

Chapter 9 ECONOMIC DEVELOPMENT

A sustainable community is a place that uses its resources responsibly to develop and maintain a high quality of life for current and future residents. This requires a healthy and vibrant local economy that provides all residents with the opportunity to share in prosperity, enjoy the benefits of a clean environment, and ensure the fiscal health of the municipality. Characteristics of an economically sustainable community include the following:

- Offers a mix of employment, housing, and retail options that fosters growth, development, and creative opportunities for individuals, businesses, and industries.
- Creates and maintains neighborhoods that are safe, stable, and attractive, as well as opportunities for transit, bicycling, and walking.
- Provides innovative education opportunities for current and future residents.
- Manages municipal and population growth in a way that is sufficient to sustain and extend services.

In summary, an economically sustainable community establishes a setting for a healthy, active, environmentally sustainable, and inclusive community.

Newark's Economy

Newark is one of Delaware's principal economic, industrial, and academic centers. The local Newark economy is resilient to a considerable extent because of the presence of the University of Delaware, the City's largest employer, with the eighth largest per-capita endowment of any public university in the United States. Adjacent to I-95, Newark is within easy access of Wilmington, Philadelphia, Baltimore, New York City, and Washington, D.C. The City is also connected to the region by rail with SEPTA and Amtrak service and enjoys convenient access to two major international airports—Philadelphia and Baltimore/Washington—as well as a national airport in New Castle, Delaware. The CSX and Norfolk Southern freight lines traverse the City and provide freight rail connections to all major points along the eastern seaboard.

The main campus of the University of Delaware, a leading scientific and research institution on the East Coast, services approximately 23,500 full- and part-time undergraduate and graduate students. In 2009, the University purchased the 272-acre site of the former Newark Chrysler Assembly plant with the vision of establishing a science and technology campus, now known as the Science, Technology, and Advanced Research (STAR) Campus. The STAR Campus currently has over 1 million square feet of real estate in use or under development, with a total build-out anticipated up to 5 million square feet of multiuse space. The space's uses include labs, health science, housing, retail, offices, and an overall plan for transit-oriented development. The STAR Campus has first tenant, Bloom Energy, opened a manufacturing center in 2013 to build fuel cells known as "energy servers." Since then, science and technology companies such as the Chemours Company, SevOne, Independence Prosthetics-Orthotics Inc., and the National Institute for Innovation in Manufacturing

Biopharmaceuticals (NIIMBL). It is also the location of the UD Health and College of Health Sciences, the Wilmington Area Planning Council (WILMAPCO), Care Now Medical Aid Unit, the Delaware Biotechnology Institute, UD Biomedical Engineering, and the UD Data Science Institute.

Newark is also the home for the state’s major high-tech industrial center—Delaware Technology Park, located south of the former College Square Shopping Center between Library Avenue and Marrows Road. Other major employers operating in Newark or in the surrounding area include W.L. Gore & Associates, Inc, DuPont Electronics & Industrial, Siemens Healthcare Diagnostics, Air Liquide, FMC Stine Research Center, DXC Technology, Bank of America, Sobieski, Inc., Christiana Care Health Systems, AstraZeneca, GE Aviation, and Solvay Specialty Polymers USA.

Since 2000, a number of hotels began opening in Newark, significantly adding to the City’s stock in high quality hostelries, starting with the Embassy Suites and Homewood Suites on South College Avenue across from the University of Delaware's sports complex, the Courtyard by Marriott/University of Delaware on the University’s Laird Campus, the Candlewood Suites on South College, and the SpringHill Suites by Marriott on Ogletown Road. In 2021, Council approved a 104-room luxury hotel at the site of the Green Mansion in downtown Newark.

