistently remained around 300,000. (Total population based on US Census Bureau 2019 American Community Survey data is 556,000.) Education levels in the county are slightly higher than in Delaware as a whole and across the United States, according to the 2019 American Community Survey (ACS) data (**Figure K-3**). In New Castle County, 91.6% of the workforce has at least a high school degree, compared to 90.3% in Delaware and 88% in the United States. Thirty-six percent (36%) of New Castle County’s workforce has a post-secondary degree (bachelor’s degree or higher), compared to 33.2% in Delaware and 33.1% in the United States. In general, those with advanced degrees are located near Wilmington and the border with Pennsylvania.

Education Attainment in New Castle County, Delaware

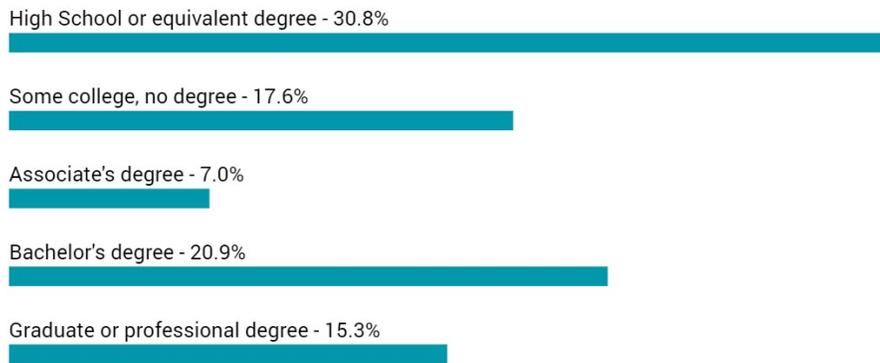


Figure K-3 Education Attainment in New Castle County, Delaware;
Source: 2019 American Community Survey, US Census Bureau

Unemployment was relatively consistent between 3% and 5% from 2015 until the COVID-19 pandemic in early 2020, when it reached a high of 25% in May 2020. By February 2021, the unemployment rate dropped to 6.5%, nearing the pre-pandemic levels (See **Figure K-4**).

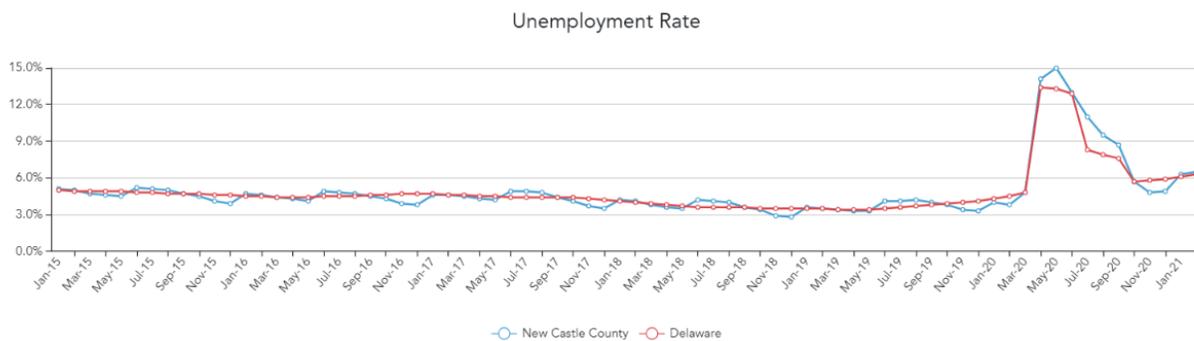


Figure K-4 Unemployment Rate; Source New Castle County Office of Economic Development

Jobs

The most common occupation in New Castle County is “Sales and Office,” comprising 27% of the workforce, according to the 2019 ACS, as shown in **Figure K5**. Business and financial operations accounts for 8% of the workforce.

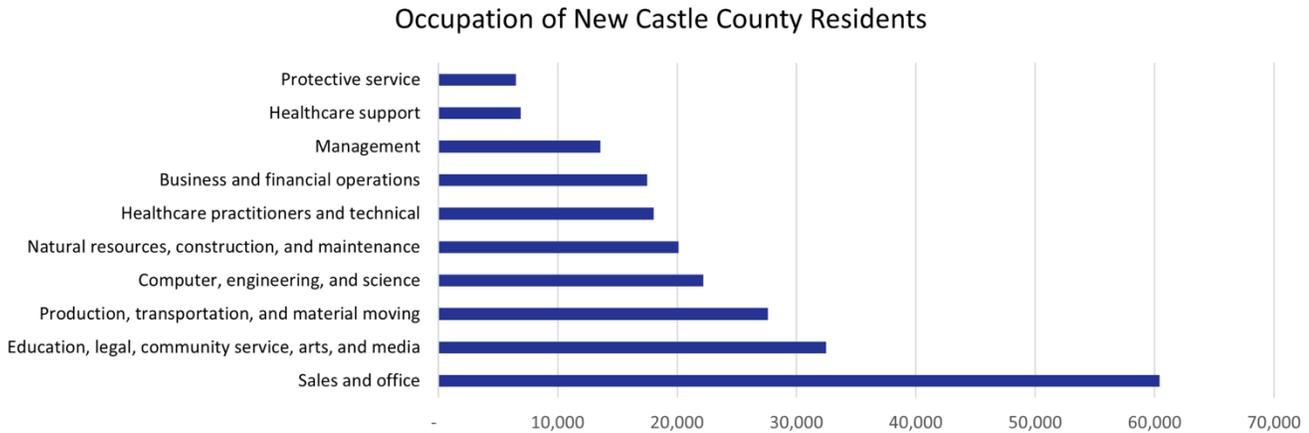


Figure K-5: Occupation for Civilian Employed Population 16 Years and Over in New Castle County; Source: 2019 American Community Survey, US Census Bureau

Based on projections from the Delaware Population Consortium in 2019, New Castle County’s population is expected to grow just slightly through 2050, but employment will drop slightly (See **Figure K-6**).

Forecasts for 2050 indicate that jobs and population are mismatched geographically. Population growth is concentrated in the middle of the county in areas like Newark, Glasgow, and Middletown, while jobs are expected to decline, especially in the northern portions of the county. (The darker areas in **Figure K7** show job losses.)

