

# Kennett Region Economic Development Study

*Kennett Square and Kennett Township, Pennsylvania*

September 15, 2016



**RBA**



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# EXECUTIVE SUMMARY

# Background: Kennett Region Economic Development Study



## Background: Existing Planning Geographies & Planning

This study implements the goals and recommendations of both Kennett Borough and Kennett Township's comprehensive plans in addition to Landscapes2 (Chester County's Comprehensive Plan). The study also considers recent regional planning efforts conducted by the Delaware Valley Regional Planning Commission (DVRPC). Specifically, 4ward Planning reviewed the planning documents outlined below. Particular attention was given to portions of the plans relating to economic development. Summaries and relevant excerpts from the plans are included in the Appendix.

Delaware Valley Regional Planning Commission (DVRPC)	<ul style="list-style-type: none"> <li>• DVRCP Regional, County, and Municipal Employment Forecasts, 2010-2040</li> </ul>
Landscapes2 (Chester County)	<ul style="list-style-type: none"> <li>• Chester County Comprehensive Policy Plan (Landscapes 2)</li> </ul>
Kennett Township	<ul style="list-style-type: none"> <li>• Ways Lane Neighborhood Enhancement Plan</li> <li>• 2015 Kennett Township Comprehensive Plan</li> </ul>
Kennett Square Borough	<ul style="list-style-type: none"> <li>• 2013 Kennett Square Borough Comprehensive Plan</li> <li>• 2015 Kennett Square Borough Strategic Plan</li> </ul>

# Background: Existing Planning Geographies & Planning

## STRATEGIC CHALLENGES

- **Infill, Redevelopment, and Adaptive Reuse:** Kennett Square Borough is generally built out, and economic development and revitalization will come in the form of infill, redevelopment, and adaptive reuse. There are relatively few vacant parcels in the Borough, with the majority located in industrial areas.
- **Regional Coordination:** Finally, communication and coordination between neighboring and overlaying jurisdictions is particularly important for planning in Kennett Square. As the Borough is entirely surrounded by Kennett Township, coordination between the jurisdictions is vital. Additionally, as a Chester County-designated urban growth area, the Borough fits into larger regional plans for the County and surrounding area.

## STRATEGIC OPPORTUNITIES

- **Urban Center Revitalization:** As an urban growth area, there will be focus on attracting, growing, and retaining businesses and jobs in the Borough while also maintaining the quality of life. Economic development focus going forward will be on revitalization of the urban center. This includes focus on business attraction and maintaining local businesses, as well as enhancing the public realm, including pedestrian amenities and historic character. It will remain important to capitalize on historic resources, tourism, and cultural and recreational events. Additionally, continued provision of diverse housing opportunities and transportation resources will be key in the continued revitalization of the area.

# Background: Socio-Economic Trends Analysis

## STRATEGIC CHALLENGES

- **Rising Incidence of Poverty:** This trend in Kennett Square will place greater demands on local services and is also a signal that current and future retail and housing investment should recognize the needs of this socio-economic group (e.g., affordable, quality housing and retail offerings targeted to a broad consumer tastes and incomes). A successful economic development study will offer goals and objectives designed to mitigate the poverty rate and increase economic opportunities for low-skilled, low-income residents.
- **Demand for Rental Housing:** The current and expected increase in the number of Latino households (many of which are of lower socio-economic income means) will place upward pressure on local housing rental prices, and this economic incentive will encourage a small number of property owners to rent single-family dwelling units and/or motel facilities where such activity is inconsistent with local zoning and detrimental to surrounding property values. A local economic development study will, ultimately, be undermined by land-use conditions which depress nearby real estate values and discourage private investments.
- **Increase in Smaller Households:** Notwithstanding the relative increase in household size, in Kennett Square (driven by young migrant families, in particular), there is an observed increase in the number and share of non-family households in the borough, as well as the surrounding region. Non-family households are typically small (e.g., one- and two-person households) and are most desirous of smaller dwelling units (multi-family rental units, condominiums and small scale townhouses). To the extent that this type of housing is in short supply in the borough (accommodating workers and consumers, alike), a prospective economic development study will fail to reach its potential.

# Background: Socio-Economic Trends Analysis

## STRATEGIC OPPORTUNITIES

- **Regional Affluence and Spending Power:** Notwithstanding the pockets of poverty within the borough, the breadth and depth of affluence in and around Kennett Square suggests there exists strong demand for discretionary goods and services (e.g., specialty apparel, dining establishments, entertainment and personal services (e.g., spas, fitness studios, etc.)). While Kennett Square features a number of these business types, there will likely be demand for additional such businesses – providing local opportunities for investment and employment.
- **Fertile Ground of Entrepreneurialism:** The relatively high level of educational attainment identified in the primary market area, coupled with an estimated median age of 42.1 (201 suggests the area is fertile ground for entrepreneurship and new business investment (the Ewing Marion Kauffman Foundation, a Kansas City, Missouri based non-profit which is focused on education and entrepreneurship, has over the past ten years consistently identified persons 45 and older as leading the creation of new business enterprises). Kennett Square has the added advantage of offering a high quality, small scale urban environment which is favored by a number of entrepreneurs.
- **Downsizing Baby Boomer Households:** As the number of affluent baby boomer households in the primary market area increasingly retire from their jobs and contemplate downsizing, most will seek to remain within an hour of where they currently live, raised a family and/or maintain professional and social relationships. Kennett Square can prepare to attract these downsizing boomer households (along with their purchasing power and business investments), as part of its economic development study.

# Background: Labor and Industry Trends Analysis

## STRATEGIC CHALLENGES

- **Growth in Lower Wage Industries:** Employment growth and job creation has occurred within industries which, traditionally, offer relatively lower wages (e.g., Healthcare and Social Assistance, Retail Trade), but also offer a range of employment opportunities which can and do lead to higher paying positions. While many Kennett Square-area residents will find greater employment opportunities in these industries, the provision of living-wage jobs remains important to ensure that residents are able to afford local housing and amenities, and have discretionary income sufficient to help grow the local economy.
- **Shrinking Labor Force:** Due to retirements and prime working age persons opting out of the labor force, in particular – will place added pressure on local area businesses needing abundant labor to operate their businesses. As the population continues to age and an increase in retirements takes hold, wages will be bid up, in order to retain and/or attract workers – undermining the economic competitiveness of the area.
- **Attracting Young Professional Workers:** Millennials, particularly – are more inclined seek employment where housing and jobs are easily connected by one or more forms of public transit. As Kennett Square (indeed, most of Chester County) offers little in the way of public transit, businesses which depend upon a deep labor pool of young workers may be challenged to find (or retain) such workers without offering a wage premium. However, there will be those younger workers who will not consider the lack of public transit an inconvenience.

# Background: Labor and Industry Trends Analysis

## STRATEGIC OPPORTUNITIES

- **Health Care and Social Services:** Sector offers both low- and high-wage jobs, providing a strong opportunity for career path employment. Given the relatively high share of adult persons in Kennett Square who lack a four-year degree, local workforce training efforts (coordinated with Chester County's Community College system) should be targeted to low- and semi-skilled working age adults in Kennett Square and Kennett Township who are willing and able to meet the growing needs of the local and regional healthcare industry.
- **Professional, Scientific and Technical Services:** Office space using industries in this sector are projected to have strong growth for the foreseeable future and businesses within these industries tend to create demand for unconventional office space (such as converted warehouse buildings). Further, many businesses within this sector are increasingly lead by Baby Boomers, a number of whom currently live in and around Kennett Square – creating fertile ground for establishing these businesses within Kennett Square.
- **Small business:** Kennett Square's growing small business sector should continue to drive private investment in additional business start ups and real estate revitalization. Ensuring that existing and would-be entrepreneurs have the needed resources (e.g., data and information concerning available real estate, small business lending programs, zoning regulations, and peer-to-peer groups, etc.) will help ensure the forward direction of Kennett Square's small business resurgence.

# Background: Real Estate Trends Analysis

## STRATEGIC CHALLENGES

- **Office:** Although projected growth within the office real estate Submarket and Metro areas indicates an improving office real estate environment, there is approximately 862,000 square feet of vacant office space currently within the Submarket and another 402,000 square feet in the development pipeline. Given the ample supply of available and pending office space within the region, combined with projected vacancy rate increases in the Submarket, there will likely not be little demand for other than build-to-suit office space within Kennett Square.
- **Flex/R&D:** Given projected industry growth and a strengthening Flex/R&D real estate environment (as demonstrated by inventory and average asking rent growth trends, as well as declining vacancy rates in the Submarket) redevelopment sites accommodating Flex/R&D space have the potential to attract small scale businesses looking for such space at affordable rates. However, there is currently 300,000 square feet of flex space available for lease, and 87,200 square feet available for sale, within the 20-Minute PMA. Accordingly, unless build-to-suit demand dictates, there will not be need to construct new flex or R&D space in either the borough or township.
- **Retail:** Retail inventory and asking rent growth within the Submarket have remained relatively stable over the past five years, and projected retail space inventory and asking rent growth rates (modest) indicate a continued “steady-as-you-go” market environment. The category which continues to have strong upside, within the broad Retail real estate market, is drinking and dining establishments. Area consumer spending metrics on dining out, as well as the share of drinking and dining establishments in Kennett Square, suggest there remains strong demand for such real estate space in the Kennett Square area – but the size and style of establishment matters.

# Background: Real Estate Trends Analysis

## STRATEGIC OPPORTUNITIES

- **Multi-family:** Reis predicts that average apartment vacancy rates within the Submarket will decrease to less than one percent over the next five years - a strong indication of robust pent-up multi-family housing demand in the region. Despite relatively flat household growth, Kennett Square can prepare to attract both young professionals and empty nesters, who typically prefer to live near their places of employment, entertainment, and dining establishments and personal service businesses (existing uses within the Borough). Based on the supply/demand analysis, by 2030, Kennett Square Borough will have the opportunity to support the development of between 610 and 1,210 new multi-family units (particularly townhouses/condos apartments). As identified in the socio-economic trends analysis, the rising incidence of poverty within Kennett Square and observed increase in the number of non-family households are signals that future housing investment should provide sufficient affordable, quality housing targeted to a range of income groups and age cohorts.
- **Restaurants, Cafes, and Entertainment Venues :** Strong household spending within the discretionary categories of Dining Out, Personal Care, and Entertainment and Recreation within the PMA are quite favorable to existing and prospective restaurants, cafes, and entertainment venues in Kennett Square. Although there is approximately 97,000 square feet of event and banquet facilities space within the 20-minute PMA, there is little inventory within the Borough itself.
- **Health and Personal Care Stores:** There is a lower share of health and personal care businesses within the Borough, than both the PMA and County. For example, although there are 12 spas located within the PMA, there is little inventory within the Borough itself, suggesting these businesses may provide opportunities.

## Methodology: Economic Development Vision

Based on the preceding tasks, the 4ward Planning team, in consultation with members of Historic Kennett Square and Kennett Township municipal officials, developed a coordinated vision for the study from common elements represented in local planning efforts and participation from members of the project task force (PTF). This multi-municipal economic development vision is built around shared expectations concerning future outcomes. Illustrative representation of alternative landscape and development scenarios informed discussion.

The overarching goal is that the vision will achieve the following:

- Maintain focus on development/redevelopment themes and concepts which are specific to each focus area;
- Serve as foundation for creating the economic strategic plan's goals, objectives and tactics, reflective of existing land uses, transportation, housing, cultural and historic resources and existing infrastructure within each of the focus areas; and
- Permit the Borough of Kennett and the Township of Kennett to realize their respective land-use goals while further closely tying their social and economic fabric.

## Methodology: Zoning Overview and Concepts

RBA Group reviewed economic development study's zoning requirements, focusing on gateway thoroughfares and transitioning areas at the outer boundaries of the Borough. As a result of this analysis, RBA Group developed imagery representative of uses shown to be economically viable by the market analysis for Ways Lane, Birch Street, and the NVF site, illustrating a variety of themes and outcomes, depicting choices for:

- Village Center Forms (examples from other places)
- Architectural Design (traditional vs. contemporary)
- Building Forms (multi-story, set back, etc.)
- Materials (building materials, landscape materials)
- Residential Building Types (duplex, townhomes, etc.)
- Commercial Building Types (ground floor retail, office, etc.)
- Roadway Designs and Treatments (bike lanes, medians, etc.)
- Public Spaces (active, passive, open park, landscaped, etc.)
- Parking (on-street, off-street, etc.)
- Streetscape Elements (light poles, benches, etc.)
- Gateway Features (monuments, arches, pylons, signs, landscaping, etc.)
- Signs (business, wayfinding, etc.)

Additional background information on existing land use and zoning is provided in the Appendix.

## Methodology: Recommendations & Project Implementation

4ward Planning developed a list of project investment criteria and identify strategic priorities from input received during the stakeholder outreach process, and prioritized during the municipal roundtable process. We worked with the Project Task Force to develop and refine a project investment worksheet with criteria (e.g. infrastructure in place, land assemblage required, potential partners, and market supportability) that can be used to evaluate all proposed development/redevelopment projects (e.g. multi-family residential, office, retail, public realm, hotel conference center, entertainment venues, parking) within each of the seven focus areas. Project investment criteria will provide local and county economic development professionals with a framework from which to evaluate and prioritize prospective development projects competing for public incentives.

Next, 4ward Planning developed a list of suggested project goals, activities and actors in support of economic development goals. This list outlines project goals, activities, lead actors, timeline to complete, prospective goal impact, and evaluation periods.

# ECONOMIC DEVELOPMENT STUDY

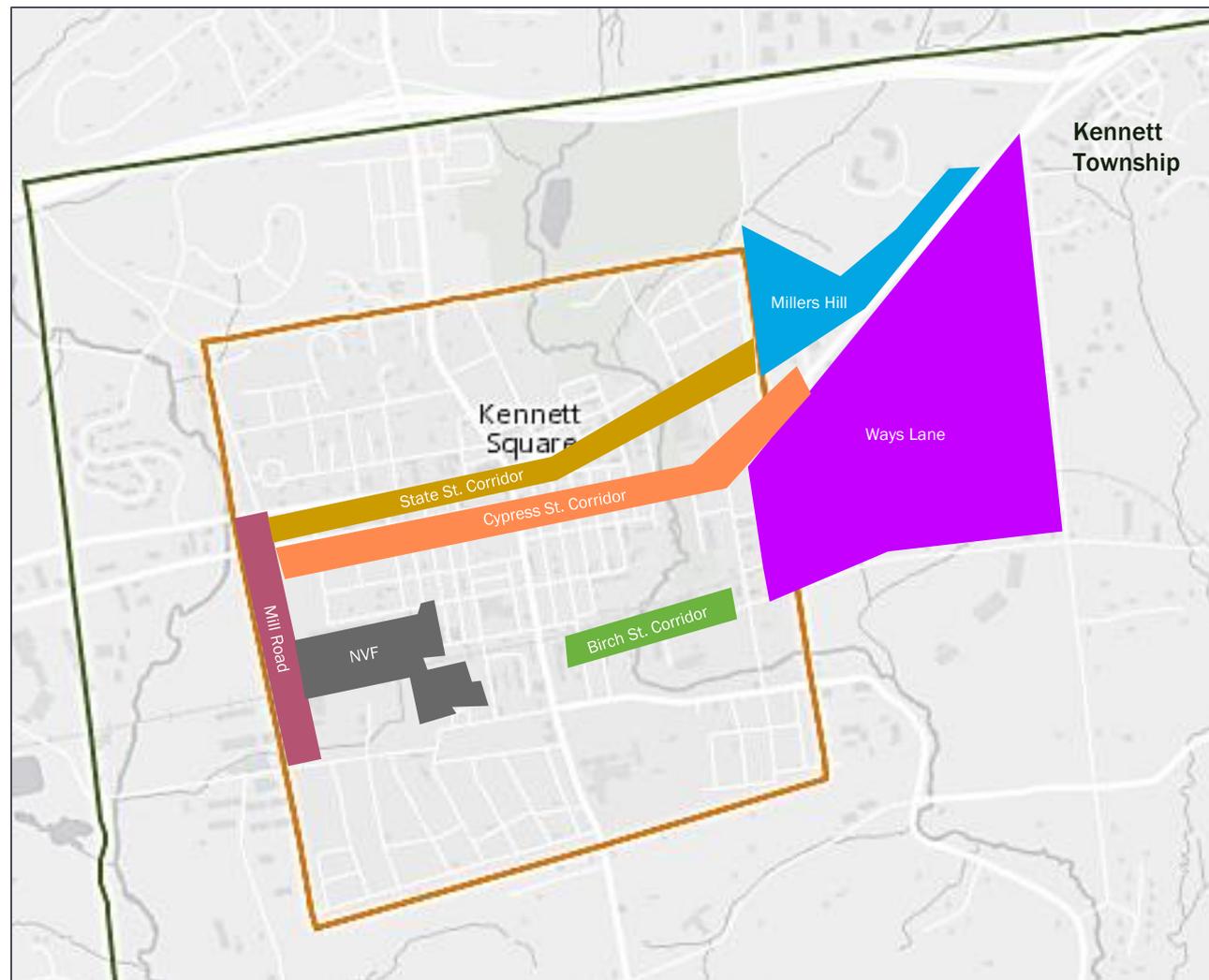


## Economic Development Focus Areas

This economic development study provides recommendations for each of the seven economic development focus areas located within Kennett Square Borough and Kennett Township:

- Millers Hill
- Ways Lane
- Birch Street
- State Street
- Cypress
- Street
- Mill Road
- NVF site

The Appendix overlays focus area boundaries with existing land use, zoning, woodland and riparian corridors, visually significant landscapes, and Kennett Square's Historic District.



Source: VPP Economic Development Corridor Study

## Key Issues

The graphic below presents key issues, action-oriented topics prioritized by participants in the April 7, 2016 community workshop (highest priority issues are indicated in **bold** within the plan). Additional details on the SWOT and public outreach (meeting and survey) can be found in the Appendix.

### Millers Road



- Gateway
- Landscape
- Traffic
- Walkability

### Ways Lane



- Housing
- Infrastructure
- Railroad
- Corporate Campus

### Birch Street



- Creamery
- Restaurant
- Arts
- Culture
- Railroad
- Retail

### State Street



- Walkability
- Extend
- Traffic
- Main Streets
- Shops
- District
- Living

### Cypress Street



- Traffic
- State Street
- Main
- Walking
- Commercial
- Mixed
- Extend

### Mill Road / NVF



- Mixed-Use
- Parks
- Gardens
- Open Space
- Railroad
- Infrastructure

# Economic Development Focus Areas



- **Millers Hill**
- Ways Lane
- Birch St
- State St
- Cypress St
- Mill Rd
- NVF site

Source: VPP Economic Development Corridor Study

## Key Issues: **Millers Hill**

### Gateway & Landscaping

Sidewalks to connect to borough

Open space

#### Gateway (4)

Beautification

Key area as entrance to borough, gateway with landscaping, walkable/ bikeable

#### Landscape (14)

### Traffic & Walkability

Poor ramps and planning from back of Exelon

Traffic speed, overweight trucks

#### Walkability (3)

Some walkable shopping

### Land Uses

More corporate space at the edge of town

Already planned. 175 units way too dense

No more commercial /shop

Movie theater

Keep it residential – too many physical constraints

Expand the medical use buildings

## Economic Vision: **Millers Hill**

### A beautiful signature landscaped GATEWAY

This one mile stretch of westbound Baltimore Pike is often described as the “Gateway” to Kennett Square. Over the last decade it has been transitioning from rural byway to suburban highway, hosting a growing mix of near-town uses. The Exelon Office Park campus is advantaged by proximity to the Route 1 exit and Kennett Bypass, as well as proximity to Borough. During the course of the project, nearby Longwood Gardens was often discussed as resource and inspiration.

Two agreed-to goals are to introduce sidewalks or a walking trail connecting to downtown and to enhance the sense of welcome, mobility, and hospitality by introducing a high impact, signature landscape along the roadway frontage that could include lighting, sculpture and signage elements.

## Zoning Overview: **Millers Hill**

### Character/ Place Type(s)

**Campus:** Roadside office campus/driveway subdivision – landmark monument sign at each entrance drive.

**Porch-front Houses:** with wooded lawns, some host commercial uses. Driveways and curb cuts should be limited here because of awkward sight lines and quickly moving traffic.

**“Stop and Shop”** retail and commercial office, some medical services.

### Zoning Regulations

The Township’s **C Commercial District** is intended “to provide opportunities for a wide range of commercial uses, particularly those involving the retail trade of goods and services. The district is designed to accommodate commercial establishments which complement commercial districts in the surrounding region.” The district provides broad range of permitted and special exception uses.

The Township’s **BP Business Park District** anticipates a wide range of complementary business, office, and medical uses, principally those not involving retail trades, and which are suited to a campus-like environment, especially in locations with access to the arterial road system of the Township. The BP District is also appropriate for certain residential building types, including age-restricted housing in campus-like settings.

The Township **SALDO** provisions lay out requirements for form and design of development, pedestrian amenities, traffic improvements, and landscape design. They can be amended to incorporate design standards recommended by this plan. Plan objectives (gateway features, setbacks, landscape, walkways, and signage ) will be more achievable if supported by and updated description in the Scenic Resources of the Township Comprehensive Plan.

# Concepts: **Millers Hill**

a beautiful signature landscaped GATEWAY

Roadway Design

Re-Think Parking

Streets / Streetscapes

Gateway features

Signs



# Recommendations: Millers Hill

## Vision

a beautiful signature landscaped GATEWAY

Attract New Desired Land Uses

Evaluate Zoning Requirements

## Action

- ✓ **Seek resources** to design, install and maintain a signature gateway landscape along frontage from Cypress/State intersection to Walnut Street.
- ✓ **Explore TIF mechanism** to provide sustainable funding for public realm enhancements

Development Program /Land uses to be attracted to **Millers Hill**

→ Up to 200,000 sf medical and technical service providers and/or corporate back office operations.

- ❖ **Update Township's SALDO** provisions to add provision that new building projects may be required to provide sidewalk connection for projects which will host more than 200 employees and are within a 10-minute walk of centers located in Mendenhall, Hammorton, or Kennett Square Borough
- ❖ **Update Sign Regulations** to require monument sign, rather than pole sign at each entrance drive. Consider permitting illumination of sculptural elements.
- ❖ **Evaluate Zoning requirements for BP, Business Park.** Consider expanding the range of permitted uses to include hospice and medical out-patient related services.
- ❖ **Provide design guidance** to encourage connectivity and campus-like landscape. Enable structured parking to permit higher concentration of office/institutional campus uses, freeing up more land for development.

# Evaluation of Strategic Investment Projects:

## Millers Hill

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	NA	NA	NA	NA
Market Rate MF Residential	NA	NA	NA	NA
Office	Yes	Yes	Yes	Yes
Retail	NA	NA	NA	NA
Public Realm	No	NA	NA	NA
Hotel Conference Center	NA	NA	NA	NA
Entertainment Venues	NA	NA	NA	NA
Parking	Yes	Yes	NA	NA

## Project Goals, Activities and Actors: **Millers Hill**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Create a beautiful signature landscaped gateway.</b></p> <p>Goal Evaluation Period: Q3 2017 to Q3 2018</p>	<p><i>Seek resources to design, install and maintain a signature gateway landscape along frontage from Cypress/State intersection to Walnut Street. A fundraising campaign should be explored, along with identifying local municipal and state grant funds.</i></p>	<p>Lead Actor(s): Kennett Township</p> <hr/> <p>Timeline to Complete: 0-6 Months</p> <hr/> <p>Prospective Goal Impact: Moderate to High</p> <hr/> <p>Goal Evaluation Period: Q3 2017 to Q3 2018</p>
	<p><i>Explore utilizing Tax Increment Financing (TIF) mechanism to provide sustainable funding for public realm enhancements.</i></p>	<p>Lead Actor(s): Kennett Township</p> <hr/> <p>Timeline to Complete: 0-6 Months</p> <hr/> <p>Prospective Goal Impact: Moderate to High</p> <hr/> <p>Goal Evaluation Period: Q3 2017 to Q3 2018</p>

## Project Goals, Activities and Actors: **Millers Hill**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Attract new desired land uses</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Entice development of up to 200,000 square feet of medical and technical office space, and/or corporate back office operations. Partner with the Chester County Economic Development Council and local area commercial brokers to help promote the opportunity.</i></p> <p><i>Identify and publicize any “as-of-right” investment incentives, as well as any state incentive programs for which such new investment would qualify (e.g., job creation incentive programs).</i></p>	<p><b>Lead Actor(s):</b> Kennett Township; Chester County Economic Development Council.</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>

## Project Goals, Activities and Actors: **Millers Hill**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Improve and Increase Pedestrian Amenities and Improve Signage Aesthetics</b>	<i>Update Township's SALDO provisions to add provision that new building projects may be required to provide sidewalk connection for projects which will host more than 200 employees and are within a 10-minute walk of centers located in Mendenhall, Hammorton, or Kennett Square Borough.</i>	<b>Lead Actor(s):</b> Kennett Township Planning Board  <hr/> <b>Timeline to Complete:</b> 0-6 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Update Sign Regulations to require monument sign, rather than pole sign at each entrance drive. Consider permitting illumination of sculptural elements.</i>	<b>Lead Actor(s):</b> Kennett Township Planning Board  <hr/> <b>Timeline to Complete:</b> 0-6 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High

Goal Evaluation Period:  
Q3 2017 to Q3 20208

## Project Goals, Activities and Actors: **Millers Hill**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Increase Permitted Land Uses, Improve Connectivity and Development Density</b></p>	<p><i>Evaluate Zoning requirements for BP, Business Park. Consider expanding the range of permitted uses to include hospice and medical out-patient related services.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Planning Board</p> <hr/> <p><b>Timeline to Complete:</b> 0-6 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>
<p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Provide design guidance to encourage connectivity and campus-like landscape. Enable structured parking to permit higher concentration of office/institutional campus uses, freeing up more land for development.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Planning Board; Outside planning consulting firm</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

# Ways Lane

- Key Issues
- Economic Vision
- Zoning Overview
- Concepts
- Recommendations
- Strategic Investment Projects

# Economic Development Focus Areas



- Millers Hill
- Ways Lane
- Birch St
- State St
- Cypress St
- Mill Rd
- NVF site

Source: VPP Economic Development Corridor Study

## Key Issues: Ways Lane

### Housing

Workforce housing (2)

Affordable housing (2)

Senior nursing

Single family homes

### Infrastructure

Infrastructure (4)

Transit stops for work force

Enhance area with paving, street lights, trees

### Railroad

Railroad is a valuable asset

Railroad commuter train to Wilmington?

### Corporate Campus

Corporate campus is well done

Small university/community college /technical school

Expanding corporate campus (4)

### Land Use

Parks and open space (3)

More business, IT industry, Light industrial

Mixed-use, larger stores like BJ's, entertainment, theater, store art

Zoning or TDR ordinance to increase development potential

## Economic Vision: Ways Lane

“On the edge of town” is a bustling landscape,

The area to the east of the Borough, framed by South Walnut Street, Rosedale Road, McFarlan Road, and East Cypress Street is a working landscape with mushroom growing, construction materials storage/sales, a trucking business, and other commercial operations. These production/distribution activities occupy about half of the area, mostly to the south on the land sloping down to the rail road. **Vehicular access is provided by a network of easements connecting shared driveways and gravel lanes.**

Here and there are houses, lawns and workshops. Similar uses occupy Cope Street frontages. Properties with frontage on McFarlan Road or Cypress Street offer access to the surrounding suburban demand for services, and are mostly occupied by commercial offices, medical services, or independent retailers. There are approximately 200 acres...Three geographies: Railroad corridor, Cypress Frontage and “in between”. Frontage along Cypress Street and Cope Road can create a gateway landscape and an evolving near-town “campus district”....education, theater, residential workforce housing, senior care/senior housing, corporate campus/mixed use...**“Village District”** floating zone that broadens range of uses with provisions for density, infrastructure, landscape and connectivity.

## Zoning Overview: **Ways Lane**

### Character/ Place type(s)

The south section is a working landscape of production/distribution activities, punctuated here and there by modest houses, lawns, kitchen gardens, and workshops along gravel lanes.

Properties with frontage on McFarlan or Cypress and are mostly occupied by “pad site” commercial offices, medical services, or independent retailers.

Borough OI-1, C2, R-3, R-2

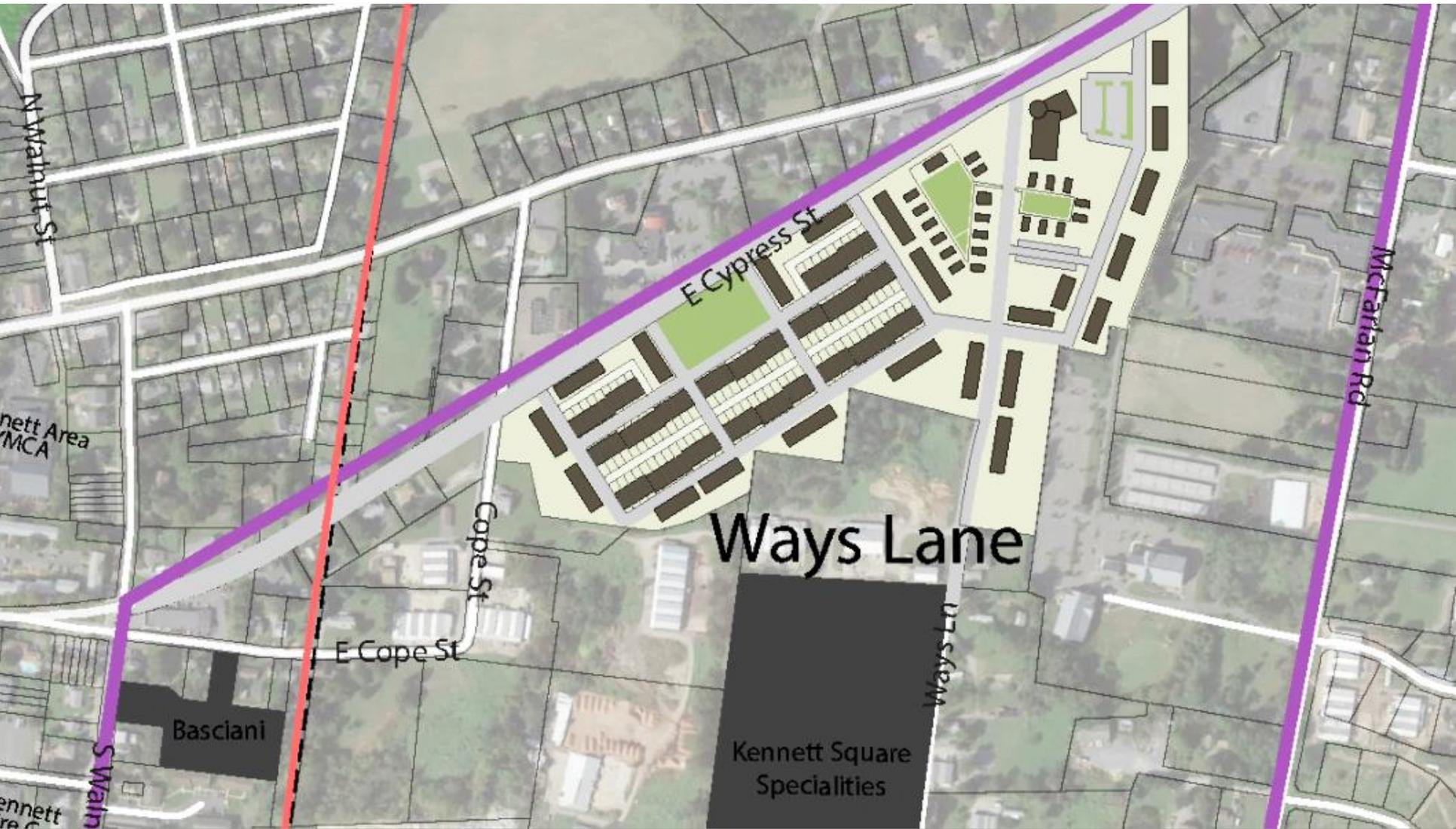
### Zoning Review

**Township LI:** provides opportunities for selected industrial establishments, with a view toward encouraging only those types of industrial uses which would not constitute a hazard or nuisance to the population of adjacent areas, which are compatible with industrial districts in adjacent municipalities, and which strengthen the economic base of the Township. The district is designed to accommodate uses which may require access by rail and/or by the arterial road network of the Township.

# Concepts: Ways Lane



# Concepts: Ways Lane



# Economic Vision/Character:

# Ways Lane

Village Center Forms



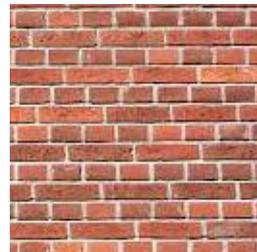
Modern vs. Traditional



Setback & Form Variations



Materials



# Economic Vision/Character:

# Ways Lane

Residential Building Types



Commercial Building Types



Roadway Designs & Treatments



Public Spaces



# Economic Vision/Character:

# Ways Lane

Parking



Streetscape Elements



Gateway Features



Signs



# Recommendations: **Ways Lane**

## Vision

“on the edge of town” is a bustling landscape, anchored by a new kind of **VILLAGE**

Attract New Desired Land Uses

Evaluate Zoning Requirements

## Action

- ✓ **Define infrastructure costs** to provide streets and services for possible redevelopment of East Village development; (specific location TBD) of about 40 acres.
- ✓ **Explore TIF mechanism** to provide sustainable funding for infrastructure and public realm enhancements.

### Development Program /Land uses to be attracted to Ways Lane

- **“Tiny House” Neighborhood:** target seasonal workers; traveler village – 20+ units.
- **New Neighborhood:** Mixed income small detached singles and town houses – 80 units.
- **Community house** (available for retreats and programming; Longwood Gardens could be project sponsor. Longwood Gardens could also guarantee seasonal housing units for its workers.

- ❖ Evaluate/plan **traffic patterns**
- ❖ Consider the site as a **potential TDR receiving zone** for Kennett Township
- ❖ **Enhance Cypress frontage**, geared towards professional services that require parking. Introduce design guidance for landscape, lighting and signage. Update **Zoning/SALDO requirements** for BP Business Park along East Cypress Street.
- ❖ Evaluate locations within the LI District where it’s appropriate to **introduce residential uses , age-restricted housing or residential institutional uses**. Provision for safety, walkability, and access to recreational/educational opportunity would need to be incorporated if the purpose is to include a broadened range of activities.
- ❖ Provide for a **bonus density** where the developer will underwrite the cost of infrastructure/connectivity requirements and shared parking;
- ❖ **A separate financial feasibility analysis** should be performed to identify the minimum housing density that permits a development to support the cost of new infrastructure tie-ins and or roadway development.

# Evaluation of Strategic Investment Projects:

## Ways Lane

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	No	Yes	Yes	Yes
Market Rate MF Residential	No	Yes	Yes	Yes
Office	NA	NA	NA	NA
Retail	NA	NA	NA	NA
Public Realm	No	Yes	NA	NA
Hotel Conference Center	NA	NA	NA	NA
Entertainment Venues	NA	NA	NA	NA
Parking	No	Yes	NA	NA

## Project Goals, Activities and Actors: **Ways Lane**

Project Goal	Activities to Achieve Goal	Who, When What?
<b>Create New Village on Edge of Town</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<p><i><b>Evaluate</b> and implement zoning which improves traffic patterns in and around the Ways Lane area. Contract with a traffic engineering firm to evaluate optimal traffic patterns. An interested developer may also undertake such an analysis.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Governing Body; traffic engineering consulting firm; area developers</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Low to Moderate</p>
	<p><i><b>Consider</b> the site as a potential TDR receiving zone for Kennett Township. Promote the area as such with area developers. Ensure that a TDR credits program is in place, for the selling and purchasing of TDR credits, as necessary.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Governing Body; area developers</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>
	<p><i>Enhance Cypress frontage, geared towards professional services that require parking. Introduce design guidance for landscape, lighting and signage. Update Zoning/SALDO requirements for BP Business Park along East Cypress Street.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Planning Board; outside consulting planning firm</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

## Project Goals, Activities and Actors: **Ways Lane**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Create New Village on Edge of Town</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Define infrastructure costs to provide streets and services for possible redevelopment of East Village development; (specific location TBD) of about 30 to 50 acres of land.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Planning Board: Township Governing Body</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>
	<p><i>Explore creating a tax increment financing (TIF) district to provide sustainable funding for the needed infrastructure and public realm enhancements. Such a TIF district would be funded with net new taxes generated through new private investment – thus, the creation of a public-private partnership would be necessary.</i></p>	<p><b>Lead Actor(s):</b> Kennett Township Governing Body</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>

## Project Goals, Activities and Actors: **Ways Lane**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Create New Village on Edge of Town</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Through zoning and marketing efforts, entice the development of a “Tiny House” Neighborhood of 20 to 25 units. Some of these units could be contracted by area employers for seasonal or temporary worker housing.</i>	<b>Lead Actor(s):</b> Kennett Township Planning Board, Genesis Healthcare, Chatham Financial and Longwood Gardens  <hr/> <b>Timeline to Complete:</b> 0-36 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Through zoning and marketing efforts, entice the development of mixed income, small detached single-family houses and town houses – up to 80 units.</i>	<b>Lead Actor(s):</b> Kennett Township Planning Board, Genesis Healthcare, Chatham Financial and Longwood Gardens  <hr/> <b>Timeline to Complete:</b> 0-36 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Develop a Community house (available for retreats and programming); Longwood Gardens could be project sponsor and generate revenue through direct and indirect programming and rental.</i>	<b>Lead Actor(s):</b> Longwood Gardens  <hr/> <b>Timeline to Complete:</b> 0-36 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High

## Project Goals, Activities and Actors: **Ways Lane**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Create New Village on Edge of Town</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Evaluate locations within the LI District where it may be appropriate to introduce residential uses , age-restricted housing or residential institutional uses. Provision for walkability and access to recreational/educational opportunities.</i>	<b>Lead Actor(s):</b> Kennett Township Planning Board; outside planning consultant  <hr/> <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Low to Moderate
	<i>Develop land-use policy providing for a bonus development density where the developer will underwrite the cost of either infrastructure/connectivity requirements, shared parking or affordable workforce housing.</i>	<b>Lead Actor(s):</b> Kennett Township Governing Body; Kennett Township Planning Board  <hr/> <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Conduct a financial feasibility analysis to identify the minimum housing density that permits a development to support the cost of new infrastructure tie-ins and or roadway development, while still achieving an appropriate financial return.</i>	<b>Lead Actor(s):</b> Kennett Township Governing Body; outside development consultant  <hr/> <b>Timeline to Complete:</b> 0-6 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High

# Birch Street

- Key Issues
- Economic Vision
- Zoning Overview
- Concepts
- Recommendations
- Strategic Investment Projects

# Economic Development Focus Areas



- Millers Hill
- Ways Lane
- **Birch St**
- State St
- Cypress St
- Mill Rd
- NVF site

Source: VPP Economic Development Corridor Study

## Key Issues: Birch Street

### Creamery



Make it more like Creamery - repurposing buildings into culture

Creamery won't survive by its own, need more to be developed around it

Creamery can be large banquet hall

### Restaurant, Arts and Culture

More main street, cultural destination, arts and cultural district, town gathering space, move library and post office here

Arts/cultural center, galleries, jazz clubs, restaurants, cafes (3), beer garden, theater, maker space, / craft shops

Retail in existing warehouse buildings, studios and upper floor housing

### Land Use

Diversity should be intensified

Rehab existing buildings and redevelop old railroad station

More Genesis style office building

Make more walkable/bikeable, add lighting to make area feel safer

More affordable in-town living, motel currently used for those in need of housing

Mini gateway, improve landscaping, streetscaping, remove trash

## Economic Vision: Birch Street

a fascinating, fun mixed-use *MAKER DISTRICT*

During the economically transformative years 1860 to 1950 the blocks of Birch Street, between Broad and Walnut Streets, were a hub of regional commerce and local industry. The rail stop and sidings here became the economic lifeline for a growing community. Birch Street buildings of the era, which were built to accommodate industrial uses, still host a range of commercial activity.

Most buildings on the north side of the street are within the Kennett Square Borough Historic District. The Creamery, a two-acre site that formerly hosted production facilities for a variety of agricultural products, has been redeveloped and serves as a European-style beer garden and, eventually, a venue for live music, performing arts and crafts.

As the emerging Birch Street District evolves, it will welcome a broadening range of activities and uses, such as studio space, performing arts, entertainment, fabrication/maker space, distribution, and affordable live-work housing -- evolving organically over time.

However, some controls will be needed to encourage density, anticipate infrastructure needs, maintain landscape improvements, and to provide the framework for a walkable, connected, community.

## Zoning Overview: Birch Street

### Character/ Place type(s)

**Low industrial/warehouse-type buildings, work yards, and parking lots.** About 60% of the frontage lacks sidewalks. Business identity signage inconsistent, often absent.

**Porch-fronted houses** with shallow lawns connected by front walk to sidewalk along the curb. Most are zoned R3 and appear to be occupied as single family homes and are adaptable to any number of uses.

**A lushly wooded stream corridor,** The East Branch of the Red Clay passes under the 200 block of Birch Street. This creates a sort of gateway threshold to the district.

**The Octorara rail corridor,** running parallel to Birch Street 250 feet to the north still supports short-line service between Sleymer and Chaddsford, with connections to the Wilmington & Northern line. The service is operated by East Penn Railroad.

### Zoning Regulations

Borough zoning districts **OI-1 and R-3** acknowledge the current uses along the corridor, however bulk and use limitations may limit the evolution of the district toward the envisioned lively and interesting place. For example R-3 does not permit cafes, galleries, artisan/maker space, community garden, or any number of activities that should be encouraged. OI-1 prohibition of dwelling, entertainment, and xxx as well as required setbacks and lot dimensions will become less and less relevant over time. Consider a new zoning district that is designed to support innovation and adaptive reuse that also accommodates traditional industrial and warehouse activities.