Other important economic-development initiatives occurred in 1999 and 2000 at the Delaware Technology Park with the addition of two facilities totaling 50,000 square feet and, shortly thereafter, when the City’s last idle downtown industrial site—the old National Vulcanized Fibre plant on White Clay Creek—was successfully redeveloped with waterfront dining, 40 apartments, and 107,000 square feet of commercial office space. The original mill at this location was constructed in the early 18th century, and the current structure, built in 1853, operated as a woolen mill and later produced vulcanized fiber (a composite material) to the early 1990s. Many of the historic structures on the site have been preserved and renovated. In 2022, additional redevelopment was approved at the site including a new theatre and restaurant.

New development and redevelopment continue to be a major focus of the Planning and Development Department, Planning Commission, and City Council. The City has approved many new retail and commercial projects and additional residential units downtown and at other locations. Most of these projects follow a mixed-use, new-urbanism style of development that includes space for restaurants, pharmacies, banks, and other retailers at the street level with apartments above. Other relatively large residential projects have been approved by the City. Some of these new facilities have been limited to senior and assisted living as part of the City’s effort to increase its available housing stock for older Newarkers. This land-use goal is particularly important in a community that is very significantly impacted by the continued demand for off-campus housing.

Table 9-2 shows a comparison of employment characteristics of Newark with New Castle County, Delaware, and the United States. A higher percentage of Newark residents work in management and education professions.

Table 9-1: City of Newark Employment Characteristics (Updated 2022)

Occupation*	United States	Delaware	New Castle County	Newark
Management, business, science, and arts occupations	35.5%	40.3%	44.3%	47.5%
Service occupations	17.8%	17.7%	16.7%	20.8%
Sales and office occupations	21.6%	21.7%	21.4%	20.4%
Natural resources, construction, and maintenance occupations	8.9%	8.4%	7.5%	4.7%
Production, transportation, and material moving occupations	13.2%	11.4%	10.1%	6.3%
Industry*	United States	Delaware	New Castle County	Newark
Education, health care, social services	23.1%	24.8%	25.3%	31.4%
Arts, entertainment, recreation, and accommodation and food services	9.7%	9.4%	8.8%	16.2%
Retail trade	11.2%	11.8%	10.7%	10.3%
Professional, scientific, management, and administrative and waste management services	11.6%	10.1%	11.7%	7.2%
Finance and insurance; real estate and rental and leasing	6.6%	9.5%	12.0%	11.1%
Manufacturing	10.1%	8.1%	7.8%	6.1%
Transportation and warehousing; utilities	5.4%	5.1%	5.4%	3.5%
Public administration	4.6%	5.5%	4.3%	4.2%
Other services, except public administration	4.9%	4.3%	4.0%	4.0%
Construction	6.6%	6.9%	5.8%	4.4%
Information	2.0%	1.4%	1.5%	0.9%
Wholesale trade	2.6%	2.1%	2.0%	0.7%
Agriculture, forestry, fishing, hunting, mining	1.8%	1.1%	0.7%	0.0%

*Civilian-employed population 16 years and over

Source: 2019 American Community Survey 5-Year Estimates Data Profile

While Newark’s industrial sector remains relatively healthy, the Planning and Development Department collaborates with area industrial-park operators, including the Delaware Technology Park, the state and New Castle County Chambers of Commerce, and the Delaware Development

Office to bring new high-quality, low-impact manufacturing firms to Newark (for properties zoned MI, MOR, and STC).

The Downtown Newark Partnership (DNP) - 1998 - 2018

In 1998 the City adopted the *Downtown Newark Economic Enhancement Strategy* which provided a detailed market analysis and market opportunities for Downtown Newark, analyzed Downtown’s economic growth potential for retail, office, and housing space, and recommended specific strategies to meet the goals outlined in the strategy. One of the key recommendations was to establish a tripartite Downtown Newark Partnership (DNP) to bring together the business community, the City, and the University for the mutual goal of enhancing Newark’s Main Street. The formation of the DNP in 1998 underscored an important aspect of the City’s quality of life — Main Street is Newark’s commercial heart and soul and embodies what makes Newark unique.