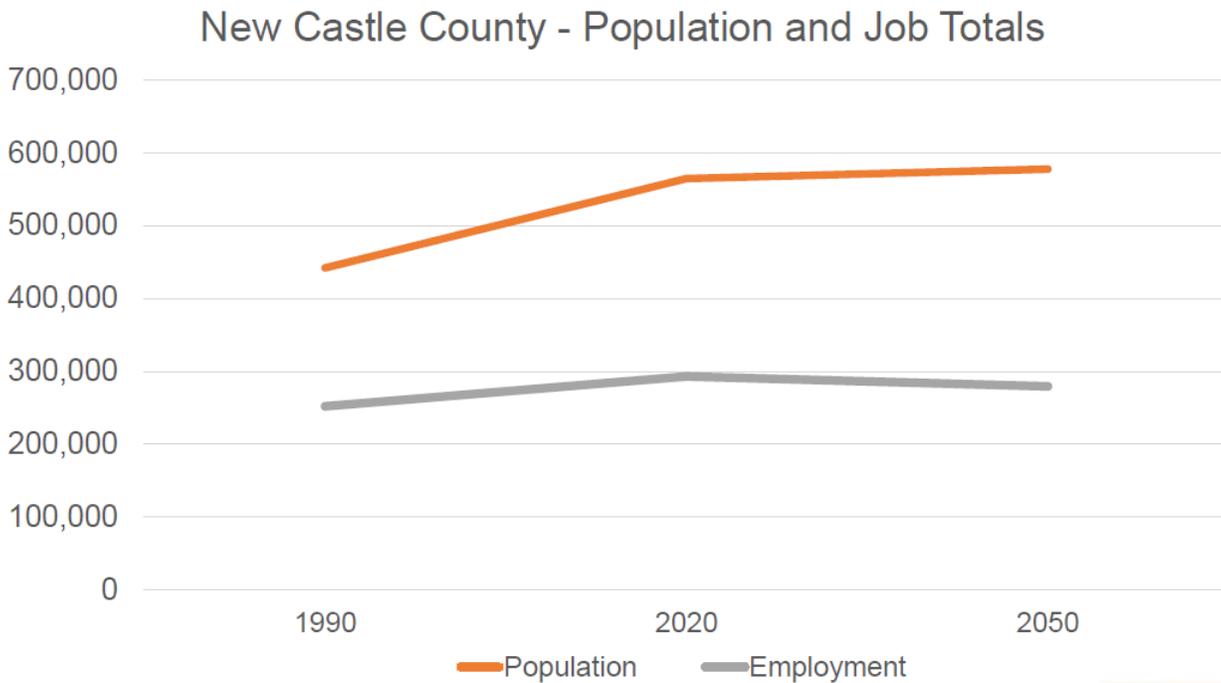
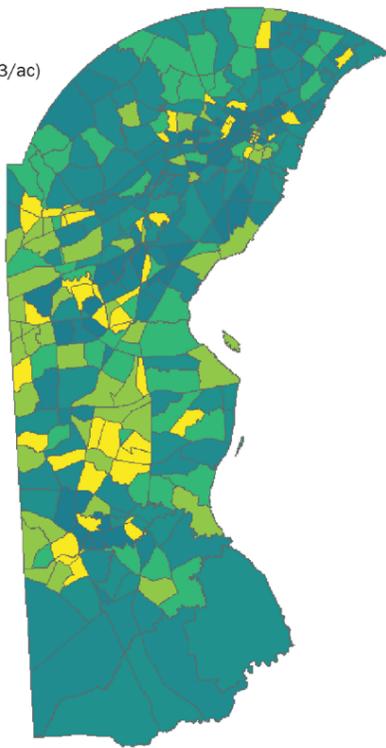
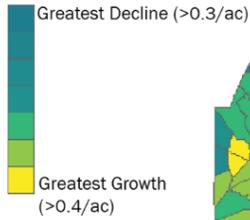


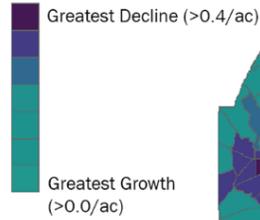
Figure K-6 New Castle County - Population and Job Totals; Source: Delaware Population Consortium

Legend



Population

Legend



Jobs

Figure K-7: New Castle County Future Population and Job Growth; Source: Delaware Population Consortium

Worker Inflow and Outflow

According to the US Census Bureau, more employees (98,664 in 2018) travel from outside New Castle County to work than residents of New Castle County (68,661) who travel outside the county to work.

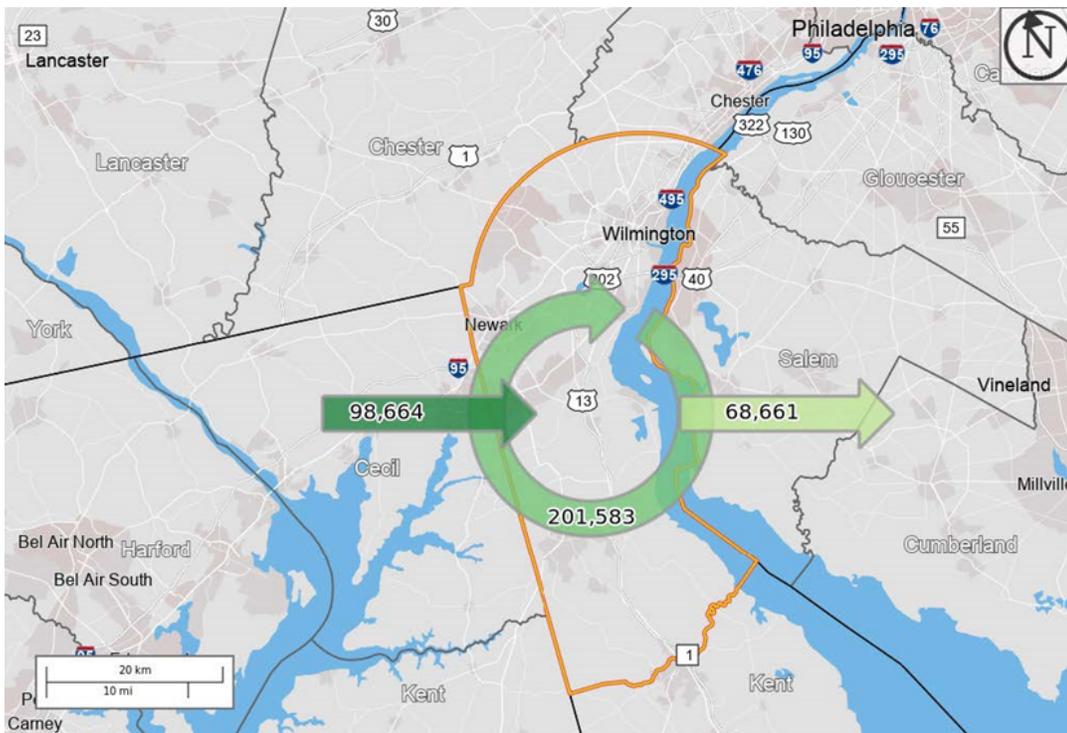


Figure K-8: Employee Inflow/Outflow Analysis; Source: LEHD, US Census Bureau

Increased development and job growth in areas with quality transportation and transit infrastructure could improve the commuting conditions for the large number of commuters traveling into the county for work. More than 200,000 employees in New Castle County also live in the county. **Figure** shows the inflow/outflow analysis accessed from the US Census Bureau.

Income and Poverty

According to the 2019 ACS, the median annual income in New Castle County is \$73,892, more than \$10,000 higher than the median income for the United States (\$62,843) and slightly higher than the median income in Delaware (\$70,176). The poverty rate in New Castle County is 11.4%, almost identical to the rate in Delaware (11.3%) and slightly lower than the 12.3% across the United States. Over the last two decades, Census data shows a slight peak in the poverty rate in 2010, but according to the 2019 American Community Survey, the rate is trending down (see **Figure K-9**).