**Borough SALDO:** consider site improvement approach that is lighter duty, perhaps seasonal, temporary, and less expensive than typical municipal specifications for a high quality walkable environment (sidewalk, curb, parking surface, lighting, signage, crosswalks, plantings, stormwater, furnishings...). Section 23-38 of the Borough code allows council to issue a temporary use permit on an annual basis for up to five years.

Sign and illuminate the Red Clay Trail, consider a **Birch Street trail head.**

# Concepts: Birch Street



# Concepts: Birch Street



# Recommendations: **Birch Street**

## Vision

a fascinating, fun mixed-use  
**MAKER DISTRICT**

Attract Investment & Development

Evaluate Zoning Requirements

## Action

- ✓ Explore **public art** funding, establish mechanism for curatorial oversight and public art planning. Engage Longwood Garden for curatorial voice and technical assistance?
- ✓ Develop high quality, varied **sign program** for district business and to communicate welcome and directional information to visitors/customers.
- ✓ Identify **funding source** for public realm improvements and maintenance.
- ✓ Add **definition of “pop-up”** commercial operation.
- ✓ **Sign and illuminate the Red Clay Trail**, consider a Birch Street trail head.
- ✓ **Commission district gateway** element to be located at bridge over Red Clay Creek.

### Development Program /Land uses to be attracted to Birch Street

- Re-tenant and or **repurpose low industrial/warehouse-type buildings**, work yards, and parking lots to accommodate residential and office uses.
  - Allow **zoning to include multi-family residential** (up to 100 units).
  - Provide a 10 percent bonus density for the **inclusion of affordable workforce housing**.
  - Other permitted uses should include entertainment, light assembly (“maker space”) and indoor urban farming
- ❖ Develop specifications for lighter duty and less expensive approach for a high quality walkable environment (sidewalk, curb, parking surface, lighting, signage, crosswalks, plantings, fencing, furnishings).
  - ❖ Expand range of permitted uses for the Birch Street houses, perhaps by special exception, to include artisan fabrication, studio, gallery, restaurant, yoga studio, training facility, and performance space.
  - ❖ A proposed Octorara Corridor Overlay would accommodate a range of building types and lot sizes, advancing the policy recommendations of the Borough’s Comprehensive Plan – consider permitting four-story buildings.
  - ❖ Section 23-38 of the Borough code allows council to issue a temporary use permit on an annual basis for up to five years – condition on safety and active curatorial oversight.

# Economic Vision/Character:

# Birch Street

Village Center Forms



Modern vs. Traditional



Setback & Form Variations



Materials



# Economic Vision/Character:

# Birch Street

Residential Building Types



Commercial Building Types



Roadway Designs & Treatments



Public Spaces



# Economic Vision/Character:

# Birch Street

Parking



Streetscape Elements



Gateway Features

Signs



# Evaluation of Strategic Investment Projects:

## Birch Street

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	Yes	Yes	Yes	Yes
Market Rate MF Residential	Yes	Yes	Yes	Yes
Office	Yes	No	Yes	Yes
Retail	NA	NA	NA	NA
Public Realm	Partially	No	NA	NA
Hotel Conference Center	NA	NA	NA	NA
Entertainment Venues	Yes	Yes	Yes	Yes
Parking	No	Yes	NA	NA

## Project Goals, Activities and Actors: Birch Street

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Create a fascinating, fun mixed-use maker district.</b>	<i>Explore public art funding, establish mechanism for curatorial oversight and public art planning. Engage Longwood Garden in a formal partnership to help provide curatorial voice and low cost or pro bono technical assistance.</i>	<b>Lead Actor(s):</b> Historic Kennett Square and Longwood Gardens <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Develop a high quality, varied sign program for district business and to communicate welcome and directional information to visitors/customers.</i>	<b>Lead Actor(s):</b> Historic Kennett Square; Kennett Borough <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Identify funding source(s) for public realm improvements and long-term maintenance. The creation of a business improvement district (BID) type mechanism along Birch Street might be a creative way to raise such funds, provided there is sufficient buy-in from property owners. Putting on annual block party gated events is another way.</i>	<b>Lead Actor(s):</b> Historic Kennett Square; Kennett Borough <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High

Goal Evaluation Period:  
Q1 2018 to Q1 2020

## Project Goals, Activities and Actors: Birch Street

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Create a fascinating, fun mixed-use maker district.</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Add definition of “pop-up” commercial operation within the municipal zoning ordinance, to help facilitate near-term economic activity and investment. “Pop-up” activity should be relatively limited, however.</i></p>	<p><b>Lead Actor(s):</b> Kennett Square Borough Planning Board; Historic Kennett Square</p> <hr/> <p><b>Timeline to Complete:</b> 0-6 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>
	<p><i>Sign and illuminate the Red Clay Trail, and consider the development of a Birch Street trail head, to increase visitation to the street.</i></p>	<p><b>Lead Actor(s):</b> Kennett Square Borough</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Low to Moderate</p>
	<p><i>Commission the creation of a district gateway art element to be located at bridge over Red Clay Creek. May be an opportunity for collaboration with Longwood Gardens to install horticultural elements, as well.</i></p>	<p><b>Lead Actor(s):</b> Kennett Square Borough; Longwood Gardens</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Low to Moderate</p>

## Project Goals, Activities and Actors: Birch Street

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Attract investment and development to Birch Street</b>  Goal Evaluation Period: Q3 2017 to Q3 2018	<i>Through zoning, encourage the re-tenanting or repurposing of underutilized warehouse buildings, work yards, and associated parking lots to accommodate workforce housing and small entrepreneurial offices.</i>	<b>Lead Actor(s):</b> Borough of Kennett Square Planning Board; Historic Kennett Square (advocacy) <hr/> <b>Timeline to Complete:</b> 0-18 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	Approve zoning to permit multi-family residential (up to 100 units). Provide a 10 percent bonus density for the inclusion of affordable workforce housing – for both low- and moderate-income qualified households.	<b>Lead Actor(s):</b> Borough of Kennett Square Planning Board; Historic Kennett Square (advocacy) <hr/> <b>Timeline to Complete:</b> 0-18 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Craft zoning to include entertainment, light assembly (“maker space”) and indoor urban farming</i>	<b>Lead Actor(s):</b> Borough of Kennett Square Planning Board; Historic Kennett Square (advocacy) <hr/> <b>Timeline:</b> 0-18 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High

## Project Goals, Activities and Actors: Birch Street

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Attract Development and Investment to Birch Street</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Develop urban design specifications for lighter duty and less expensive approach for a high quality walkable environment (sidewalk, curb, parking surface, lighting, signage, crosswalks, plantings, fencing, furnishings).</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy)  <hr/> <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Low to Moderate
	<i>Expand range of permitted uses for the existing Birch Street houses, through special exception, to include artisan fabrication, studio, gallery, restaurant, yoga studio, training facility, and performance space.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy)  <hr/> <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Low to Moderate

## Project Goals, Activities and Actors: Birch Street

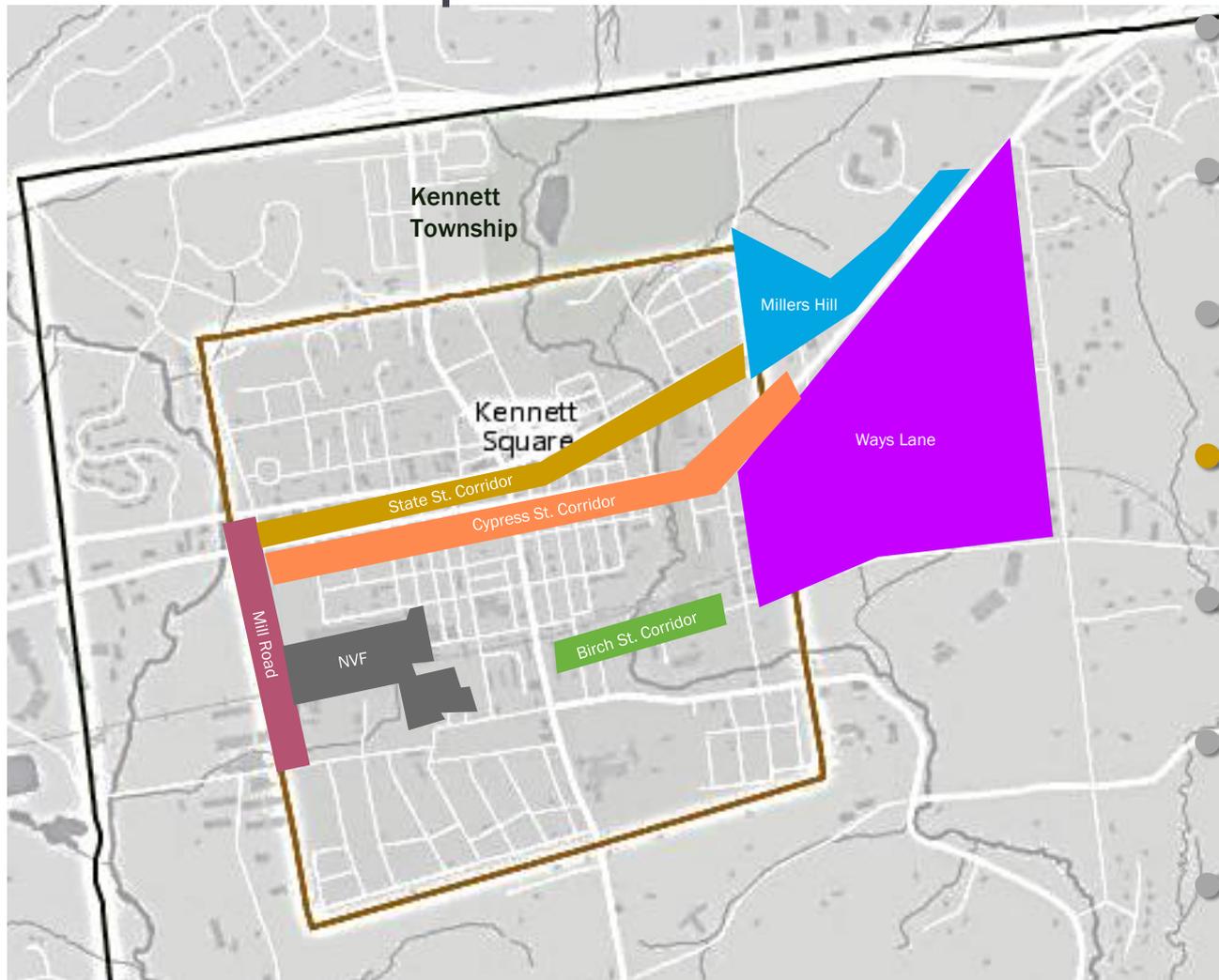
Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Attract Development and Investment to Birch Street</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>A proposed Octorara Corridor Overlay would accommodate a range of building types and lot sizes, advancing the policy recommendations of the Borough's Comprehensive Plan – consider permitting four-story buildings.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy)  <hr/> <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Borough Council should exercise its authority under Section 23-38 of the Borough code to issue temporary use permits on an annual basis for up to five years – conditioned on safety and active curatorial oversight. Such temporary use permits should be permitted for those uses having a high likelihood of increasing direct or indirect private investment along Birch Street.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Historic Kennett Square (advocacy)  <hr/> <b>Timeline to Complete:</b> 0-6 Months  <hr/> <b>Prospective Goal Impact:</b> Low to Moderate

# State Street

- Key Issues
- Economic Vision
- Zoning Overview
- Concepts
- Recommendations
- Strategic Investment Projects

**AIR SHOW**  
NEW GARDEN AIRPORT  
2 DAY EVENT - Aug 25<sup>th</sup> & 26<sup>th</sup>  
GATES OPEN AT 9AM  
TICKETS Online at [www.newgardenflyingfield.com](http://www.newgardenflyingfield.com)

# Economic Development Focus Areas



- Millers Hill
- Ways Lane
- Birch St
- **State St**
- Cypress St
- Mill Rd
- NVF site

Source: VPP Economic Development Corridor Study

## Key Issues: State Street

### Walkability

Extend walkability/bikeability, draw people all the way to Victory

**Denser street with first floor shops and apartments above,**

Expand commercial onto Cypress at the center of town to promote walking around

Extend walkability on State Street

### Traffic

**Eliminate big truck traffic (3), signs, traffic lights**

**Improve parking**, one side parking from Broad west to Liberty place will make the section more enjoyable and safe

### Main Street and Shops

Extend main street, make classier, keep as small town shops, commercial/residential/mixed uses

**More shops, hotel, farmers market, extend down to Ride Aid, limit Stop-N-Shop**

### Land Use

Extend businesses in existing buildings on side streets

In-town museum, urban anchor institution, retail with apartments

Keep character by not tearing buildings down

**Landscape (9), more horticulture, garden-oriented streets, landscaping, gateway**

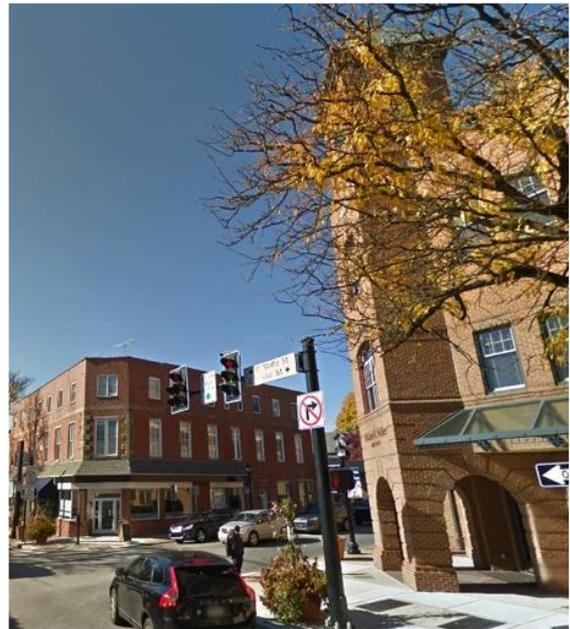
## Economic Vision: State Street

a charming MAIN STREET providing locals and visitors a walkable, relaxed, high-amenity experience

State Street has four “personalities” passing through Kennett Square. From the Bypass to Elm Street, Old Baltimore Pike transitions from highway to rural road to suburbanizing arterial, to main street (State Street). From Walnut to Elm is a middle landscape. On either side of the bridge over the Red Clay Creek, are stand-alone buildings surrounded by parking lots.

Approaching Central the landscape of lawns, parking, porches, and attention-getting signs...The core blocks, Elm to Center Street, are almost exactly a quarter-mile long – The “perfect” dimension of a walkable main street retail environment. However, vacancies have declined to the point that highly desirable businesses that would work well in this space, find they have to go elsewhere – there is simply nothing in the core blocks (between Elm and Center) where foot traffic is more reliable.

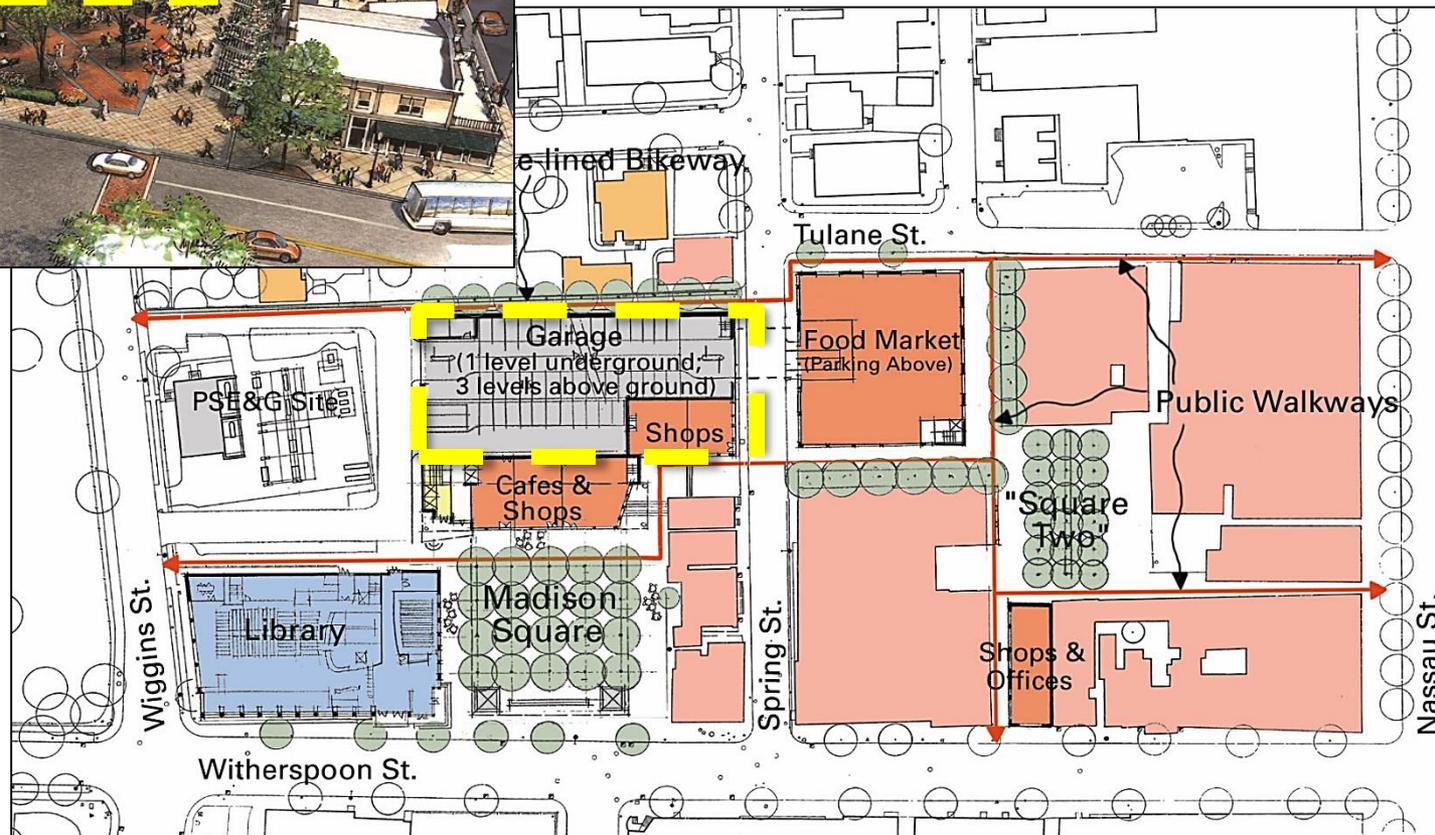
# Concepts: State Street



# Concepts: State Street

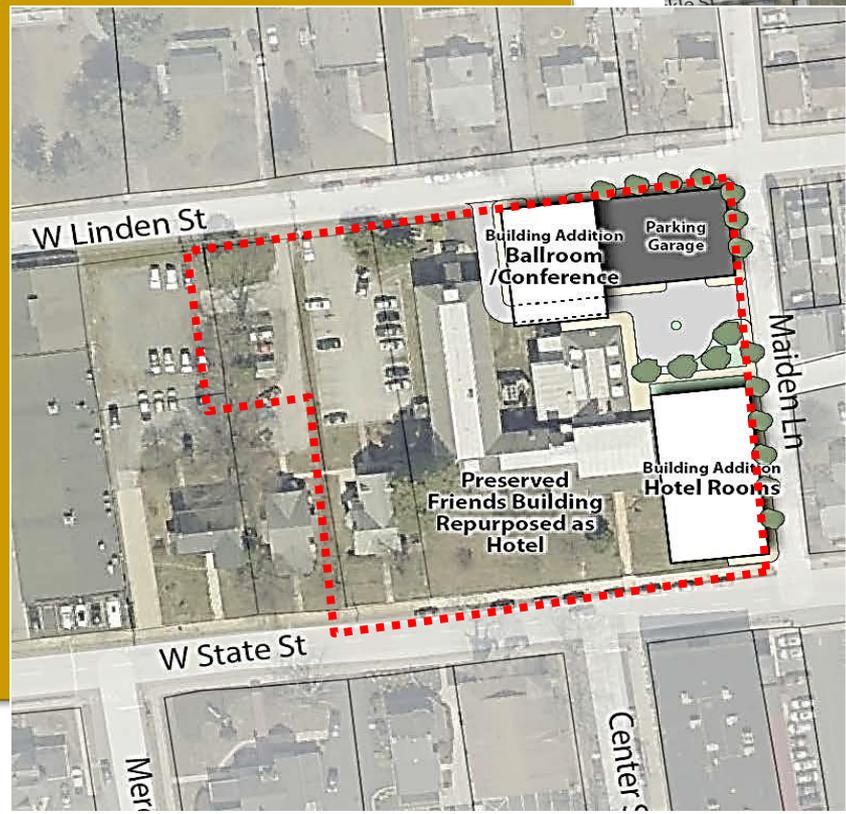


A new public square and mid-block walkways • 483 public parking spaces • 20 apartments and 25,000 s.f. of retail space • A positive annual cash-flow to the borough, reaching over \$1 million per year by the tenth year of operation • A lively, pedestrian-oriented and livable extension of downtown.



# Concepts: State Street

a charming **MAIN STREET** providing locals and visitors a walkable, relaxed, high-amenity experience



# Recommendations: State Street

## Vision

a charming ***MAIN STREET*** providing locals and visitors a walkable, relaxed, high-amenity experience

Attract Desired Land Uses /Activities

Evaluate Zoning Requirements

## Action

- ✓ Plan parking structure as future transit hub.
- ✓ Expand bike facilities along State and Cypress and cross streets between Mill Road and Walnut Street
- ✓ Launch funding strategy to improve and maintain alley passageways as public plazas or linear parks.
- ✓ The parking garage is oversubscribed. Identify locations and funding strategy to provide additional structured parking downtown. Explore mixed-use building with ground floor retail and “liner” apartments above on facades facing principal streets.
- ✓ Develop concept plan for key parcels that are likely to be redeveloped in time: Willow Street parking lots, Friends Home, auto sales and auto service businesses likely to relocate, large footprint one story buildings,

### Development Program /Land uses to be attracted to State Street

- Infill Residential and Mixed use Development- Up to 50 multi-family rental or condo units
- Structured parking with ground floor liner service retail and liner apartments above (20 to 30 micro apartment units designed to appeal to young professionals/downsizing boomers)

- ❖ Consolidate some provisions of Historic District (architectural character), and Retail Use Overlay into Form Based Code. New Downtown Zoning Districts D-1, D-2 and, D-3 would replace the existing C1 and C2 Districts
- ❖ Extend the Tall Building Overlay to include State, Cypress and Birch Street corridors.
- ❖ Define “Craft Distillery” as a permitted use in C2

# Evaluation of Strategic Investment Projects:

## State Street

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	Yes	Yes	Yes	Yes
Market Rate MF Residential	Yes	Yes	Yes	Yes
Office	NA	NA	NA	NA
Retail	Yes	Yes	Yes	Yes
Public Realm	Yes	NA	NA	NA
Hotel Conference Center	NA	NA	NA	NA
Entertainment Venues	NA	NA	NA	NA
Parking	Partially	Yes	NA	NA

## Project Goals, Activities and Actors: **State Street**

Project Goal	Activities to Achieve Goal	Who, When and What
<b>Create a charming Main Street, providing locals and visitors a walkable, relaxed, high-amenity experience</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>As the current parking garage is oversubscribed, identify locations and funding strategy to provide additional structured parking downtown. Explore mixed-use building with ground floor retail and "liner" apartments above on facades facing principal streets. Plan parking structure as future transit hub, inclusive of multi-modes of transportation (e.g., bike share, Zip Car and bus stop)</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy); Chester County Department of Planning (advocacy)  <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> High
	<i>Develop concept plan for key underutilized parcels that are likely to be redeveloped in time: Willow Street parking lots, Friends Home, auto sales and auto service businesses likely to relocate, large footprint one story buildings.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy); outside consulting planning firm  <b>Timeline to Complete:</b> 0-18 Months  <hr/> <b>Prospective Goal Impact:</b> Moderate to High

## Project Goals, Activities and Actors: **State Street**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Create a charming Main Street, providing locals and visitors a walkable, relaxed, high-amenity experience</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Expand bike facilities along State and Cypress and cross streets between Mill Road and Walnut Street. Create a funding campaign similar to the “adopt a highway” campaign. In exchange for capital donations, donors would receive recognition on specially designed placards or signs judiciously placed alongside bike facilities.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Historic Kennett Square (advocacy)</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Low to Moderate</p>
	<p><i>Launch funding strategy to improve and maintain alley passageways as public plazas or linear parks. Partner with Longwood Gardens for technical assistance and other in-kind contributions. Recruit building owners whose buildings would directly benefit.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Historic Kennett Square; Longwood Gardens; adjacent building owners</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

## Project Goals, Activities and Actors: **State Street**

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Attract desired land uses and activities to State Street</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Promote infill residential and mixed use development- up to 50 multi-family rental or condo units – with local property owners and active area developers. Work with interested parties to navigate the local site planning approval process</i></p>	<p><b>Lead Organizations:</b> Historic Kennett Square</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>
	<p><i>Promote the development of structured parking with ground floor liner service retail and liner apartments above (20 to 30 micro apartment units designed to appeal to young professionals and downsizing Baby Boomers). Work with interested parties to navigate the local site planning approval process.</i></p>	<p><b>Lead Organizations:</b> Historic Kennett Square</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>

## Project Goals, Activities and Actors: **State Street**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Attract desired land uses and activities to State Street</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Consolidate some provisions of Historic District (architectural character), and Retail Use Overlay zoning language into a Form Based Code. New Downtown Zoning Districts D-1, D-2 and, D-3 would replace the existing C1 and C2 Districts.</i>	<b>Lead Actor(s):</b> Kennett Borough Planning Board; Kennett Borough Zoning Officer <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Extend the Tall Building Overlay zone to include the State, Cypress and Birch Street corridors, which will help make development more financially viable.</i>	<b>Lead Actor(s):</b> Kennett Borough Planning Board; Kennett Borough Zoning Officer <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Define “Craft Distillery” within the local zoning ordinance as a permitted use in within the C2 zone.</i>	<b>Lead Actor(s):</b> Kennett Borough Planning Board; Kennett Borough Zoning Officer <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Low to Moderate

# Economic Development Focus Areas



- **Millers Hill**
- **Ways Lane**
- **Birch St**
- **State St**
- **Cypress St**
- **Mill Rd**
- **NVF site**

Source: VPP Economic Development Corridor Study

## Key Issues: Cypress Street

### Traffic and Walkability

Narrower street and wider sidewalk to slow down traffic, bulb-out intersections

**Should be very walkable like a main street, make more walkable/bikeable**

Lessen width of Cypress- more greenery and wider sidewalks

More parallel parking, parking on sides of street

**Landscape (10), more horticulture and landscaping, street trees, green spaces**

### Mixed Use Commercial

A bit more anchor-type stores

Same as state street but maybe more of a residential character

Cypress reflects cultural differences – Latino

2 streets become the destination not 2 blocks

Shared space incubator offices

### Main and State Streets

Extend main street, next area of downtown growth

Create a commercial block between State and Cypress in the core

More commercial, improve stop n shop

Need to connect the historic downtown and new development

**More living space to support State Street**

More commercial, extended from State Street to promote walking around

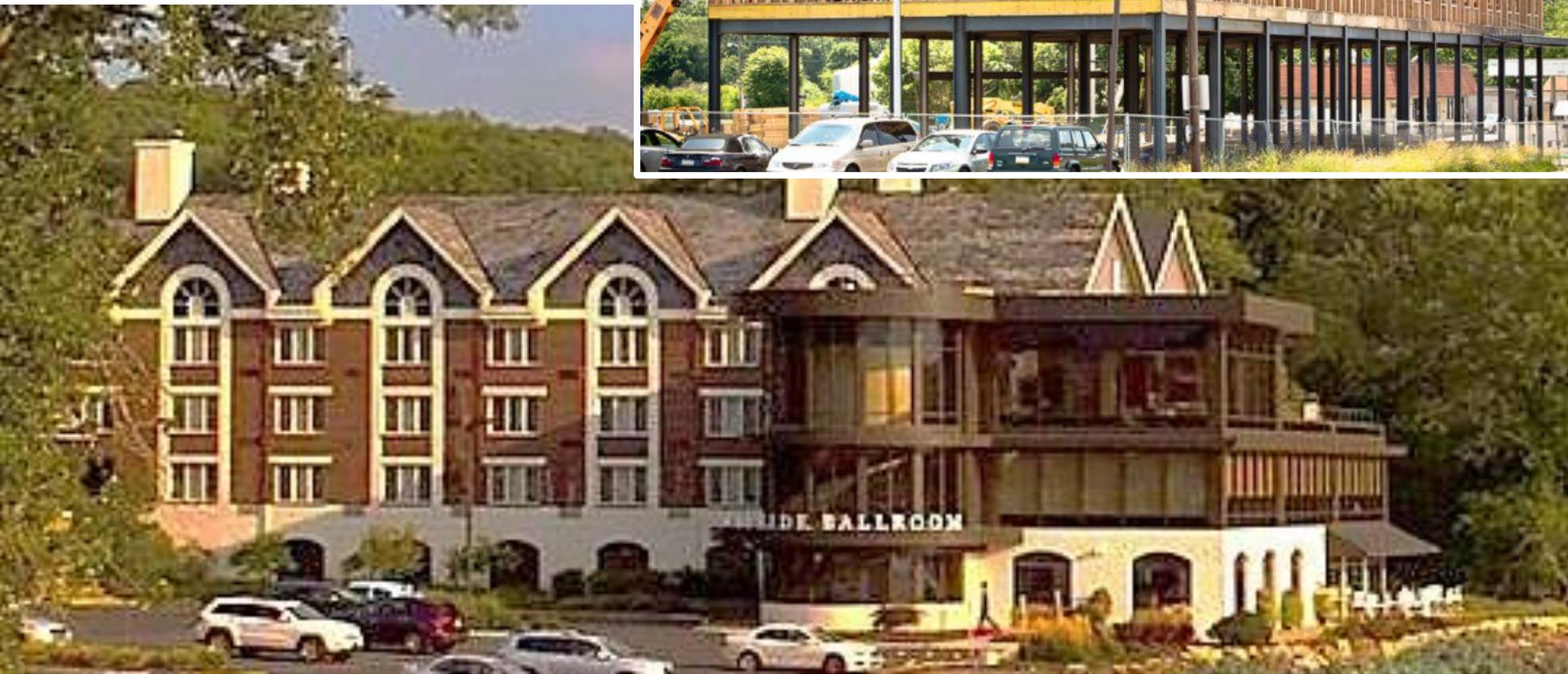
Mixed-use retail / apartments

## Economic Vision: Cypress Street

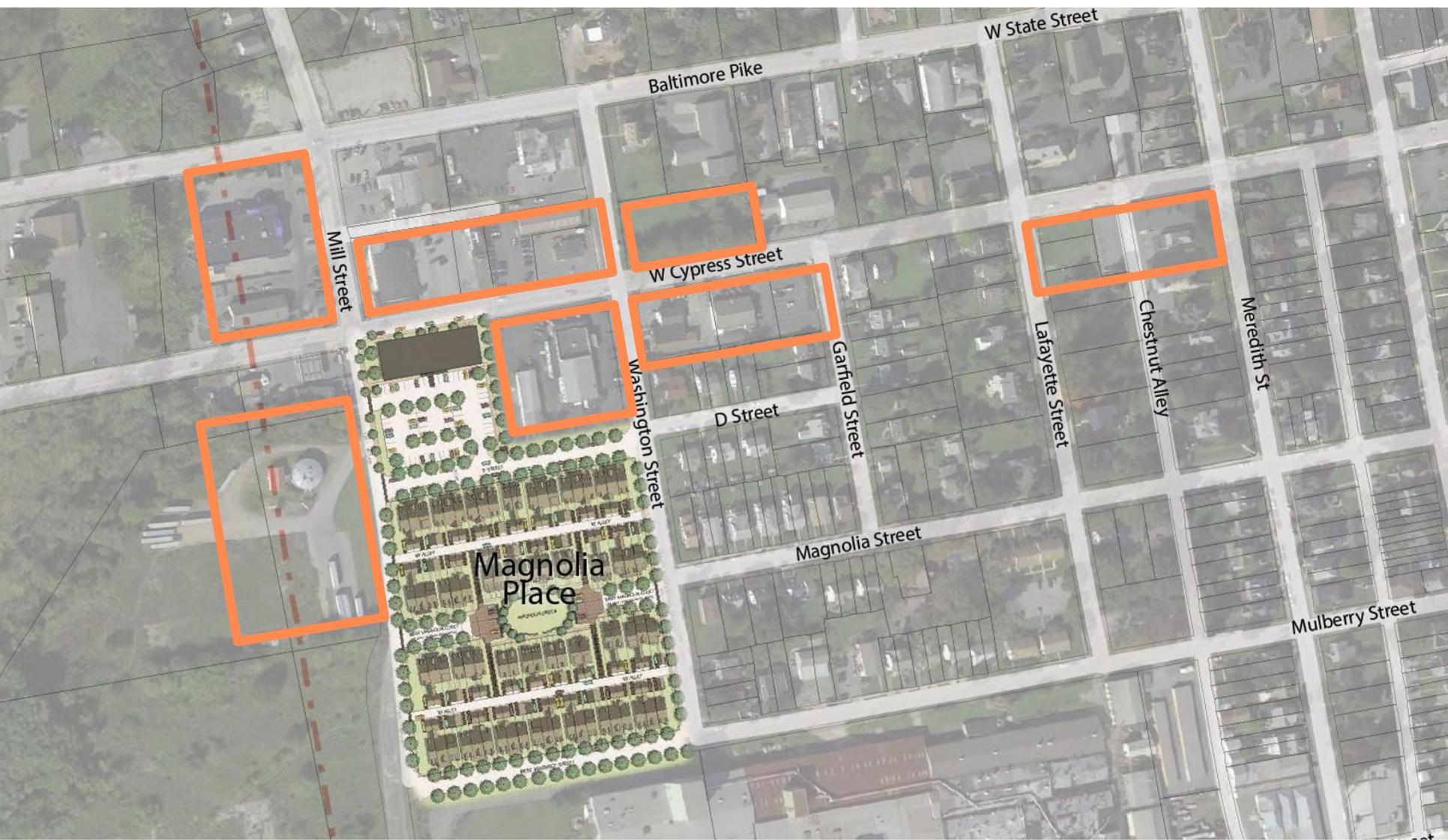
a PRETTY IN-TOWN THOROUGHFARE experiencing change and reinvestment – expanding Kennett Square’s attractiveness to locals and visitors

As downtown becomes more active, this street will become less of the “backdoor/ backyard” and more of a signature Kennett Square destination. The western blocks between Mill Road and Meredith Street are especially likely to see incremental change as underutilized parcels are redeveloped and auto-centric uses locate to sites that are equivalently convenient, but less attractive for mixed-use development. The Victory Building is a model that could eventually be applied to the Dance School site, the Wawa, and the vacant Saint Patrick School site; connecting to—and expanding the walkable downtown core centered around Union and State streets.

# Concepts: Cypress Street



# Concepts: Cypress Street



# Recommendations: **Cypress Street**

## Vision

a ***PRETTY IN-TOWN THOROUGHFARE*** experiencing change and reinvestment – expanding KS's attractiveness to locals and visitors

Attract New Desired Land Uses

Evaluate Zoning Requirements

## Action

- ✓ As downtown becomes more active this street will become less of the “backdoor/backyard” and more of a signature Kennett Square destination
- ✓ Seek resources to design, install and maintain seasonal plantings and street trees.
- ✓ Evaluate possibility of 2-way “cycle-track” along Cypress. Identify location for 16? on-street spaces that would be displaced as part of Bike/Ped Plan for the Borough.
- ✓ Continue working with PennDOT to help mitigate pass through truck traffic.

### Development Program /Land Uses to be attracted to Cypress Street

- Existing auto-related uses (e.g., sales and service) should be enticed to relocate to more accommodative locations (current public works site within NVF?).
- A mixed-use building complimentary to the Victory could be located on adjacent lots, should the WaWa and auto businesses relocate.
- Boutique Hotel (60-80 rooms) with conference and spa/retreat facilities..
- ❖ Evaluate parking requirements. Trouble-shoot shared parking provision. Parking requirements may be monopolizing land that could be developed, bringing new activity
- ❖ Sidewalk width of 10’ for new mixed-use development with over 3,000 sf ground floor commerce
- ❖ Permit sidewalk merchandising (with permit) where sidewalk is of adequate width to maintain 5’ walking passage.

# Evaluation of Strategic Investment Projects:

## Cypress Street

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	NA	NA	NA	NA
Market Rate MF Residential	Yes	Yes	Yes	Yes
Office	Yes	Yes	Yes	Yes
Retail	Yes	Yes	Yes	Yes
Public Realm	Yes	NA	NA	NA
Hotel Conference Center	Yes	Yes	Yes	Yes
Entertainment Venues	Yes	Yes	Yes	Yes
Parking	Partially	Yes	NA	NA

## Project Goals, Activities and Actors: **Cypress Street**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Improve attractiveness and circulation along Cypress Street thoroughfare</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Seek funding resources to design, install and maintain seasonal plantings and street trees. Partner with Longwood Gardens for technical assistance and other in-kind services.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Historic Kennett Square; Longwood Gardens  <b>Timeline to Complete:</b> 0-18 Months  <b>Prospective Goal Impact:</b> High
	<i>Evaluate possibility of two-way “cycle-track” along Cypress Street for bicyclists. Identify location for 16 on-street parking spaces that would be displaced as part of implementing a Bike/Ped Plan along the thoroughfare.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board  <b>Timeline to Complete:</b> 0-18 Months  <b>Prospective Goal Impact:</b> Moderate to High
	<i>Continue working with PennDOT and Kennett Township to help mitigate pass through truck traffic.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body  <b>Timeline to Complete:</b> 0-18 Months  <b>Prospective Goal Impact:</b> High

## Project Goals, Activities and Actors: **Cypress Street**

Project Goal	Activities to Achieve Goal	Who, When, and What?
<p><b>Attract new desired land uses to Cypress Street</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Existing auto-related uses (e.g., sales and service) should be enticed to relocate to more accommodative locations (e.g., current public works site within NVF).</i></p>	<p><b>Lead Actor(s):</b> Active developers; Historic Kennett Square</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>
	<p><i>Attract the development of a boutique hotel (60-80 rooms) with capacity for hosting small conferences and featuring spa facilities. Consult with local corporations (e.g., Chatham Financial, Genesis Healthcare, Longwood Gardens, etc.) about helping to secure such a facility with commitments for annual room bookings.</i></p>	<p><b>Lead Actor(s):</b> Historic Kennett Square; active developers within the market area; local area corporations.</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

## Project Goals, Activities and Actors: **Cypress Street**

Project Goal	Activities to Achieve Goal	Who, When and What?
<b>Attract new desired land uses to Cypress Street</b>  Goal Evaluation Period: Q1 2018 to Q1 2020	<i>Evaluate parking requirements within the current zoning code. Through zoning, encourage shared parking provisions which could free up more land area for development.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Through local zoning, require sidewalk width of 10 feet for new mixed-use development featuring over 3,000 square feet of ground floor commerce. This provision is designed to help activate the street</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High
	<i>Permit sidewalk merchandising (with official permit) where sidewalk is of adequate width to maintain 5 feet of walking passage.</i>	<b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square <hr/> <b>Timeline to Complete:</b> 0-6 Months <hr/> <b>Prospective Goal Impact:</b> Moderate to High

## Mill Road / NVF

- Key Issues
- Economic Vision
- Zoning Overview
- Concepts
- Recommendations
- Strategic Investment Projects

# Economic Development Focus Areas



- **Millers Hill**
- **Ways Lane**
- **Birch St**
- **State St**
- **Cypress St**
- **Mill Rd**
- **NVF site**

Source: VPP Economic Development Corridor Study

## Key Issues: Mill Road / NVF

### Mixed Use Community

Promote mixed use, more theater/ entertainment, radio station

Satellite campus for a school system, Amazon, Google type campus

Concerning current rental rate in the borough, not good for the future

**Expansion of in-town living and shopping; Trader Joe's, borough offices**

Mixed use- cultural use within work yards

**Lower-cost housing, concerned about luxury element forcing out resident**

### Parks, Gardens, and Open Space

Residential with park, community center, multi-purpose use, walkable amenities

**Landscape, remediation and horticulture, community garden**

Recreation uses, roller-skating/ice-skating, baseball field

### Infrastructure and Railroad

Move police station and municipal court to site

Road infrastructure to allow mixed use, supply parking

**Grid for more in-town living, NVF should be gridded out**

Crossing the railroad is a barrier, bring back train – public transportation

## Economic Vision: Mill Road / NVF

### *A new KENNETT NEIGHBORHOOD*

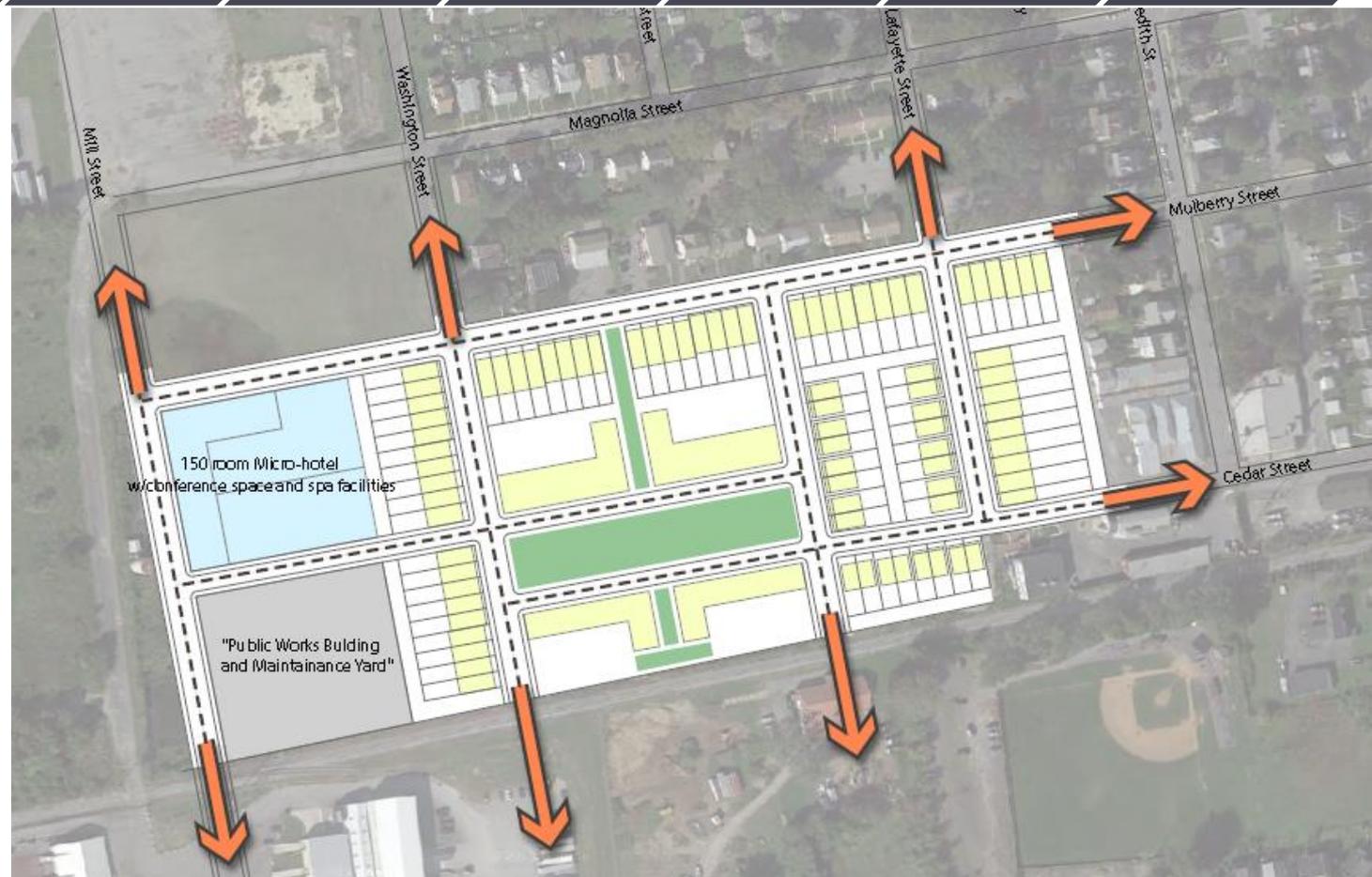
The Southwest corner of the Borough was formerly home to National Vulcanized Fiber and other working uses. Despite have been significantly contaminated for years after ceasing industrial operation, today the site represents an opportunity to capitalize on demographic trends, satisfy demand for certain real estate products, and add vitality to the Borough. By building out a connected grid of streets, the borough and the developer can ensure that development integrates seamlessly with the existing neighborhood fabric, mutually adding value.