The DNP promoted the economic enhancement of downtown Newark. It was governed by an 18-member policy board from a variety of positions in the community, along with the following working committees:

Design: Focused on maintaining and enhancing the visual appeal of downtown, with emphasis on pedestrian-scale qualities.

Economic Enhancement: Focused on recruiting new businesses for downtown, as well as retaining current downtown businesses.

Events: Focused on organizing events and festivals for downtown to create economic opportunities for existing businesses.

Merchants: Focused on opening and maintaining lines of communication among downtown merchants and the rest of the DNP, the City, University, and citizenry.

Parking: Focused on improving off-street parking downtown for a more user-friendly and cost-effective service.

Design Guidelines for Downtown Newark

In 1998, part of its participation in the Delaware Main Street Program, DNP’s Design Committee developed specific guidelines to assist the City in reviewing facade improvements for buildings downtown. The *Design Guidelines for Downtown Newark* soon became an important tool in that helped fuel the ongoing renaissance on Main Street. The Design Committee updated their Design Guidelines in 2007, 2012, and 2016 to ensure they continued to meet the latest standards. The downtown design guidelines are intended to sustain and strengthen downtown Newark’s small-town uniqueness by encouraging flexibility and creativity in design while, at the same time, enhancing the architectural character and overall visual appearance of downtown Newark.

Other initiatives as part of Newark’s overall aesthetic improvement and upgrade program included the initiation in 2000 of a downtown sidewalk and street-sweeper program. As a result, early morning street and sidewalk sweeping has made a significant contribution to the overall attractiveness of the heart of Main Street from Chapel Street to the University Green. In addition,

the City has adopted an anti-graffiti program, which has been successful in helping to limit unsightly graffiti downtown and at other locations throughout the community.

In June of 2020, the Delaware Department of Transportation completed the *Main Street Newark Rehabilitation and Pedestrian Improvements* project, which included the Design Committee’s initiatives of increased surfaces for sidewalks, protective spaces for “parklets” for increase pedestrian space, increase bicycle parking facilities, as well as 31 curb extensions with decorative crosswalks. The completed two-year project was a significant enhancement Downtown.

Image 9-1: Improved Streetscape at Main Street & Haines



Downtown Development

The City and the development community have successfully revitalized Newark’s traditional Main Street and downtown with an exciting and vibrant mixture of adaptively reused historic and new buildings, occupied with street-level commercial businesses and apartments on upper floors. The City has specifically targeted pedestrian-oriented, rather than auto-oriented, businesses to limit the traffic impact on Main Street and the demand for off-street parking without impacting the businesses’ customer base. Downtown mixed-use projects have had a considerable positive impact downtown by helping to foster the adaptive reuse of existing buildings and strengthening the local market for Newark products and services. On the other hand, these projects also have, to a considerable extent, placed additional stress on the availability of off-street parking and have had public-safety and related municipal-service demand impacts.

Key developments in downtown include the following:

- The Deer Park Tavern, one of the City’s most acclaimed historic landmarks, was fully restored and reopened under new management in 2001. This U.S. Department of Interior National Registered Property dates from 1851 and has been operated continuously at this location since that time. In addition to being one of the City’s most notable landmarks and a popular local entertainment center, the Deer Park is a significant business anchor at the west end of Main Street near the edge of the University campus.
- The Washington House, approved in 2005, brought 54 upscale condominium apartments, commercial space, and a two-story parking facility to the site of the former Stone Balloon tavern. The project was an achievement of the goal to bring more owner-occupied housing to downtown.
- The Barnes & Noble/UD Bookstore was approved in 2010, the project for which included the refurbishing of the historic Christina School District Building originally built in 1884. The building added more than 60,000 square feet of office and retail space to downtown.
- The Newark Shopping Center redevelopment project was approved in 2013 and refurbished an old suburban-style shopping center. The shopping center was completed in May 2015 and included façade improvements to most of the existing buildings, improved amenities for bicyclists and pedestrians, and the new location of Newark Natural Foods. An adjacent 220-unit apartment building was completed in 2016.
- The redevelopment of the former College Square Shopping Center was approved in 2019 to transform the underutilized shopping center into a vibrant mixed-use complex featuring retail shops, restaurants, and 306 apartments. The project also includes an extension of Delaware Avenue through the plaza to Marrows Road. The Delaware Avenue extension will include additional commercial development and a community plaza for open area.