New Castle County - Percent Below Poverty Level

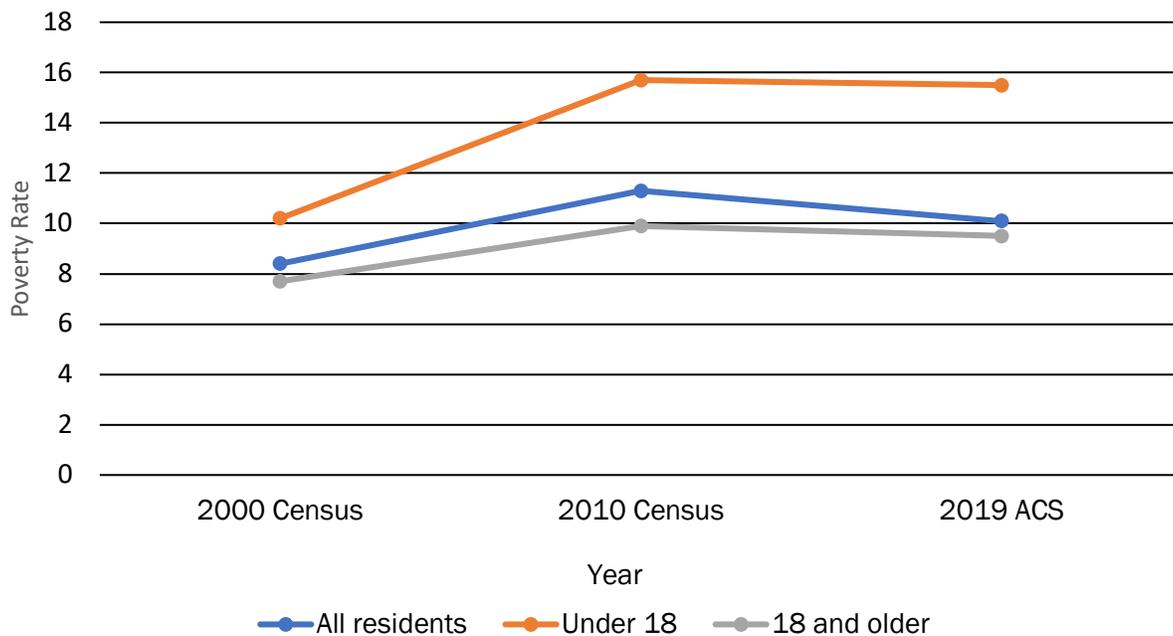


Figure K-9 New Castle County Residents Percent Below Poverty Level; Source: U.S. Census Bureau

Living Wage Jobs and Workforce Training

Beyond building a stable economy, it is important to ensure that all residents participate in and benefit from the County’s economic activity. New Castle County needs to build a workforce that is ready for emerging industries and jobs and able to apply innovative strategies to existing jobs and industries.

According to the [Living Wage Calculator](#) from the Massachusetts Institute of Technology Department of Urban Studies and Planning, the living wage in New Castle County for an adult in a family of four with two working adults is \$22.91 per hour (\$47,000 annually) and \$15.91 per hour (\$33,000 annually) for a single adult. The Living Wage Calculator defines the living wage as the hourly rate that an individual in a household must earn to support themselves and their family. The U.S. Bureau of Labor and Statistics (BLS) calculates employment and wage statistics for the [Philadelphia-Camden-Wilmington metropolitan area](#), which shows that many occupations, especially in recreation, food service, child care, and retail sales sectors, do not earn a living wage even for a single adult. Some of these occupations include those that require at least some post-secondary education, such as Nursing Assistants (\$32,000/year) or Pharmacy Aides (\$28,000). The Housing element further expands on the challenges faced by households which do not earn a living wage. Refer to the [Housing](#) element.

In 2021, with remote work and school so prevalent, it is important to ensure that infrastructure is available for all to access high-speed internet to complete education and training programs and work efficiently—remotely or in-person. This access provides education and advancement opportunities for more New Castle County residents to gain living wage employment.

Delaware ranks highly among all states for fastest internet. According to a [HighSpeedInternet.com report](#), Delaware has the third fastest internet speeds in the nation. The Delaware Broadband Initiative is working to further increase access to high-speed internet to support economic growth and social advancement. In New Castle County, more than 98% of residents have access to internet speeds over 100 mbps, according to [BroadBandNow](#), and the top five cities for broadband connectivity are located in New Castle County (Newark, Wilmington, Middletown, Bear, and New Castle).

Initiatives to leverage and enhance technology and internet resources with educational, workforce and economic development will be key to ensuring thriving business and living-wage jobs into the future, especially in a post-pandemic environment. New Castle County used some of its Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for DE Relief grants, which assist small businesses and nonprofits impacted by the COVID-19 pandemic, and the [Rapid Workforce Training and Redeployment Initiative](#), which helps jobseekers find training to enhance or gain skills and employers connect with a qualified workforce in the healthcare, construction and trades, hospitality and food service, logistics and transportation, and computer and information technology industries.

The [Delaware Skills Center](#) and [Adult Education Division](#) of the New Castle County Vo-Tech School District are two providers of workforce training and education for adults seeking rewarding and reliable careers. These programs prepare adult students for careers in business, healthcare, and trades and provides job placement services to ensure that students use their skills in the real world.

Local efforts also support job-training for at-risk youth. In 2018, a collaborative effort between the New Castle County Department of Community Services, [West End Neighborhood House](#), and local businesses received a \$250,000 grant to provide work experience and on-the-job training for 150 young people in New Castle County. This program and others help youth learn skills that will translate to any job or workplace, including being dependable, communication, learning from mistakes in addition to the skills specific to their workplace.³⁶

The New Castle County Hope Center is a 192-room former hotel turned emergency shelter, which was bought by the County using CARES Act funding and opened in December 2020. The New Castle County Hope Center is an emergency shelter that with the goal of helping people transition into permanent housing. In addition to connecting residents to social and health services, there are opportunities for workforce development and job training.

Jobs Near Transit and Mixed-Use Centers

New Castle County strives to increase employment opportunities near transit and existing services, which are primarily found in Investment Level 1 areas, as determined by the Delaware Cabinet Committee on State Planning Issues in the [Strategies for State Policies and Spending](#) document. More details about the State Strategies are found in the [Intergovernmental Coordination element](#). Increasing jobs near transit should decrease household commuting costs and expand access to jobs for people who do not have access to a vehicle.

In New Castle County, Level 1 areas include areas near Wilmington, Newark, and Middletown. To increase opportunities in these areas, strategies should encourage mixed uses and promote transportation options to allow for efficient use of public and private investments and enhance community identity. Public-private partnerships are key to redevelopment and economic revitalization.

³⁶ New funds to bolster youth job training in Delaware, Mark Eichmann, WHYY, November 10, 2018, <https://whyy.org/articles/new-funds-to-bolster-youth-job-training-in-delaware/>
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Efforts must be made to expand housing options in communities with existing transportation networks, community resources and employment, allowing residents to more easily access services and jobs near their homes. Local policy should be coordinated with state and County efforts to encourage redevelopment of existing but disused or underused “greyfields” like industrial parks and strip malls. This type of redevelopment not only helps to improve local community cohesion and quality of life by reducing vacant or underutilized property, but it also provides additional housing, community resources, and/or employment in those communities easily accessible without a personal vehicle.