Ongoing development of two nearby sites (the former, A & P Supermarket and the former SunnyDell Foods Mushroom Cannery) are fulfilling this aspiration, making it even more essential that the 26 acre NVF site be conceived of as an expansion of the town, rather than a gated community.

There is currently a new community of 78 townhomes anchored by a central green. On Cypress Street there is a handsome new four-story mixed-use building (The Victory) with an 8,500 square foot brewery/restaurant and 33 multi-family dwelling units above.

Nearby, and situated on the site of the former SunnyDell Foods Mushroom Cannery will be a mix of uses spread across four architecturally distinct buildings. 11,000 square feet of retail; 3,000 square feet planned for restaurant space; and 6,700 square feet intended to be used for office and creative space.

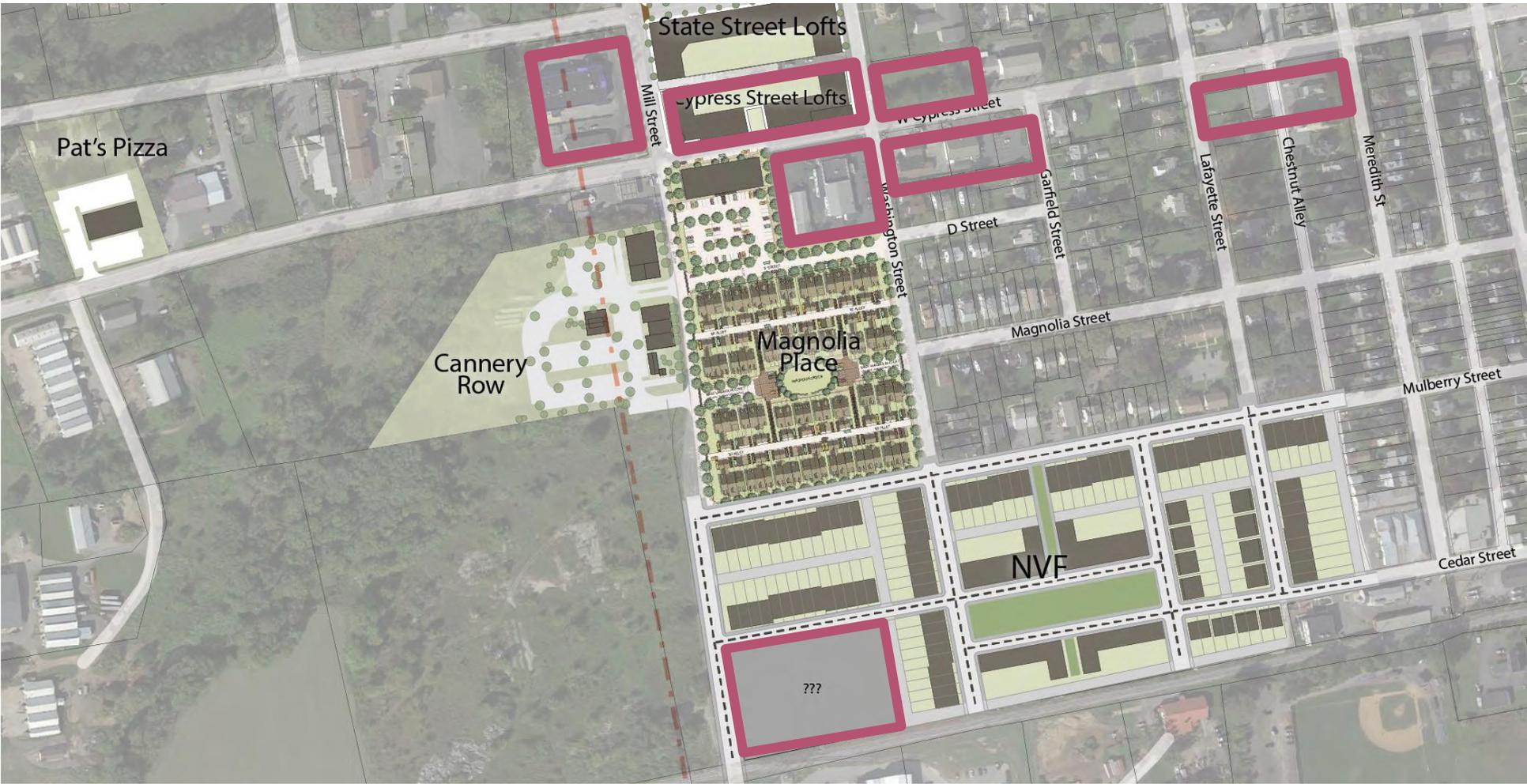
## Concepts: Mill Road/ NVF



### NVF Urban Design Principles

- Connections to Cedar, Lafayette, Washington, and Mill, new street between Washington and Lafayette.
- Sidewalk 8' all around
- Wider Road (new street, Washington, Lafayette, Mulberry, Mill) both way traffic and shared bike lane and parking on both side.
- Narrower road no parking
- 150 room conference hotel (300'x250' lot) Hotel rooms to wrap around the corner of Mill and Mulberry to match upcoming commercial corridor north of the site with parking garage tucked inside
- Central park (440'x75') surrounded by residential buildings
- Parking for residential buildings are hidden behind and accessible by alleys
- Previously proposed design (by Barton Partners) calls the south-west corner side "Public Works Building and Maintenance Yard".
- Existing aerial shows remediation site

# Concepts: Mill Road / NVF



# Concepts: Mill Road / NVF



# Recommendations: **Mill Rd / NVF**

## Vision

*A new KENNETT NEIGHBORHOOD*

## Action

- ✓ A new Kennett Square Neighborhood
- ✓ Creation of public open space, akin to Magnolia Green, but possibly more public in nature, would add value to property and generate a greater sense of community.
- ✓ The current portion of the NVF site which is still environmentally compromised could serve to host one or more auto sales and/or repair facilities now located on either Cypress or State Streets.

### Attract New Desired Land Uses

#### Development Program /Land uses to be attracted to Mill Rd and NVF site

- 150 single family, Duplex and “stacked” Townhouses
- 80 apartments in 4 “mid-rise” apartment buildings (4 stories)
- On the “public works” site: Senior housing over one-deck parking area; Terminus for shuttle circulator could also be housed within one-deck garage. Aquatic Center with ties to Genesis Healthcare.

### Evaluate Zoning Requirements

- ❖ Mill Rd sites (i.e. Cannery Row) are in Borough’s C-2 district with some westernmost sites in the Township’s C and LI districts. A consolidated Plan Application and Review process should be developed and incorporated into Borough and Township Zoning, Subdivision and Land Development Ordinances.
- ❖ NVF is w/in Borough zoning district **OI-1** – Future plans are likely to repurpose the 26 acre site to support mid-density, primarily residential development along the lines anticipated by **RC Neighborhood Development District**; presently a Conditional Use in the C-2 District (not OI-1)
- ❖ The borough and developer should work together to create a street network that accommodates the building program and integrates into the surrounding neighborhood fabric. Evaluate Extension of South Mill Road, South Washington Street, South Lafayette Street, and West Cedar Street, the reintroduction of South Garfield Street, south of Mulberry Street.

# Evaluation of Strategic Investment Projects:

## Mill Road / NVF

Type of Private Investment	Infrastructure in Place	Land Assemblage Required	Financially Feasible	Market Supported
Affordable MF Residential	Yes	Yes	Yes	Yes
Market Rate MF Residential	Yes	Yes	Yes	Yes
Office	NA	NA	NA	NA
Retail	NA	NA	NA	NA
Public Realm	No	NA	NA	NA
Hotel Conference Center	NA	NA	NA	NA
Entertainment Venues	NA	NA	NA	NA
Parking	No	Yes	NA	NA

## Project Goals, Activities and Actors: Mill Road / NVF

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Create a new Kennett neighborhood</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Craft an overlay zone to require new public open space of at least one-acre, on the NVF site. The public open space could be funded through a tax increment financing (TIF) district designed specifically for the NVF site, to underwrite all or a portion of costs associated with new infrastructure and public space. Consult with Longwood Gardens concerning design guidelines for open space.</i></p> <p><i>In consultation with the NVF property owners, consider the implementation of zoning for the current portion of the NVF site which is still environmentally compromised, to permit one or more auto sales and/or repair facilities now located on either Cypress or State Streets. Ensure that zoning calls for adequate buffering of the area designated for such uses.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Kennett Borough Zoning Officer</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p> <hr/> <p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Kennett Borough Zoning Officer; Current NVF property owners</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Low to Moderate</p>

## Project Goals, Activities and Actors: Mill Road / NVF

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Attract new desired land uses to Mill Road and NVF</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Through zoning, promote the development of 115 single family, Duplex and “stacked” Townhouses; 80 multi-family rental units in four “mid-rise” apartment buildings (each building rising four stories). Encourage local developers to explore the development of this housing within the next 36 months.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy)</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>
	<p><i>Consider zoning the “public works” site for the development of senior housing over a one-deck parking area; a terminus for bus shuttle circulator could also be housed within one-deck garage. Encourage the developer of the NVF site to explore the development of an aquatic center with ties to Genesis Healthcare.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Historic Kennett Square (advocacy)</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

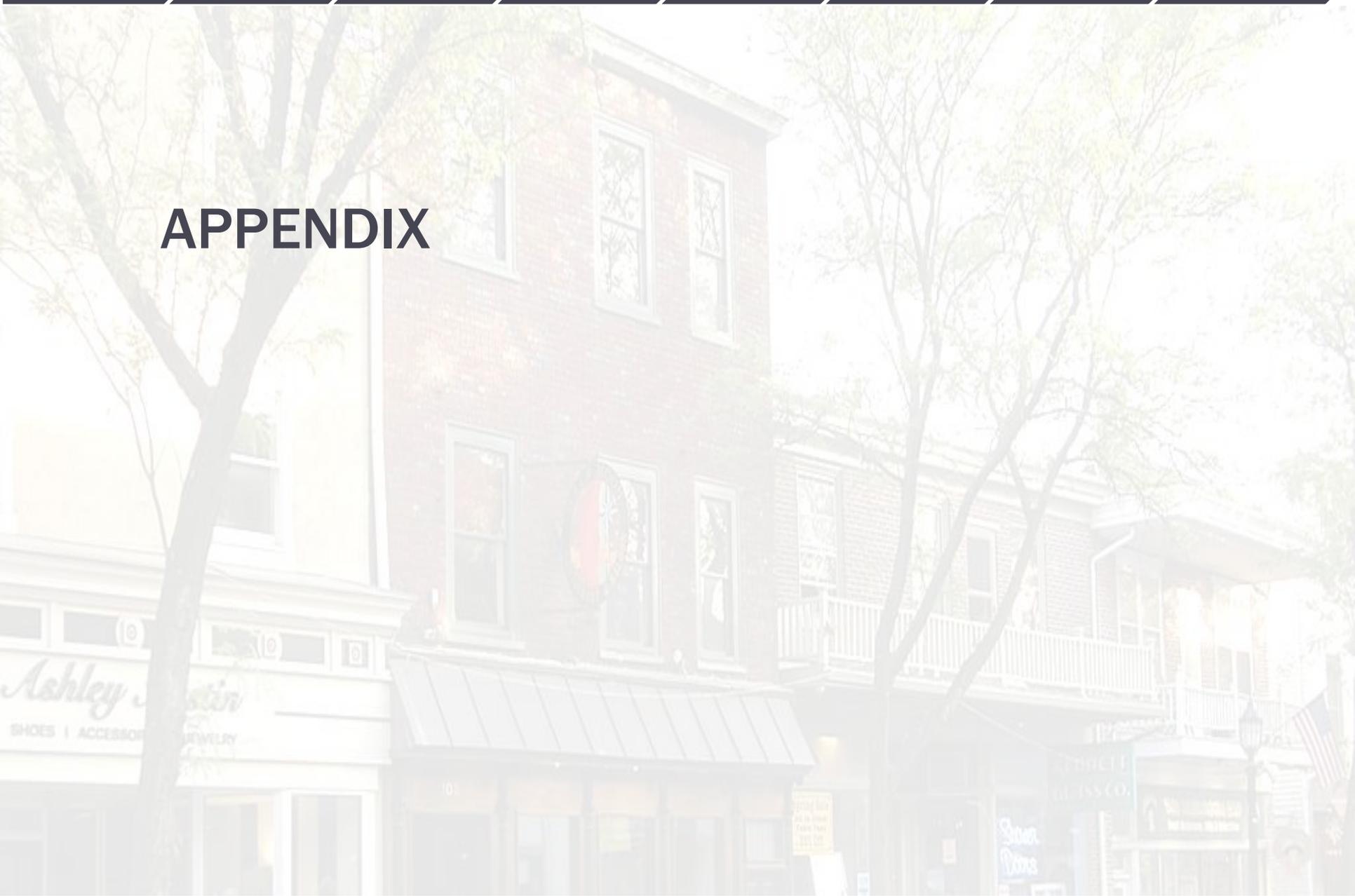
## Project Goals, Activities and Actors: Mill Road / NVF

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Attract new desired land uses to Mill Road and NVF</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>Mill Road sites (e.g., Cannery Row) are in Borough's C-2 district with some westernmost sites in the Township's C and LI zoning districts. A consolidated Plan Application and Review process should be developed and incorporated into Borough and Township Zoning, Subdivision and Land Development Ordinances (SALDO), to facilitate a more streamlined development process.</i></p>	<p><b>Lead Actor(s):</b> Planning Boards for Kennett Borough and Kennett Township; Kennett Borough and Kennett Township Governing Bodies</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>
	<p><i>Through zoning update, permit mid-density residential development within the 26-acre NVF site, consistent with language found within the RC Neighborhood District zoning ordinance.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough Governing Body; Kennett Borough Planning Board; Kennett Borough Zoning Officer</p> <hr/> <p><b>Timeline to Complete:</b> 0-18 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> Moderate to High</p>

## Project Goals, Activities and Actors: Mill Road / NVF

Project Goal	Activities to Achieve Goal	Who, When and What?
<p><b>Attract new desired land uses to Mill Road and NVF</b></p> <p>Goal Evaluation Period: Q1 2018 to Q1 2020</p>	<p><i>The borough and developer should work together to create a street network that accommodates the future building program and integrates into the surrounding neighborhood fabric. Evaluate Extension of South Mill Road, South Washington Street, South Lafayette Street, and West Cedar Street, as well as the reintroduction of South Garfield Street, south of Mulberry Street.</i></p>	<p><b>Lead Actor(s):</b> Kennett Borough and Kennett Township Governing Bodies; Kennett Borough and Kennett Township Planning Boards; outside planning consultant; developers with site interests</p> <hr/> <p><b>Timeline to Complete:</b> 0-36 Months</p> <hr/> <p><b>Prospective Goal Impact:</b> High</p>

# APPENDIX



# Existing Conditions

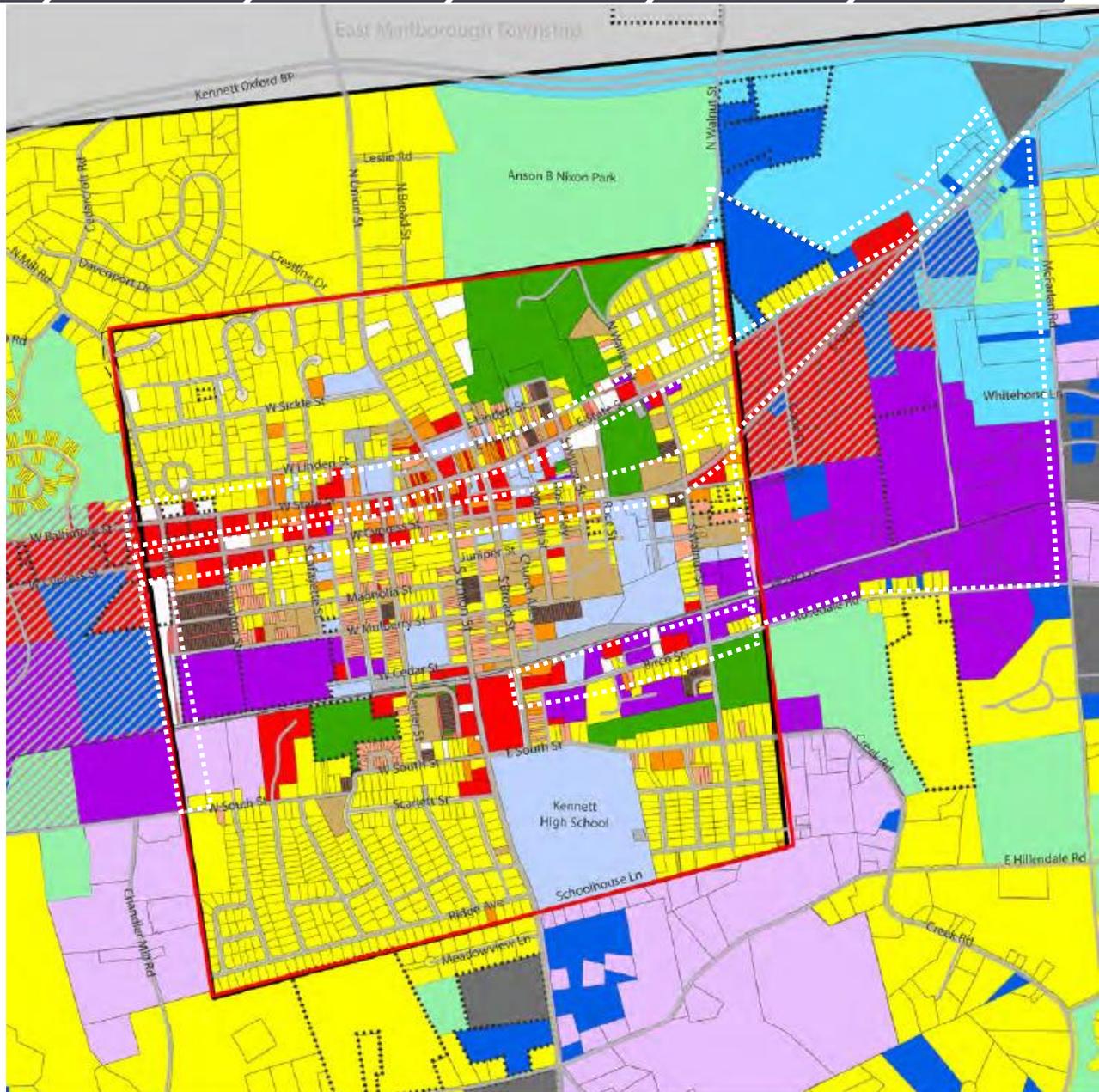
- Existing Land Use
- Zoning
- Woodland and Riparian Corridors
- Visually Significant Landscapes
- Historic District

# Existing Land Use

The map to the right, illustrates the existing land uses within Kennett Square Borough and Kennett Township.

### Borough and Township of Kennett

- Commercial
- Institutional
- Industrial
- Parks / OS
- Utilities / Transportation
- Mixed-Use
- Single Family
- Two Family
- Townhome
- Apartment
- Specialized Agriculture
- Vacant
- Protected Land
- Undeveloped Land
- Planned Developments
- Office Campus
- Suburban Residential
- Economic Development Area



Source: RBA Group, 2016.

# Zoning

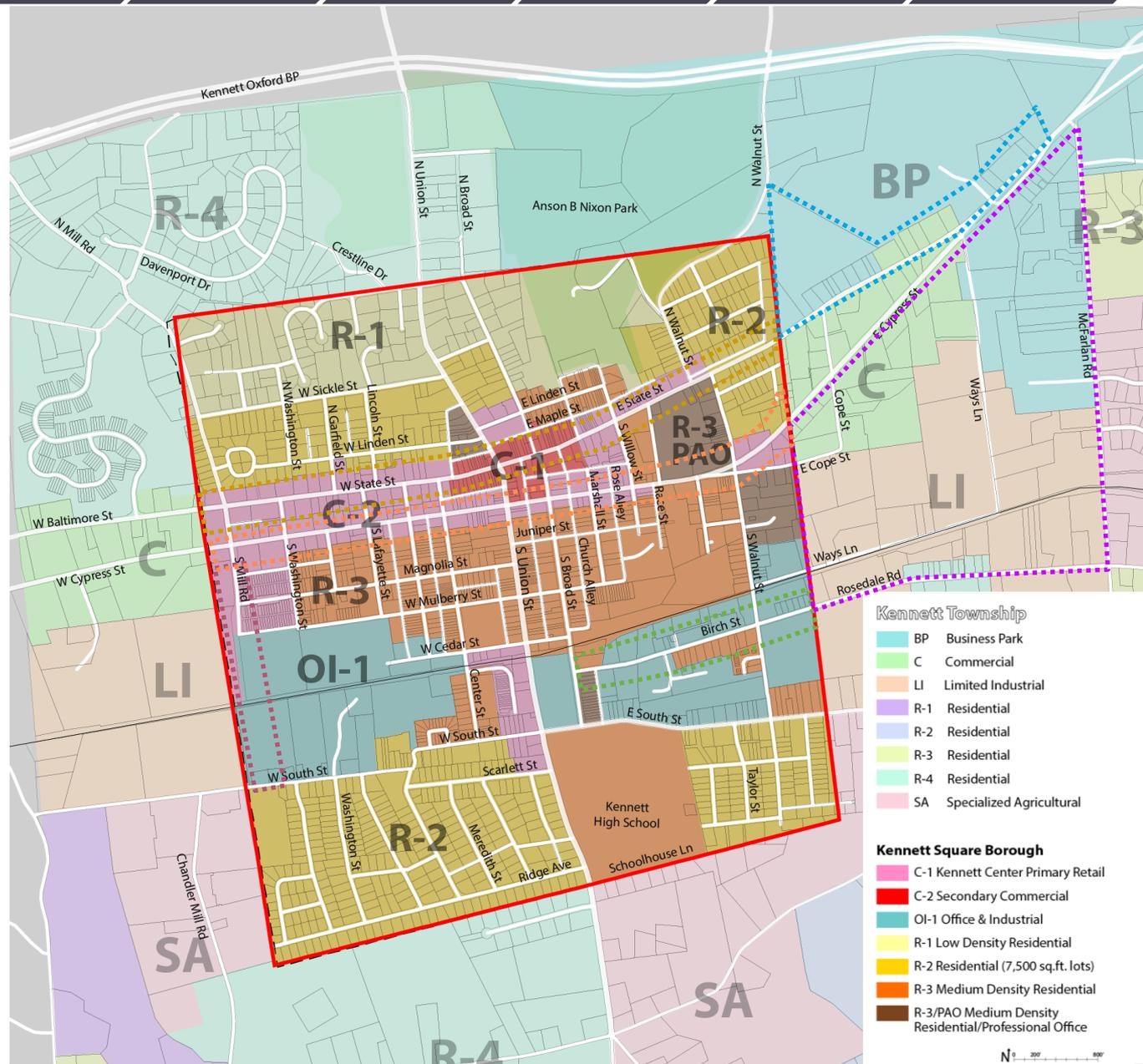
The map to the right, illustrates the existing zoning within Kennett Square Borough and Kennett Township.

## TOWNSHIP

- BP
- R-3
- C
- LI

## BOROUGH

- C-1, 2
- OI-1
- R-3, 2



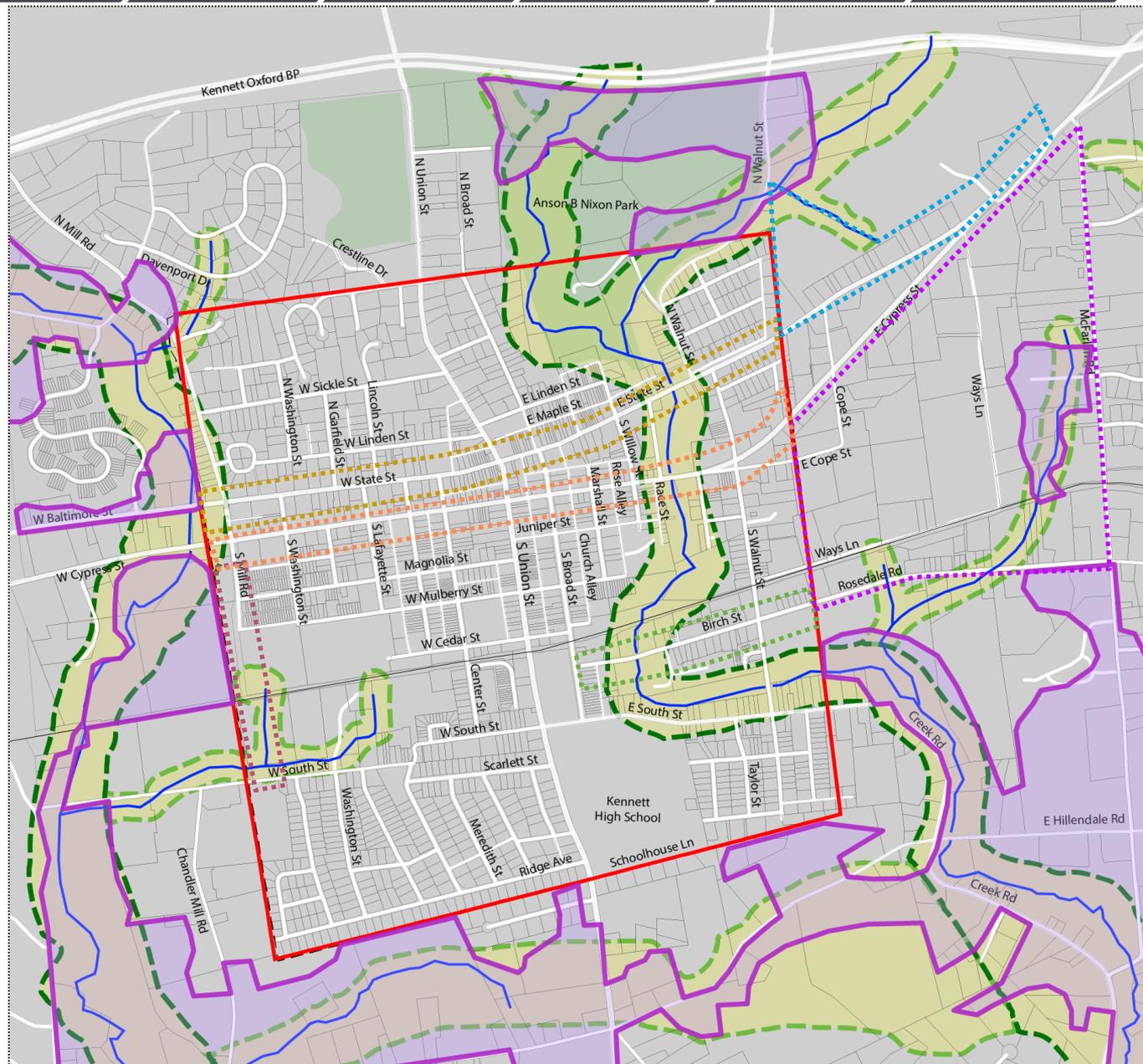


# Visually Significant Landscapes

The map to the right, illustrates the visually significant landscapes within Kennett Square Borough and Kennett Township. Land development plans subdivision plans, conditional use applications and zoning appeals include statement describing how proposal responds to the Township's VSL's.

 Kennett Township Visually Significant Landscapes

Source: RBA Group, 2016.

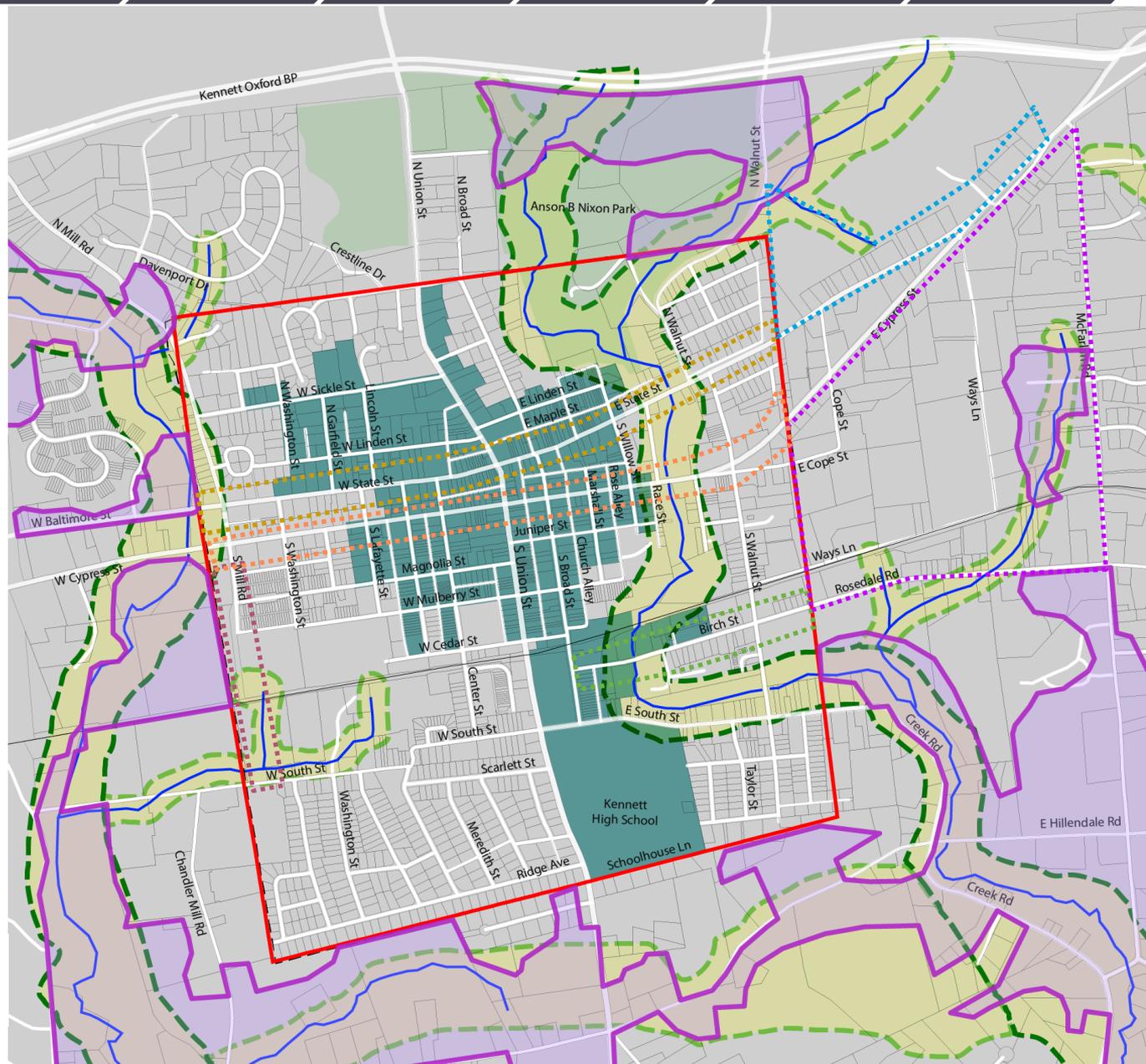


## Historic District

The map to the right, illustrates the historic district within Kennett Square Borough. The Historic District designation means that significant and contributing buildings receive some protection from demolition and from clumsy exterior repair /renovation /expansion. The HARB provides design advice to property owners and Borough Council that may condition the award of certificate of appropriateness.

 Kennett Square Borough Historic District

Source: RBA Group, 2016.



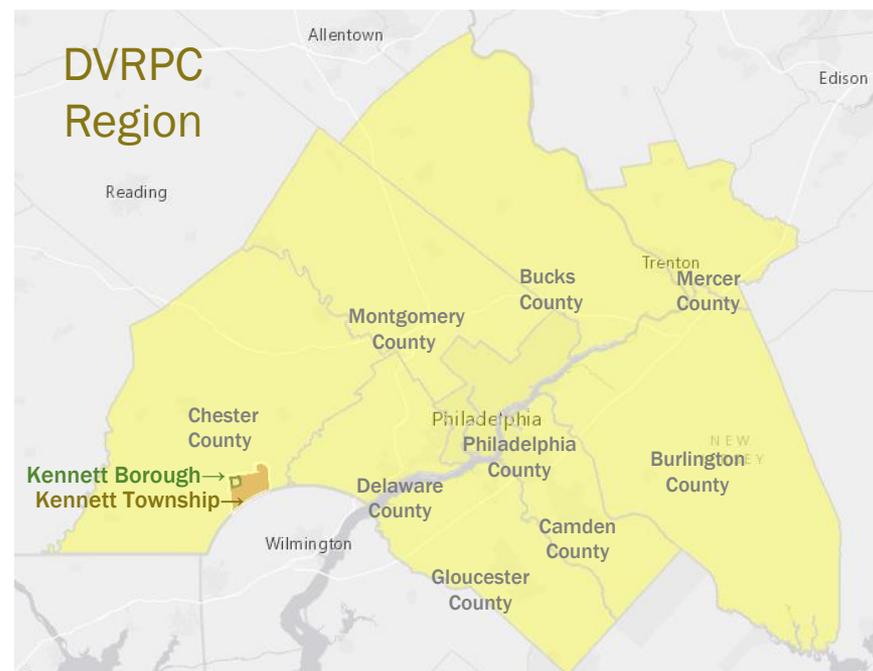
# Existing Planning Efforts

- Delaware Valley Regional Planning Commission (DVRPC)
- Chester County
- Kennett Township
- Kennett Borough

## DVRCP Regional, County, & Municipal Employment Forecasts, 2010-2040

The Delaware Valley Regional Planning Commission (DVRPC) is the federally designated Metropolitan Planning Organization for the Greater Philadelphia Region, serving nine counties in Pennsylvania and New Jersey (illustrated in the map to the right). The following highlights some notable findings from the 2010-2040 employment forecasts:

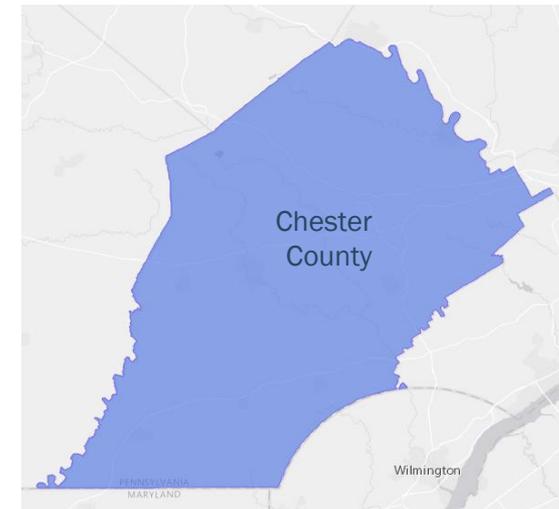
- Within the DVRCP region, the largest absolute increase in employment is forecasted for **Chester County**, expected to gain over 76,000 employees (from 292,015 in 2010 to 368,022), a forecasted percent change of 26.0 percent between 2010 and 2040.
- Kennett Township and Kennett Square Borough are not within the top municipalities, but both are expected to see growth.
- **Kennett Township:** employment is expected to increase from 4,955 (2010) to 6,270 (2040), an increase of 1,493 employees, or 31.3 percent.
- **Kennett Square Borough:** employment is expected to increase from 4,619 (2010) to 5,495 (2040), an increase of 995 employees, or 22.1 percent.



## Chester County Comprehensive Policy Plan (Landscapes 2)

The Chester County Comprehensive Plan is structured with eleven planning elements (land use, natural resources, open space and greenways, agriculture, historic resources, transportation, housing, utilities/infrastructure, community services, economic development, and energy conservation); guiding goals for each element; priority actions for implementation; maps; objectives, policies and actions plans for each element, and links to issues and additional resources.

The economic development guiding goal is to support a strong and diverse economy through sustainable development practices, to attract, grow, and retain business and industry, create jobs, and maintain the quality of life that has made Chester County an attractive place to live and work.



Priority actions to accomplish this include:

- Create a county-wide economic development strategy by coordinating resources and planning among county departments, workforce development entities, economic development specialists, the private sector, and educational institutions.
- Expand funding and technical assistance for revitalization planning and development within the 15 boroughs and the City of Coatesville.
- Partner with public and private entities to identify sites that are appropriate for business and industrial development, within designated growth areas.

## Chester County Comprehensive Policy Plan (Landscapes 2)

The Plan divides the county into growth areas and rural areas. Growth areas contain urban landscape (Kennett Square is in this category), suburban landscape, and suburban center. The growth areas contain and are planned for a full range of public infrastructure services, including utilities, transportation facilities, community facilities, and parks. These areas contain large employment centers, commercial centers, population centers, and large areas of residential development. These areas can best accommodate the majority of growth anticipated in Chester County by the year 2030. They are suitable for redevelopment and new development. They contain historic and natural resources that have been and will be protected from development.

**Urban Landscape in the Growth Areas:** The urban landscape includes historic population centers that demonstrate an urban development pattern of grid streets and alleys. These places serve as centers for commerce, civic, and cultural activities for the surrounding area. They have a pedestrian-orientation with sidewalk systems.

**The Vision:** The urban landscape consists of a downtown with an adjacent set of walkable residential neighborhoods. Revitalization and infrastructure upgrades in the existing urban areas will be important activities to achieve this vision. The downtown will consist of structures, often with three or more stories, containing a mix of residential and commercial land uses. Neighborhoods will be in close proximity to the downtown and contain a variety of housing types on small lots available at a range of price levels. The urban landscape will be characterized by a traditional grid street pattern, a complete sidewalk system, and served by mass transit. It will be fully served by public sewer and water systems and advanced technology communications infrastructure. This landscape will contain historic sites and structures important to preserve and reuse. Open space will be dominated by small parks and areas protecting natural resources. The urban landscape will have the highest development density in the county and is appropriate for new development, redevelopment, and revitalization activities.

## Chester County Comprehensive Policy Plan (Landscapes 2)

The Plan's objective for the urban landscape is to target urban landscapes as the core centers of population, employment, commerce, institutions, services, and culture, using Smart Growth and smart transportation principles. Recommended land use policies are provided below.

- Locate a diversity of businesses, agencies, and organizations in downtown areas, and allow for increased building heights, where appropriate, to provide a stable employment base.
- Provide a diversity of housing types at appropriate urban densities for all income levels.
- Improve the inter-modal transportation network serving urban areas.
- Maintain and upgrade utilities and infrastructure to support revitalization and development within the urban landscape.
- Acquire, develop and maintain community and neighborhood parks, trails, and recreation facilities to protect resources, provide connections, and to promote healthy lifestyles.
- Encourage the location and expansion of institutions and community services in urban centers as focal points for community life and to serve the surrounding region.
- Protect and restore urban historic and cultural resources to enhance revitalization and maintain community character.
- Encourage mixed use development within urban landscapes, which integrates residential, commercial, and other uses as critical components of a sustainable community.
- Encourage expanded cultural opportunities in urban landscapes by supporting facilities and activities, such as theaters, museums, galleries, studios, arts schools, libraries, concerts, festivals, and special community events.

## Chester County Comprehensive Policy Plan (Landscapes 2)

The Plan provides suggested land use actions that municipalities should take, including:

- Update comprehensive plans, urban center revitalization plans, and land use ordinances to promote redevelopment at appropriate urban densities (greater than five dwelling units per acre).
- Update zoning ordinances to provide for an adequate number and diversity of housing types at appropriate urban densities.
- Acquire, develop, and maintain community and neighborhood park and recreation facilities by partnering with state and local resources.