Image 9-2: Artist’s renderings shopping and apartments at the Newark Shopping Center



- In 2021, three significant redevelopment projects were approved downtown. In March, Council approved a seven-story luxury hotel, 48 apartments, and a 171-space parking facility at the site of the “Green Mansion” at 96 East Main Street, In May, Council approved a mixed-use building with 17,540 square feet of commercial space, 80 apartments, and a 221 space parking garage at 141 East Main/19 Haines Street. And

finally, in August Council approved the demolition of the Super 8 hotel at 268 East Main Street, replacing it with a five-story mixed use building with commercial space and parking on the ground floor, and 56 apartments above.

Economic Development Strategy and Action Plan (2011)

In 2010, the City of Newark hired the Wadley-Donovan Group to complete an economic development–opportunities analysis and a strengths, weaknesses, opportunities, and threats (SWOT) assessment of the City. The resulting *Economic Development Strategy and Action Plan* provided information leading to the understanding of Newark’s marketable strengths, cost-effective recommendations for improvements, development opportunities, and obstacles to development. Some of the findings are listed below.

Assets

- Excellent central location between major metropolitan areas, with access to train service and international airports.
- In the greater Newark area, a large, high-quality, diverse, educated, and young labor market with a middle- to upper-income household profile.
- Employment clusters in business and financial services, biomedical/biotechnical (life sciences) fields, computer and electronic production manufacturing, and information technology and telecommunications.
- Opportunities with the BRAC initiative and the expansion of the Aberdeen Proving Ground.
- An attractive and vibrant downtown.
- Ten area colleges and universities, with the University of Delaware being the largest. Its professors are free to consult and partner with area companies. The University’s Office of Economic Innovation and Partnerships seeks to establish the University as a renowned center for innovation, invention, entrepreneurship, partnering, and economic development.
- The 270-acre site of the former Chrysler plant to be transformed into the STAR Campus, devoted to three business clusters—health and life sciences, energy and environmental technology, and operations related to Aberdeen Proving Ground.
- A full network of utility and telecommunications services and more-than-adequate water, sewer, telecom, natural gas, and electric capacity to meet future opportunities.

Challenges

- New Castle County’s employment base has been concentrating into fewer sectors and, while employment has been stable for the past five years and county employers are increasing, it is hiring fewer employees.
- The Christina School District shows unfavorable statistics. Interviewed employers report that many of their managers and professional employees prefer to live in southern Chester

County, Pennsylvania, and other locations within New Castle County, such as Bear and Middletown, for access to what they think are better public schools.

- A shortage of office, R&D, industrial, and flex space to meet the needs of new and expanding companies.
- No centralized inventory of available business real estate other than downtown.
- Downtown parking shortage and traffic congestion that adversely affect current downtown business and affect Downtown’s ability to attract new business activity.
- Traffic congestion caused by having only three east/west routes through Newark.
- High industrial/commercial electric power rates, coupled with service quality issues.
- Limited passenger rail service into Newark (improvements are planned).

Through an intensive stakeholder process, the *Economic Development Strategy and Action Plan* proposed the following Economic Development Vision Statement:

In 2020, Newark, Delaware, will be internationally recognized as a regional hub of science, technology, and higher education. Its research, science, and technology sector will be the core of a diversified economy providing well-paying jobs for workers from a multistate area. Downtown Newark and its shopping and entertainment opportunities will be a destination for both regional residents and global visitors as well as a sought-after business location. Newark’s economic sector will be a key component of its highly desirable quality of life.

The *Economic Development Strategy and Action Plan* recommended 11 “Economic Strategy Initiatives”. Many of the strategic initiatives outlined in the plan have been incorporated into the scope of The Newark Partnership (TNP), discussed in the next section of this chapter.