Shipping, Warehousing, and Logistics

Shipping, warehousing and logistics play a huge role in the county’s economic activity. The Wilmington, DE-MD-NJ Metropolitan Division’s share of warehousing employment is 50% higher than the state’s. According to DeIDOT’s [Delaware Freight & Goods Movement Plan](#), the New Castle County region alone generates nearly 37 million tons of freight annually, making freight one of the largest contributors to the region’s economic success. In addition to the freight generated in the county, more than 72 million tons pass through the region each year, which also impacts our economy. Nationally, these industries are changing, and these trends will affect the way trucks, ships, and trains travel, the number of vehicles on our roads and rails and in our ports, and how Delaware homes and businesses receive and move their goods.

Trends identified by DeIDOT that could impact New Castle County include:

- Online/catalog purchasing is booming, requiring additional local delivery trips, accelerated by the COVID-19 pandemic and an associated decrease in in-person shopping.
- Chronic driver shortages, increasing fuel costs, and growing roadway congestion affecting the ability to provide reliable and cost-effective delivery service.
- Most of Delaware’s rail system is served by the Amtrak-owned Northeast Corridor route, which prioritizes passenger service over freight.
- Nationally, trends show that railcars are getting heavier (286,000+ lbs), which existing rail infrastructure cannot accommodate, and in general, Delaware’s rail lines are under-utilized.
- Intermodal traffic (truck trailers or shipping containers on rail flatcars) is the fastest growing sector of the national rail industry, but these connections have been long been neglected by policy choices and priorities. They will need to be considered if freight facilities are to continue to develop in the state.
- The Port of Wilmington has room to expand, as long as efficient landside access should be maintained, and this opportunity may arise as other nearby ports like New York reach capacity.

Warehousing and Logistics

According to an August 2021 article on [delawareonline.com](#), “In the largest buildings being constructed today in Delaware, nothing is made or sold. The need to store, sort and deliver products to customers is driving the state’s latest building boom.” The same article states that the amount of warehouse space under construction in New Castle County at the time of the article is more than the amount of warehouse space built in the whole state of Delaware in the last 20 years. Demand is outpacing supply of this type of space and the land to build it on, and rents are higher than they have been in the last decade.

Until recently, large distribution companies opted to find warehousing space in nearby New Jersey and Pennsylvania, where there was more population density and industrial infrastructure. As those areas filled, developers began looking to Delaware, where sites are already filling up and supply is dropping, especially in northern New Castle County. Development is pushing further south. For example, the recent construction of Route 301 in Middletown provides opportunities for easy access to the Washington D.C. and Baltimore markets to the west and Route 1 and the I-95 corridor to the east, increasing the appeal of Middletown and nearby areas.

Port of Wilmington

The Port of Wilmington is a full-service, deep-water port and marine terminal strategically located on 308 acres at the confluence of the Delaware and Christina Rivers, along the I-95 corridor. With overnight access to 49% of the population in North America, the Port of Wilmington will continue to support jobs in warehousing in the future. The location of the Port of Wilmington with access to warehousing and other logistical facilities is another advantage for the county in the larger logistics industry. For example, the Port is a major fresh fruit importer; it imports more bananas than anywhere else in the country, thanks in part to the extensive cold storage facilities nearby.

Starting in September 2018, Gulftainer_USA (GT USA) was granted rights to operate and develop the Port of Wilmington for 50 years. GT USA's concession includes the full management and development of the Port's existing container volumes of 350,000 TEUs (Twenty-foot Equivalent Units) per year, which is forecasted to more than double in the future.

GT USA is planning to invest \$580 million in the port to fully develop the cargo terminal's capabilities and enhance the overall productivity of the port. The port expansion will be a major boost to the local economy providing additional jobs and goods movement in and out of the region; however, increased port operations will potentially increase emissions in the area, which may have a negative impact on human health and accelerate the effects of climate change.

As of fall 2021, WILMAPCO is in the process of conducting an [Impact/Benefit Analysis of Proposed Truck Access Improvements in the Port of Wilmington Area](#). In partnership with DelDOT, this project is evaluating and recommending a series of improvements to truck circulation in and around the Port of Wilmington. The analysis will evaluate the recommendations of previous studies and port expansion plans including the [Route 9 Corridor Master Plan](#), [2008 Southbridge Circulation Study](#), and [2028 Wilmington Comprehensive Plan](#).

The study will review several possible roadway improvements that have been proposed by recent plans and evaluate them based on their effectiveness in addressing the needs of the community and businesses in the area around the Port.

Agriculture

Farming and agriculture continue to be an important contributor to economic resiliency and healthy communities. According to a U.S. Department of Agriculture (USDA) Census of Agriculture in 2017, sales of agricultural products are split roughly equally between crops (55%) and livestock, poultry, and related products (45%) in New Castle County. In 2017, more than 67,000 acres of land were farmed (up 5% from the previous Census in 2012), while the number of farms dropped 3% to 361. Ninety-six percent (96%) of New Castle County farms are family farms.

By far, the most widely grown crops in New Castle County fall into the USDA category of grains, oilseeds, dry beans, and dry peas (including items like corn and soybeans). Poultry and eggs dominate the livestock, poultry and products segment.

As development continues in New Castle County, there is a need for more intentional farmland preservation. Beginning in 2019, the County convened a Land Preservation Task Force to recommend goals and strategies to increase the County's role in identification, protection and management of certain land uses for the County and its residents. One goal of the [resulting plan](#) was: "Preserve farmland in New Castle County to support a thriving agricultural economy, maintain local community character, protect associated natural resources, and help manage growth." Related recommendations include the establishment of an Agricultural Preservation Council, prioritization of County funding for agricultural land preservation, development of differential tax rates for farm structures and improvements, policy adjustments and purchase options to enable/support farming, and several others. Implementation of the task force's recommendations will provide valuable support to existing farm operators and those interested in beginning new farm operations.

The Delaware Department of Agriculture's Agricultural Lands (Aglands) Preservation Program allows landowners to voluntarily preserve their farms. The first phase of the program is known as an Agricultural Preservation District, a 10-year agreement where landowners agree to continue to use their land for agricultural purposes only. The second phase, Agricultural Conservation Easements, allow landowners to permanently preserve their farmland by selling the development rights to the land, replacing the 10-year preservation district agreement. One recommendation of the Land Preservation Task Force was to coordinate with the Department of Agriculture to develop viable options to improve the effectiveness of the program for farmers in the county.

The Department of Agriculture offers other funding to assist farmers across the state. The Young Farmer Loan Program offers a 30-year, no interest loan to purchase farmland. The Century Farm Program recognizes families who have owned the same farmland for 100 years or longer.

The University of Delaware Cooperative Extension offers a variety of support programs to Delaware residents, many of which include support for existing and new farmers, as well as youth development programs to inspire and train young people to take part in the local agricultural industries. Kent County's proposed Food Innovation Districts (Kent County 2018 Comprehensive Plan), if successful, could be an interesting approach for increasing the viability of farms.