In addition to a specific economic development plan (discussed in the following pages), the Comprehensive Plan recognizes economic benefits relating to historic resources (for example, it is recommended that municipalities use historic and cultural resources as the foundation for revitalization activities, particularly in urban landscapes, suburban centers, and rural centers. They should promote historic resources and cultural heritage as elements of the Chester County Economic Development Council's municipal services and economic development programs), housing (housing that is affordable to the workforce is critical to the local economy, and directly impacts the ability of employers to recruit and retain staff. Businesses, commercial establishments, schools districts, universities, and municipal governments employ workers at moderate-income levels who often cannot afford housing within the communities they serve. Focus on housing supply, cost, quality, context, accessibility, and advocacy), and transportation (promote and support sustained economic vitality, revitalization and redevelopment initiatives through transportation infrastructure maintenance and improvements).

## Chester County Comprehensive Policy Plan (Landscapes 2)

The economic development portion of the Plan states that preserving Chester County's desirability as a place to live, work, and locate a business is critical to maintaining its favorable economic standing.

**Business retention and expansion:** In recent decades, the economic base in Chester County has shifted from one dominated by manufacturing enterprises to a retail and service based economy. A series of industry clusters now exist within the county. The biotechnology, information technology (IT), and financial sectors have experienced significant expansion. Providing continued support to these businesses is critical to retaining them in Chester County. Technological advances have brought major changes to the manufacturing sector, and those businesses that have remained in the county must continuously update their processes in order to remain competitive.

**Business growth and development:** In order to attract businesses, and start and develop new ones in Chester County, a basic system of infrastructure must exist to support those businesses, their employees, and their customers. An updated and reliable transportation infrastructure, including highways, bridges, and public transit services, is critical to sustaining economic growth. Also, a major factor that currently limits economic growth is the lack of public sewer and water service in many parts of the county.

**Workforce development and retention:** The most important resource for businesses is a skilled and educated workforce. Chester County, and much of southeast Pennsylvania, is home to a highly skilled and well-educated population, providing a major incentive for businesses to locate here. Rapidly changing technology dictates that workers have access to ongoing education and training opportunities to keep businesses competitive. Also, population trends indicate that the county's population is aging, as Pennsylvania is a destination of choice for retirees. Many college graduates and young professionals choose to locate in other areas where there are more entry level jobs and more affordable housing options.

## Chester County Comprehensive Policy Plan (Landscapes 2)

**Revitalization investment:** Revitalizing the county's urban centers is an important counterpart to preserving valuable open space resources. Redevelopment of urban areas can also be a driver of economic growth. Urban areas typically provide the infrastructure systems that support businesses, yet improvements are needed in many areas to support continued growth. Redevelopment of abandoned or underutilized urban properties also creates opportunities for the development of moderately-priced housing to meet the needs of the county's service sector, education, health care, and emergency response workers.

The following comprehensive actions are recommended for the county and its municipalities:

### *Chester County:*

- Create and coordinate a county-wide advisory group to address community and economic development issues and planning, which should include representation from county departments, economic development specialists, private sector businesses, and educational institutions.
- Fund and expand the Small Business Assistance Program to create jobs and sustain small businesses.

### *Municipalities:*

- Investigate and use tax abatement programs, such as the Pennsylvania Local Economic Revitalization Tax Assistance (LERTA) and Tax Increment Financing (TIF) programs to support revitalization of deteriorated areas.

# Chester County Comprehensive Policy Plan (Landscapes 2)

In addition, the Plan lists the following economic development objectives for municipalities:

## **Business retention and expansion**

- Partner with public and private-sector entities to develop and/or retrofit commercial and industrial facilities to meet the specialized needs of high priority and emerging industries.
- Permit expansion and upgrade of food processing facilities that support the agricultural industry throughout the county.

## **Business growth and development**

- Provide development incentives and regulatory flexibility to attract businesses and create jobs within the local jurisdiction.
- Permit and encourage preservation and adaptive re-use of historic properties, and use of available rehabilitation tax credits, as economic development tools.
- Approve the expansion or upgrade of utility infrastructure within designated economic development zones and growth areas.

## **Economic infrastructure**

- Partner with developers to provide open space and recreation amenities as an integral component of commercial, office, and industrial centers.

# Chester County Comprehensive Policy Plan (Landscapes 2)

## Workforce development

- Provide opportunities for local job creation through the expansion of business development programs.
- Partner with employers and developers to create housing that supports the workforce in the local community.
- Inform residents about local education and training opportunities.

## Economic growth management

- Amend ordinances to permit businesses to start up, relocate, or expand in close proximity to public transit and pedestrian facilities.
- Engage in multi-municipal planning efforts that seek to balance commercial development, infrastructure improvement, open space preservation, and high density residential development.
- Identify brownfield and greyfield properties that have potential for redevelopment as industrial, office, or retail-commercial uses.

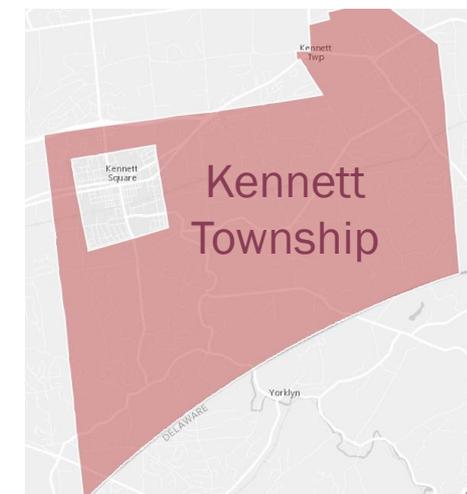
## Planning and coordination

- Partner with the county and economic and community development entities to develop comprehensive plans and ordinances that create opportunities and incentives for business growth, retention, and expansion.
- Create a comprehensive strategy for revitalization within urban landscapes consistent with the Keystone Principles and coordinate local resources with the Pennsylvania Main Street, Pennsylvania Elm Street, other similar programs.

# Kennett Township Comprehensive Plan (2015)

Kennett Township surrounds Kennett Square Borough. Its Comprehensive Plan recognizes Kennett Square as the urbanized center of the immediate region.

- Kennett Square Borough is located in the northwestern corner and is completely surrounded by the Township. The Borough is a small town with a dense grid development pattern and serves as an “urban center” for the Township and surrounding region.
- Kennett Township is an active participant in the Kennett Area Regional Planning Commission (KARPC) that was formally established in 1988. KARPC consists of the townships of Kennett, Pocopson, Pennsbury, New Garden, and Kennett Square Borough. In addition to sharing information on current activities in their respective municipalities, KARPC has undertaken a number of cooperative efforts over the years including a study of regional police coverage, a regional zoning analysis, joint purchasing and manpower agreements, educational planning forums, and adoption of the Kennett Area Regional Comprehensive Plan (2000).
- To accommodate future development pressure and for economic development and sound fiscal management reasons, the Township should continue to determine best places for growth and best places for conservation uses. Focusing growth primarily around Kennett Square Borough, with secondary areas in Hamorton and Mendenhall is a logical consideration.
- The Township should work with Kennett Square Borough and New Garden Township to develop a concept of what form development in these areas should take.



## Kennett Township Comprehensive Plan (2015)

- Consider a Ways Lane and Sams Lane Special Study. If these areas are to be redeveloped, improvements to the roads and other infrastructure will need to be addressed. Economic development planning should also be included as a study element to determine the most viable redevelopment options. Both studies should be coordinated with Kennett Square Borough to achieve compatibility between the two municipalities in terms of land use planning and regulations, traffic, circulation (pedestrian and vehicular), and sewer and water facilities.
- Consistency with nearby plans: Kennett Square Borough is located in the northwestern corner and is completely surrounded by the Township. The Borough serves as an “urban center” for the Township and surrounding region. As the Borough is mostly built out, the Borough Comprehensive Plan (2013) categorizes its areas into “character areas” encouraging compatible new uses, character, and development patterns to those already existing in those neighborhoods. It promotes mixing of commercial and residential uses in the central east-west areas, industrial and mixed uses in the vicinity of the railroad corridor, and lower intensity residential, parkland, and institutional uses in the northern and southern portions; this is consistent with Kennett Township future land use categories locations.

## Ways Lane Neighborhood Enhancement Plan (2004)

- The Ways Lane neighborhood was designated as an Economic Development Area
- Land use plan calls for focus on potential redevelopment opportunities and creation of a more detailed strategic plan. A mix of industrial, office, commercial, and institutional uses should continue to be permitted, with an overall master plan for the area. Higher density residential and mixed uses could also be considered. Improvements to the road and possibly public ownership and maintenance need to be addressed.
- Several private property owners submitted plans for new development
- A visual preferences survey finds the most preferred images include small-lot single-family homes, townhouses, family restaurants, a corner store, gazebo, and apartments. The least preferred include discount retailer, auto sales, and industrial development.
- There is a goal of promoting a “graceful and seamless transition in land uses from Kennett Square Borough to the Ways Lane Neighborhood.”
- A market assessment found little demand for speculative office development, limited demand for retail development, and probability for institutional uses such as a library and expanded senior center. Also, the analysis identified demand for 96 to 192 dwelling units, and additional housing demand may be created if the neighborhood is enhanced.

# Kennett Square Borough Comprehensive Plan (2013)

Kennett Square Borough is nearly built-out with relatively little undeveloped land remaining. While the Borough generally contains a mix of land uses, there are several notable land use patterns, as follows:

- State Street and Cypress Street commercial/mixed use corridors.
- Birch Street Office/Industrial area; West South Street Industrial area.
- Large scale institutional lands, open lands, and parklands (YMCA, Schools, Nixon Park)
- Single-family residential (at the “4 corners”).
- Smaller scale residential/mixed residential neighborhoods in the center of the Borough.
- Larger multi-family residential complexes (Southwest, East).
- Vacant/Redevelopment areas/Infill (West central border (NVF), Birch Street).



Kennett Square has a small town, diverse land use character containing a variety of uses, densities, and development patterns. The core development pattern is urban in nature with lower densities towards the edges of the borough. Generally, there have been greater densities and mixing of uses in the center of town than the rest of the Borough. However, there are pockets of commercial uses scattered throughout the Borough which is a beneficial part of the community. Older single-family detached and single-family attached homes are the predominant housing types throughout the Borough, with some apartments primarily scattered throughout the central and eastern portion of town. West South Street, Birch Street, and South Walnut Street to a lesser extent, contain the industrial areas of the Borough. However, these areas also contain a mix of uses including residential, office, commercial, recreational, and institutional uses.

The comprehensive plan lists goals and objectives and contains discussion of the following categories: land use, housing, economic development, transportation, community facilities and services, historic resources, natural resources, parks/recreation/open space, and energy conservation.

# Kennett Square Borough Comprehensive Plan (2013)

Most of the new construction that has occurred in recent years has been in the form of redevelopment or infill development. The Borough is primarily a developed community with many older structures – the older buildings giving character and small town charm to the business district. The lack of undeveloped land in town means that new development will essentially occur as infill, reuse, or redevelopment of existing properties. All of these strategies in an urban center must be approached carefully, especially within the historic district. Major land uses relevant to economic development are described in the boxes below.

**Mixed land use:** there is zoning for mixed uses, mainly along State and Cypress Streets.

**Commercial land use:** There is a core of commercial uses at the intersection of South and Broad Streets in the southern portion of the Borough, in addition to scattered uses along Birch and Walnut Streets. Commercial uses in the Borough are mainly small scale, individual retail, service, restaurants, and office uses with some mixing of second floor residential use. The commercial uses in the center or core of the Borough are of a type and pattern that represents a traditional main street area. There are some larger scale commercial uses at the west end of the Borough, the east end of Cypress Street, and at the corner of South and Union Streets. Part of the Borough's economic development strategy relates to tapping the strong tourist industry of the Brandywine Valley. Larger office buildings are an exception in Kennett Square, as exemplified by the Genesis Health Care building located at the corner of State and Union Streets.

**Industrial land use:** Industrial uses make up about 37 acres or five-percent of total Borough land. Most of Kennett Square's industrial uses are found adjacent to the railroad corridor in the southern half of the Borough.

**Mushroom land use:** Because the mushroom industry is such an important part of the local economy in southern Chester County (Kennett Square is recognized as the "Mushroom Capital of the World") and an important part the history of the region, mushroom uses are individually recognized. In particular, the South Mill Mushroom facility in the southwestern portion of the Borough is the only facility in the Borough and an important part of the local economy.

**Vacant land use:** The Borough contains few large scale undeveloped lands (most developable property are small and scattered). A majority of developable parcels are in industrial areas either on Birch Street in the southeast or the west central area near the border with Kennett Township (in part the former NVF).

# Kennett Square Borough Comprehensive Plan (2013)

Zoning relevant to economic development is comprised of the following:

- Commercial zones consist of C-1 (Kennett Center Primary Retail District) and C-2 (Secondary Commercial District).
- Industrial zoning is OI-1 (Office/Industrial District).
- Relevant overlay districts include MSD (Main Street Development Overlay District), and TBO (Tall Building Overlay).

There are numerous employers in Kennett Square Borough. Small businesses are a critical part of the economic picture and they form the core of the downtown business district in Kennett Square. The Borough is also home to larger employers, such as Genesis HealthCare, Kennett Square's largest employers and located in the core commercial district. Other large employers include the Kennett Consolidated School District, the Kennett Area YMCA, and Kaolin.

The Borough has expressed its desire to stimulate private investment in the rehabilitation and reuse of properties and the responsible development of vacant land. While efforts to attract light industrial manufacturing have not been the highest priority for town officials, small scale manufacturing remains an important part of the mix of employers in Kennett Square.

Partners in, and programs for, revitalization and reinvestment efforts include Kennett Square Revitalization Task Force, Chester County Community Revitalization Program (CRP), Capital Improvement Program (CIP), and Historic Kennett Square.

# Kennett Square Borough Comprehensive Plan (2013)

## Economic Development Goals:

- Promote commercial uses and cultural and recreational activities in core areas and other designated growth and redevelopment areas to meet economic development objectives.
- Provide ongoing support for the Kennett Square business community through support of Historic Kennett Square and other economic development initiatives.
- Promote local cultural, entertainment, and recreational events and activities, as a means to create business activity for core area merchants, support economic development, encourage visitation, and support social and cultural activity.

## Economic Development Objectives:

- Support the retail, office, and commercial uses in the Borough and promote the Borough as a center of commercial and cultural activity and significant historical interest.
- Promote adaptive re-use of vacant and underutilized commercial and industrial facilities for new or expanding businesses.
- Encourage tourism within the Borough by promoting the assets of the community including location, historical setting, cultural diversity, commercial activity, and small town character.
- Promote continued revitalization and streetscape improvements to create and maintain an attractive and unified appearance for the downtown.
- Sponsor and promote historical, cultural, and recreational events that will serve to increase tourism in the Borough and promote local businesses.

# Kennett Square Borough Comprehensive Plan (2013)

Further Economic Development recommendations are presented in the following tables.

## THE BUSINESS COMMUNITY

- Provide regulatory support and/or incentives for desirable businesses that have an interest in locating in the State Street corridor or on other commercial sites in the Borough. The Borough could provide incentives such as expedited permits, reduced fees, or relief from area and bulk regulations to attract businesses to appropriate locations. In addition, the Borough should periodically review the permitted uses and other regulations within the C-1 and C-2 districts to ensure that they are supportive of the existing businesses and will serve to attract new businesses to the core commercial area of the Borough.
- Utilize resources available through the Chester County Economic Development Council (CCEDC) and other organizations that support start up or expansion of businesses in the Borough.
- Partner with the CCEDC and other economic development specialists to attract new, or facilitate expansion of, industrial and/or light industrial uses in appropriate areas of the Borough.

## REVITALIZATION

- Update the Urban Center Revitalization Plan (UCRP) on a regular basis to address identified priorities of 1) Parking; 2) Traffic; 3) Pedestrian safety and amenities; and 4) Infrastructure improvements.
- Maintain a priority list and prepare annual applications for Community Revitalization Program (CRP) streetscapes or infrastructure improvements funding. Identify alternative funding sources for community improvements that support economic development.
- Work with the East Penn Railroad and property owners and businesses along the rail line to promote new opportunities.

# Kennett Square Borough Comprehensive Plan (2013)

## REDEVELOPMENT

- Create a redevelopment strategy for Birch Street that incorporates an option for affordable senior housing.
- Partner with specialists (planners, architects) and real estate developers to achieve redevelopment of the NVF property for a mix of light industrial, commercial, and residential uses.
- Coordinate with Kennett Township in its efforts to implement a redevelopment initiative for Ways Lane or other sites that may impact Kennett Square.
- Identify opportunities for redevelopment of vacant or underutilized properties and facilitate public-private partnerships to bring those properties into active commercial or industrial use, or a mix of commercial and residential uses.
- Facilitate adaptive re-use of historic properties within Kennett Square, and the use of available tax incentives, as an economic development tool.

## HISTORIC KENNETT SQUARE

- Coordinate the marketing of existing businesses and events to Borough residents and neighboring communities through newsletters, websites, flyers, and other marketing opportunities.
- Continue to provide support for existing businesses through local and regional community events that draw people to the Borough.
- Continue to support the seasonal Farmer's Market.
- Pursue the recruitment of neighborhood-scale markets or grocery stores. There is currently no grocery store within the Borough.
- Support partnerships with Longwood Gardens and other cultural destinations, to foster regional tourism and promote the "heritage tourism" value of Kennett Square
- Continue to support Historic Kennett Square in its efforts to market available commercial properties to new or expanding businesses.
- Consider expanding Historic Kennett Square service area to include the entire Borough.

# Kennett Square Borough Comprehensive Plan (2013)

## RESIDENT WORKFORCE

- Direct job-seeking residents to the PA CareerLink services that are accessible online at the Bayard Taylor Memorial Library.
- Encourage businesses to investigate workforce services and programs available through the Chester County Workforce Investment Board (WIB) and the Chester County Economic Development Council (CCEDC).
- Continue to offer a diversity of housing choices to attract workers employed at local and regional businesses. One of Kennett Square's greatest community strengths is the diversity of residents and housing stock. The diverse housing choices in the Borough attract people from all socioeconomic backgrounds. Infill housing and redevelopment such as the NVF site should continue to provide diverse housing opportunities to meet the need of current residents as well as to provide for housing in conjunction with future growth in local businesses.

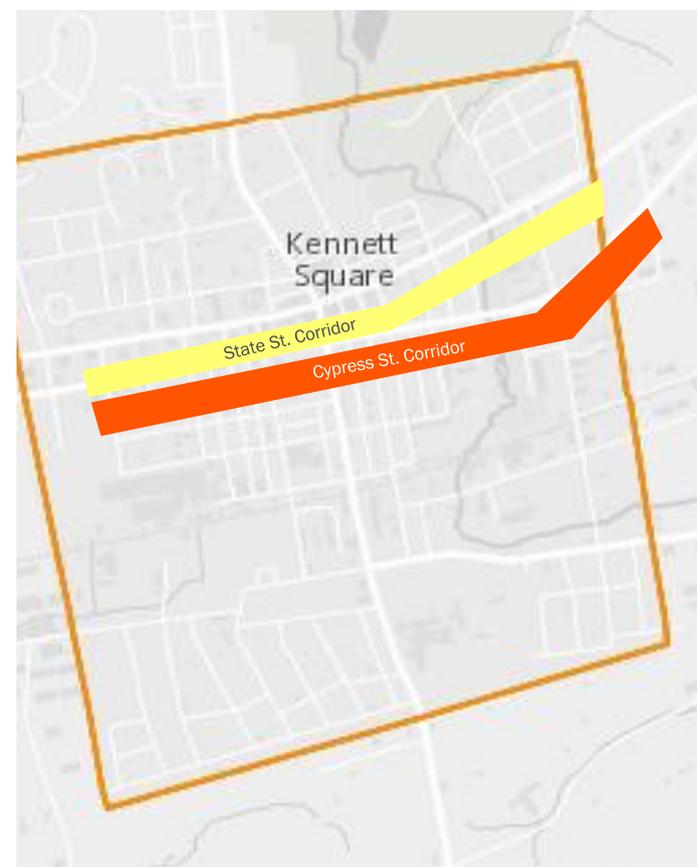
# Kennett Square Borough Comprehensive Plan (2013)

Existing conditions and recommendations relating to the seven study areas are provided in the following pages.

## State Street and Cypress Street corridors

The State Street and Cypress Street corridors both fall within Character Area 6, "Downtown." The largest concentration of jobs is found within the center of the downtown commercial area and along the State Street and Cypress Street corridors. There is potential for redevelopment, particularly along the western side of the Borough where there are larger lots and uses that are more adaptable towards redevelopment. Minor redevelopment capacity may occur along the eastern boundary along the south side of State Street near Willow Street where there is a vacant lot and a large surface parking lot. Additional redevelopment potential exists due to the tall building overlay zoning district in the central part of the Borough in addition to scattered smaller lots that are either underutilized or vacant. It is critical that redevelopment and infill development does not compromise the historic nature of the downtown area and that new development is consistent with or complements existing historic structures.

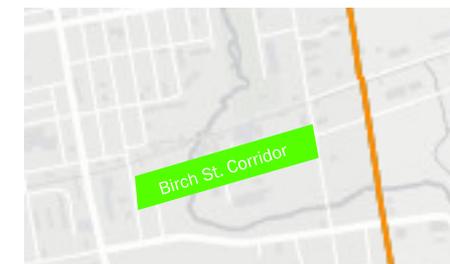
Potential expansion of the overlay zones, road diets, streetscaping, and creation of public spaces are additional recommendations for State and Cypress Streets.



# Kennett Square Borough Comprehensive Plan (2013)

## Birch Street corridor from Walnut Street to Broad Street

Birch Street comprises Character Area 2. There is potential for future development or redevelopment, particularly along the north side of Birch Street between Broad and Walnut streets. The density of buildings could be higher to maximize the uses in this area and the setbacks of the existing structures are larger than what would be ideal. The positioning of the structures in this area could be more effective to maximize use of the land.



Recommendations include investigating modifications to the OI-1 District zoning district, particularly in terms of the permitted uses, building height, minimum lot size, front yard, and side yard setbacks. The minimum lot size could be reduced to provide more opportunity for infill development and consideration should be given to reducing the front yard setbacks.

Consider applying Form Based Zoning to the Birch Street Corridor to facilitate redevelopment and guide development to produce an area that is more pedestrian friendly and incorporates a fabric that is more in-line with the Borough's character than the current "industrial park" aesthetic. As an alternative to Form Based Zoning, Traditional Neighborhood Development could be developed as a base zoning district or an overlay to promote a more urban and pedestrian character.

The Borough should pursue funding for streetscaping improvements along Birch Street to improve the potential for infill and redevelopment. Streetscaping should include curbing, sidewalks, crosswalks, streetlighting, and street trees at a minimum, with benches, bike racks, and other similar amenities as further consideration.

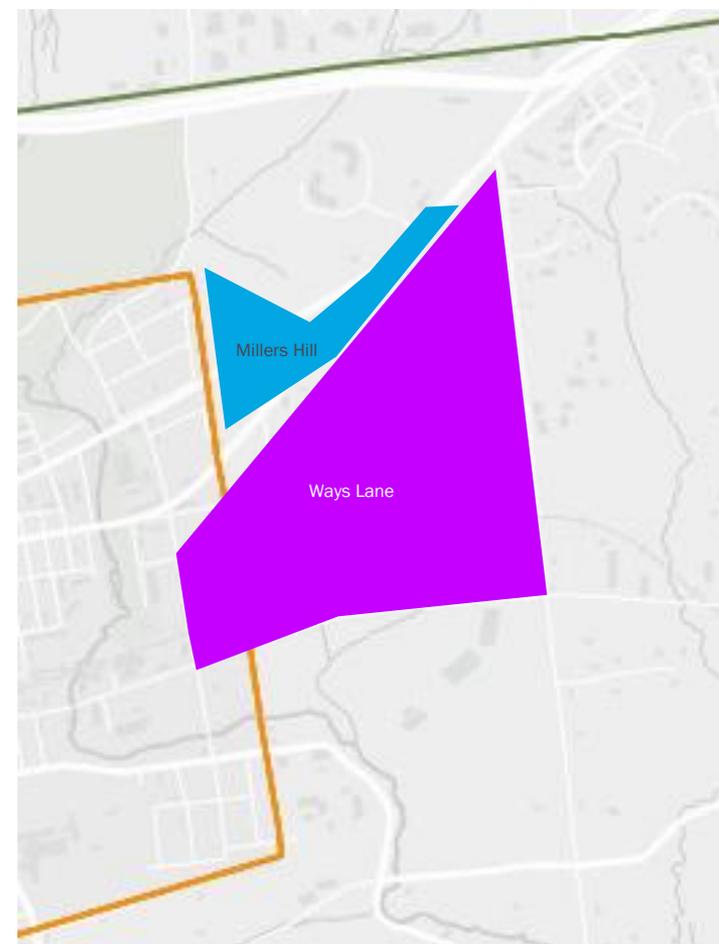
# Kennett Square Borough Comprehensive Plan (2013)

## Millers Hill

There are some vacant or underutilized parcels in the Millers Hill neighborhood. On the east side, sidewalks should be extended along State Street past the YMCA to connect to the Millers Hill neighborhood. Due to the traffic volume and speed of vehicles headed westbound in this area, some traffic calming in conjunction with a gateway may be warranted to help increase safety by means of a gateway near the intersection of State and Walnut Street.

## Ways Lane

Continued communication and coordination with Kennett Township in regard to the “Ways Lane” area to the east of the Borough border is necessary both to remain aware of how development in that area may affect the Borough in addition to coordination on improvements to Ways Lane and effect on Birch and Walnut Streets. Consider a planning effort in coordination with Kennett Township in regard to Ways Lane and the adjacent area within Kennett Township. Kennett Township began an update to the Township Comprehensive Plan in April 2012, the Borough should remain aware of this and other planning efforts in Kennett Township.



# Kennett Square Borough Comprehensive Plan (2013)

## Area on the west side of Mill Road in Kennett Township

On the western edge of the area along Mill Road and west of the NVF site, a business park development has been proposed, continuing onto parcels extending into Kennett Township. This project is likely to be developed sometime in the next few years.

## Former NVF Site

The former site of National Vulcanized Fiber (NVF), an EPA Superfund site, sits at the western end of the Borough. The property was abandoned and is now owned by Delaware Valley Development Company. The NVF site has been purchased by a developer and plans are underway. Mixed use development may eventually occur on this site, however the planning and development may take several years. The NVF site currently remains under the OI-1 Industrial/Office zoning. Appropriate open space should be incorporated with new development or redevelopment of the NVF site as small urban open spaces.

Consider focused planning efforts for potential changes to zoning, particularly at this site. Consideration should be given to permitting a mix of uses within this area, including corner stores, small parks, and continued light industrial or office uses along the railroad tracks. Opportunities to use Form Based Codes or Traditional Neighborhood Development (TND) should be investigated.



# Kennett Square Borough Strategic Plan (2015)

The Strategic Plan is a matrix listing goals, action steps, responsible parties, and target dates for completion of projects. The Plan covers 2015-2020. Goals as well as potentially relevant sub action steps include:

- Increase revenue
  - Increase sewer flows
  - Divert public funds from business district
  - Pour tax (microbreweries)
  - Lease land at public works site
- Update maintenance plan
- Implement new financial software
- Fiscally Sound by 2020
- Grow Tax Base Annually
  - Develop vacant and under-utilized land
  - Identify zones of opportunity for multi-story buildings
  - Identify zones for increased density
- Walkable Community
- Form-based zoning
- Support and encourage real estate occupancy
  - New business forums
- Tree program
- Green community
- Define relationships with various organizations
- Partner with neighboring municipalities
- Partner with school district
- Partner with CCEDC
- Annually attend and speak to Chamber
- Partner with local legislators
- Plan to fast track ready projects
  - Decide on incentives
- Develop a list of vulnerable residents
- Increase civic participation
- Formalize borough staffing positions
- Improve public transportation
- Identify garage expansion revenue
- Diverting truck traffic
- Recruit fire/EMS volunteers

# Comprehensive Market Analysis

- Socio-Economic Trends Analysis
- Labor and Industry Trends Analysis
- Real Estate Trends Analysis
- Public Outreach and SWOT Analysis

# Socio-Economic Trends Analysis

## Methodology: Socio-Economic Trends Analysis

4ward Planning examined socio-economic trends to comparatively analyze Kennett Square and the surrounding region. The geographic areas studied include:

- Kennett Square Borough
- 20-minute drive-time contour Primary Market Area (hereafter 20-minute PMA) from downtown
- Chester County, Pennsylvania

The analysis and recommendations that follow are based on a combination of quantitative and qualitative techniques. Quantitative analyses is underpinned by both public and proprietary data sources, including U.S. Census-based data and Esri's Community Analyst, a socio-economic data analysis tool. Estimated and projected socio-economic trends examined for all study areas include population, population density, households, age cohorts, and race by age. Additionally, we analyzed income distribution, poverty rates, educational attainment, and consumer expenditure estimates (including restaurant, arts and entertainment expenditures). Demographic data will be displayed for 2010, 2015 (estimated), and 2020 (projected).

Findings generated from these analyses are critical to understanding regional trends that will influence the determination of appropriate strategies related to economic development investment in Kennett Square.

## Key Findings: Socio-Economic Trends by Study Areas, 2015

### Kennett Square Borough

Population:	6,317
Total Households:	2,044
Median Age:	33.1
Median Household Income:	\$58,271
Percent of Household Incomes >\$75,000:	40%
Percent Owner-Occupied Housing:	48%

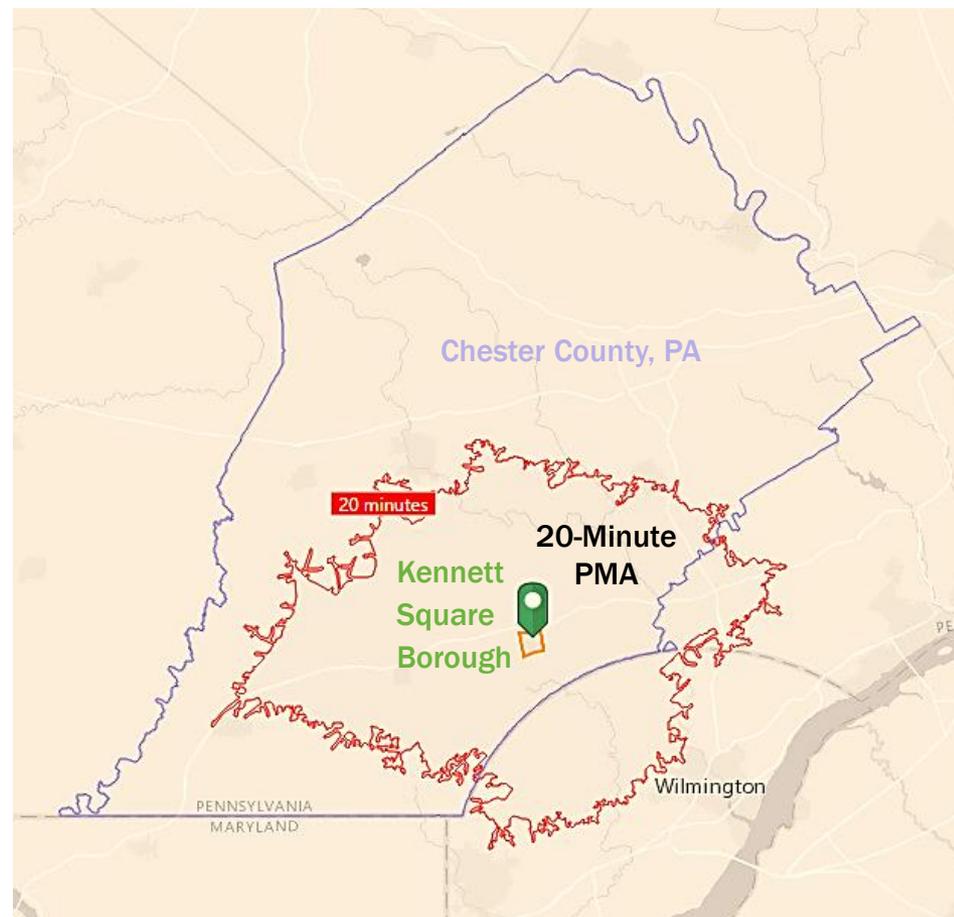
### 20-minute Drive-Time

#### Primary Market Area (PMA)

Population:	188,456
Total Households:	68,306
Median Age:	42.1
Median Household Income:	\$99,989
Percent of Household Incomes >\$75,000:	63%
Percent Owner-Occupied Housing:	74%

### Chester County, PA

Population:	514,558
Total Households:	188,842
Median Age:	39.9
Median Household Income:	\$88,665
Percent of Household Incomes >\$75,000:	59%
Percent Owner-Occupied Housing:	71%



Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

## Key Findings: Socio-Economic Trends

Legend

Existing  
Advantage

Potential  
Opportunity

Important  
Consideration

Market  
Limitation

### Flat population growth in all geographies expected through 2020

Since 2000, all geographies have experienced slow (and declining) population growth. Absent new housing and business development, the populations within Kennett Square Borough and the 20-minute PMA are expected to grow by approximately 200 and 5,500 persons, respectively.



### More diverse families with young children in Borough

Relative to the PMA and Chester County, Kennett Square Borough exhibits an increase in the number of early-stage families, and grade-school-age children. This increase is particularly driven by the influx of Latino families in the borough, over the past ten years.



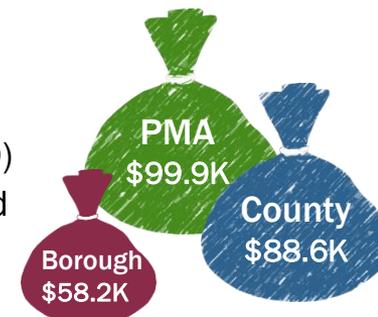
### A greying region

By 2020, the greatest population growth in all geographies examined is expected to occur in persons between the ages of 65 and 74. Largely driven by baby boomers, the growth in the region's senior population will affect demand for a broad spectrum of services and amenities, such as housing, public transportation, open space, and health care, among others.



### Lower median household incomes in the Borough

The estimated 2015 annual median household income in Kennett Square Borough (\$58,200) is significantly lower than the estimated 2015 household incomes for the PMA (\$99,900) and Chester County (\$88,600). Approximately 30 percent of Borough households have incomes less than \$35K, compared to just under 14 percent within the PMA.



## Key Findings: Socio-Economic Trends

### Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

### An area of general affluence, but...

In recent years, the percentage of the Borough residents under 18 years and over 65 years living in poverty has increased. The housing and service needs of these age groups will have influence on the economic development study developed for the borough and township.



### Approximately one out of every three

A third of adult residents in Kennett Square Borough do not have a high school diploma or GED equivalent, as compared to only seven-percent within the PMA and Chester County, respectively. Further, the share of persons age 25 years or older who have a bachelor's degree or greater level of education is significantly lower in Kennett Square Borough than that for either the PMA or Chester County.



### Fertile ground for specialty retail, dining and entertainment

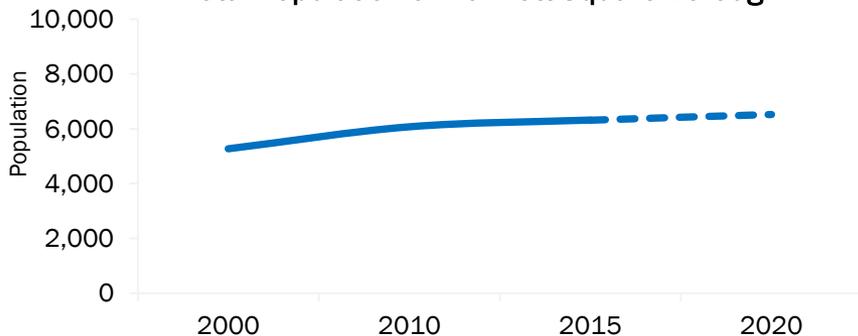
The PMA's relatively high average household expenditures on clothing, dining out and entertainment services bodes particularly well for such existing and prospective businesses in Kennett Square Borough.



# Total Population

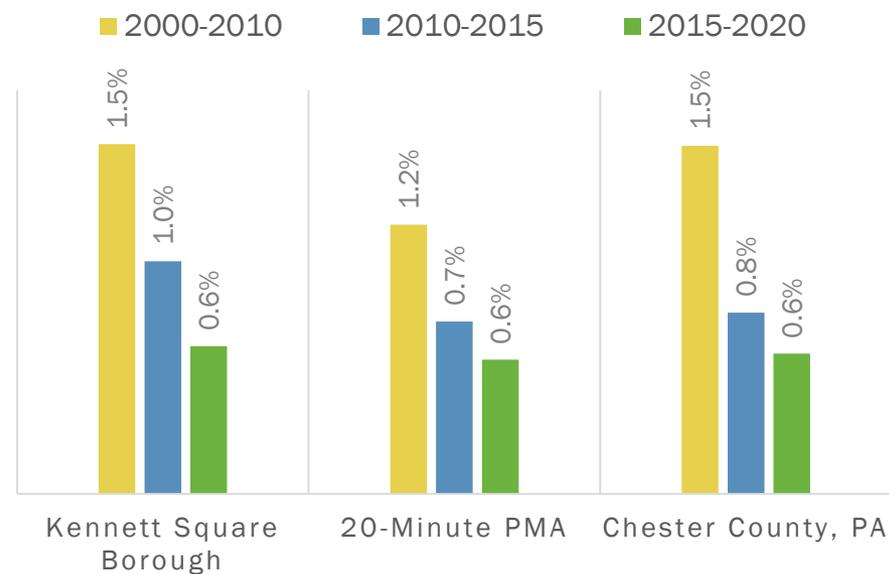
Since 2000, all study geographies have experienced flat to modest population growth. Although the rate of annual growth from 2010 to 2015 was higher in Kennett Square Borough (1.0 percent) than the larger 20-minute drive time PMA (0.7 percent) and Chester County (0.8 percent), overall, all geographies are expected to experience relatively flat population growth over the next five years (0.6 percent per annum), absent significant new housing development which would attract additional residents. It should be noted, as well, that the slow population growth projected for Kennett and the region is in line with projected growth in the northeastern United States.

Total Population of Kennett Square Borough



Strong Positive Growth	Greater than	1.50%	annually
Modest Positive Growth	Between	1.50% and 0.75%	annually
Flat Growth	Between	0.75% and -0.75%	annually
Modest Negative Growth	Between	-0.75% and -1.50%	annually
Strong Negative Growth	Less than	-1.50%	annually

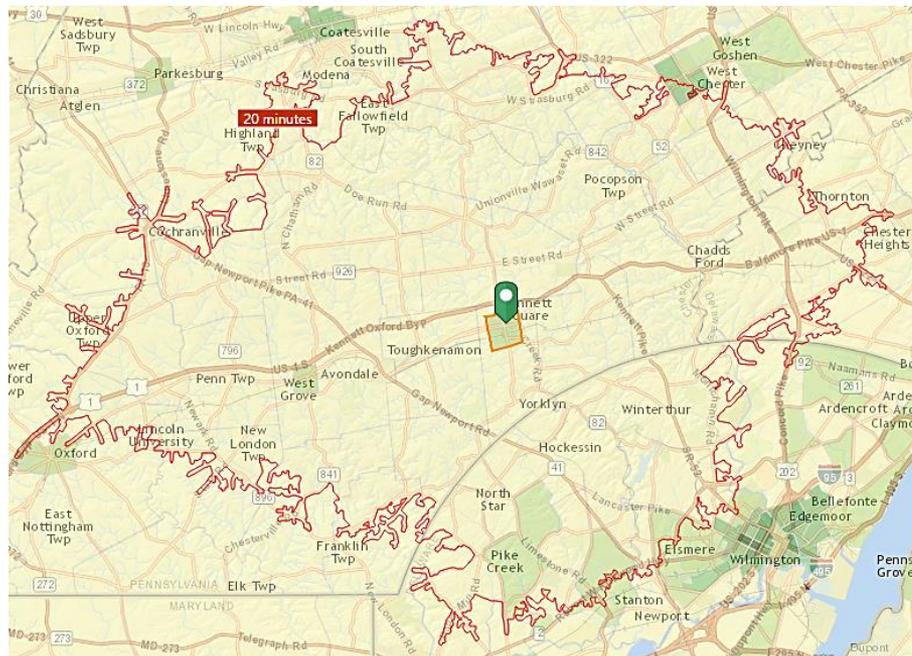
Annualized Population Growth Rates



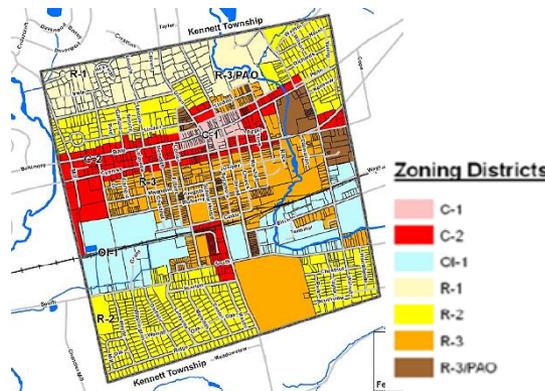
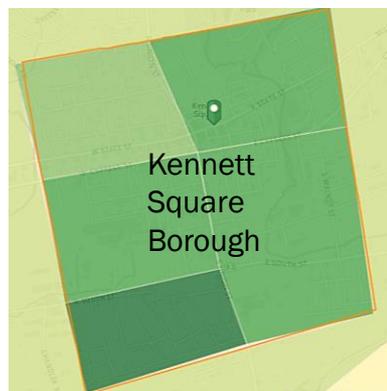
Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

# Population Density, 2015

### Population per Square Mile, 2015



Overall, Kennett Square Borough’s 2015 population density (5,700 persons per square mile) is much higher than Chester County’s density (680 persons per square mile), overall. In comparison to other boroughs within the PMA, Kennett Square’s 2015 population density is lower than West Chester, PA (10,700 persons per square mile) but higher than West Grove, PA (4,800 persons per square mile).



