

Executive Summary

Riverfront parks are being developed in cities throughout the nation not just because they make for pleasant urban greenspace, but for the many different types of economic value they represent to an urban area's economy. Though each riverfront and its park is unique, there are six major types of economic value that can result from riverfront parks:

- construction benefits
- recreational amenity
- downtown revitalization (commercial/residential retention and expansion)
- tourism
- education and research
- access and linkages

It is clear to most casual observers that Schuylkill River Park, when it is built, will have value as a recreational amenity. There are, however, many other assets that the Park brings to Philadelphia's economic table. It is difficult to pinpoint the dollar amount of each type of value, but it is possible to assess all of them qualitatively and compare them relative to one another. Several conclusions emerged from this analysis of Schuylkill River Park's economic value:

- Three types of value--residential retention and expansion, construction of Schuylkill River Park, recreational amenity--have a high likelihood of occurring and will do so in the short-term. The construction component is estimated to have a total impact on the City's economy of \$20.1 million, while the Park-related appreciation of residential property values is estimated to be \$9.3 million.
- The other three types--commercial retention and expansion, tourism, education and research -- are expected to take longer to develop, and are not as likely to do so as the others. There is, however, significant upside potential for tourism and commercial retention and expansion should they occur.
- The prime beneficiaries of the Park's economic value are the City (property, wage, and sales tax revenues), the State of Pennsylvania (income and sales tax revenues) and area businesses, through sales of their goods and services to visitors from around the region and beyond.
- A significant amount of intangible value is represented by the access and linkages created by the Park. By opening up access to the Lower Schuylkill, the Park enhances the City's quality-of-life and makes possible a host of activities. By linking various attractions, assets, and sections of the City, the Park not only maximizes its own value but leverages additional value from other sources.

Why is it important to understand the economic value of Schuylkill River Park? Because the Park can and will be viewed as one investment option among many by those organizations and agencies deciding where to invest their time and money. Despite the undeniable economic value and inherent appeal of the Schuylkill River Park project, the fact remains that it is in competition with other

investments for scarce resources as it seeks to fund related developments and Park operations. Securing those resources hinges on the ability of the Park's supporters to 1) communicate its full economic value and 2) set priorities so that its value is maximized. Potential investors need to understand what return-on-investment and what benefits they can expect for themselves and the community/City/region. Communicating and maximizing the Park's value will make a convincing case that the Park is a worthwhile investment.

Currently, the Schuylkill River Development Council (SRDC) is moving toward the concept of a "Schuylkill Riverfront District", an economic district which would seek to combine current public investments--Schuylkill River Park, the Fairmount Water Works, and Lloyd Hall--with private investment to revitalize the Schuylkill Riverfront in Center City. The economic district would exist as a public-private partnership involving SRDC, the City, and private-sector stakeholders--in the broadest sense, their goal would be to jointly create and implement a strategic vision for the riverfront area. Such a partnership would have the ability to establish priorities so that the value of the Park and the Schuylkill Riverfront in general is maximized.

Clearly, Schuylkill River Park can be a catalyst for various types of economic activity across an area much larger than itself--the Lower Schuylkill, Center City, and the entire Philadelphia region. The formation of an economic district is an ambitious but promising approach to capitalize on the linkages and access created by Schuylkill River Park and bring together the principals needed to maximize not only the Park's economic value, but that of the Schuylkill Riverfront.

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