Coordination among all entities providing support to farmers and the agricultural industry, including increasing connections between consumers to farm producers, should help maintain and enhance the existing agricultural industry as a key contributor to the overall economy in the county.

Bioscience

An [October 2021 report](#) from the Delaware Prosperity Partnership (DPP) and the Delaware BioScience Association (Delaware Bio) shows that bioscience is a leading economic driver in Delaware. The report stated that Delaware's location in the heart of the mid-Atlantic region gives it distinct business advantages, in addition to low property taxes and overall favorable tax policies. Delaware also has the fourth highest concentration of employed PhDs in health, science, and engineering, influenced by strong degree and training programs at higher education institutions including the University of Delaware, Delaware Technical Community College, Wilmington University, and others. Delaware is also the number one state for patents per capita.³⁷ The diversity of the bioscience sector is growing with support from venture capital and federal funding, as well as multiple industry organizations providing additional support to the sector. For example, Delaware has a new [lab space grant program](#) to ensure that existing small companies are able to grow here and that the state attract new companies by increasing its inventory of "ready-to-go" lab space.

The Philadelphia-Camden-Wilmington metro area—which includes New Castle County—ranks 4th in current life sciences employment, following major life sciences markets of Boston, San Francisco, and San Diego. More than one-third of all chemical engineers in the metro area work in New Castle County, while New Castle County accounts for only 9% of the total metro area population. New Castle County is also home to the largest density of life scientists who work in Delaware (*Figure*).

³⁷ <https://www.choosedelaware.com/why-delaware/innovation/#258> | NCC2050

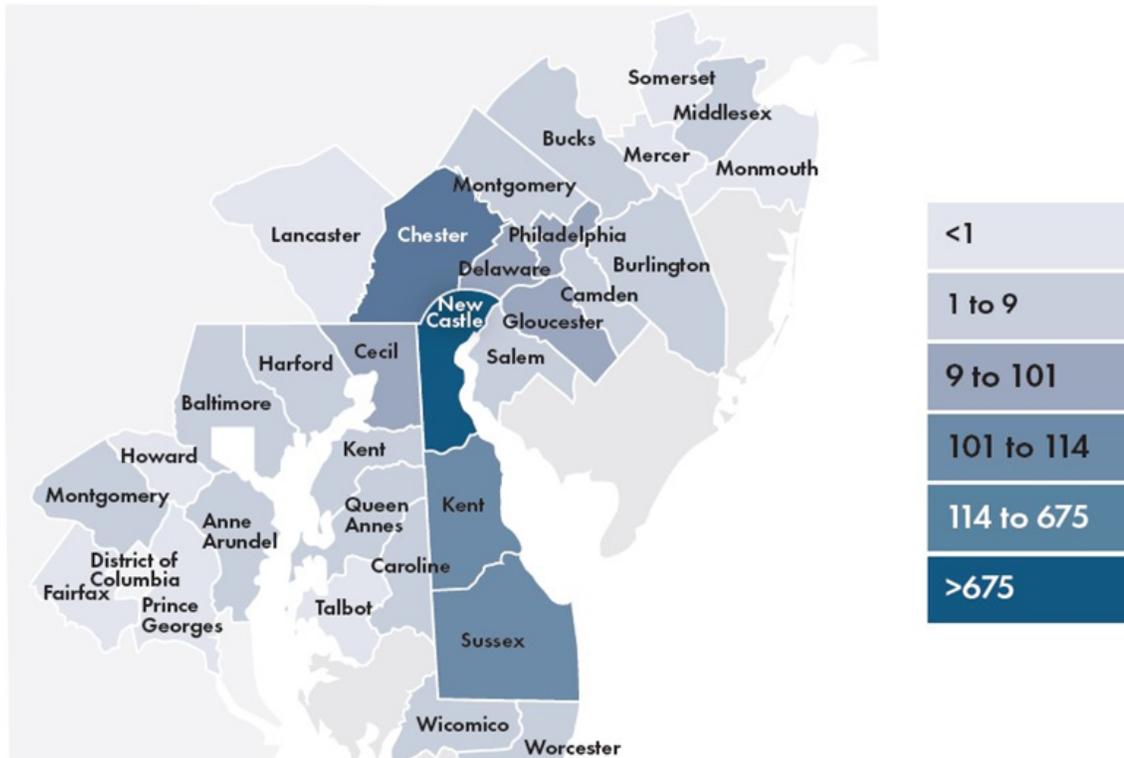


Figure K-10: Life Scientists Employed in Delaware and Where They Live, 2021; Source: Chmurma JobsEQ ERSI, Life Sciences in Delaware Report

Economic Policies

The Greater Wilmington Convention & Visitors Bureau highlights the benefits for businesses in New Castle County in their [New Castle County Relocation Guide](#). Taxes and cost of living in New Castle County and Delaware as a whole are low compared to nearby counties and states. There is no statewide sales tax or property tax. Real property taxes in New Castle County are among the lowest in the nation.

Property taxes are assessed by local governments and school districts. The average county portion of property taxes is \$503 per year. The corporate income tax rate is 8.7%. Taxes are not paid on dividends of foreign corporations that qualify for, and claim, foreign tax credit on federal returns. Investment and holding companies maintaining and managing intangible investments and collecting and distributing income from such investments or from tangible property outside Delaware, are exempt from State corporate income tax. Partnerships, sole proprietorships, and shareholders of S Corporations are not subject to State corporate income taxes. Delaware also has no tax on inventories and no tax on process machinery or equipment.

Economic Development Incentives

There is planned development activity in locations throughout the county, and state- and federally-sponsored programs are encouraging additional growth. Opportunity Zones, a federal program aimed at encouraging long-term investments in distressed communities to encourage economic growth and job creation. The program in turn provides tax benefits to investors. Qualified Opportunity Zones (QOZ) consist of census tracts containing distressed communities, identified by the State. There are US Opportunity Zones near Wilmington and Newark, which encourage investment in distressed areas to spur economic growth and job creation while providing tax benefits to investors.

The State of Delaware is encouraging development utilizing their own Downtown Development Districts program. The Downtown Development Districts Program is intended to encourage private investment and improve commercial growth in business districts and neighborhoods while building stable residential communities with improved housing options. The goal is to strengthen neighborhoods while attracting businesses and residents to vibrant downtowns. **Table K-2** lists county and state incentives.

New Castle County Incentives

Bond Financing

New Castle County offers tax-exempt bond financing for projects relating to infrastructure, energy, community development, and other economic development purposes.

Partial Property Tax Exemption

Businesses that invest at least \$50,000 in new construction of commercial or manufacturing facilities in unincorporated areas of the county are sometimes eligible for a three-year partial property tax exemption for the increase in property assessment due to the new development.

Qualified Energy Conservation Bonds

Qualified Energy Conservation Bonds (QECB) are designed to provide low-interest financing for green energy and energy efficiency projects for qualifying businesses. Projects must be located in qualifying districts, and over 90% of the county is eligible.

State of Delaware Incentives

Delaware Prosperity Partnership (DPP)

The Delaware Prosperity Partnership (DPP) works to promote the expansion of existing industry, assist small and minority-owned businesses, promote, and develop tourism, support employment creation, and recruit new business and investment to the state.