Population density within the Kennett Square Borough is somewhat unevenly distributed, with approximately 4,300 persons per square mile in the block group located in the northwest portion (zoned R-1 and R-2) and 9,000 persons per square mile in the block group located in the southwest portion (zoned R-2).

Source: Esri; Kennett Square Borough Comprehensive Plan, Chapter 4: Land Use, 4ward Planning Inc., 2015

# Household Formation

## Household Formation Trends

### Kennett Square Borough

	2010		2015		2020		Percentage Change	
	Count	%	Count	%	Count	%	2010-2015	2015-2020
Total Households	1,982	100.0%	2,044	100.0%	2,105	100.0%	3.1%	3.0%
Family Households	1,335	67.4%	1,362	66.6%	1,393	66.2%	2.0%	2.3%
Non-Family Households	647	32.6%	682	33.4%	712	33.8%	5.4%	4.4%
Average Household Size	3.05		3.07		3.08		0.7%	0.3%

### 20-Minute PMA

	2010		2015		2020		Percentage Change	
	Count	%	Count	%	Count	%	2010-2015	2015-2020
Total Households	66,327	100.0%	68,306	100.0%	70,316	100.0%	3.0%	2.9%
Family Households	48,631	73.3%	49,845	73.0%	51,156	72.8%	2.5%	2.6%
Non-Family Households	17,696	26.7%	18,461	27.0%	19,160	27.2%	4.3%	3.8%
Average Household Size	2.66		2.66		2.66		0.0%	0.0%

### Chester County, PA

	2010		2015		2020		Percentage Change	
	Count	%	Count	%	Count	%	2010-2015	2015-2020
Total Households	182,900	100.0%	188,842	100.0%	194,662	100.0%	3.2%	3.1%
Family Households	129,138	70.6%	132,206	70.0%	135,591	69.7%	2.4%	2.6%
Non-Family Households	53,762	29.4%	56,636	30.0%	59,071	30.3%	5.3%	4.3%
Average Household Size	2.65		2.65		2.65		0.0%	0.0%

In Kennett Square, the rate of non-family household formation is significantly higher than the rate of family household formation, consistent with the PMA and Chester County.

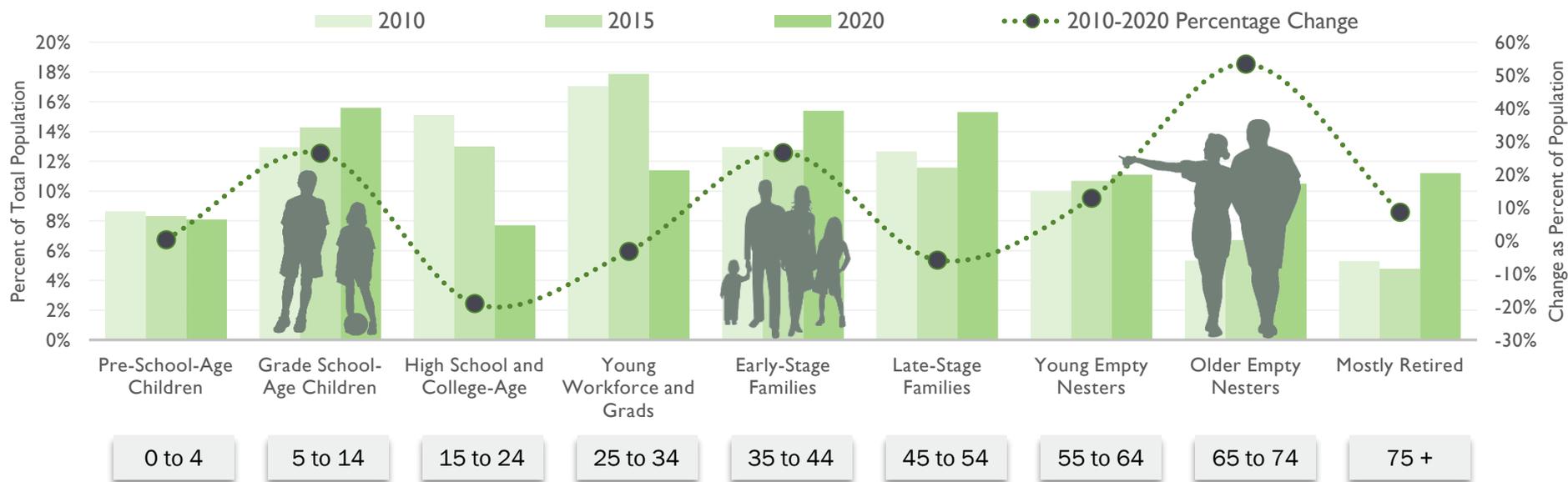
The larger average household size in Kennett Square, as compared to the PMA and county, is reflective of the influx of young Latino households, over the past five years. Nonetheless, small non-family households will continue to drive demand for small, multi-family unit housing in the borough.

Source: US Census Bureau, Esri Community Analyst; 4ward Planning Inc., 2015

# Age Distribution and Cohort Change

In absolute numbers, the age cohorts that represent young workforce and recent college graduates (ages 25 to 34) in Kennett Square Borough represent the largest share (approximately 18 percent) of the Borough's population in 2015. However, looking forward, by 2020, the largest population group is expected within the older empty nester age cohort, representing persons between the ages of 65 and 74 (near- and new retirees). The additional growth in grade school age children (ages 5 to 14) is consistent with the growth in early-stage families (ages 35 to 44). An important component to economic development strategies is fostering population diversity, particularly with respect to age groups, so as to support a variety of retail and service businesses.

Age Cohorts as a Percentage of Total Population, Kennett Square Borough



Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

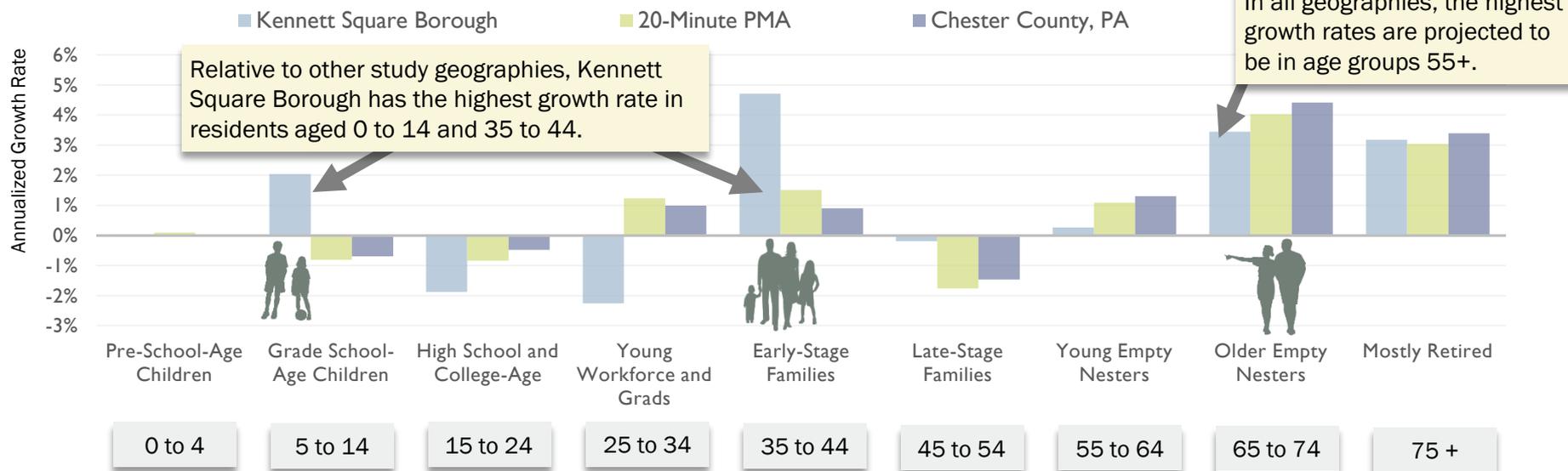
# Regional Age Cohort Change

Relative to the PMA and county, Kennett Square Borough leads in growth of early-stage families, and grade-school-age children. Though the median age in Kennett Square Borough (33 years) is lower than the surrounding geographies (42 years in the 20-minute PMA and 40 years in Chester County), the regional trend toward an aging population will affect demand for amenities such as housing types, transportation, open space and parks, and educational and training resources, among others. The lower median age in Kennett is also indicative of the in-migration of young Latino families.

## Median Age

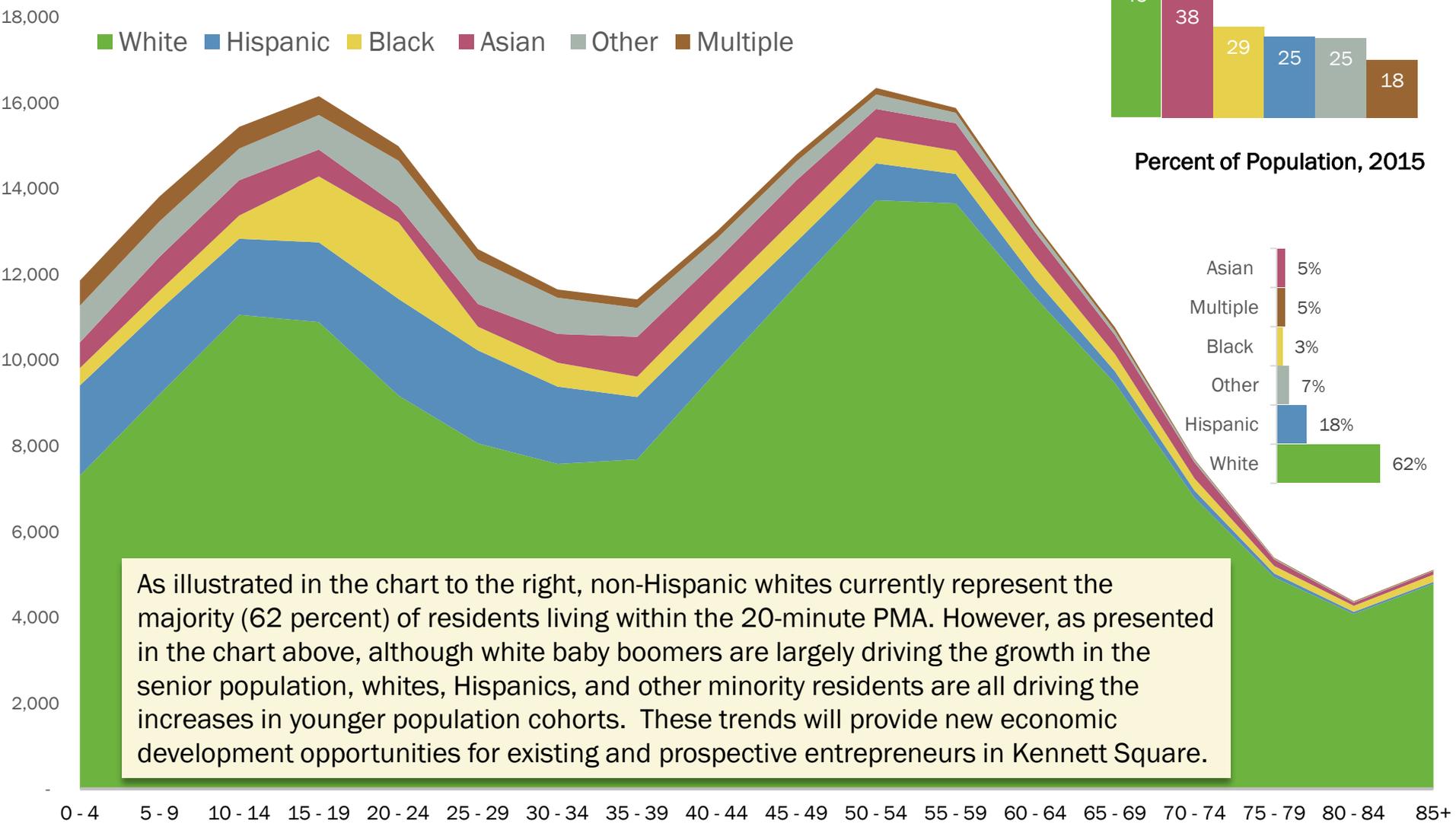
	2010	2015	2020
Kennett Square Borough	32.5	33.1	34.9
20 Minute Drive PMA	41.3	42.1	42.9
Chester County	39.2	39.9	40.7

## Annualized Age Cohort Growth by Geography, 2015-2020



Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

# Age by Race, 2015: 20-Minute PMA

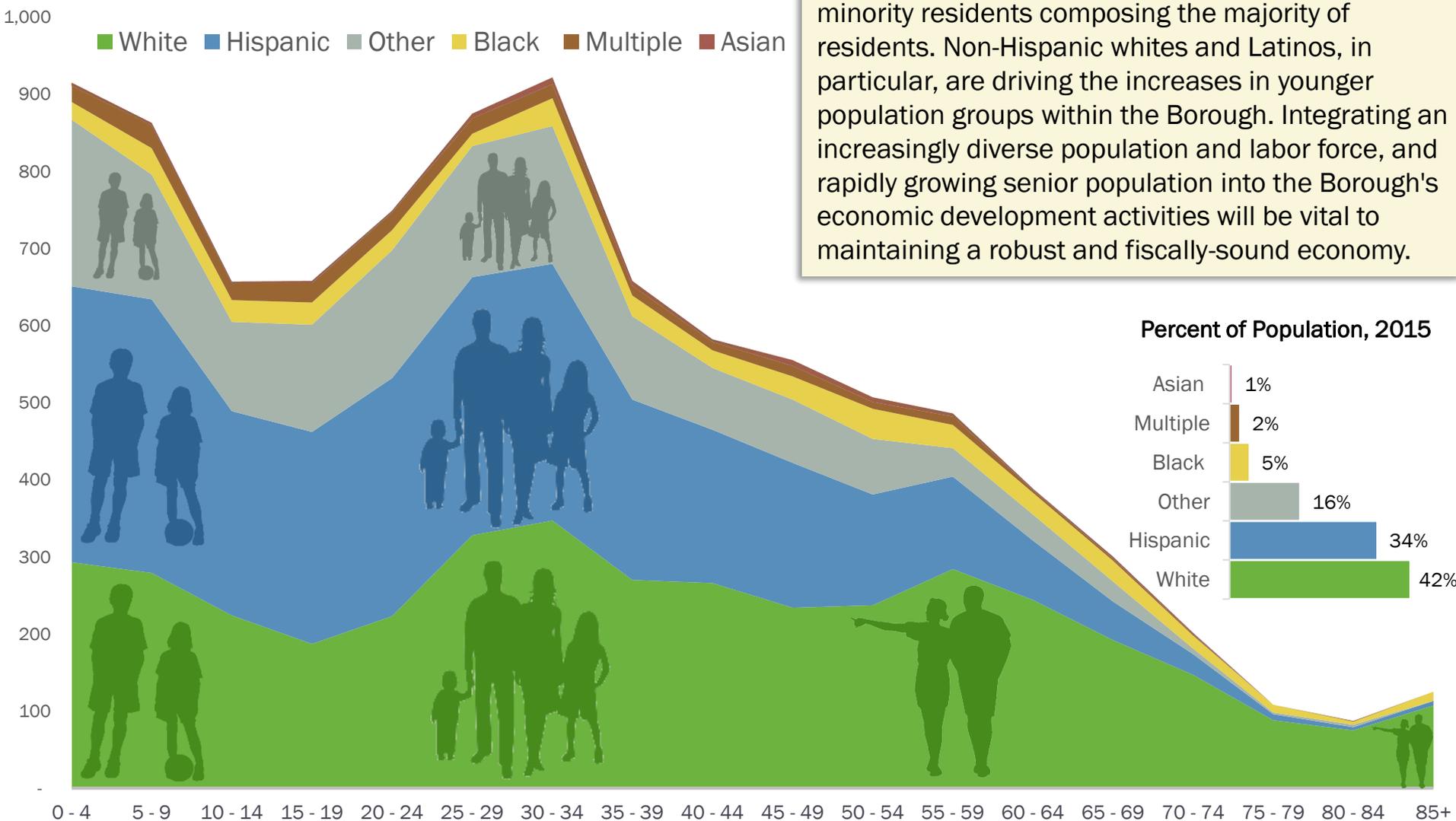


As illustrated in the chart to the right, non-Hispanic whites currently represent the majority (62 percent) of residents living within the 20-minute PMA. However, as presented in the chart above, although white baby boomers are largely driving the growth in the senior population, whites, Hispanics, and other minority residents are all driving the increases in younger population cohorts. These trends will provide new economic development opportunities for existing and prospective entrepreneurs in Kennett Square.

Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

# Age by Race, 2015: Kennett Square

Compared to the PMA, Kennett Square is more racially diverse, with Hispanics and other minority residents composing the majority of residents. Non-Hispanic whites and Latinos, in particular, are driving the increases in younger population groups within the Borough. Integrating an increasingly diverse population and labor force, and rapidly growing senior population into the Borough's economic development activities will be vital to maintaining a robust and fiscally-sound economy.



Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

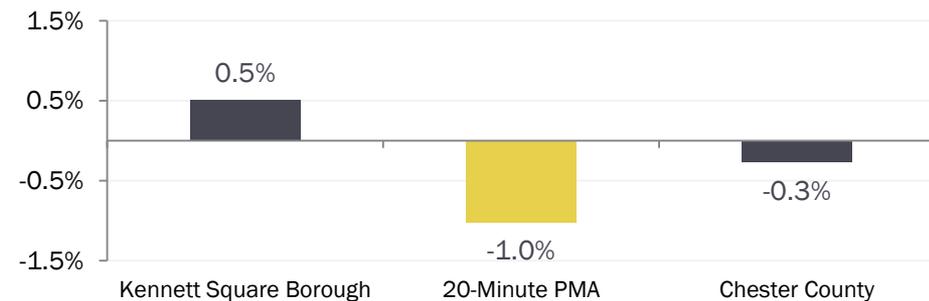
## Median Household Income

In 2015, Kennett Square's median household income, at just over \$59,260, is nearly \$42,000 less than then the median household income for the 20-minute PMA and nearly \$30,400 lower than the median for Chester County. Absent major housing development and in-migration, over the next five years, annual median household income in Kennett Square Borough and Chester County is expected to remain relatively flat, while annual median household income is expected to experience modest negative growth (declining by one percent) within the surrounding PMA. As more housing units are built (particularly housing appealing to young professionals and affluent empty nesters), the borough's median household income will approach the household incomes exhibited for the PMA and the county. However, it should be understood that a number of retail service workers in Kennett Square (many of whom are lower income means) will seek affordable living arrangements in the borough and, accordingly, temper upward pressure on household incomes.

### Estimated Median Household Income by Geography



### Annual Percent Change in Median Household Income



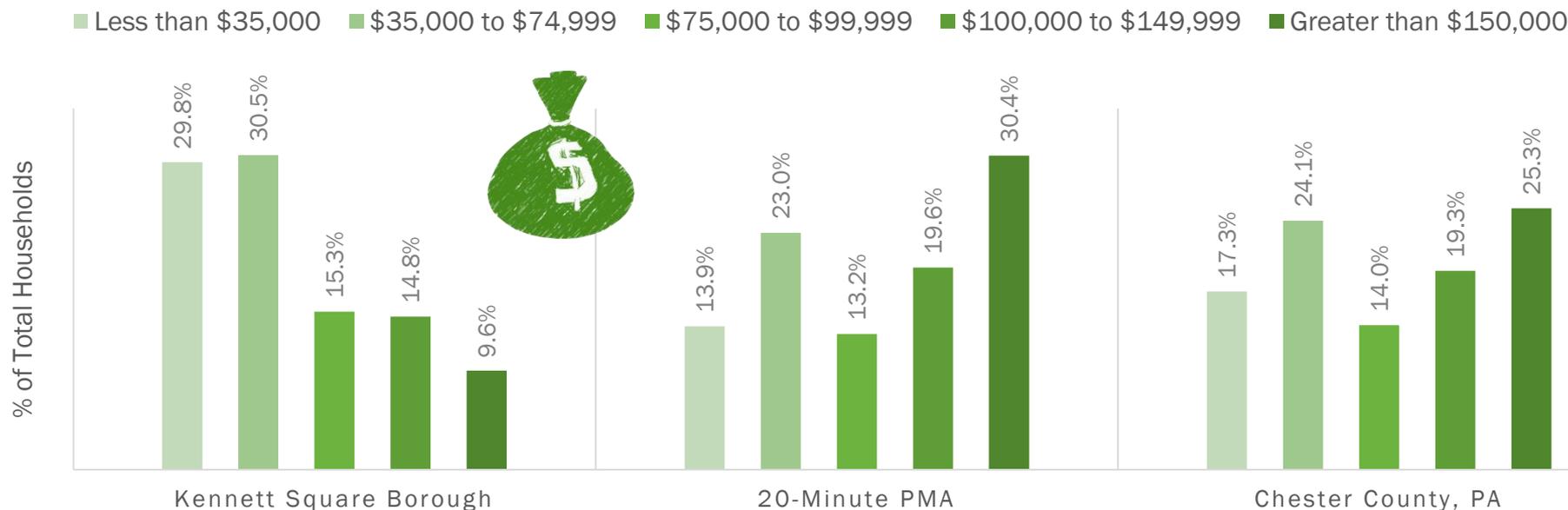
<b>Strong Positive Growth</b>	Greater than	1.50%		annually
<b>Modest Positive Growth</b>	Between	1.50% and 0.75%		annually
<b>Flat Growth</b>	Between	0.75% and -0.75%		annually
<b>Modest Negative Growth</b>	Between	-0.75% and -1.50%		annually
<b>Strong Negative Growth</b>	Less than	-1.50%		annually

Sources: US Census Bureau; Esri; 4ward Planning Inc., 2015

# Household Income Distribution

As previously presented, the median household income is significantly lower in Kennett Square, compared to the median household incomes of the PMA and Chester County. As illustrated below, approximately 30 of every 100 Kennett Square households have incomes less than \$35,000, compared to just under 14 of every 100 households within the PMA. Further, Kennett Square Borough, currently, has the smallest share of high-income households, with just under 10 percent having incomes greater than \$150,000, as compared to over 30 percent within the PMA. The diversity of household income distributions within Kennett Square demonstrate that prospective economic development activities will need to accommodate a broad spectrum of wants and needs.

2015 Estimated Household Income Distribution by Geography

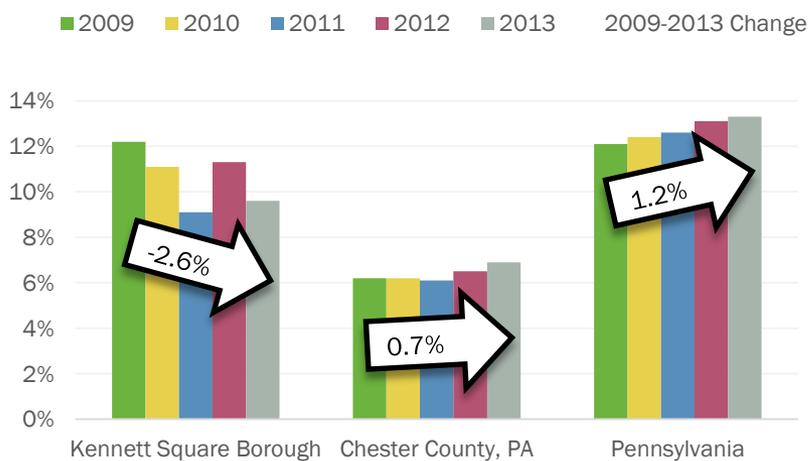


Sources: US Census Bureau; Esri; 4ward Planning Inc., 2015

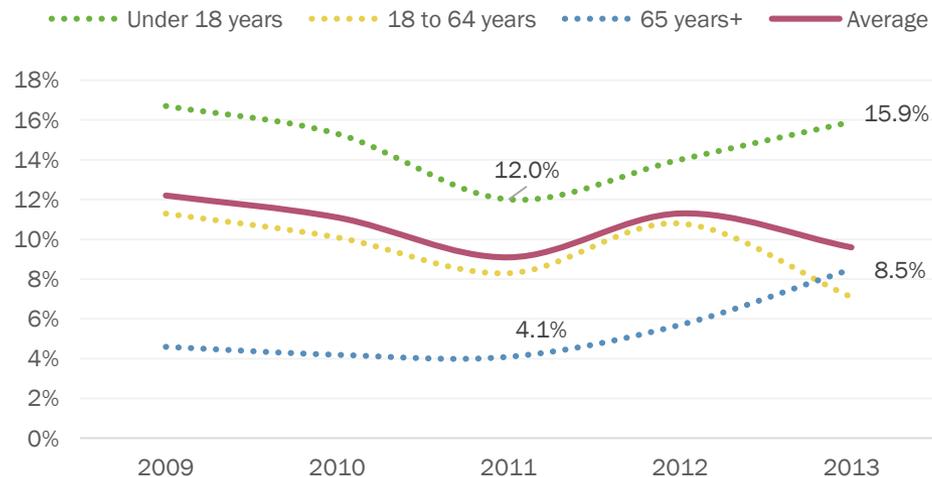
# Poverty

According to 2009-2013 American Community Survey data, the share of Kennett Square residents living below the poverty line decreased by 2.6 points from 2009 to 2013 (while the share of residents living in poverty increased within both Chester County and Pennsylvania, over the same period). However, in recent years, the percentage of the Borough residents under the age of 18 and over 65 living in poverty has increased. For example, in 2013, 16 of every 100 Borough residents under 18 and just under 9 of every 100 residents over 65 lived in poverty. These age groups represent the Borough's most vulnerable populations, and should be a focus within the crafting of comprehensive economic development activities. In particular, the elements of the study concerning transportation, housing and access to vital services will need to identify how current poverty rates will be mitigated through recommended actions. Some, but not such actions, will be private sector led.

### Percent of Residents Living Below Poverty Level



### Residents Living Below Poverty Level: Kennett Square

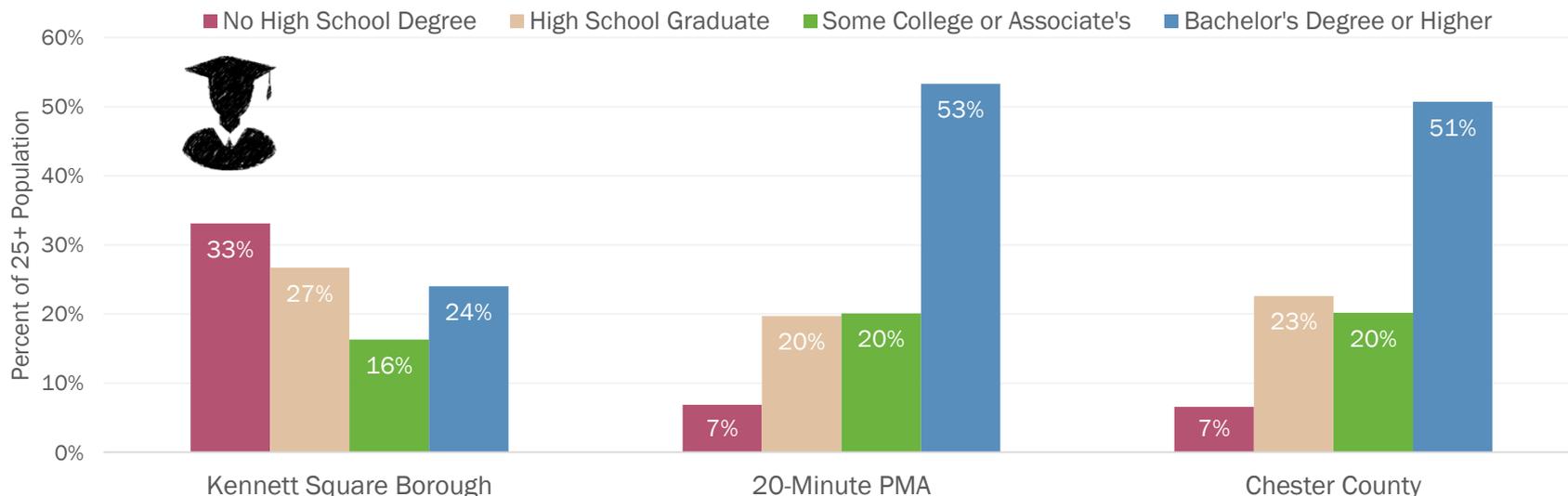


Sources: 2009-2013 American Community Survey; 4ward Planning Inc., 2015

## Educational Attainment (2015 Estimate)

The share of adults age 25 or older who have a bachelor's degree or higher is significantly lower in Kennett Square Borough than the 20-minute PMA or Chester County – and this is correlated, to a significant extent, with household income levels. As exhibited below, in 2015, approximately a quarter of Kennett Square Borough residents 25 and over had a bachelor's degree or higher level of education, compared to more than 50 percent of the 25 and older adults within the PMA and county. Further, and indicative of the large share of lower-skilled service workers who live in the Borough, 33 percent of adults, 25 years and older, in Kennett Square lack a high school diploma or GED equivalent, compared to only seven percent within the PMA and Chester County. Sound economic development activities will need to ensure that lifelong learning is available to local residents.

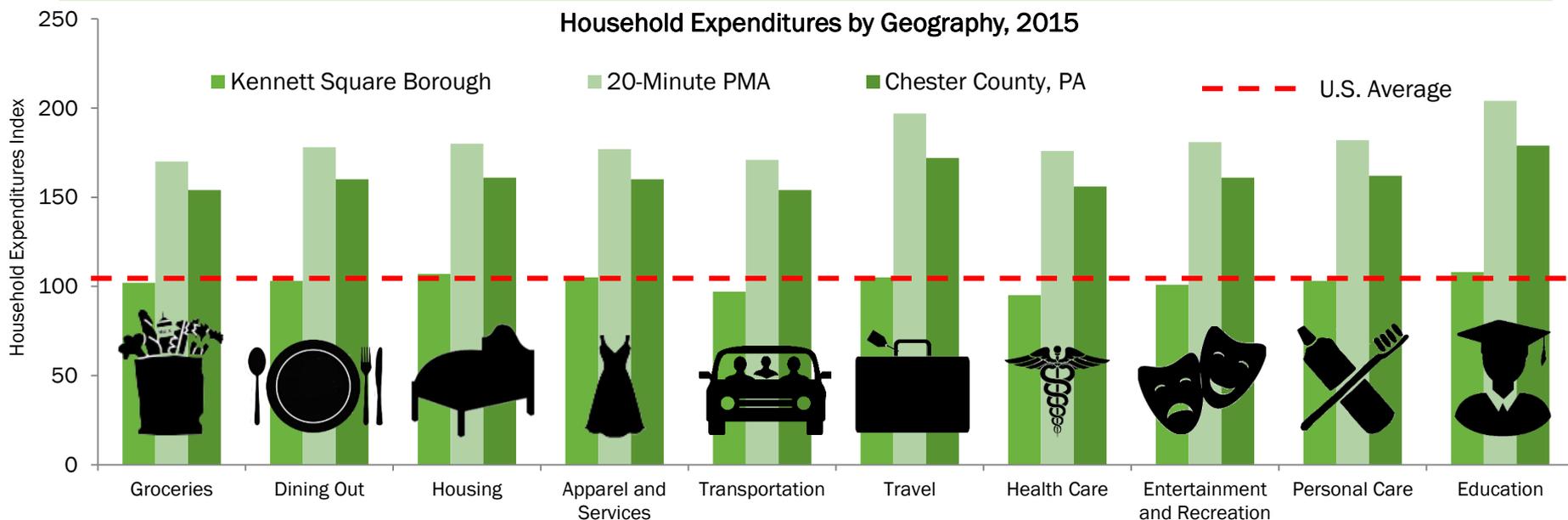
### Educational Attainment by Geography



Source: US Census Bureau, Esri, 4ward Planning Inc., 2015

## Household Expenditures (2015 Estimate)

The figure below illustrates the spending habits of households in each of the three study geographies, on a select set of spending categories. An index value of 100 represents the national average. While Kennett Square Borough is generally on par with the national average in most spending categories, average household expenditures within the 20-minute PMA and Chester County are significantly higher than the U.S. average, as a whole. The differences in consumer expenditures are highly correlated with the household income levels earlier identified. Further, the strong household spending metrics identified in the below chart (particularly within the discretionary categories of Dining Out and Entertainment and Recreation) are quite favorable to existing and prospective restaurants, cafes and live performance venues in Kennett Square.



Source: BLS; Esri; 4ward Planning Inc., 2015

## Tapestry Segments: An Overview

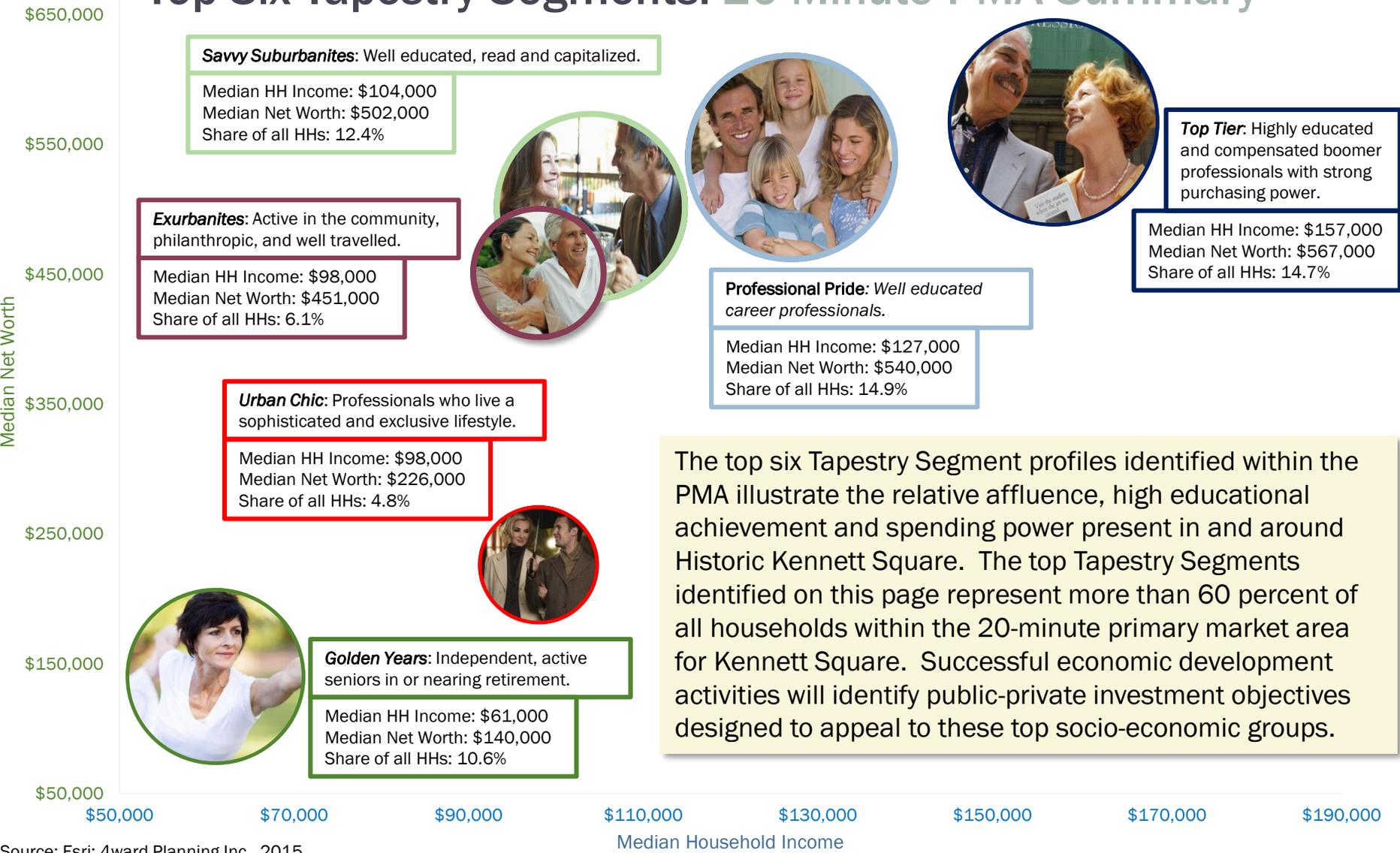
Esri's Tapestry Segmentation process classifies U.S. residential neighborhoods into 65 unique segments based on demographic variables such as age, income, home value, occupation, household type, education and other consumer behavior characteristics demographic and socioeconomic characteristics.

According to Esri, companies, agencies, and organizations have used segmentation to divide and group their consumer markets to more precisely target their best customers and prospects. This targeting method is, purportedly, superior to using “scattershot” methods that might attract these preferred groups. Segmentation explains customer diversity, simplifies marketing campaigns, describes lifestyle and life-stage, and incorporates a wide range of data.

Segmentation systems operate on the theory that people with similar tastes, lifestyles, and behaviors seek others with the same tastes—“like seeks like.” These behaviors can be measured, predicted, and targeted. Esri's Tapestry Segmentation system combines the “who” of lifestyle demography with the “where” of local neighborhood geography to create a model of various lifestyle classifications or segments of actual neighborhoods with addresses—distinct behavioral market segments.

4ward Planning uses Tapestry Segmentation to help identify various lifestyle and life-stage adult groups living within the Kennett Square PMA. While all adult residents within the PMA may not fit neatly into any one group, Tapestry Segmentation is fairly accurate in its depiction of neighborhood level socio-economic and consumer patterns. The following pages present the top six Tapestry Segment profiles identified within the PMA.

# Top Six Tapestry Segments: 20-Minute PMA Summary



The top six Tapestry Segment profiles identified within the PMA illustrate the relative affluence, high educational achievement and spending power present in and around Historic Kennett Square. The top Tapestry Segments identified on this page represent more than 60 percent of all households within the 20-minute primary market area for Kennett Square. Successful economic development activities will identify public-private investment objectives designed to appeal to these top socio-economic groups.

Source: Esri; 4ward Planning Inc., 2015

# Tapestry Segments: *Professional Pride (14.9% of PMA Households)*

## Profile Overview

Professional Pride consumers are well-educated career professionals that have prospered through the Great Recession. To maintain their upscale suburban lifestyles, these goal oriented couples work, often commuting far and working long hours. However, their schedules are fine-tuned to meet the needs of their school age children. They are financially savvy; they invest wisely and benefit from interest and dividend income. So far, these established families have accumulated an average of 1.5 million dollars in net worth, and their annual household income runs at more than twice the U.S. level. They take pride in their newer homes and spend valuable time and energy upgrading. Their homes are furnished with the latest in home trends, including finished basements equipped with home gyms and in-home theaters.

## Neighborhood Characteristics

- Typically owner occupied (Index 173), single-family homes are in newer neighborhoods: 59 percent of units were built in the last 20 years.
- Neighborhoods are primarily located in the suburban periphery of large metropolitan areas.
- Most households own two or three vehicles; long commutes are the norm.
- Homes are valued at more than twice the U.S. median home value, although three-out-of-four homeowners have mortgages to pay off.
- Families are mostly married couples (almost 80 percent of households), and more than half of these families have kids. Their average household size, 3.11, reflects the presence of children.

## Socio-Economic Traits

- Professional Pride consumers are highly qualified in the science, technology, law, or finance fields; they've worked hard to build their professional reputation or their start-up businesses.
- These consumers are willing to risk their accumulated wealth in the stock market.
- They have a preferred financial institution, regularly read financial news, and use the Internet for banking transactions.
- These residents are goal oriented and strive for lifelong earning and learning.
- Life here is well organized; routine is a key ingredient to daily life.

Source: Esri Tapestry Segmentation, 2015

# Tapestry Segments: *Top Tier (14.7% of PMA Households)*

## Profile Overview

The residents of the wealthiest Tapestry market, Top Tier, earn more than three times the US household income. They have the purchasing power to indulge any choice, but what do their hearts' desire? Aside from the obvious expense for the upkeep of their lavish homes, consumers select upscale salons, spas, and fitness centers for their personal well-being and shop at high-end retailers for their personal effects. Whether short or long, domestic or foreign, their frequent vacations spare no expense. Residents fill their weekends and evenings with opera, classical music concerts, charity dinners, and shopping. These highly educated professionals have reached their corporate career goals. With an accumulated average net worth of over 1.5 million dollars and income from a strong investment portfolio, many of these older residents have moved into consulting roles or operate their own businesses.

## Neighborhood Characteristics

- Married couples without children or married couples with older children dominate this market.
- Housing units are owner occupied with the highest home values—and above average use of mortgages.
- Neighborhoods are older and located in the suburban periphery of the largest metropolitan areas, especially along the coasts.

## Socio-Economic Traits

- Top Tier is a highly educated, successful consumer market: more than one in three residents has a postgraduate degree.
- Annually, they earn more than three times the US median household income, primarily from wages and salary, but also self-employment income (Index 177) and investments (Index 242).
- These are the nation's wealthiest consumers. They hire financial advisers to manage their diverse investment portfolios but stay abreast of current financial trends and products.
- Socially responsible consumers who aim for a balanced lifestyle, they are goal oriented and hardworking but make time for their kids or grandkids and maintain a close-knit group of friends.
- These busy consumers seek variety in life. They take an interest in the fine arts; read to expand their knowledge; and consider the Internet, radio, and newspapers as key media sources.
- They regularly cook their meals at home, attentive to good nutrition and fresh organic foods.

Source: Esri Tapestry Segmentation, 2015

## Tapestry Segments: *Savvy Suburbanites (12.4% of PMA Households)*

### Profile Overview

Savvy Suburbanites residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods outside the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

### Neighborhood Characteristics

- Established neighborhoods (most built between 1970 and 1990) found in the suburban periphery of large metropolitan markets.
- Married couples with no children or older children; average household size is 2.83.
- 91% owner occupied; 71% mortgaged (Index 156).
- Primarily single-family homes, with a median value of \$311,000 (Index 175).
- Low vacancy rate at 4.5%.