1. Establish a Greater Newark Development Corporation as a public/private partnership to promote economic development in the region.
2. Create and manage an economic-development website for the greater Newark area.
3. Create an inventory of available real estate for business and industrial uses.
4. Reposition the City’s Department of Planning and Development to emphasize its economic development mission.
5. Use a marketing program to create a “Newark brand” as a regional technology and innovation hub.
6. Conduct and encourage efforts to improve the Christina School District, including a focus on science, technology, engineering, and mathematics.
7. Prepare an analysis of the cost of doing business in Newark compared to other competing locations.
8. Identify and correct issues with the City’s regulations and procedures for permits and approval reviews.

9. Identify land in the City of Newark with development and redevelopment potential for industrial, office, and R&D operations.
10. Develop, fund, and implement aggressive and effective business-attraction, business-retention/expansion, and business-startup programs for targeted industries.
11. Create a strategy for housing business prospects visiting the City.

The complete report on the City of Newark’s *Economic Development Strategy and Action Plan* is available online:

www.cityofnewarkde.us/DocumentCenter/Home/View/1850

The Newark Partnership (TNP) 2019 to Present

The Downtown Newark Partnership (DNP) formed a *Strategic Planning Committee* in 2018 that recommended the creation of a “Newark Partnership” as a city-wide community-based organization that benefited all people who interacted in Newark, including the business, residential, civic, and non-profit communities. The DNP “sunset” in December 2018 and was reconstituted into the Newark Partnership (TNP), based on the recommendation of the Strategic Planning Committee in January 2019.

The mission of TNP is to build upon Newark’s distinctive assets as an inclusive and innovative university community, in which businesses, community institutions, city residents, and students work together toward the common goals of enriching the city’s prosperity and improving the quality of life. A community-based nonprofit institution, TNP promotes sustainable, city-wide economic, environmental, and cultural development. In addition, TNP supports initiatives that help make Newark a preferred place for all people to live, work, enjoy, learn, do business, and visit.

TNP has three core program areas:

Economic Development: TNP partners with the Delaware State and New Castle County Chambers of Commerce, as well as the City’s Planning and Development Department, to support overall economic development. Initiatives include partnership programs to attract, retain, and expand business, maintain up-to-date information on building sites, and develop and disseminate marketing materials and services on business and economic development opportunities.

Nonprofit Community Support: TNP works with Newark’s diverse nonprofit sector that includes large institutions such as the University of Delaware and Christiana Care Health Systems, as well as small community organizations, such as churches, social service institutions, and advocacy organizations, that provide key services to those who live, work, and study in Newark. TNP also supports arts, entertainment, and cultural institutions that add to the quality of life in Newark. To advance this effort, TNP is creating an information sharing network for Newark nonprofit institutions to help coordinate services and events, as well as offer a porthole for those who live or work in the City to easily locate services that they need.

Civic Engagement: TNP partners with the City of Newark, the University of Delaware, and other partners to act as a “catalyst” for ongoing community conversations and initiatives to provide

information and resources that enrich understanding of those issues and the options for addressing them. The TNP partnerships include supporting initiatives in environmental sustainability, arts and culture, and inclusion and diversity.

The TNP Governing Board has representation from key institutions and community advocates, including the City of Newark, the University of Delaware, Newark businesses and nonprofits, and engaged citizens. Resources to support TNP have been historically provided by the City Government, the University of Delaware, corporate sponsors, such as W. L. Gore & Associates and Bloom Energy, as well as through institutional and individual members.

Additional information on the Newark Partnership (TNP) can be found at their website: <https://www.thenewarkpartnership.org/>

Plan Goals and Action Items: Economic Development

Promote a sustainable economic future for the City by encouraging a diversified local economy, creating a quality place for people to live and work, and attracting a highly qualified workforce.