State Small Business Credit Initiative (SSBCI)

Under the Small Business Jobs Act, Delaware is able to access \$13.1 million in funds for new small-business lending to lower the borrowing rate and credit risk.

Delaware Access Program

The Delaware Access Program is private-public match program that provides access to bank financing for qualifying Delaware businesses that may have difficulty obtaining financing.

New Jobs Infrastructure Program

The New Jobs Infrastructure Fund provides flexible funding for public infrastructure projects that are critical and immediate for large businesses locating or expanding in Delaware. This fund should be used for projects relating to transportation, sewer, water, energy, land stabilization and other infrastructure.

Delaware Rural Irrigation Program (DRIP)

A revolving loan fund is available to qualified Delaware farmers to add new irrigation systems to increase the amount of irrigated.

Brownfield Assistance Program

Encourages the redevelopment of environmentally distressed sites within the state by helping to reduce related capital expenditures.

Encouraging Development, Growth, and Expansion (EDGE) Grants

A first of its kind program in Delaware, focusing on startups and small businesses. Businesses must be in business for five years or less, have 10 full-time employees or fewer, and a majority of workforce/infrastructure must be in Delaware.

Graduated Lab Space Grant

This program intends to create additional lab space for companies in order to continue thriving in Delaware. It focuses on early stage and small to medium sized coming that are growing out of their existing space within the state or companies interested in relocating to Delaware.

Workforce Training Grant

This grant program provides match funding to assist companies in providing specialized training programs, up to \$100,000 per project.

R&D Tax Credits

This incentive program promotes research and development by lowering payments on taxable expenses.

Land Use and Fiscal Impact

New Castle County Department of Land Use retained the services of the fiscal and economic evaluation firm, Tischler Bise, to conduct a fiscal impact study. The study used land use and fiscal data along with population and service standards data to understand the net fiscal impact of land uses and development types. This type of study helps identify the types of land uses and patterns are more or less fiscally sustainable. In other words, a land use may generate a lot of revenue for the local government, for example, but if the services it requires cost the government even more over time, it will end up costing local taxpayers (*Error! Reference source not found.*).

Sprawling development patterns with large swaths of parking versus compact mixed-use design near transit have a different fiscal impact and implications for the County's public expenditures and revenues, as well as population and number of jobs. Using the fiscal impact analysis and scenario planning, a case study evaluation of the Churchman's Crossing area of the county was conducted. The evaluation looked at estimated fiscal impacts of development under current development patterns and zoning ("business as usual"), as well as incorporating different ratios of residential unit types and mixes of uses. The Churchman's Crossing area of the county includes some of the county's largest employers (Christiana Hospital, Christiana Mall), has rail access via the Churchman's Crossing SEPTA station, and contains large areas of land that are undeveloped or likely to redevelop in the future (Delaware Park). The following development scenarios were examined:

1. Base Scenario – This scenario shows what would happen if development through 2040 follows the same patterns and trends as currently happening in the study area ("business as usual"), such as big box retail and large office developments.
2. Alternative A – This scenario depicts development in 2040 as embodying more mixed-use development but not fully capitalizing upon the transit center located in the Delaware Park/Fairplay parcel. It is assumed that other parcels in the study area will be redeveloped into mixed use, however, the Delaware Park/Fairplay parcel will continue to develop as hotel and casino resort destination.
3. Alternative B – This scenario illustrates development in 2040 as embodying mixed use development, including transit-oriented development around the transit center in the Delaware Park/Fairplay Transit Center. It does not include an expanded hotel and casino on the site.

After running a fiscal impact analysis, which looked at the different development types described above, as well as the associated County expenditures, scenario Alternatives A and B resulted in a greater net positive fiscal impact for the county. While scenario Alternative A and B both required higher County expenditures, both County revenues and the projected number of jobs were significantly higher (*Error! Reference source not found.*).

Base Scenario			Alternative A			Alternative B		
Residential		Increase	Residential		Increase	Residential		Increase
Single Family (units)	203	28%	Single Family (units)	159	0%	Single Family (units)	159	0%
Townhouse (units)	86	26%	Townhouse (units)	68	0%	Townhouse (units)	68	0%
Multifamily (units)	747	47%	Multifamily (units)	1,545	204%	Multifamily (units)	1,758	246%
SF Age-Restricted (units)	258	27%	SF Age-Restricted (units)	203	0%	SF Age-Restricted (units)	203	0%
Other (units)	38	0%	Other (units)	288	658%	Other (units)	288	658%
Total Population	2,572	35%	Total Population	4,180	120%	Total Population	4,545	139%
Nonresidential		Increase	Nonresidential		Increase	Nonresidential		Increase
Retail (sq. ft.)	1,807,138	-1%	Retail (sq. ft.)	2,204,790	20%	Retail (sq. ft.)	1,923,612	5%
Office (sq. ft.)	1,907,654	-1%	Office (sq. ft.)	3,544,917	84%	Office (sq. ft.)	3,544,917	84%
Industrial (sq. ft.)	0	0%	Industrial (sq. ft.)	0	0%	Industrial (sq. ft.)	0	0%
Institutional (sq. ft.)	2,354,977	-1%	Institutional (sq. ft.)	3,381,619	42%	Institutional (sq. ft.)	3,381,619	42%
Casino (sq. ft.)	296,652	-1%	Casino (sq. ft.)	821,231	174%	Casino (sq. ft.)	300,000	0%
Hotel (sq. ft.)	192,852	-1%	Hotel (sq. ft.)	857,016	340%	Hotel (sq. ft.)	147,991	-24%
Total Jobs	16,397	-1%	Total Jobs	27,078	63%	Total Jobs	24,616	48%

Source: Wilmington Area Planning Council (WILMAPCO) traffic analysis zone (TAZ) data; New Castle County Land Use Department; June 28, 2019

Note: The residential development type Other are dormitory units at DelTech Community College. The loss of hotel square footage results from the lower total of assumed square footage of hotel use at University Plaza Office Park and Delaware Park.