### Socio-Economic Traits

- Education: 48.1% college graduates; 76.1% with some college education.
- Low unemployment at 5.8% (Index 67); higher labor force participation rate at 68.5% (Index 109) with proportionately more two-worker households at 65.4%, (Index 122).
- Well-connected consumers that appreciate technology and make liberal use of it for everything from shopping and banking to staying current and communicating.
- Informed shoppers that do their research prior to purchasing and focus on quality

Source: Esri Tapestry Segmentation, 2015

# Tapestry Segments: *Golden Years (10.6% of PMA Households)*

## Profile Overview

Independent, active seniors nearing the end of their careers or already in retirement best describes Golden Years residents. This market is primarily singles living alone or empty nesters. Those still active in the labor force are employed in professional occupations; however, these consumers are actively pursuing a variety of leisure interests—travel, sports, dining out, museums, and concerts. They are involved, focused on physical fitness, and enjoying their lives. This market is smaller, but growing, and financially secure.

## Neighborhood Characteristics

- This older market has a median age of 51 years and a disproportionate share (nearly 30 percent) of residents aged 65 years or older.
- Single-person households (over 40 percent) and married-couple families with no children (one-third) dominate these neighborhoods; average household size is low at 2.05 (Index 79).
- Most of the housing was built after 1970; approximately 43 percent of householders live in single-family homes and 42 percent in multiunit dwellings.
- These neighborhoods are found in large metropolitan areas, outside central cities, scattered across the US.

## Socio-Economic Traits

- Golden Years residents are well educated—20% have graduate or professional degrees, 26% have bachelor's degrees, and 26% have some college credits.
- Unemployment is low at 7% (Index 76), but so is labor force participation at 55% (Index 88), due to residents reaching retirement.
- Median household income is higher in this market, more than \$61,000. Although wages still provide income to 2 out of 3 households, earned income is available from investments (Index 172), Social Security benefits (Index 153), and retirement income (Index 149).
- These consumers are well connected: Internet access is used for everything from shopping or paying bills to monitoring investments and entertainment.
- They are generous supporters of the arts and charitable organizations.
- They keep their landlines and view cell phones more as a convenience.

Source: Esri Tapestry Segmentation, 2015

# Tapestry Segments: *Exurbanites (6.1% of PMA Households)*

## Profile Overview

Ten years later, Exurbanites residents are now approaching retirement but showing few signs of slowing down. They are active in their communities, generous in their donations, and seasoned travelers. They take advantage of their proximity to large metropolitan centers to support the arts, but prefer a more expansive home style in less crowded neighborhoods. They have cultivated a lifestyle that is both affluent and urbane.

## Neighborhood Characteristics

- Established neighborhoods (most built between 1970 and 1990) found in the suburban periphery of large metropolitan markets.
- A larger market of empty nesters, married couples with no children; average household size is 2.48.
- Primarily single-family homes with a high median value of \$346,000 (Index 195), most still carrying mortgages.
- Higher vacancy rate at 9%.

## Socio-Economic Traits

- Residents are college educated; more than half have a bachelor's degree or higher; almost 80% have some college education.
- This labor force is beginning to retire. 1 in 3 households currently receive Social Security or retirement income. Labor force participation has declined to less than 60% (Index 94).
- Unemployment remains low at 5.5% (Index 64); more of the residents prefer self-employment (Index 184) or working from home (Index 181).
- Consumers are more interested in quality than cost. They take pride in their homes and foster a sense of personal style.
- Exurbanites residents are well connected, using the Internet for everything from shopping to managing their finances.
- Sociable and hardworking, they still find time to stay physically fit.

Source: Esri Tapestry Segmentation, 2015

## Tapestry Segments: *Urban Chic (4.8% of PMA Households)*

### Profile Overview

Urban Chic residents are professionals that live a sophisticated, exclusive lifestyle. Half of all households are occupied by married-couple families and about 30% are singles. These are busy, well-connected, and well-educated consumers—avid readers and moviegoers, environmentally active, and financially stable. This market is a bit older, with a median age of almost 43 years, and growing slowly, but steadily.

### Neighborhood Characteristics

- More than half of Urban Chic households include married couples; 30% are singles.
- Average household size is slightly lower at 2.37.
- Homes range from prewar to recent construction, high-rise to single family. Over 60% of householders live in single-family homes; more than one in four live in multiunit structures.
- Two-thirds of homes are owner occupied.
- Major concentrations of these neighborhoods are found in the suburban periphery of large metropolitan areas on the California coast and along the East Coast.
- Most households have two vehicles available. Commuting time is slightly longer, but commuting by bicycle is common (Index 236).

### Socio-Economic Traits

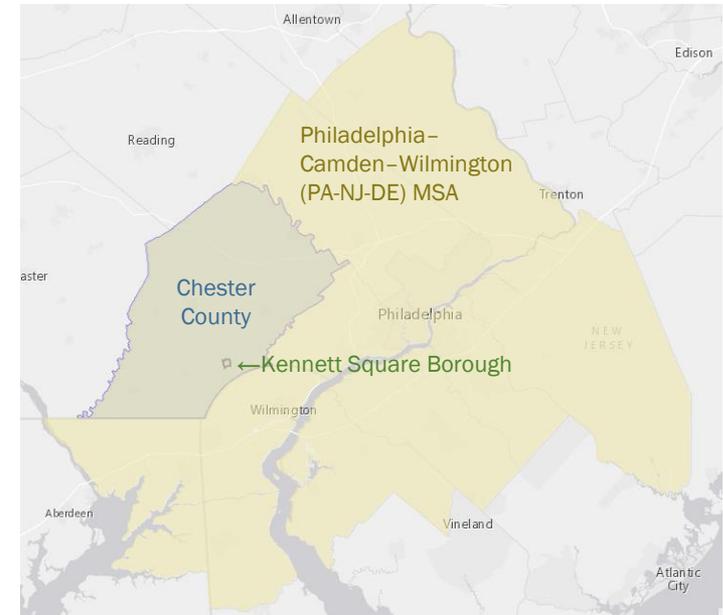
- Well educated, more than 60% of residents hold a bachelor's degree or higher (Index 223).
- Unemployment rate is well below average at 5% (Index 62); labor force participation is higher at 69%.
- Residents are employed in white collar occupations—in managerial, technical, and legal positions.
- Over 40% of households receive income from investments.
- Environmentally aware, residents actively recycle and maintain a “green” lifestyle.
- These busy, tech-savvy residents use PCs extensively for an array of activities such as shopping, banking, and staying current—a top market for Apple computers.

# Labor and Industry Trends Analysis

## Methodology: Labor and Industry Analysis

According to the U.S. Bureau of Labor Statistics, a labor market area is an economically integrated area within which individuals can reside and find employment within a reasonable distance or can readily change jobs without changing their place of residence. In order to understand labor and industry trends impacting the Kennett Square area's labor market, 4ward Planning Inc. examined labor and industry trends within the following geographies:

- Kennett Square Borough
- Chester County (includes Kennett Township)
- Philadelphia–Camden–Wilmington (PA-NJ-DE) MSA



Industry and labor data were gathered from the U.S. Census Bureau's *OnTheMap* data server, as well as from Quarterly Workforce Indicators (QWI) reports and the Bureau of Labor Statistics (BLS). Occupational projections from the Pennsylvania Department of Labor and Industry were also utilized. Analysis was performed for the most recent available years.

Labor characteristics analyzed include primary job employment by industry and occupation, worker flow patterns, employment projections, average monthly earnings, and job creation, among others.

# Key Findings: Labor and Industry Trends by Study Areas

## Kennett Square Borough

Total Employment (2013): 3,522

Top Industry by Employment: Management of Companies and Enterprises

## Chester County

Total Employment (June 2015): 263,400

Top Industry by Employment: Health Care and Social Assistance

## Philadelphia MSA

Total Employment (August 2015): 2,791,800

Top Industry by Employment: Health Care and Social Assistance



Source: Esri; QWI; BLS

## Key Findings: Labor and Industry

### Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

### Net worker inflow

Between 2009 and 2013, Kennett Square's net worker inflow increased, meaning that those commuting into the Borough increased by a greater number than employed residents commuting outside of the Borough.



### High rate of driving and walking to work

Kennett Square has a high rate of commuters who drive to work, with the greatest amount of residents driving to and from work alone (67 percent) followed by carpooling (18 percent). The share of residents who walk to work is also relatively high, at 12 percent.



### Employment led by Management of Companies & Enterprises, Health Care & Social Assistance, and Professional/Scientific/Technical Services

The largest share of Kennett Square residents (21 percent) are employed in the Management of Companies and Enterprises sector. The Health Care and Social Assistance industry sector leads employment in Chester County and the MSA. Additionally, the Professional, Scientific, and Technical Services industry is the second largest employer in both Kennett Square and Chester County.



### Occupational employment led by Business & Financial Operations

Business and Financial Operations occupations are the leading occupations in Chester County, in terms of absolute share of occupations. This occupational category is projected to expand in Chester County and the MSA through 2020.



## Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

# Key Findings: Labor and Industry

## Greatest Growth Projected in Professional/Scientific/Technical Services, Health Care & Social Assistance

The Professional, Scientific, and Technical Services industry sector and Health Care and Social Assistance industry are projected to add the most new jobs in Chester County by 2022.



## Job Creation in Retail Trade and Health Care & Social Assistance

In Chester County and the MSA, job creation since 2009 has been greatest in the Retail Trade and Health Care and Social Assistance sectors, which, traditionally, offer relatively lower wages, but also offer a range of opportunities.



## Highest earnings in Management of Companies & Enterprises sector

In 2014, annual average monthly earnings were highest in the Management of Companies and Enterprises sector in both Chester County and the MSA.



## Importance of small business

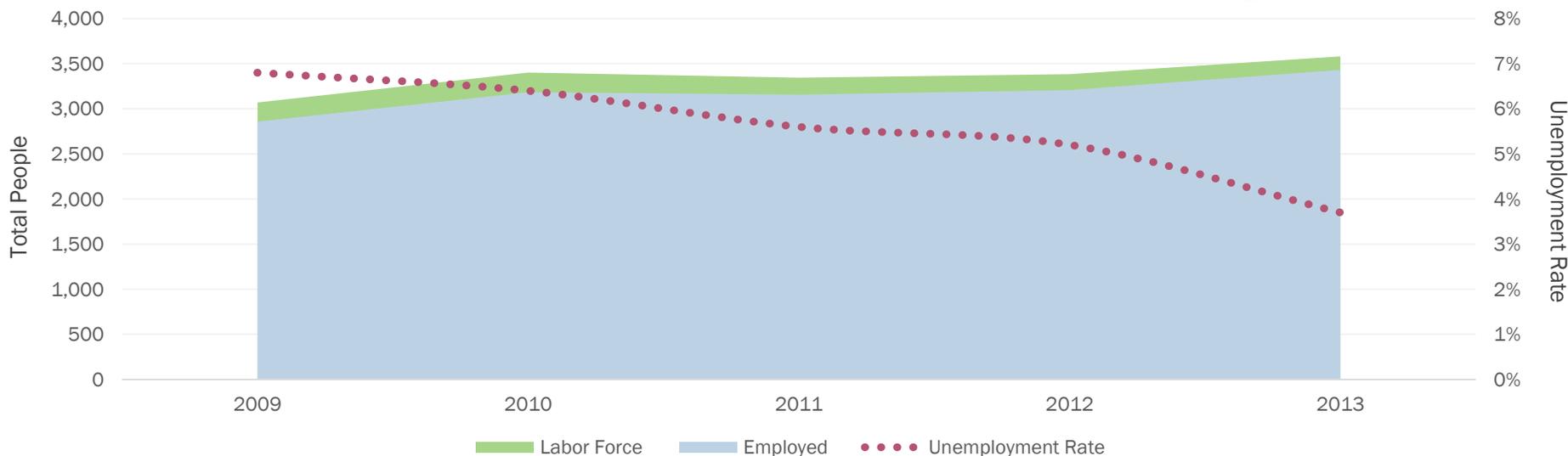
Of the 718 businesses in Kennett Square, the majority are quite small, with 53 percent employing four or less people. An additional 21 percent of businesses employ between five and nine people.



## Employment Profile: Kennett Square Borough

Since 2009, the unemployment rate has consistently declined in Kennett Square, most noticeably between 2012 (5.2 percent) and 2013 (3.7 percent). Labor force participation (those either employed or actively looking for employment) declined slightly between 2010 and 2011, but has since grown through 2013. A falling unemployment rate is a positive sign for Kennett Square's economy, especially coupled with a growing labor force; however, as the unemployment rate continues to decrease (already quite low at below four percent) local employers will experience upward wage and salary pressures as they compete to recruit and/or retain workers. This may pose a particular challenge for smaller businesses, where labor accounts for a significant portion of their operating expenses.

Labor Force, Total Employment, and Unemployment Rate, Kennett Square Borough

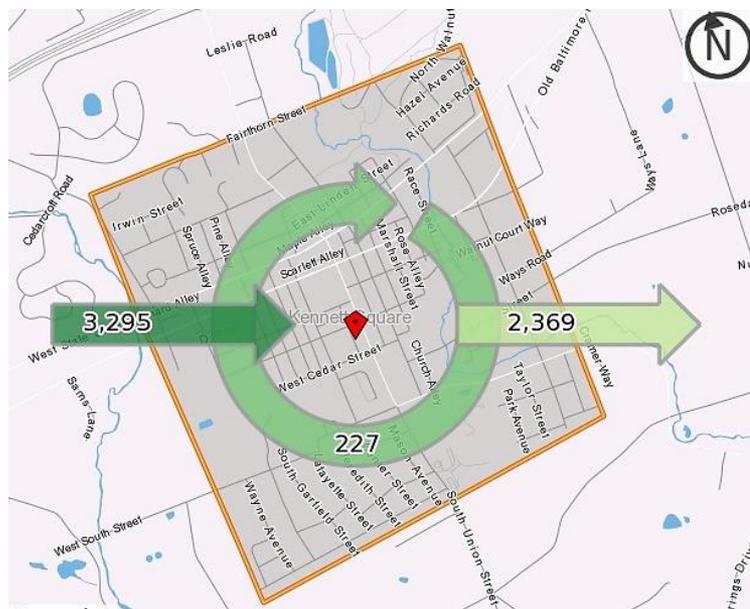


Source: ACS

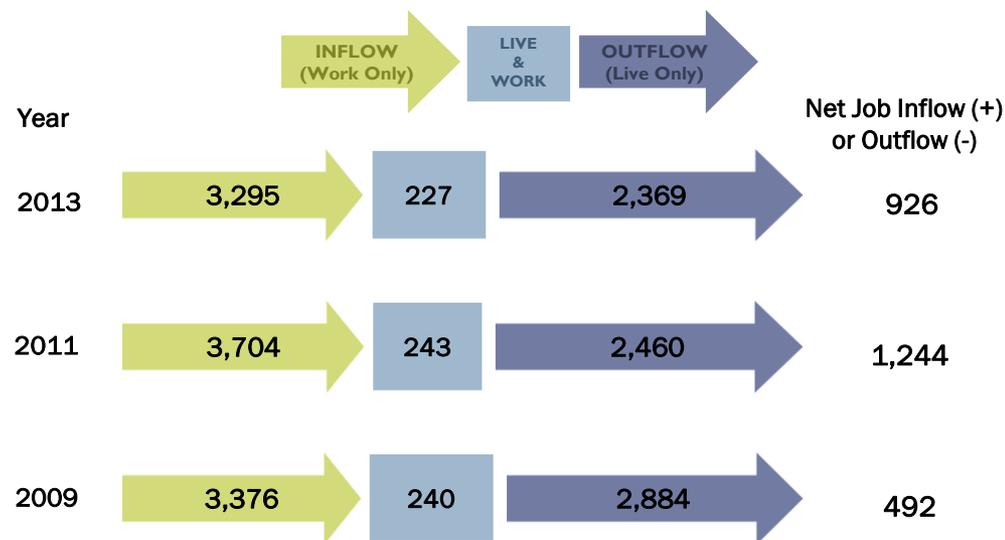
## Worker Inflow/Outflow

While worker inflow (persons who worked in Kennett Square but lived somewhere else) decreased by 2.5 percent between 2009 and 2013, worker outflow (persons who lived in Kennett Square but worked outside of it) decreased significantly more during that same period (21.7 percent), resulting in a higher net worker inflow. Those persons who both lived and worked within the Borough (a relatively small share of the area labor force) also decreased (5.7 percent), modestly, during this period. The overall shrinking workforce – reflecting a variety of factors, including the retirement of baby boomers, layoffs and persons opting out of the labor force for personal reasons other than retirement – has contributed to a tighter labor market in the local region.

### Worker Inflow/Outflow, Kennett Square (2013)



### Historic Worker Inflow/Outflow, Kennett Square



Source: US Census Bureau, OnTheMap; 4ward Planning Inc., 2015

# The Geography of Employment

As of 2013, the greatest number of those working in Kennett Square resided there as well, and the greatest number of Kennett Square residents were also employed in the Borough. Other top home destinations for those working in Kennett Square include Philadelphia and Wilmington, Delaware. Relatively high percentages of Kennett Square residents are employed in Toughkenamon, Pennsylvania, and Philadelphia, as well as West Chester Borough and Wilmington, DE.

These home and work destinations indicate important transportation links with Kennett Square, especially during commuting hours. However, it should be noted that both home destinations as well as work destinations outside of the top destinations (“all other locations”) greatly outweigh any of the top destinations. These disperse home and work destinations may make provision of mass transit inefficient.

Top Home and Employment Destinations, 2013

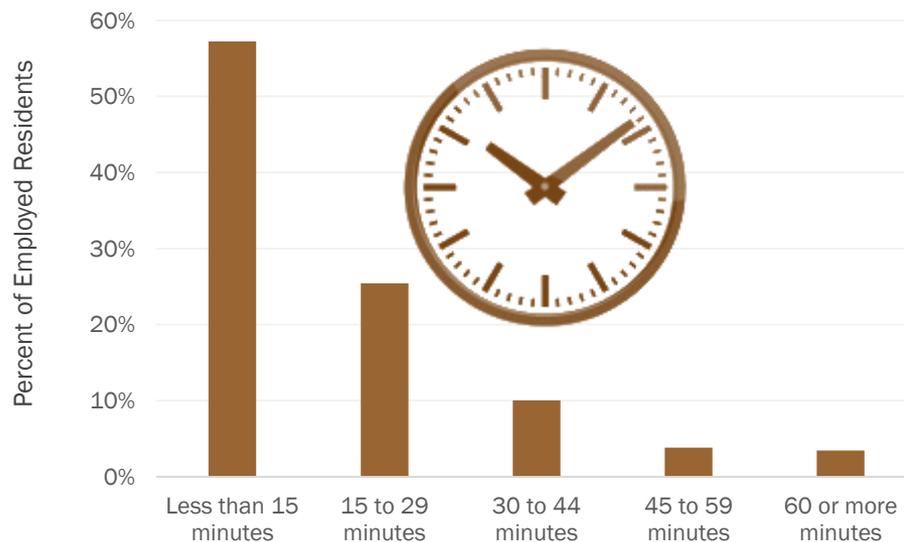
Where Boro Workers Live			Where Boro Residents Work		
Kennett Square Borough, PA	227	6.4%	Kennett Square Borough, PA	227	8.7%
Philadelphia, PA	138	3.9%	Toughkenamon CDP, PA	89	3.4%
Wilmington, DE	47	1.3%	Philadelphia, PA	86	3.3%
West Grove Borough, PA	43	1.2%	West Chester Borough, PA	61	2.3%
West Chester Borough, PA	38	1.1%	Wilmington, DE	50	1.9%
Toughkenamon CDP, PA	29	0.8%	Downingtown Borough, PA	38	1.5%
Oxford Borough, PA	28	0.8%	Newark, DE	29	1.1%
Newark, DE	17	0.5%	King of Prussia CDP, PA	22	0.9%
Pike Creek Valley CDP, DE	16	0.5%	Hockessin CDP, DE	18	0.7%
Parkeburg Borough, PA	15	0.4%	Media Borough, PA	15	0.6%
<b>All Other Locations</b>	<b>2,924</b>	<b>83.0%</b>	<b>All Other Locations</b>	<b>1,961</b>	<b>75.5%</b>

Source: OnTheMap; 4ward Planning, 2015

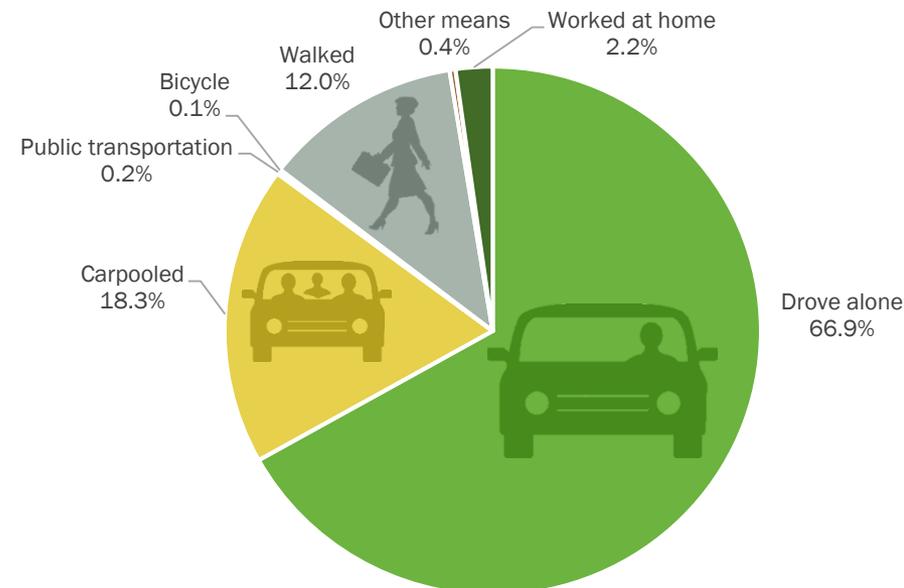
## Commute Time and Means to Work

Kennett Square has a high rate of commuters who drive to work, with the greatest amount of residents driving to and from work alone (about 67 percent). This is, however, lower than the national rate of solo drivers (76 percent). The shares of residents who carpool and walk are relatively high, an indicator of the importance of transportation access, mobility, and pedestrian amenities. Kennett Square residents generally enjoy short commutes, with over half of residents spending less than 15 minutes traveling to work. The average commute time in Kennett Square is 17 minutes, as opposed to 27 minutes in Chester County and 28.5 minutes in the MSA. This is a favorable indication of home and work location proximity, meaning that housing is well sited to be accessible to work destinations.

Travel Time to Work, Kennett Square Residents (2013)



Means to Work, Kennett Square Residents (2013)

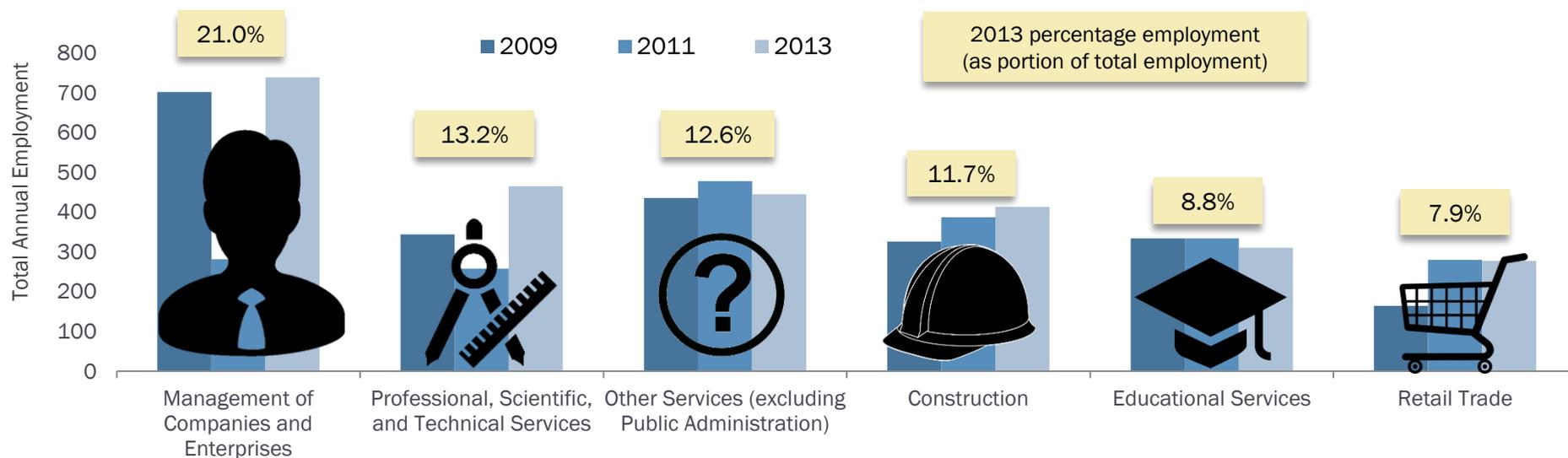


Source: ACS

## Top Industry Sectors by Employment: Kennett Square Borough

Management of Companies and Enterprises is the largest sector by employment in Kennett Square. Although numbers dropped sharply between 2009 and 2011, employment in this industry rebounded by 2013. The same is true of the second largest sector, Professional, Scientific, and Technical Services. As Kennett Square is a small borough, even small changes in hiring by local firms may profoundly affect the local economy. The largest increases in employment between 2009 and 2013 occurred in the Professional, Scientific, and Technical Services (121 employees, 35.2 percent growth) and Retail Trade sectors (113 employees, 68.9 percent growth). Educational Services is the only top sector that has seen net employment decline between 2009 and 2013, a loss of 24 employees, or 7.2 percent. The below trends make clear that hiring is robust in industries which, generally pay well and require relatively high levels of educational attainment.

Top Industries in Kennett Square by Total Employment (2-Digit NAICS), 2009-2013

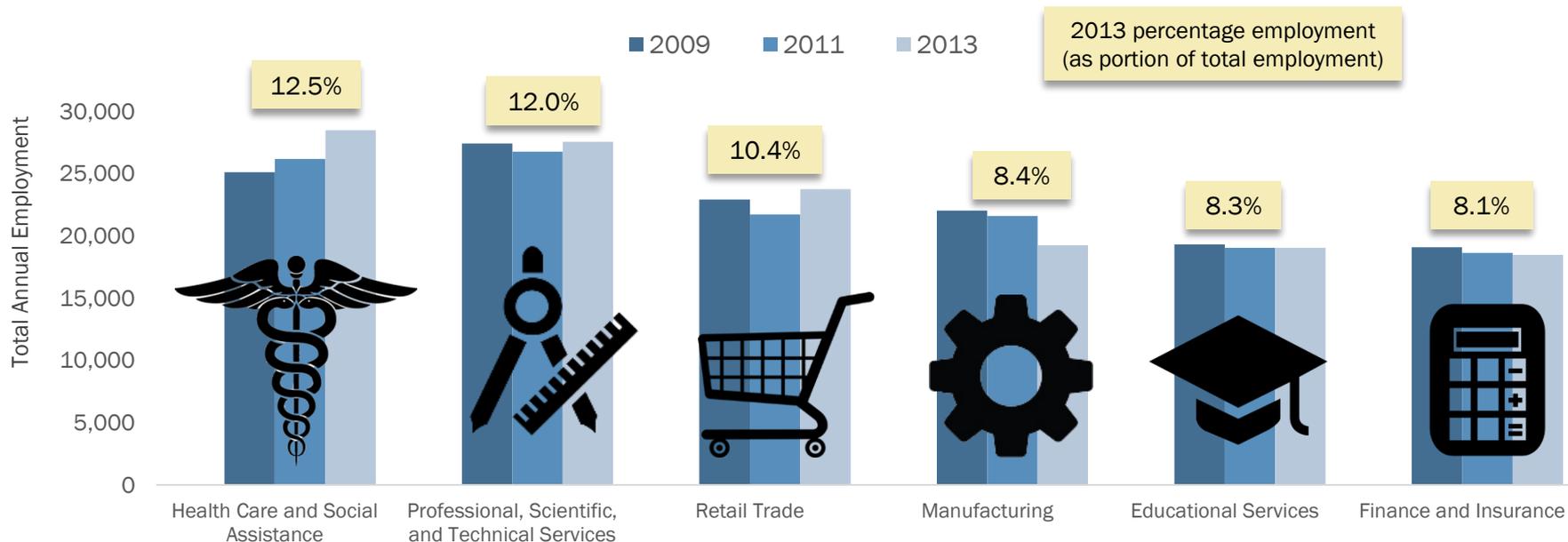


Source: OnTheMap

## Top Industry Sectors by Employment: Chester County

Chester County's largest sector by employment is Health Care and Social Assistance, which grew by over 3,000 employees between 2009 and 2013. While the three top industries in the county all experienced net growth during these years, the following three experienced declines in employment. The decline of manufacturing jobs is consistent with national patterns, and generally represents a loss of well-paying jobs. The Health Care and Social Assistance and Retail Trade sectors represent large portions of employment, but also tend to consist of jobs providing lower wages. While not exclusively a concern of Kennett Borough, the provision of quality workforce housing for lower-wage service workers must be part of economic development activities.

Top Industries in Chester County by Total Employment (2-Digit NAICS), 2009-2013

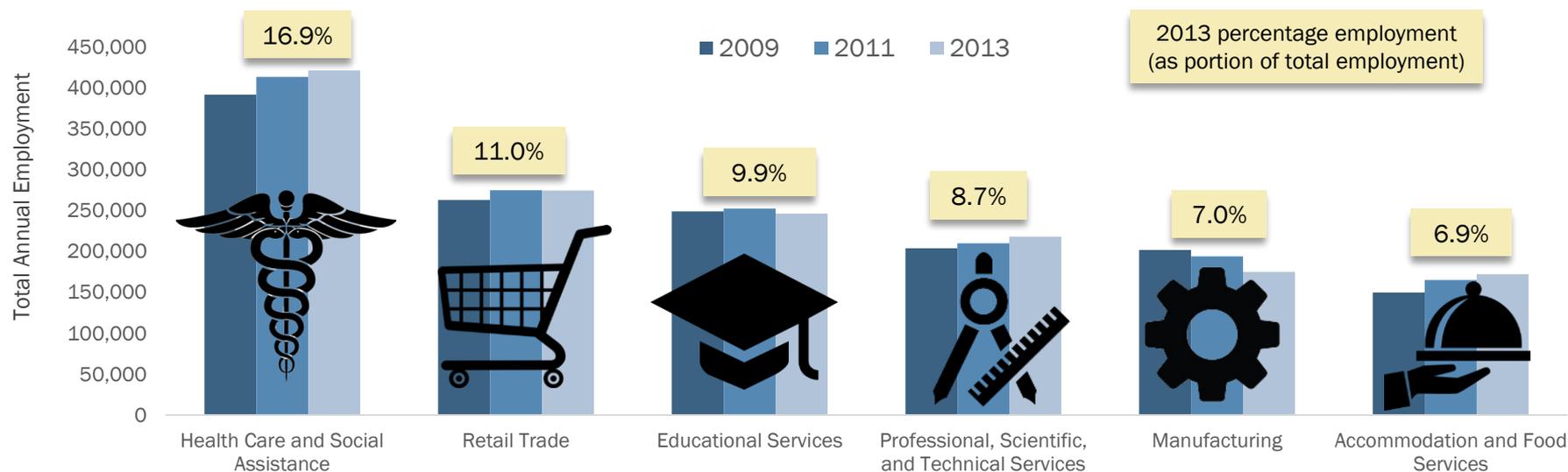


Source: OnTheMap

## Top Industry Sectors by Employment: Philadelphia MSA

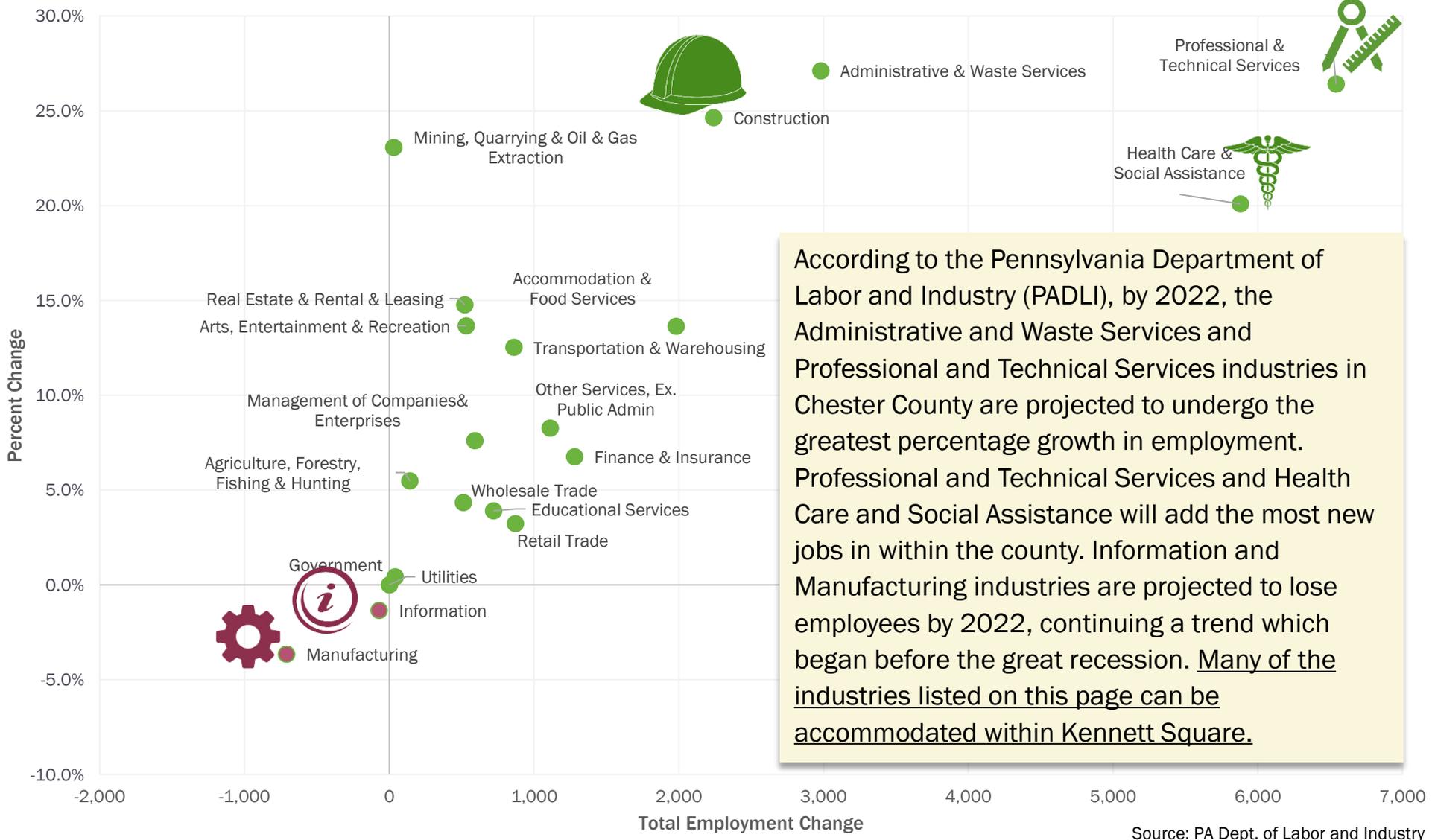
As in Chester County, Health Care and Social Assistance is the largest sector by employment in the Philadelphia MSA, and grew by about 29,500 employees between 2009 and 2013. In both of these geographies, the Manufacturing sector has seen the greatest decline in employment (notwithstanding this decline, there remain pockets of manufacturing (e.g., small scale advanced manufacturing) which present opportunities for local employment and investment). The expansion of the Health Care and Social Assistance sector in the MSA, as well as in Chester County, may lead to further growth opportunities in Kennett Square, as well (e.g., medical office space, wellness programming for seniors, etc.).

Top Industries in Philadelphia MSA by Total Employment (2-Digit NAICS), 2009-2013



Source: OnTheMap

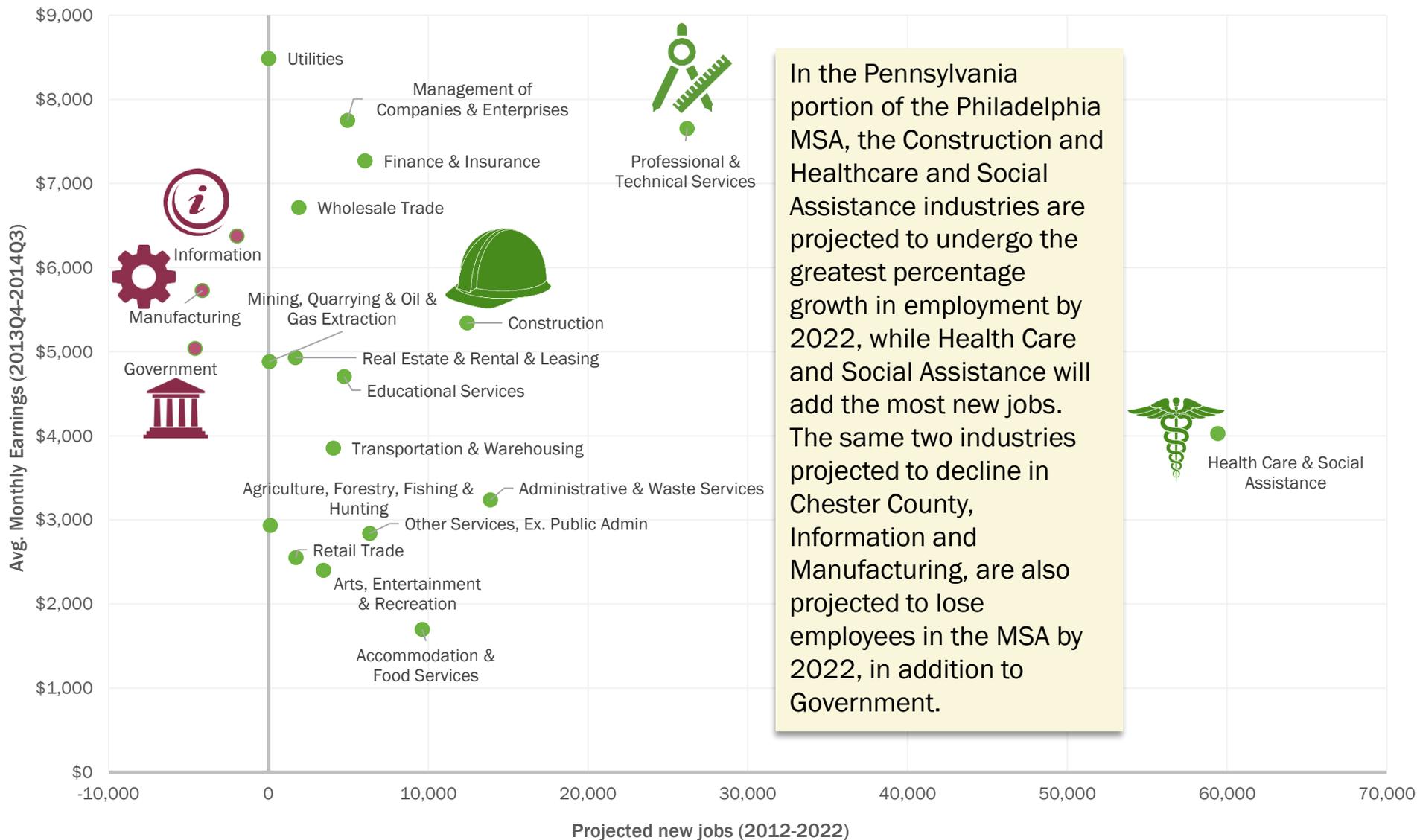
# Industry Growth Projections, 2012-2022: Chester County



According to the Pennsylvania Department of Labor and Industry (PADLI), by 2022, the Administrative and Waste Services and Professional and Technical Services industries in Chester County are projected to undergo the greatest percentage growth in employment. Professional and Technical Services and Health Care and Social Assistance will add the most new jobs in within the county. Information and Manufacturing industries are projected to lose employees by 2022, continuing a trend which began before the great recession. Many of the industries listed on this page can be accommodated within Kennett Square.

Source: PA Dept. of Labor and Industry

# Industry Growth Projections: Philadelphia MSA (PA Counties)

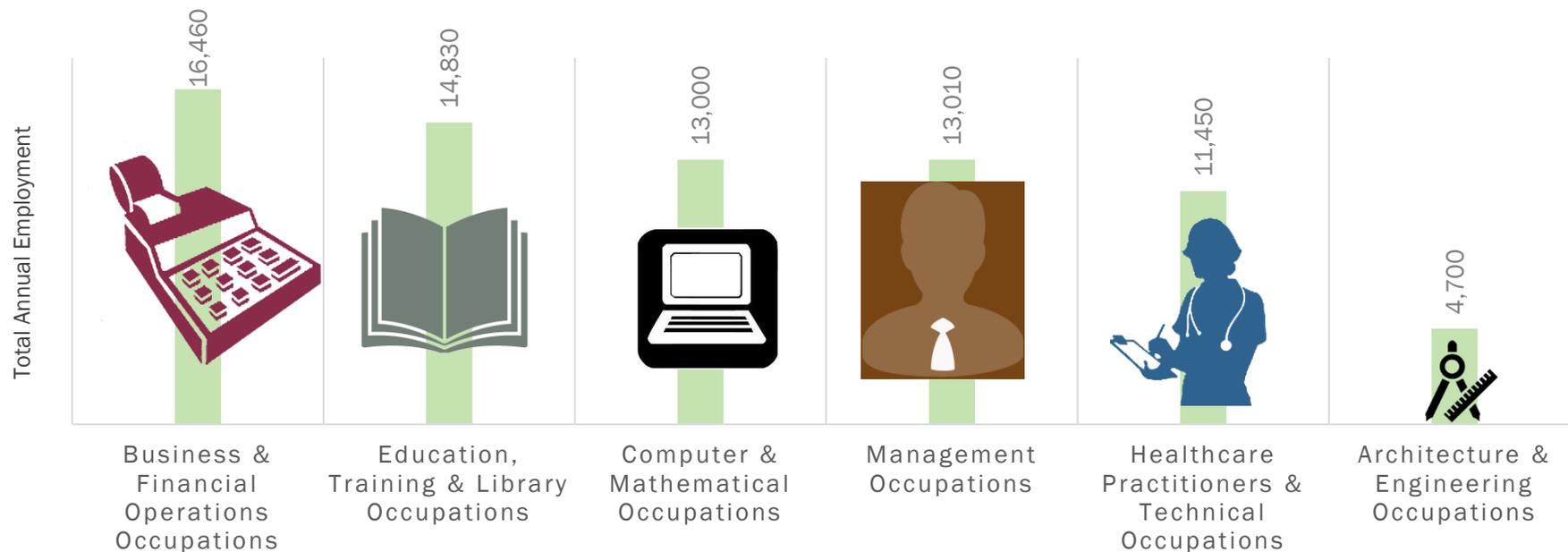


Source: PA Dept. of Labor and Industry

## Top Occupations by Employment: Chester County

While employment by industry identifies the types of businesses that support Chester County's economy, employment by occupation is key for understanding the types of workforce skills that are, or will be, in demand. In 2012 (the latest data available for the county), Business and Financial Operations occupations led Chester County, in terms of employment, followed by Education, Training & Library Occupations. The skills required by these occupations, along with those projected to grow (shown on the following pages) should be targeted for provision of workforce training. Many of the occupations exhibiting growth are found in many small businesses (20 or fewer workers) in Kennett Square, as well as Chester County.