Strategic Issues:

- Business diversification and business-friendly environment.
- Physical and economic vitality.
- Continued redevelopment of the Downtown Central Business District and surrounding areas.
- Leveraging the asset of the University of Delaware.

Community Vision: Sustainable and Inclusive

Goal 1	Attract and retain a diverse range of large and small high-quality business and industrial firms. Attracting and retaining a diverse employment base advances the City’s vision as a “Sustainable Community,” one that is better able to adjust to a changing economy.
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Action Item 1

Continue to dedicate staff time and support for advancing and implementing the Economic Strategy Initiatives of the *Economic Development Strategy and Action Plan (2011)*. The City should work with partnering agencies in implementing the 11 initiatives outlined earlier in this chapter with the intent of making Newark a regional hub of science, technology, and higher education.

2022 Status: The Newark Partnership has taken on these activities and are updating and revising the 2011 Action Plan for new initiatives.

Partnering agencies:

The Newark Partnership
 City of Newark Department of Planning and Development
 Delaware State and New Castle County Chambers of Commerce

Action Item 2

Create a consolidated reference guide to help potential businesses navigate the City processes and regulations to opening a business in Newark. This publication would consolidate several existing publications and be available on the City’s website.

2022 Status: The Planning and Development Department and The Newark Partnership have been collaborating on this effort, with a revised document anticipated to be released in 2022.

Partnering agencies:

The Newark Partnership
 City of Newark Planning and Development Department

Community Vision: Healthy/Active, Sustainable and Inclusive

Goal 2	Continue to enhance Downtown Newark’s physical and economic vitality. Downtown Newark is the City’s cultural and economic heart. Enhance by continuing to develop and redevelop the downtown physical environment and attracting and retaining a diverse range of shopping, entertainment, restaurant, and housing opportunities. Expand the revitalization of mixed-use structures to include the refurbishment, renovation, and redevelopment of residential neighborhoods adjacent to the central business district.
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Action Item 3

Explore and evaluate proposals to enhance the physical environment downtown, such as desirable locations for “green space,” a public park downtown, or the burying of utility lines.

2022 Status: As described on page 112 of this chapter, the Delaware Department of Transportation completed the *Main Street Newark Rehabilitation and Pedestrian Improvements* project which included increased sidewalks surfaces and locations for “parklets” that increased pedestrian space.

Action Item 4

Identify residential neighborhoods surrounding the central business district to target for redevelopment for affordable housing through City incentive programs and continue to seek opportunities such as the State’s Downtown Development District (DDD). The City seeks to incentivize and create affordable home-ownership opportunities in residential areas surrounding Newark’s downtown. Potential initiatives could include zoning changes to include Accessory Dwelling Units and Inclusionary Zoning, as well as programs that assist first-time and low-to-moderate income homebuyers, home rehabilitation programs, and the redevelopment of the Newark Housing Authority site. The Office of State Planning Coordination’s Downtown Development District Program should also continue to be explored.

2022 Status: The Planning and Development Department applied to the Office of State Planning Coordination in 2016 for the second round of DDD designations; however, Newark was not among the communities chosen. Efforts are on-going if new designations are granted.

Participating agencies:

City of Newark Planning and Development Department
 The Newark Partnership
 Office of State Planning Coordination

Community Vision: Sustainable

Goal 3	Ensure that zoning requirements encourage the uses desired and do not create impediments to desired business growth. In order to maintain a “Sustainable Community” economy, it is important to make adjustments in a constantly changing and competitive economy. Newark will ensure that the City’s zoning and regulations are meeting the best practices in planning and land use.
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Action Item 5

Update the City of Newark’s Sign Ordinance for downtown businesses to improve the quality and types of signage.

Action Item 6

Conduct a “Charrette” based on the National Charrette Institute (NCI) to create a comprehensive set of plan-enabling and supportive documents that will represent a feasible plan to reach a collective vision for downtown and its associated zoning districts. Adopt and implement the recommendations. Additional information on this action item is on page 161 in Chapter 10: Land Development.