Figure K-11: Fiscal Impact Study Scenarios

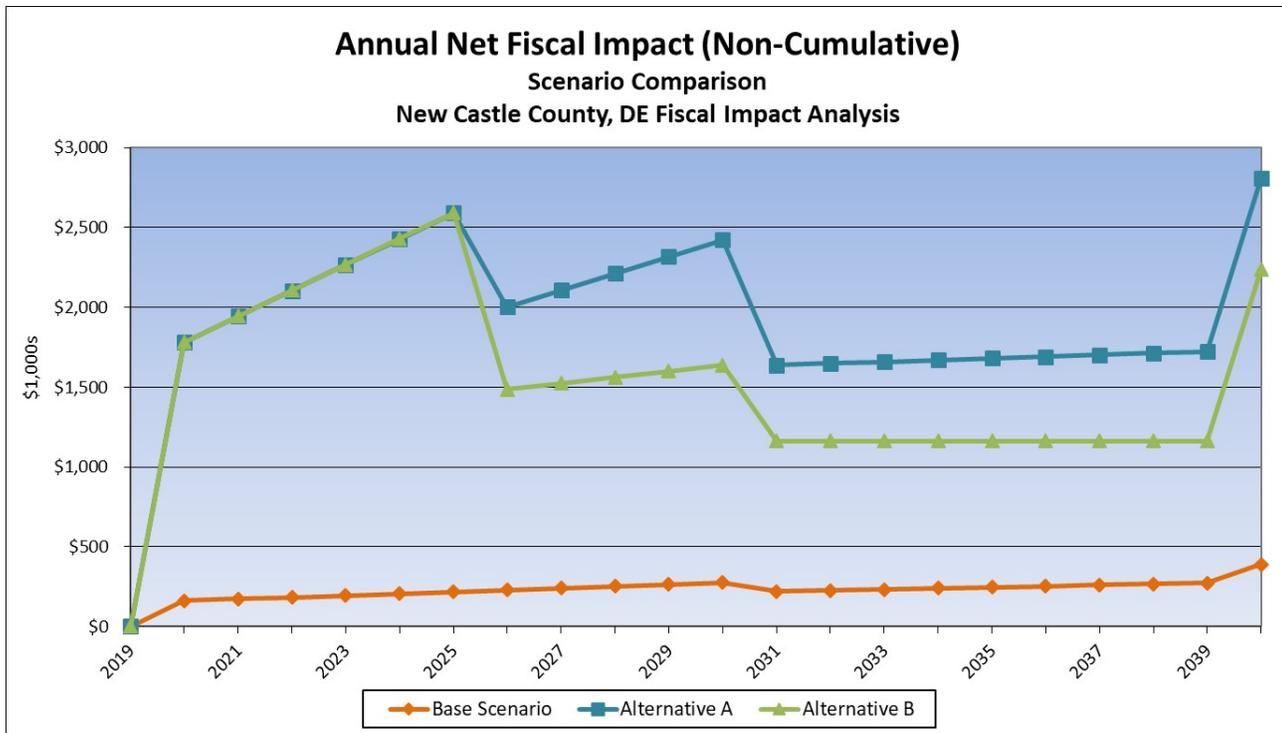


Figure K-12: Annual Net Fiscal Impact Scenario Comparison; Source: TischlerBise Analysis August 30, 2019

Additional analysis indicates that more dense development types have a higher land value per acre in the county (**Figure K-1313**). For example, the value per acre of multi-family development is nearly three (3) times more than that of a single-family home.³⁸ Likewise, in addition to land value, denser development patterns correlate to productivity. Areas with higher concentrations of economic activity and jobs correlate with higher land values, which in-turn results in higher tax revenues. Therefore, it will be important to consider these fiscal implications in our land use policy. Land use policies that allow for mixed use development or compact development in suitable areas of the county, should be considered as areas of the county to redevelop. A healthy fiscal environment fuels the ability to reinvest, provide quality public services, and maintain and enhance quality of life in our communities.

³⁸ September 14th, 2020 presentation by Urban3
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Economic and Community Development Tools and Resources

At the time of this draft, New Castle County is slated to receive funds from the [American Rescue Plan Act \(ARPA\)](#) to spur recovery from the COVID-19 pandemic. The County will receive approximately \$108 million. A Task Force was convened, with topic-focused committees established to identify recommendations for ways to spend these funds. Committees included: economic and community development; workforce development; and early childhood learning. More specifics on how these funds will be invested in community recovery efforts will be included as the draft plan advances.

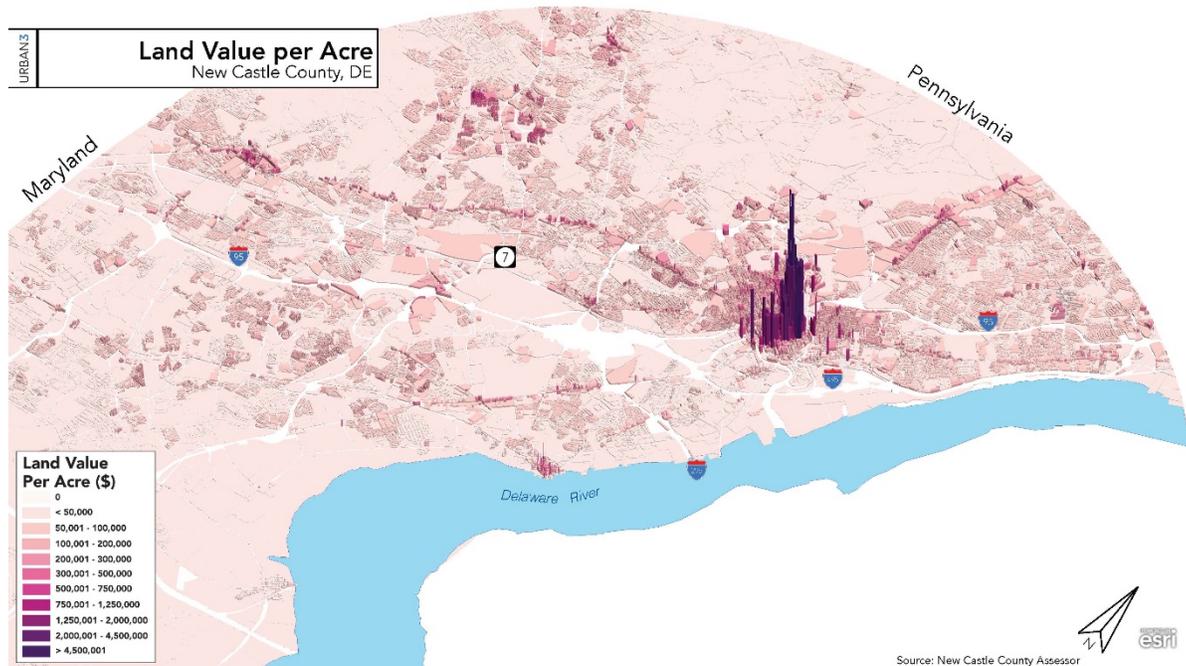


Figure K-13: Land Value per Acre; Source: Urban3

New Castle County developed the [Jobs Now](#) program, which provides accelerated plan review for development projects that bring new or expanded employment opportunities into New Castle County. To prioritize this type of development, the Department of Land Use's plan reviews are completed within five business days, including coordination with other agencies to expedite their own reviews.

In 2019, New Castle County Council approved an ordinance enabling the creation of Transportation Improvement Districts (TID). [Defined by DeIDOT](#), TIDs outline a geographic area to secure required improvements to transportation facilities in the area of a new development. They will provide the ability to proactively plan transportation improvements to support economic development in locations appropriate for economic development as identified in local comprehensive plans. Benefits include focusing transportation improvements in high-priority growth areas, supporting complete communities, and complementing local master plans. TIDs also encourage developers to make "fair share" contributions to transportation improvements, foster market-ready development, and promote intergovernmental coordination.

New Castle County also enacted legislation to implement [Complete Community Enterprise Districts \(CCED\)](#), another DeIDOT initiative. CCEDs encourage development that maximizes economic value of both new and existing transportation infrastructure; strategically deploy transportation funds to meet mobility needs of the communities at the lowest total economic cost; and encourage transportation solutions that do not require personal vehicles. CCEDs are contiguous, compact areas between one and nine square miles. Within these areas, there are no parking minimums and a mix of zoning and land uses. Development within a CCED should be walking-, cycling- and transit-based. An area defined as a CCED must also have a master plan to formalize the goals and requirements for local development.