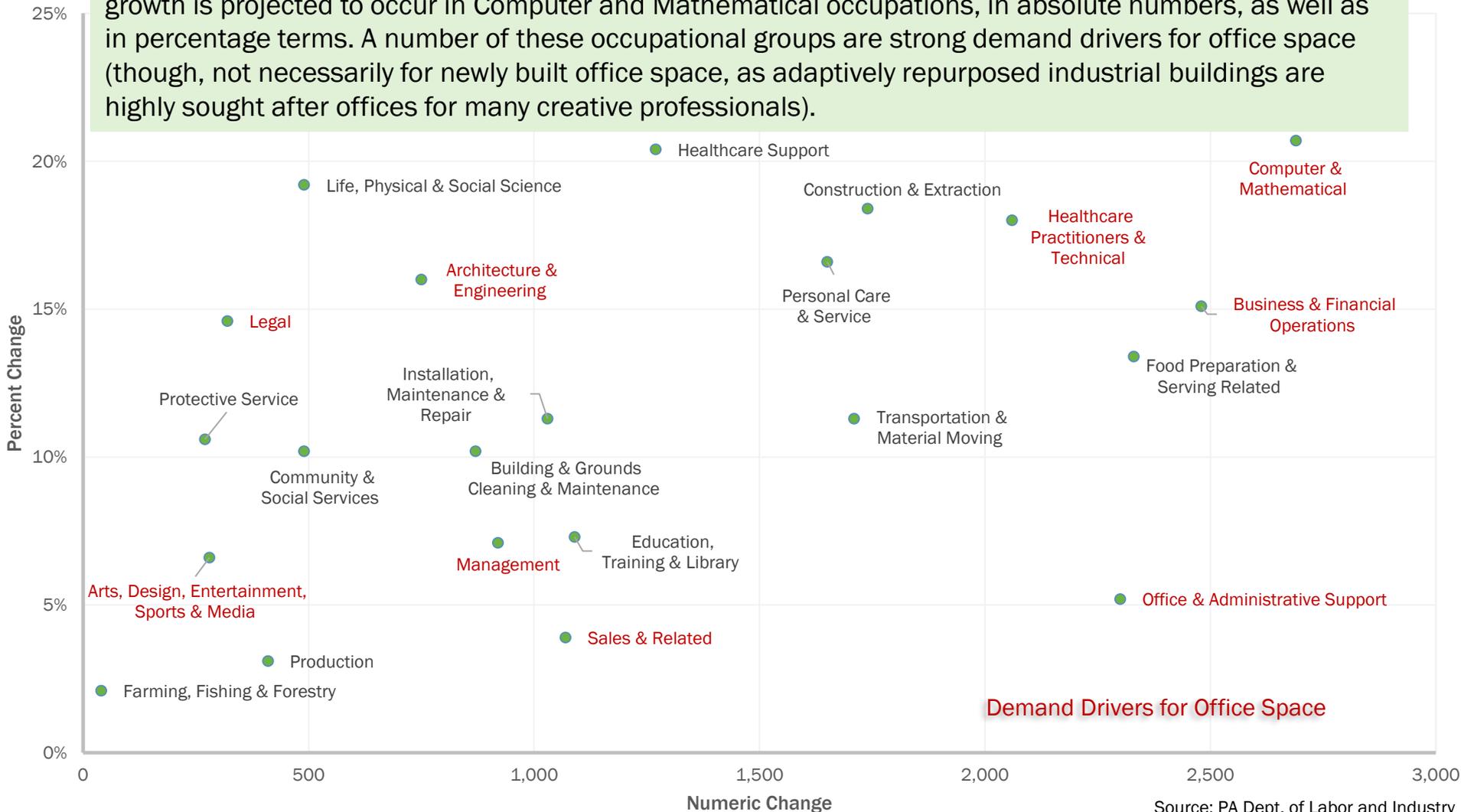
Top Occupations in Chester County by Total Employment (2012)



Source: PA Department of Labor and Industry

# Occupational Growth Projections: Chester County

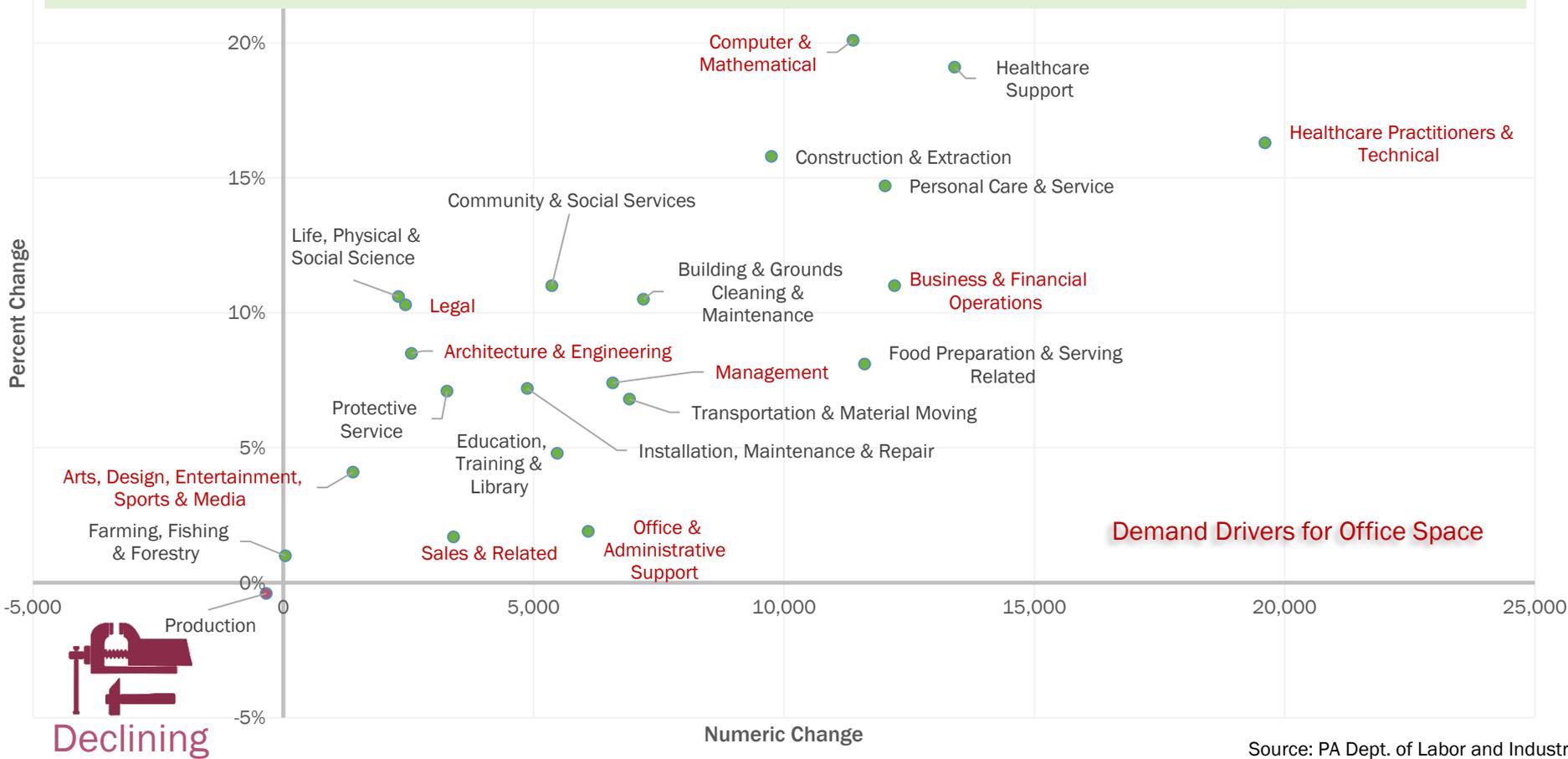
Chester County is projected to experience employment growth in all occupational categories. The greatest growth is projected to occur in Computer and Mathematical occupations, in absolute numbers, as well as in percentage terms. A number of these occupational groups are strong demand drivers for office space (though, not necessarily for newly built office space, as adaptively repurposed industrial buildings are highly sought after offices for many creative professionals).



Source: PA Dept. of Labor and Industry

# Occupational Growth Projections: Philadelphia MSA (PA Counties)

The only occupational group expected to decline in the MSA, Production Occupations, is projected to see stable decline, at negative 0.4 percent. In absolute numbers, growth is expected to be strongest in the Healthcare Practitioners and Technical occupations, and greatest within the Computer and Mathematical Operations occupations, in percentage terms. As with Chester County, there are a number of occupational groups which are demand drivers for a variety of office space types (traditional, tech, and medical office).

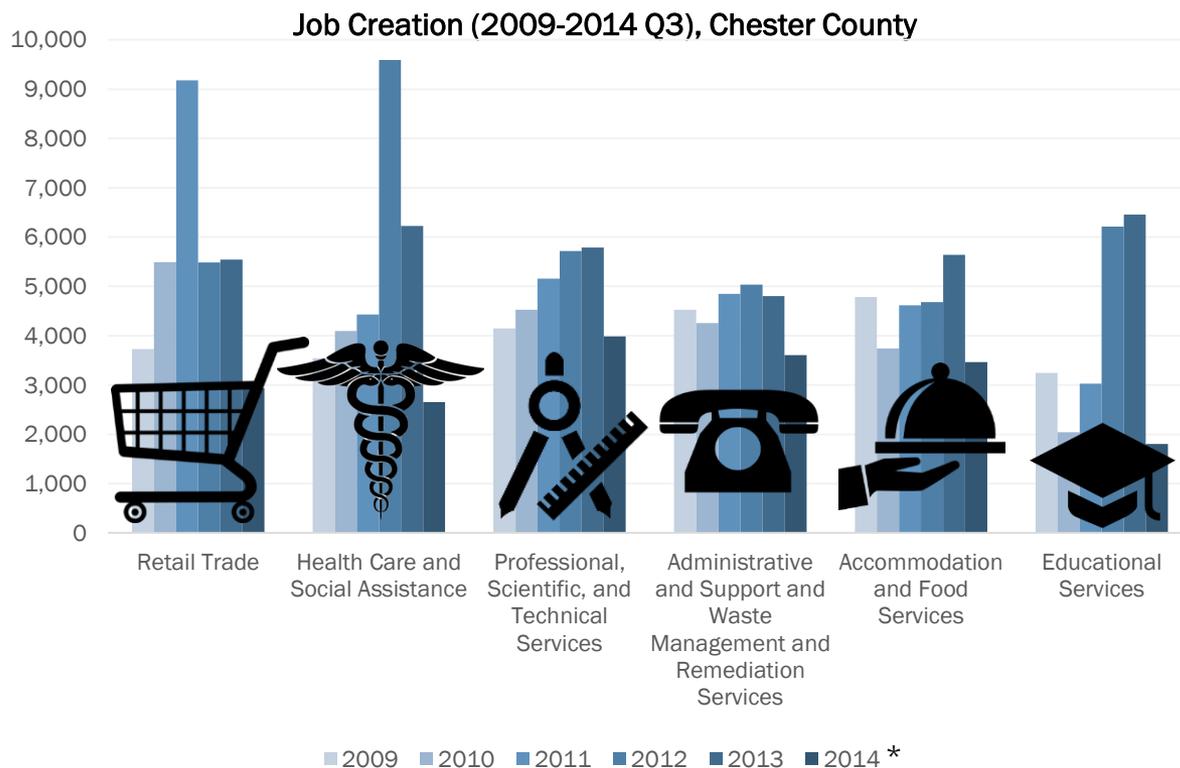


Source: PA Dept. of Labor and Industry

## Job Creation by Industry: Chester County

The table and graph below highlight the Chester County industry sectors which accounted for the greatest numbers of jobs created between 2009 and the third quarter of 2014. Not surprisingly, given regional and national trends, the greatest amount of industry job creation occurred in the Retail Trade and Health Care and Social Assistance sectors, two sectors that employ large shares of lower wage workers. The Professional, Scientific and Technical Services industry sector was third in employment growth, and represents a critical driver of office space – particularly the absorption of space created from adaptively reusing older industrial buildings.

Industry Sector	Job Creation 2009 - 2014 Q3
Retail Trade	32,366
Health Care and Social Assistance	30,540
Professional, Scientific, and Technical Services	29,315
Administrative & Support & Waste Management & Remediation Services	27,071
Accommodation and Food Services	26,922
Educational Services	22,783



Source: QWI

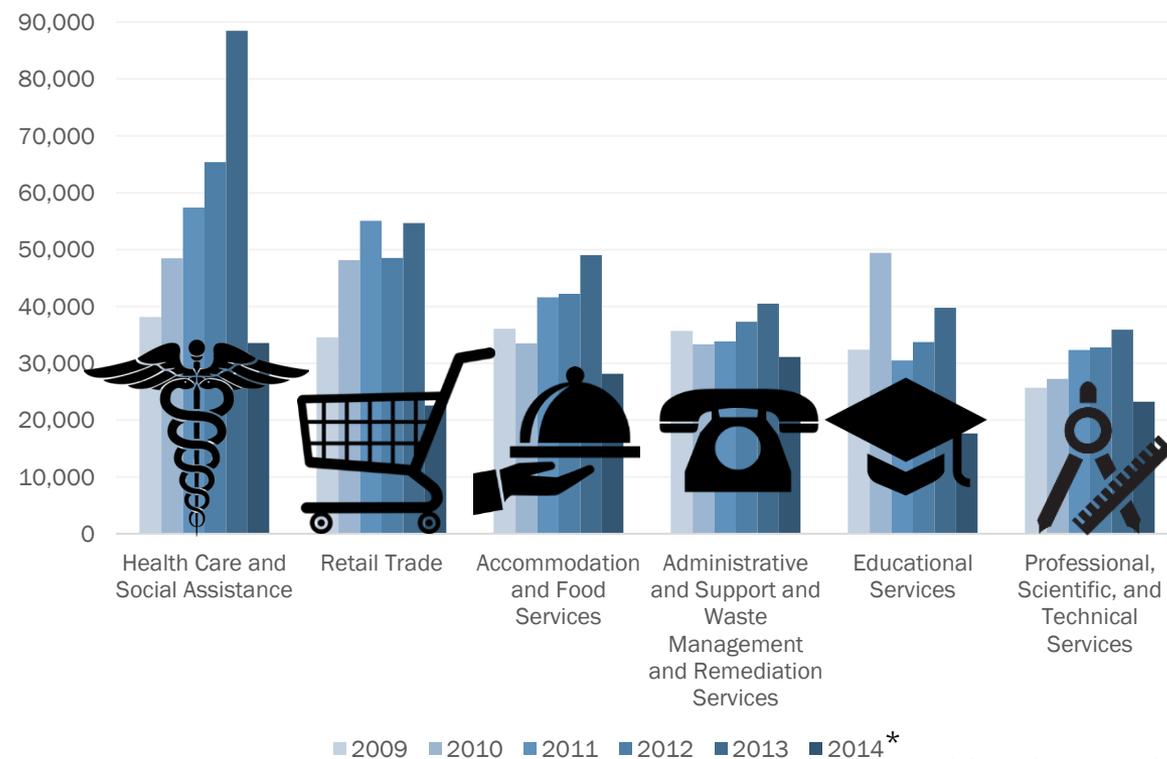
\*through quarter three

## Job Creation by Industry: Philadelphia MSA (PA Part)

Job creation trends in the Pennsylvania portion of the Philadelphia MSA follow patterns similar to those of Chester County, with the same top six industries leading job creation. Health Care and Social Assistance has seen the most job creation in the MSA, indicating strong demand for healthcare and administrative professionals, as well as demand for medical office space.

Job Creation (2009-2014 Q3), Philadelphia MSA (PA Part)

Industry Sector	Job Creation 2009 – 2014 Q3
Health Care and Social Assistance	331,563
Retail Trade	263,615
Accommodation and Food Services	230,636
Administrative & Support & Waste Management & Remediation Services	211,750
Educational Services	203,534
Professional, Scientific, and Technical Services	177,193

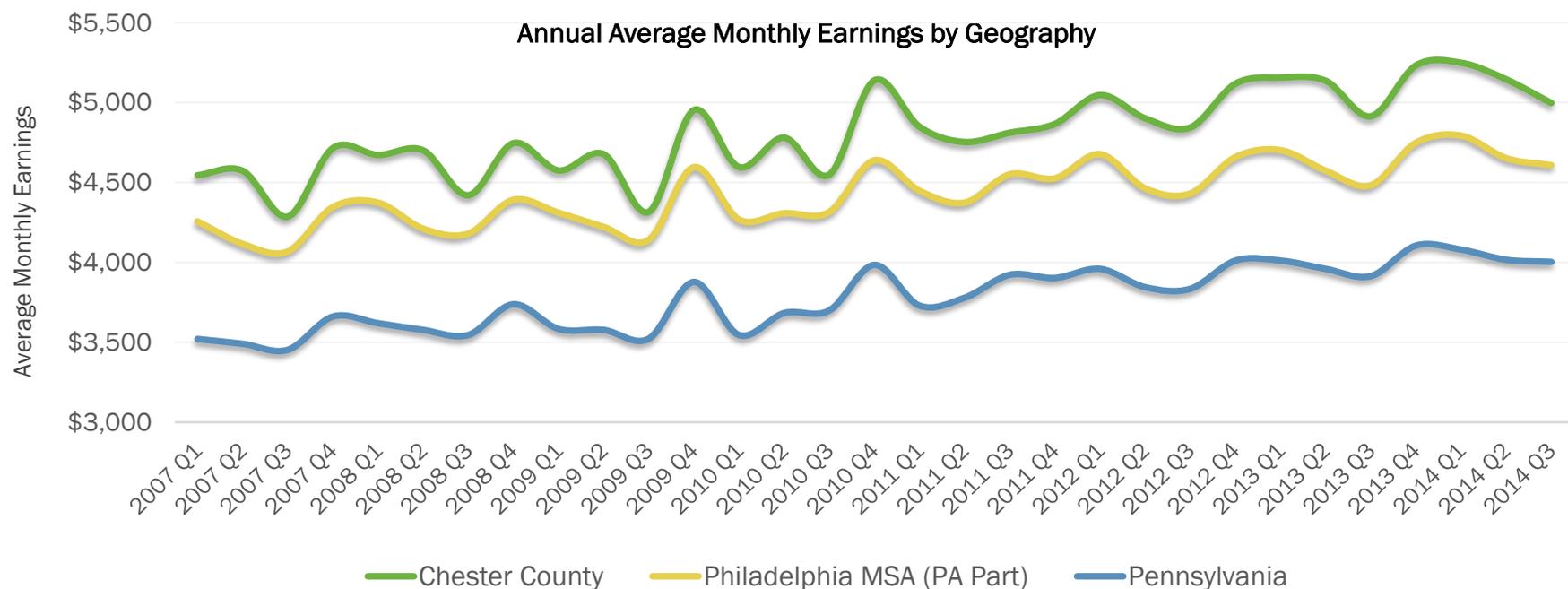


Source: QWI

\*through quarter three

## Annual Average Monthly Earnings

Average monthly earnings have consistently been higher in Chester County than in the larger Philadelphia MSA (PA portion) and State. Wage rate trends have followed similar patterns among all geographies examined, with a general trend of growth, and spikes and dips at similar points in time. It is important to note that the wage trend metrics exhibited are not adjusted for inflation. When adjusting for inflation, 2014 Q3 wages were lower than 2007 Q1 wages in Chester County (for example, \$4,997 in 2014 Q3 versus \$5,189 in inflation-adjusted 2007 Q1), the MSA (\$4,257 in 2014 Q3 versus \$4,860 in inflation-adjusted 2007 Q1), and Pennsylvania (\$3,520 in 2014 Q3 versus \$4,019 in inflation-adjusted 2007 Q1). Consequently, the inflation adjusted wage rates across all geographies examined suggests diminished purchasing power for most households.



Source: QWI

## Annual Average Monthly Earnings by Industry: Chester County

Among industry sectors making up at least one-percent of employment within the county, those with the highest average monthly wages are shown in the chart below. Only two of the largest sectors by employment – Professional, Scientific, and Technical Services; and Finance and Insurance – are included in the list of those industries with the highest mean monthly salaries. Other large sectors, including the County’s largest sector (Health Care and Social Assistance), are not among the County’s high-wage industries. Wages shown below are **not** adjusted for inflation, meaning the real buying power of these wages is not reflected in the graph. When converting 2009 average wages to 2014 dollars and comparing to actual 2014 salaries, there have been decreases in the buying power of wages in the Information industry sector, only. Real wage growth has occurred in all other industry sectors, meaning that wage growth outpaced inflation in these sectors from 2009 and 2014.

	2009 Avg. Monthly Earnings in 2014 \$	2014 Avg. Monthly Earnings (\$)
Real Estate & Rental & Leasing	\$6,118	\$6,293
Information	\$7,524	\$7,019
Finance & Insurance	\$7,121	\$7,335
Wholesale Trade	\$7,513	\$7,901
Professional, Scientific, & Technical Services	\$7,914	\$8,145
Management of Companies and Enterprises	\$8,091	\$8,842

Industries by Annual Average Monthly Earnings, Chester County



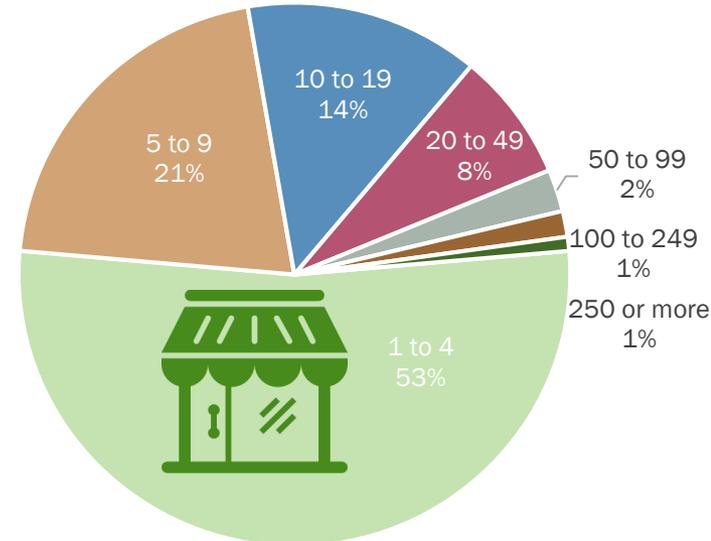
Source: QWI; BLS

\*through quarter three

# Entrepreneurship and Small Businesses

Entrepreneurship and small businesses are an important part of the national, regional and local economies, accounting for high shares of employment and wages. Entrepreneurs and small businesses are particularly important economic drivers of job creation, and tend to be rooted in the local community (meaning, their supply dollars and profits are more likely to stay within the local economy, helping it grow further). While data is not available for sole proprietorships in Kennett Square, a breakdown of businesses by employee range is shown below. Out of the 718 total identified businesses in the borough, the majority are quite small, with over half employing four people or less.

Businesses by Number of Employees, Kennett Square (2013)



Top Ten Sectors with 1-4 Employees, Kennett Square (2013)

Industry	Number Firms with 1-4 employees
<b>Total for all sectors</b>	<b>379</b>
Professional, Scientific, & Technical Services	62
Construction	49
Other Services (except Public Administration)	40
Retail Trade	36
Admin. Support & Waste Management and Remediation	30
Wholesale Trade	28
Health Care & Social Assistance	27
Finance & Insurance	26
Real Estate Rental & Leasing	16
Accommodation & Food Services	15

These industry sectors represent a broad range of employment opportunities, wage offerings and needed skill sets. This diversity is an asset of Kennett Square that should be further strengthened.

Source: US Census Bureau, County Business Patterns

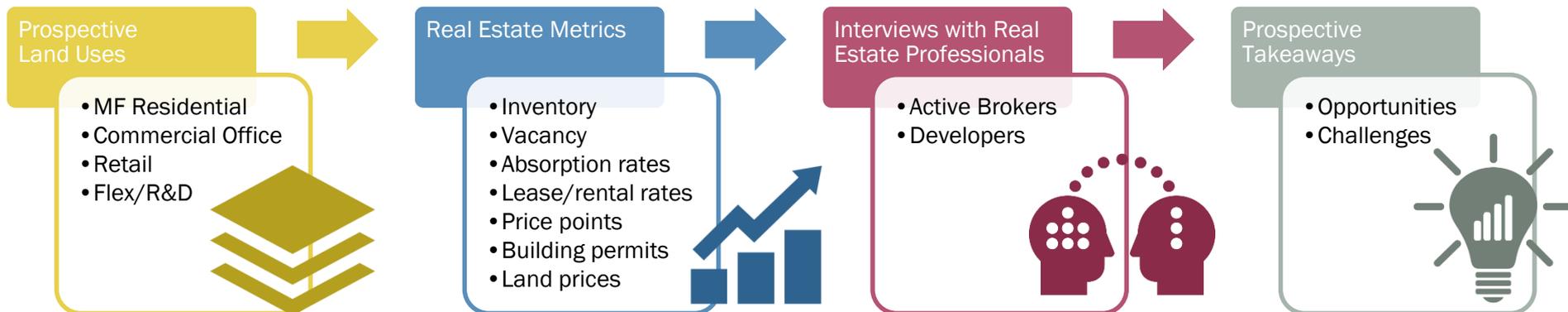
# Real Estate Trends Analysis

## Methodology: Real Estate Analysis

**Real Estate Trends Analysis:** Using a variety of primary and secondary resources (see Appendix for detailed sources), 4ward Planning examined the local supply, demand, occupancy, and pricing factors for existing land uses within Kennett Square Borough, the 20-minute Primary Market Area (PMA), and corresponding Philadelphia real estate submarkets (Submarkets), inclusive of multi-family residential (e.g. apartments, town houses, and condos), commercial office, retail, and light industrial (e.g. flex/R&D). Specifically, we examined building permit activity, inventory (e.g. units and/or square footage), vacancy rate trends, lease rates, and sale price points.

**Interviews with Real Estate Professionals:** Quantitative analysis was supplemented with active broker and developer interviews, in order to “ground truth” data findings.

**Identify Prospective Opportunities and Challenges:** Based on real estate metrics and feedback from real estate professionals, 4ward Planning examined real estate opportunities for each of the major land uses and identified prospective opportunities and challenges for each category.

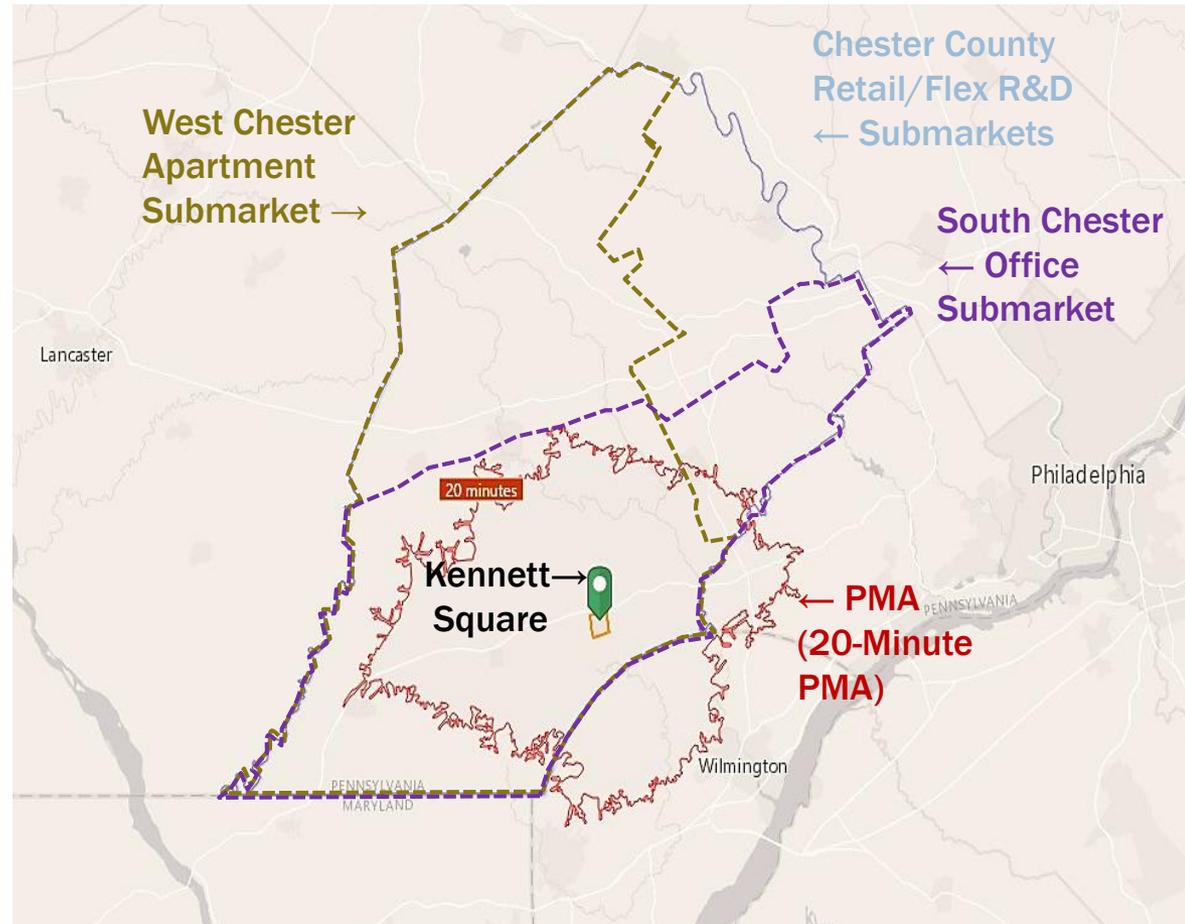


## Methodology: Geographies

The geographic areas studied include:

- **Kennett Square Borough**
- **Primary Market Area (PMA):** 20-minute drive-time contour from downtown (approximately a 10-mile radius)
- **Philadelphia Real Estate Submarkets, as defined by Reis:**
  - Apartment: West Chester
  - Office: South Chester
  - Retail: Chester County
  - Flex/R&D: Chester County

Real estate data collected for each geography provides insight into potential real estate market trends and economic development opportunities within the Kennett Square PMA and, by association, the Kennett Square study area.



Source: Esri, Reis, 4ward Planning Inc., 2015

# Commercial Office Trends Analysis

## Key Findings: Commercial Office

### Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

### Rebounding office submarket

Although the inventory of office space within both the South Chester Submarket and Philadelphia Metro areas has remained flat over the past five years, Reis predicts that office space inventory within the Submarket will grow at an annual rate (1.3 percent per year), slightly higher than the Metro region (1.2 percent per year), over the next five years.



### 862,000 square feet of vacant office space

According to third-quarter 2015 data provided by Reis, approximately 862,000 square feet of office space was vacant. Further, Reis reports 402,000 square feet of new office space will be delivered in the Submarket within the next 60 months. Accordingly, Reis forecasts that average office vacancy rates within the Submarket will increase over the next five years



### Lower rents within the PMA

On average, annual asking lease rates for the 39 office properties currently available within the 20-Minute PMA (\$16.69 per square foot, NNN) are approximately \$9 per square foot lower than annual asking lease rates within the South Chester Submarket (\$26.52 per square foot, NNN), suggesting that demand for office space within the 20-Minute PMA is far less desirable (in demand) than office space, generally, within the South Chester Submarket, as a whole.

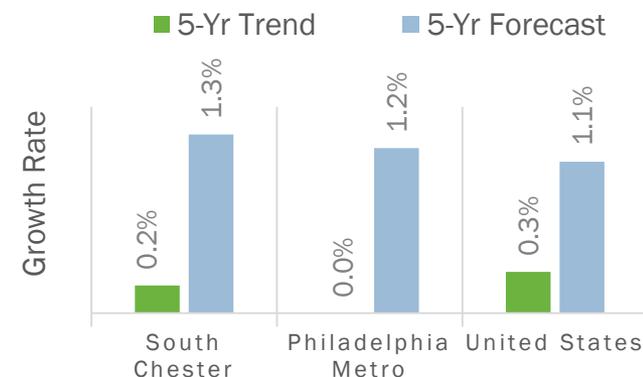


## Office Inventory: South Chester Submarket

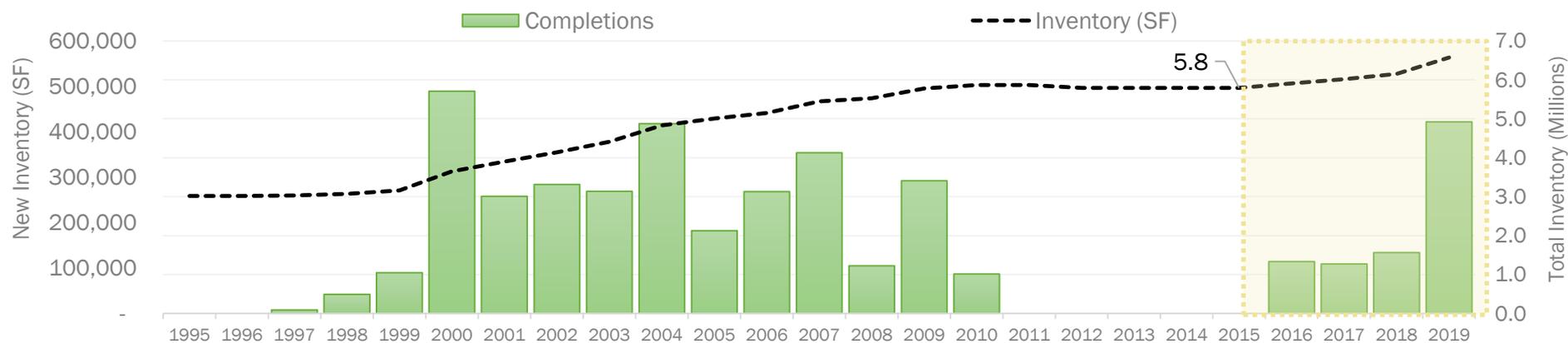
According to third-quarter 2015 data provided by Reis, the South Chester Office Submarket has approximately 5.8 million square feet of office space, with another 402,000 square feet of new office space expected to be completed/delivered over the next five years. Although office inventory within all geographies has remained relatively flat over the past five years, Reis predicts office space inventory within the Submarket will grow at 1.3 percent per year, over the next five years (at a rate comparable to the Philadelphia metro and U.S., on average).

Kennett Square will likely realize little of the projected inventory identified by Reis, given its existing building character and small scale.

### Office Inventory Change - Annualized



### Office Supply/Demand Trends: South Chester Submarket

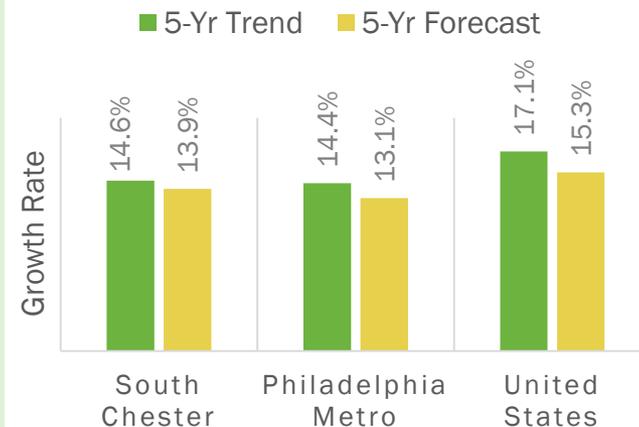


Source: Reis; 4ward Planning 2015

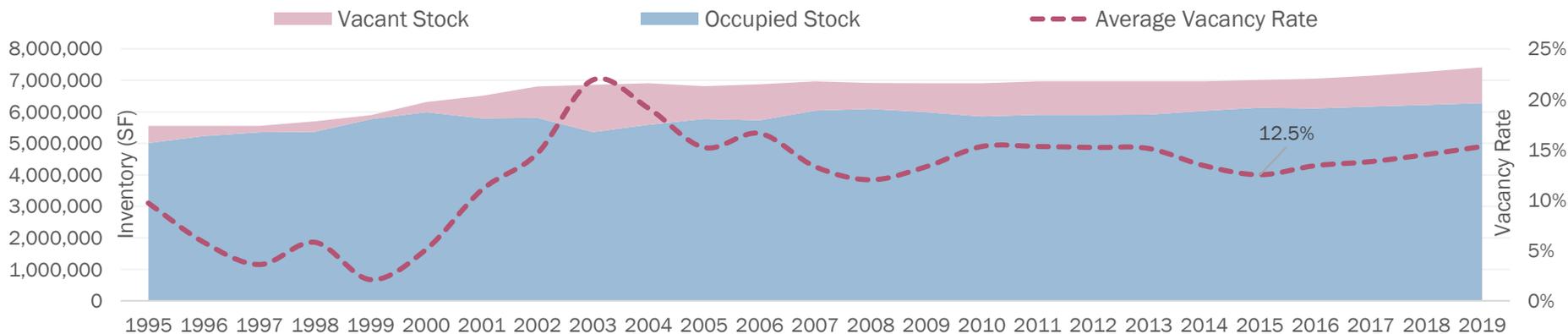
## Office Vacancy: South Chester Submarket

According to third-quarter 2015 data provided by Reis, approximately 862,000 square feet of vacant office space exists within the South Chester Office Submarket. The average office vacancy rate within the Submarket is 12.5 percent (slightly lower than the Metro region, and significantly lower than the U.S. rate). Reis forecasts average office vacancy rates within the Submarket will increase over the next five years, becoming slightly higher than the projected Metro average vacancy rate, but remaining below that of the U.S. average office vacancy rate. As Kennett Square has a relatively small amount of office space, no reliable metrics are available for the borough.

### Office Vacancy Rate - Annualized



### Office Vacancy Trends and Forecasts: South Chester Submarket

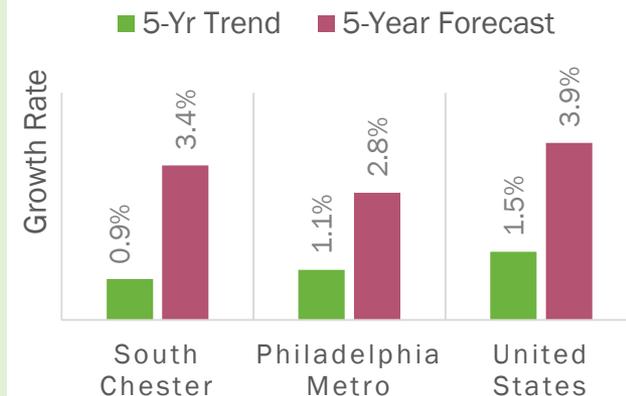


Source: Reis; 4ward Planning Inc. 2015

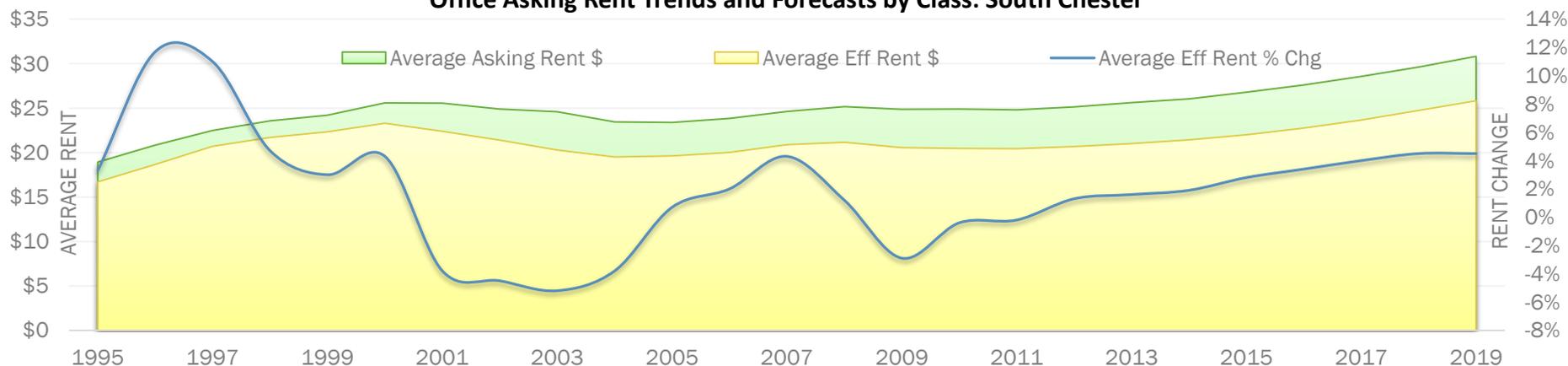
## Office Asking Rent: South Chester Submarket

As of first-quarter 2015, average annual asking rent for office space within the Submarket was \$26.52 per square, triple net (NNN)<sup>1</sup>, although average effective rent (taking into account rent concessions) was \$21.85 per square foot, NNN. Despite the less than one-percent increase in average Submarket office space asking rents, over the past five years, Reis forecasts that average asking rents will rise, annually, by 3.4 percent over the next five years (at a rate higher than that of the Metro office market area but lower than the U.S. average office asking rent). The office asking rent for properties in Kennett Square will be dependent upon the availability of space and strength of local demand.