Another tool used for economic development in New Castle County is the [Economic Empowerment District \(EED\)](#). EEDs facilitate employment uses and complementary uses within a specific compact, campus-like setting, such as those for corporate headquarters, technology offices, research, light assembly centers, or master planned employment centers. Establishing an EED requires an ordinance from County Council and a unique set of guidelines to accommodate development or reuse of land within the EED.

Future Projections

Looking into the future, the total workforce is expected to grow slightly to roughly 320,000 (0.6%) in 2026, according to the Delaware Department of Labor. The top industries expected to see growth are: Management (2.1%), Health Care & Social Assistance (1.2%), and Finance & Insurance (1.1%). Among the industries expected to see slight decline by 2026 are Retail Trade (-0.2%), Manufacturing (-0.5%), and Wholesale Trade (-1.3%). Increased economic development will help to offset job losses and other effects of the industries projected to decline into the future.³⁹

As Delaware is a hub for credit card companies and back-office operations for many national banks, financial services accounts for a greater share of employment than in any metro area with a population of more than 500,000. In the future, banks will continue to incorporate technology and automation into their operations, which means financial services payrolls will reach pre-pandemic levels by the end of 2022 but are not expected to expand much beyond that.

The COVID-19 pandemic and resulting stay-at-home orders and social distancing guidance encouraged people to shop online more than in the past. [Survey data from McKinsey & Company](#) shows that most people plan to continue shopping online more even after COVID-19 protocols are lifted. This trend began before the pandemic, but it was greatly accelerated by the health crisis. This creates the need for businesses to change everything from their logistics and supply operations to their website and online stores. It also creates challenges in land use and transportation infrastructure. Traditional retail locations like shopping malls or big box stores may be less utilized and require re-use for other purposes. Retail companies also may need to implement additional drive through and curbside pickup areas at their brick-and-mortar locations. As online orders continue to increase, it will also require increased delivery vehicles on the road and additional spaces on local streets for those vehicles to pick up and drop off packages.

The federal government passed legislation creating the Coronavirus Aid, Relief and Economic Security (CARES Act) in 2020 to provide support to local governments and communities to assist in recovery from the pandemic and resulting impacts. New Castle County implemented [several programs](#) to create opportunities for county communities and businesses to recover and thrive into the future. These programs included a variety of grants, including the Innovation Grant, which supported businesses and entrepreneurs in innovating new programs and technologies to increase virus safety and establish foundations for a strong economy, healthy people, and a thriving community. Other grants were specifically targeted to support restaurants, distance learning, municipalities, fire companies, and food distribution and health organizations.

Economic development is an essential element of vibrant communities. A strong and stable economy provides for job growth, thriving businesses, and resources for developing and preserving the other important aspects of our communities, like green space, education, employment opportunities, and infrastructure. New Castle County must be ready to adapt and maintain a robust economy and job market no matter how the national and international markets change. Economic development efforts must also be coordinated with other development initiatives and implemented in a way that is sustainable, efficient, and beneficial to all community members. This plan includes strategies to promote existing and new industries, encourage employment near housing centers and housing near employment centers, and establish New Castle County as a hub of the regional economy to support the quality of life of our residents.

³⁹ Delaware Department of Labor, <https://lmi.delawareworks.com/Content/Information/Projections-OCEW-LT.php>
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Related Goals, Objectives, and Strategies

5. Goal: New Castle County is a strong, resilient hub of the regional economy that provides a range of jobs and services to County residents.

5.1. Objective: Promote business clusters by focusing resources and policies toward retaining and growing businesses in discrete sectors that advance the county's economic strengths.

5.1.1. Strategy: Support emerging business (green jobs, warehousing/logistics, startups, other areas where demand from the market is growing) to complement traditional industry and business in the county (business services, agriculture, banking, chemical, healthcare, etc.)

5.1.2. Strategy: Work with other agencies and partners to focus transportation and other investments in the built environment that support and attract local business, such as corridor reinvestment, streetscape enhancement, tech infrastructure, etc.

5.2. Objective: Achieve a diverse and supportive business ecosystem.

5.2.1. Strategy: Support small business and entrepreneurship

5.2.2. Strategy: Encourage community-based economic development and revitalization

5.2.3. Strategy: Grow a diverse portfolio of employers/businesses, especially those owned by female and minority entrepreneurs.

5.2.4. Strategy: Create spaces where employees are able to connect to work (remote) for employers that are located beyond the county to reduce long commutes and foster access to employment.

5.2.5. Strategy: Enhance and promote the county's high quality of life (schools, natural amenities, transportation, character, built environment) to retain and attract a skilled workforce and new businesses

5.2.6. Strategy: Increase access to modern infrastructure and emerging/new technology (e.g. renewable energy transportation, Connected/Autonomous vehicles, microtransit, high speed internet, green energy, etc.)

5.3. Objective: Increase the percentage of jobs located in Delaware Level 1 State Strategies Investment Areas, ensuring job centers are located near transit and existing infrastructure/services.

5.3.1. Strategy: Encourage redevelopment of industrial land, strip malls, office parks, and other "greyfields" to strengthen community cohesion, environmental quality, fiscal productivity, and quality of life

5.3.2. Strategy: Enact land use policies and regulations that incentivize infill and redevelopment in and around job centers

5.3.3. Strategy: Evaluate the existing Economic Empowerment District (EED) regulations in County code and update/enhance and promote. Consider identifying target areas for application.

5.3.4. Strategy: Increase industries that generate green, quality jobs (toward addressing climate change, creating good jobs, employing locals)

6. Goal: All residents have the ability to participate in the economy and have access to living-wage jobs. Delaware's workforce is strong and positioned for emerging industry and jobs as well as applying innovation and adaptation in traditional industries.

- 6.1. Objective: Increase equitable access to educational and economic opportunities (see also Housing and Environmental and Social Justice elements).
 - 6.1.1. Strategy: Require that new neighborhoods have access to internet at speeds adequate to facilitate education and occupational needs at home; address underserved areas.
 - 6.1.2. Strategy: Work with a full range of stakeholders (traditional business leaders, community members, surrounding governments, and others) to strengthen the regional economy around our existing assets and incentivize investment in areas that have experienced disinvestment
- 6.2. Objective: As economic growth occurs, increase distribution of benefits across the community.
 - 6.2.1. Strategy: Support the creation of Community Benefits Agreements to support residents voices in development/redevelopment
 - 6.2.2. Strategy: As the retail economy shifts away from brick and mortar and toward delivery-based, ensure sufficient access to goods and services
 - 6.2.3. Strategy: Evaluate the impact of nonresidential development on clean air, water, and soil to enact regulations where appropriate especially focused on the disproportionately larger impact in Environmental Justice communities

See also:

[Conservation](#), Goal 7

[Historic Preservation](#), Goal 12

[Mobility](#), Goal 8

[Community Planning and Design](#), Goal 10