### Office Asking Rent Growth - Annualized



### Office Asking Rent Trends and Forecasts by Class: South Chester



Source: Reis; 4ward Planning Inc. 2015

<sup>1</sup>Triple net (NNN) rents exclude the costs of utilities, taxes and, frequently, common area charges.

## Office Asking Rent: 20-Minute PMA



According to November 2015 data provided by LoopNet, there were 39 office properties with a combined 313,368 square feet of space for lease, within the 20-Minute PMA. General office building properties (e.g., providing space for general business office use) comprises 69 percent of this inventory, by total square footage. Within Kennett Square Borough, specifically, there was approximately 1,000 square feet of medical office space and 121,600 square feet of general office building space.

Kennett Square (and Township) features 56 percent of the total available general office space within the PMA and 39 percent of total office space (general and medical) within the PMA.

### Asking Annual Lease Rates: 20-Minute PMA

Subtype and Location	Properties	Available Inventory (SF)	Average Rental Rate (SF/Yr.)
<b>Medical Office</b>	<b>2</b>	<b>95,871</b>	<b>\$20.00</b>
Chadds Ford, PA	1	94,871	NA
Kennett Square, PA	1	1,000	\$20.00
<b>Office Building</b>	<b>37</b>	<b>217,497</b>	<b>\$16.58</b>
Centerville, DE	1	1,724	\$24.36
Hockessin, DE	5	9,943	\$20.25
Landenberg, PA	1	6,810	\$21.50
Chadds Ford, PA	4	14,539	\$17.95
Kennett Square, PA	11	121,611	\$16.03
Greenville, DE	4	36,255	\$15.77
Newark, DE	2	5,605	\$15.00
Yorklyn, DE	1	2,500	\$15.00
Newport, DE	1	1,235	\$14.00
West Chester, PA	2	2,036	\$13.01
Avondale, PA	3	9,914	\$11.96
Stanton, DE	1	2,100	NA
West Grove, PA	1	3,225	NA
<b>Total/Average</b>	<b>39</b>	<b>313,368</b>	<b>\$16.69</b>

Source: Loopnet, 4ward Planning, November, 2015

## Office Asking Sale Price: 20-Minute PMA



**FOR  
SALE**

According to November 2015 data provided by LoopNet, there were 18 office properties with a combined 105,291 square feet of space for sale within the 20-Minute PMA, with conventional office building properties comprising 85 percent of this inventory by total square footage. Within Kennett Square Borough, specifically, there was approximately 34,450 square feet of office building space, 9,409 square feet of office-warehouse space, and 1,400 square feet of Office-R&D space.

On average, asking sale prices within the 20-Minute PMA were highest for conventional office building properties (\$183 per square foot) and lowest for the one medical office property (\$69 per square foot). Generally, the price per square foot of available office space is, on average, equivalent to the cost of new construction.

### Office Asking Sale Price: 20-Minute PMA

Subtype	Properties	Available Inventory (SF)	Average Price per SF
<b>Office Building</b>	<b>11</b>	<b>89,650</b>	<b>\$183</b>
Chadds Ford, PA	1	7,700	\$390
Greenville, DE	1	12,000	\$146
Kennett Square, PA	6	34,450	\$166
Landenberg, PA	2	30,500	\$122
Yorklyn, DE	1	5,000	\$240
<b>Office Condo</b>	<b>3</b>	<b>NA</b>	<b>\$151</b>
Chadds Ford, PA	2	NA	\$139
West Chester, PA	1	NA	\$174
<b>Office-Business Park</b>	<b>1</b>	<b>1,000</b>	<b>\$149</b>
Chadds Ford, PA	1	1000	\$149
<b>Office-R&amp;D</b>	<b>1</b>	<b>1,400</b>	<b>\$107</b>
Kennett Square, PA	1	1,400	\$107
<b>Office-Warehouse</b>	<b>1</b>	<b>9,409</b>	<b>\$101</b>
Kennett Square, PA	1	9409	\$101
<b>Medical Office</b>	<b>1</b>	<b>3,832</b>	<b>\$69</b>
Avondale, PA	1	3832	\$69
<b>Total/Average</b>	<b>18</b>	<b>105,291</b>	<b>\$161</b>

Source: Loopnet, 4ward Planning, November, 2015

# Light Industrial Trends Analysis

## Key Findings: Light Industrial

### Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

### Modest increases in inventory and rent growth

The Submarket's Flex/R&D inventory has grown by an annual 0.7 percent over the past five years and is expected to grow by 0.9 percent per year, over the next five years. Likewise, average asking rents for Flex/R&D space in the Submarket have grown by 1.3 percent over the past year and are projected to grow by 2.6 percent per year, over the next five years. Both inventory and rent growth in the Submarket is expected to continue increasing at a rate comparable to the Philadelphia Metro and nation, on average.



### Declining vacancy rate in Submarket

The average Flex/R&D vacancy rate within the Submarket (9.7 percent) was lower than vacancy rate for the Philadelphia Metro (10.3 percent) and nation (12.1 percent). According to Reis, Flex/R&D vacancy rates in the Submarket have declined slightly over the past five years, and will continue to decline over the next five years – a favorable trend for Kennett Square.



### Lower rents within the PMA

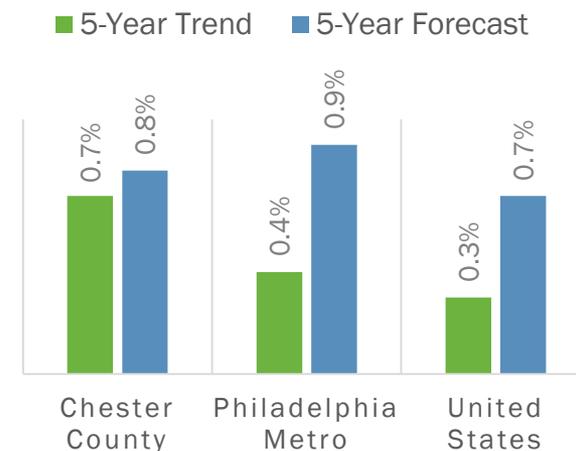
While projected Flex/R&D inventory and rent growth, and declining vacancy rates in the Submarket are signs of a strengthening regional real estate environment, average asking rent for flex space within the PMA (\$7.74 per square foot NNN) is lower than the Submarket (\$10.27 per square foot NNN), suggesting the demand for flex space within the PMA may be lower than that within the larger Submarket.



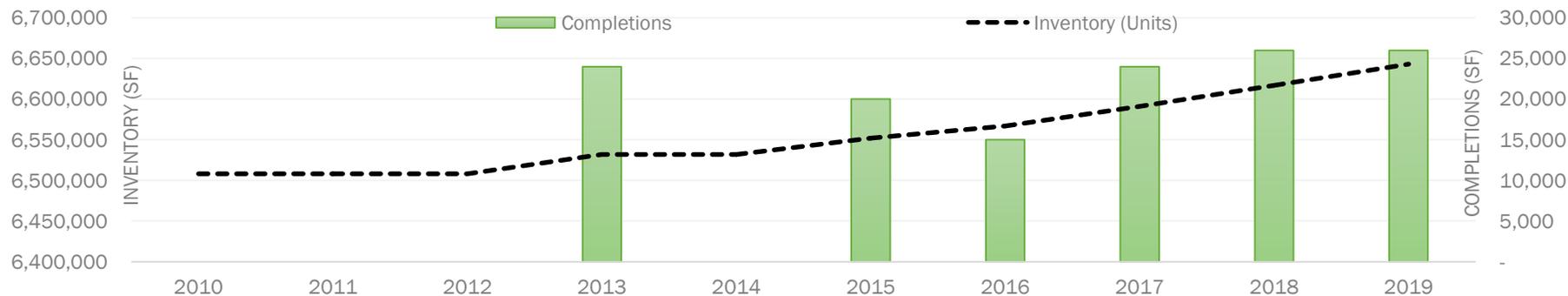
## Flex/R&D Inventory Trends: Chester County Submarket

According to Reis, Flex/R&D space is an industrial building with a minimum of 25 percent total office space and consisting of either warehouse/distribution and/or specialty industrial space (such as research and development and high-tech space). According to third-quarter 2015 data provided by Reis, there is over 6.5 million square feet of flex and R&D industrial space within the Chester County Submarket. The Submarket's Flex/R&D inventory has grown by a scant 0.7 percent per year, over the past five years and is expected to grow by an annual 0.8 percent, over the next five years (comparable to that of the Philadelphia Metro and U.S.). Reis estimates that another 76,000 square feet of new Flex/R&D space will be delivered within the Submarket by 2019.

### Inventory Change - Annualized



### Flex/R&D Inventory Trends and Forecasts: Chester County Submarket

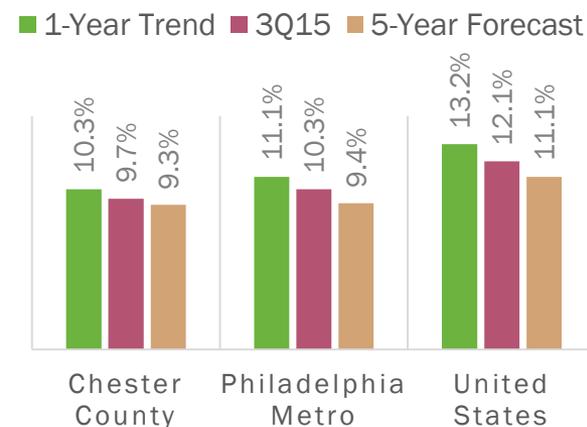


Source: Reis; 4ward Planning Inc., 2015

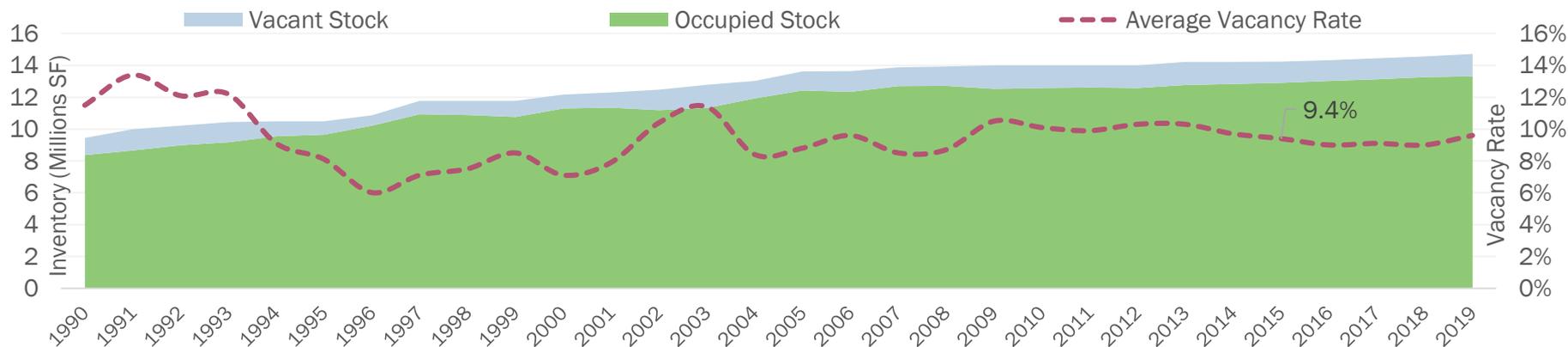
## Flex/R&D Vacancy: Chester County Submarket

According to third-quarter 2015 data provided by Reis, there was approximately 637,000 square feet of vacant Flex/R&D space within the Submarket. The average Flex/R&D vacancy rate within the Submarket (9.4 percent) was lower than the vacancy rate for the Philadelphia Metro (10.3 percent) and U.S. (12.1 percent), according to third-quarter 2015 data provided by Reis. As illustrated in the charts to the right and below, Flex/R&D vacancy rates in the Submarket have declined slightly over the past five years. Reis forecasts that average Flex/R&D vacancy rates within all geographies will decline, slightly, over the next five years. These trends suggest little need for constructing new Flex/R&D space.

### Vacancy Rate Comparisons - Annualized



### Flex/R&D Vacancy Trends and Forecasts: Chester County Submarket

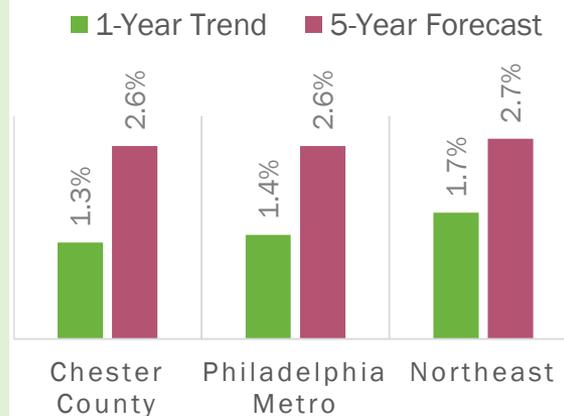


Source: Reis; 4ward Planning Inc., 2015

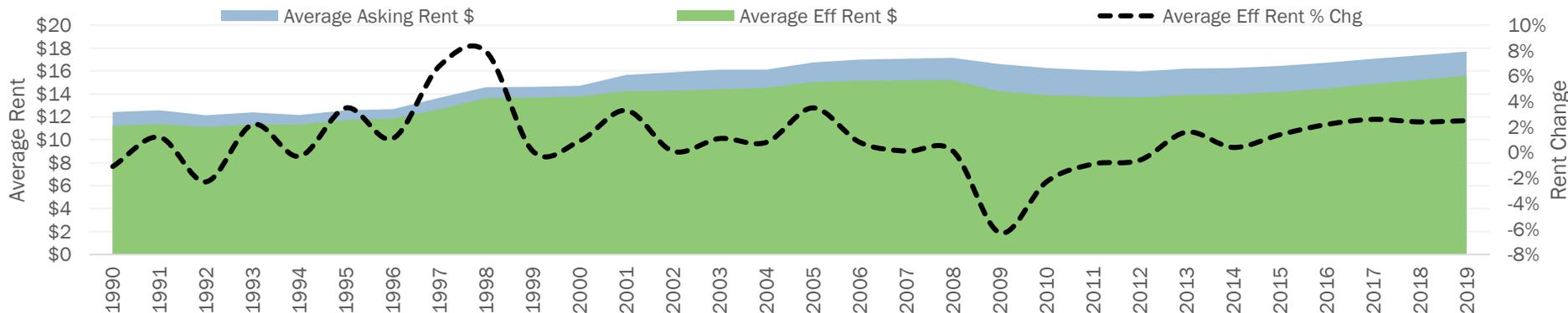
## Flex/R&D Asking Rent: Chester County Submarket

As of first-quarter 2015, average annual asking rent for Flex/R&D space within the Submarket was \$10.27 per square foot, triple net (NNN); although average effective rent (after taking into account rent concessions) was \$9.31 per square foot. According to Reis, average asking rents for Flex/R&D space in the Submarket have grown by a modest 1.3 percent over the past year and are projected to grow by a more robust 2.6 percent per year, over the next five years (at a rate comparable to the Philadelphia Metro and nation, on average). Notwithstanding the aforementioned projected growth in rents, construction of new Flex/R&D space in Kennett Square is not advised, unless it is being constructed as build to suit.

### Asking Rent Growth Rate - Annualized



### Flex/R&D Asking Rent Trends and Forecasts: Chester County Submarket



Source: Reis; 4ward Planning Inc., 2015

## Industrial Asking Rents and Sale Prices: 20-Minute PMA

According to November 2015 data provided by LoopNet, there is approximately 347,600 square feet of flex space available for lease and 87,150 square feet of flex space available for sale within the 20-Minute PMA

**For Rent:** There are 11 industrial properties with a combined 359,460 square feet of space available for lease within the 20-Minute PMA. Average asking rent for warehouse space (\$9.65 per square foot NNN) is higher than the average asking rent for flex space (\$7.74 per square foot NNN).

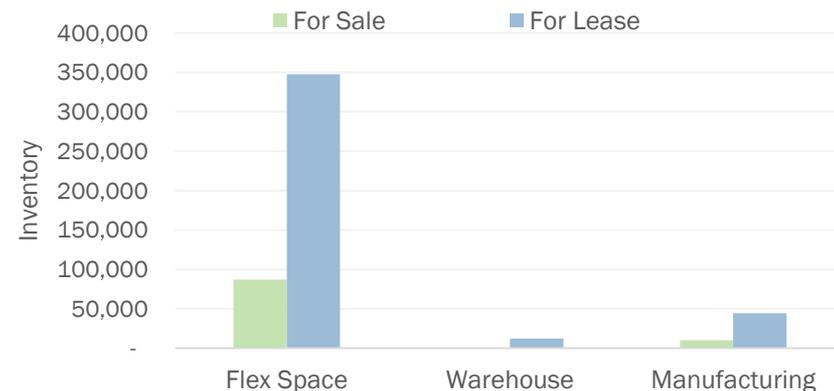
**For Sale:** Within the 20-Minute PMA, there are four industrial properties with a combined 97,150 square feet of space available for sale. Similar to rental space, the asking sale price for the one manufacturing space available (\$92.50 per square foot) is higher than the average asking sale price for flex space (\$73.23 per square foot).

### For-Rent Industrial Characteristics, 20-Minute PMA

Type	Properties	Available SF	Average Rent (SF/Yr.)
Flex Space	8	347,635	\$7.74
Warehouse	3	11,825	\$9.65
<b>Grand Total</b>	<b>11</b>	<b>359,460</b>	<b>\$8.16</b>

### For-Sale Industrial Characteristics, 20-Minute PMA

Type	Properties	Available SF	Average Sale Price (SF)
Flex Space	3	87,150	\$73.23
Manufacturing	1	10,000	\$92.50
<b>Grand Total</b>	<b>4</b>	<b>97,150</b>	<b>\$78.05</b>



Source: LoopNet; 4ward Planning Inc., 2015

# Retail Trends Analysis

## Key Findings: Retail

### Legend

Existing  
AdvantagePotential  
OpportunityImportant  
ConsiderationMarket  
Limitation

### Chester County's retail market is strong.

Retail inventory and asking rent growth within Chester County have remained relatively flat over the past five years and, unsurprisingly, Reis expects the Submarket's inventory will grow by a modest 0.8 percent per year, over the next five years (at a rate relatively comparable to the Philadelphia Metro), while average asking rents are projected to increase by a robust 3.4 percent per year, over the next five years (at a rate higher than the Philadelphia Metro).



### 1.6 million square feet of major retail space in 20-Minute PMA

Based on 2015 data provided by the Directory of Major Malls and Shopping Centers, there is over 1.6 million square feet of major retail shopping center space within the 20-Minute PMA. Much of this shopping center space can be categorized as comparison retail and is the type of retail which most often competes with on-line retailers.



### Prospective restaurants, cafes, spas, and live performance venues

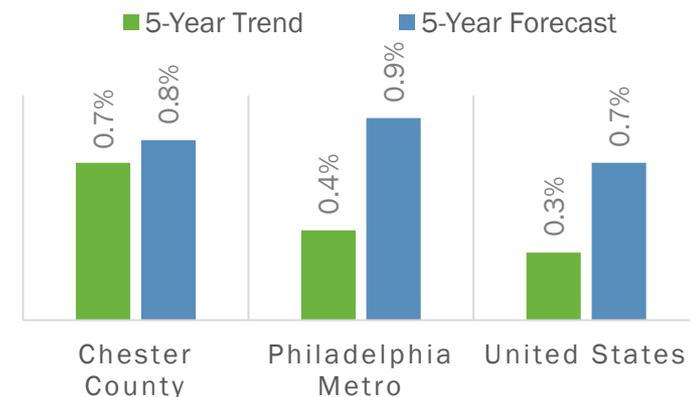
Strong household spending within the discretionary categories of Dining Out, Personal Care, and Entertainment and Recreation are quite favorable to existing and prospective restaurants, cafes, spas, and live performance venues in Kennett Square. Furthermore, health and personal care stores are the only retail category with a lower share of businesses within the borough, than the PMA and county.



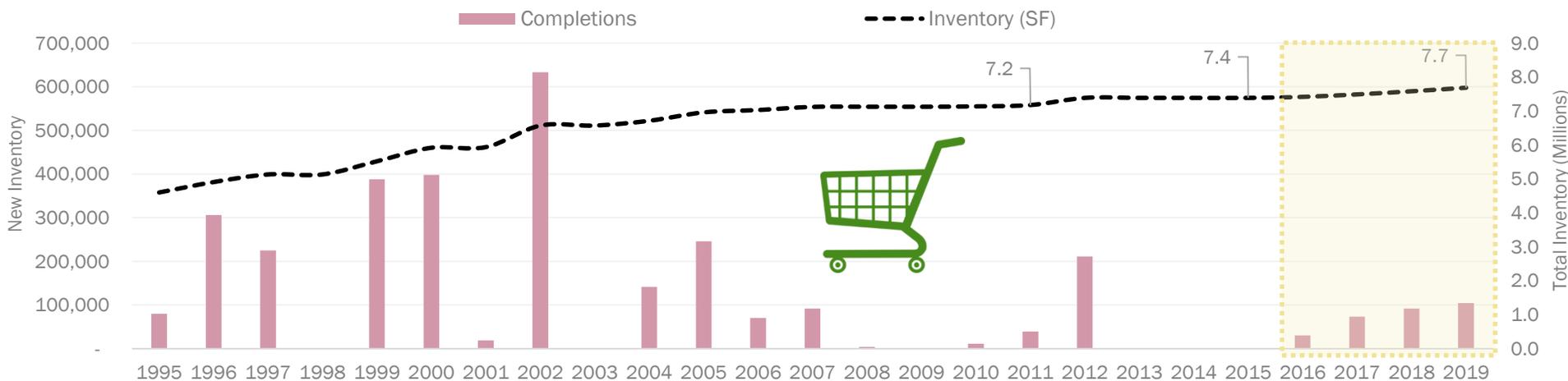
# Retail Inventory: Neighborhood and Community Shopping Centers

According to third-quarter 2015 data provided by Reis, there is approximately 7.7 million square feet of neighborhood and community shopping center retail space within the South Chester Submarket. Although the Submarket's retail inventory has remained relatively flat over the past five years, it is expected to grow by a slight 0.8 percent per year, over the next five years (at a rate relatively comparable than that for the Philadelphia Metro and the U.S.). By 2019, Reis estimates that another 300,000 square feet of new retail space will be delivered within the Submarket.

## Retail Inventory Change - Annualized



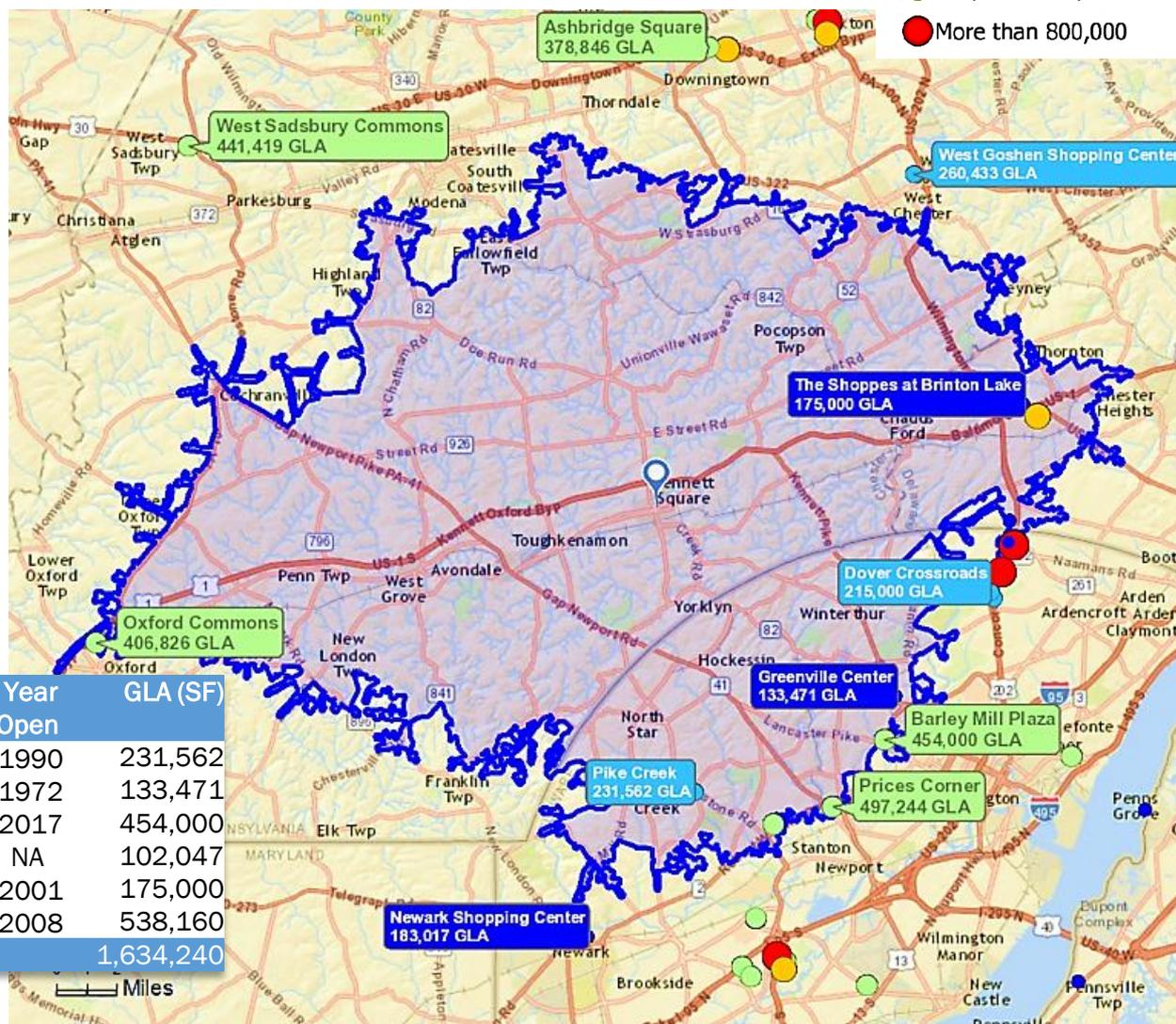
## Retail Inventory Trends and Forecasts: South Chester Submarket



Source: Reis; 4ward Planning Inc., 2015

# Retail Inventory: Major Shopping Centers

Based on 2015 data provided by the Directory of Major Malls, there is over 1.6 million square feet of major retail shopping center space (complexes with at least 200,000 square feet) within the 20-Minute PMA. Located more than seven miles from downtown Kennett Square and 231,562 square feet of gross leasable area (GLA), Pike Creek is the Borough's closest major shopping center.



## Major Shopping Center Space

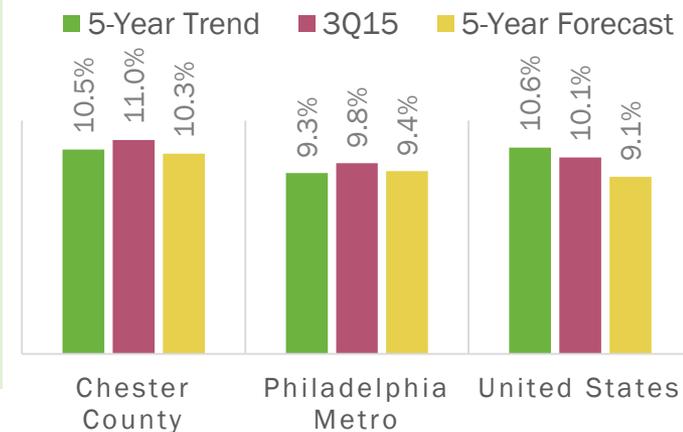
Name	Distance (miles)	Year Open	GLA (SF)
Pike Creek	7.46 SE	1990	231,562
Greenville Center	7.83 SE	1972	133,471
Barley Mill Plaza	8.38 SE	2017	454,000
Market Square	9.03 SE	NA	102,047
The Shoppes at Brinton Lake	9.71 NE	2001	175,000
Concordville Town Centre	9.99 NE	2008	538,160
<b>Total</b>			<b>1,634,240</b>

Source: Directory of Major Malls, Inc., 2015

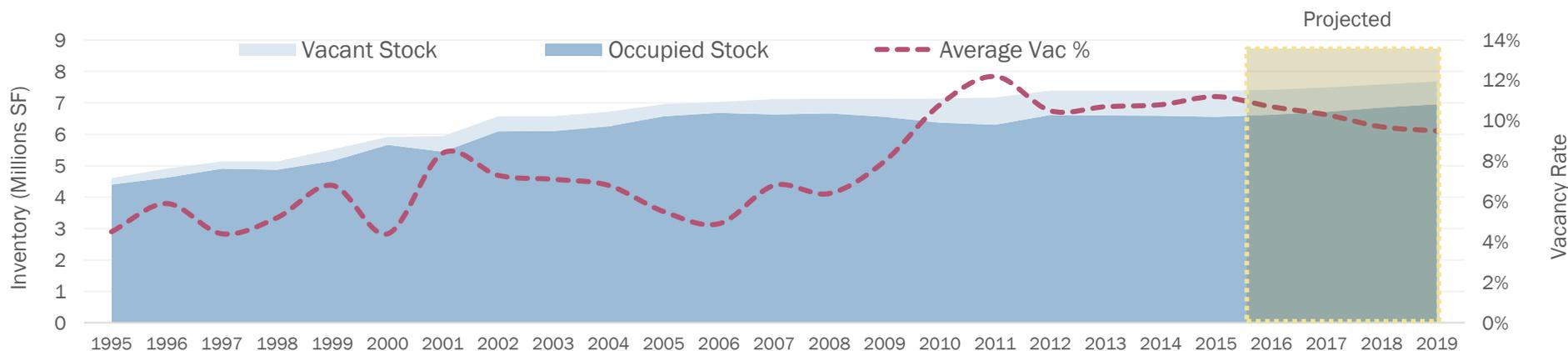
## Retail Vacancy: Chester County Submarket

According to third-quarter 2015 data provided by Reis, there was approximately 813,000 square feet of vacant neighborhood and community retail space within the Submarket. The average retail vacancy rate within the Submarket (11.0 percent) was higher than that for the Philadelphia Metro (9.8 percent) and U.S. (10.1 percent), according to third-quarter 2015 data provided by Reis. Reis forecasts that average retail vacancy rates within the Submarket will decline, slightly, to 10.3 percent over the next five years, though, remain higher than the projected vacancy rates for both the Metro and U.S.

### Vacancy Rate Comparisons - Annualized



### Retail Vacancy Trends and Forecasts: Chester County Submarket

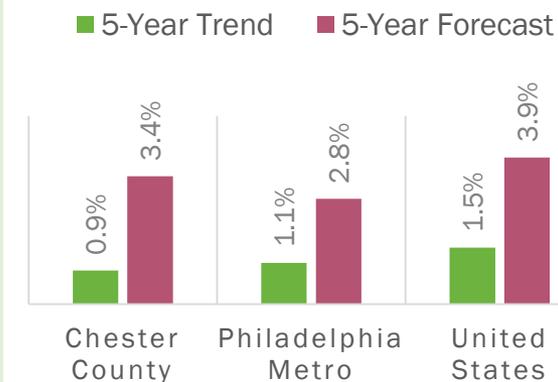


Source: Reis; 4ward Planning Inc., 2015

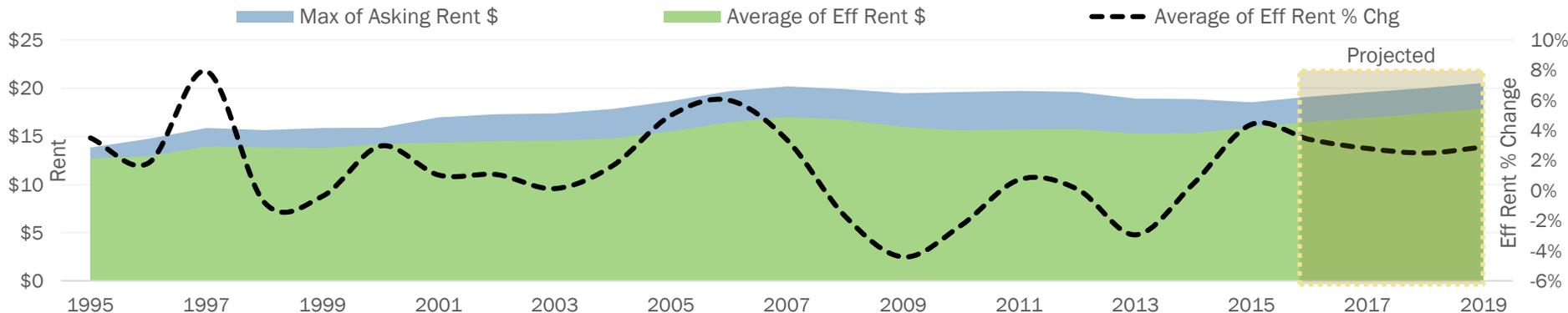
## Retail Asking Rent: Chester County Submarket

As of third-quarter 2015, average annual retail asking rent for neighborhood and community shopping center space, within the Submarket, was \$18.41 per square foot triple net (NNN), although average effective rent (after taking into account rent concessions) was \$15.84 per square foot. Although average asking rents for retail space in the Submarket have grown by less than one-percent per year, over the past five years, Reis forecasts that average asking rents will increase by 3.4 percent over the next five years (at a rate higher than the Philadelphia Metro but less than the U.S., on average). It should be stated that county submarket rental trends may differ substantially from those in Kennett Square, based on the desirability of retail space in Kennett Square's downtown and the limited amount of store space.

### Asking Rent Growth Rate - Annualized



### Retail Rent Trends and Forecasts: Chester County Submarket



Source: Reis; 4ward Planning Inc., 2015

## Retail Asking Rent: 20-Minute PMA

According to November 2015 data provided by LoopNet, there were 75 retail properties representing nearly 398,000 square feet of retail space available for lease, within the 20-Minute PMA. Average annual asking lease rates for retail space within the 20-Minute PMA (\$17.15 per square foot, NNN) are relatively comparable with that of the larger Chester County Submarket (\$18.41 per square foot, NNN), suggesting the demand for retail space within the 20-Minute PMA is comparable to the larger office submarket. Particularly of note, in the below graph, is the relatively small amount of restaurant and street retail space available in the PMA, at 13,298 and 16,398 square feet, respectively. According to Historic Kennett Square officials, the typical retail store spaces in Kennett Square's Central Business District range between 800 to 2,500 square feet and rent between \$12 to \$16 per square foot, with one or two properties asking around \$20 per square foot. As demand continues to rise for downtown retail space, rental lease rates will edge up and place greater pressure on small scale entrepreneurs.

Retail Leases by Subtype: 20-Minute PMA

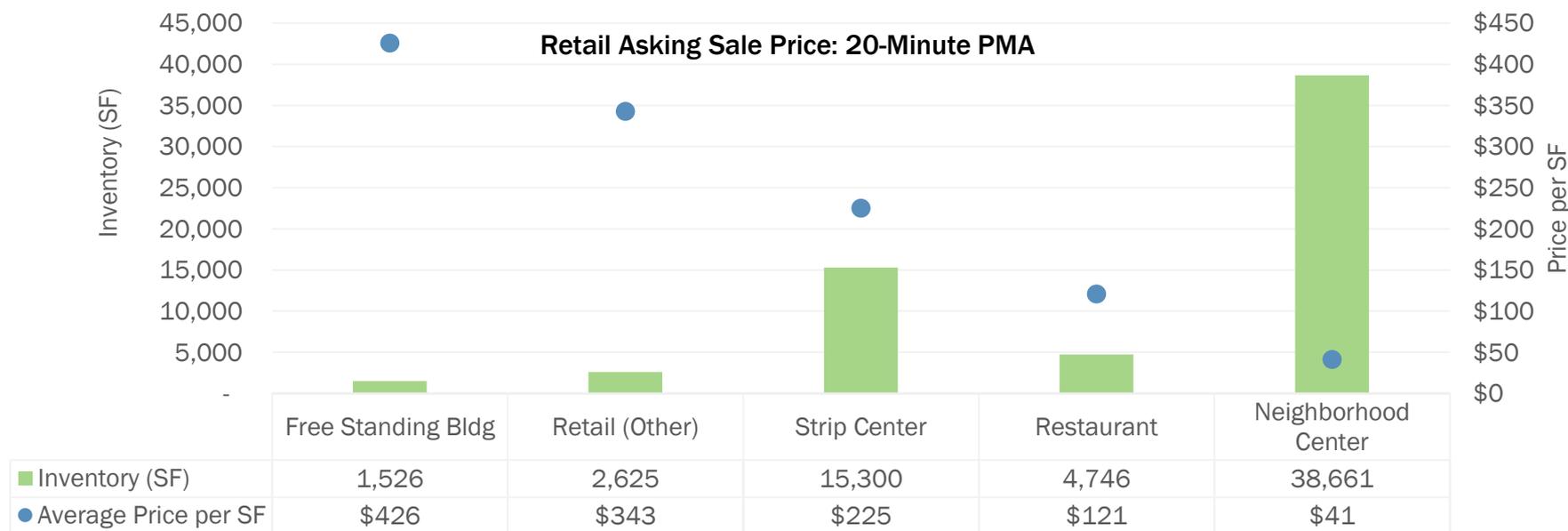


Source: LoopNet; 4ward Planning Inc., November, 2015

## Retail Asking Sale Price: 20-Minute PMA

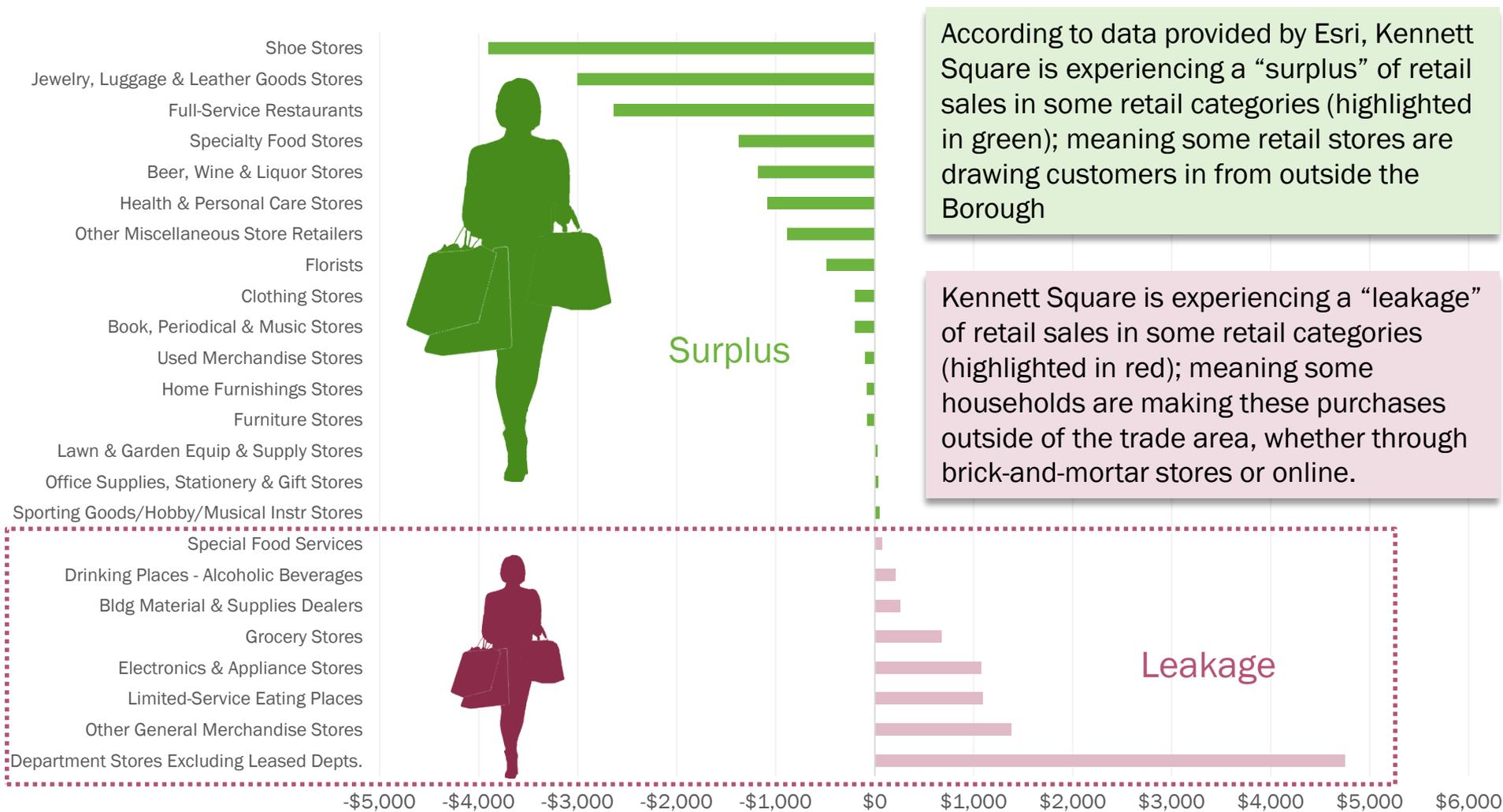
According to November 2015 data provided by LoopNet, an online real estate data company, there were just five retail properties encompassing approximately 62,850 square feet of space for sale, within the 20-Minute PMA; neighborhood center retail property comprises 62 percent of this inventory, by total square footage. Asking retail sale prices were highest for retail space located within the one free-standing building property (\$426 per square foot) and lowest for retail space located within the neighborhood center.

According to Historic Kennett Square, and as of December 2015, there are only two retail related buildings for sale, both of which are said to be in need of major renovation.



Source: Loopnet, 4ward Planning, November, 2015

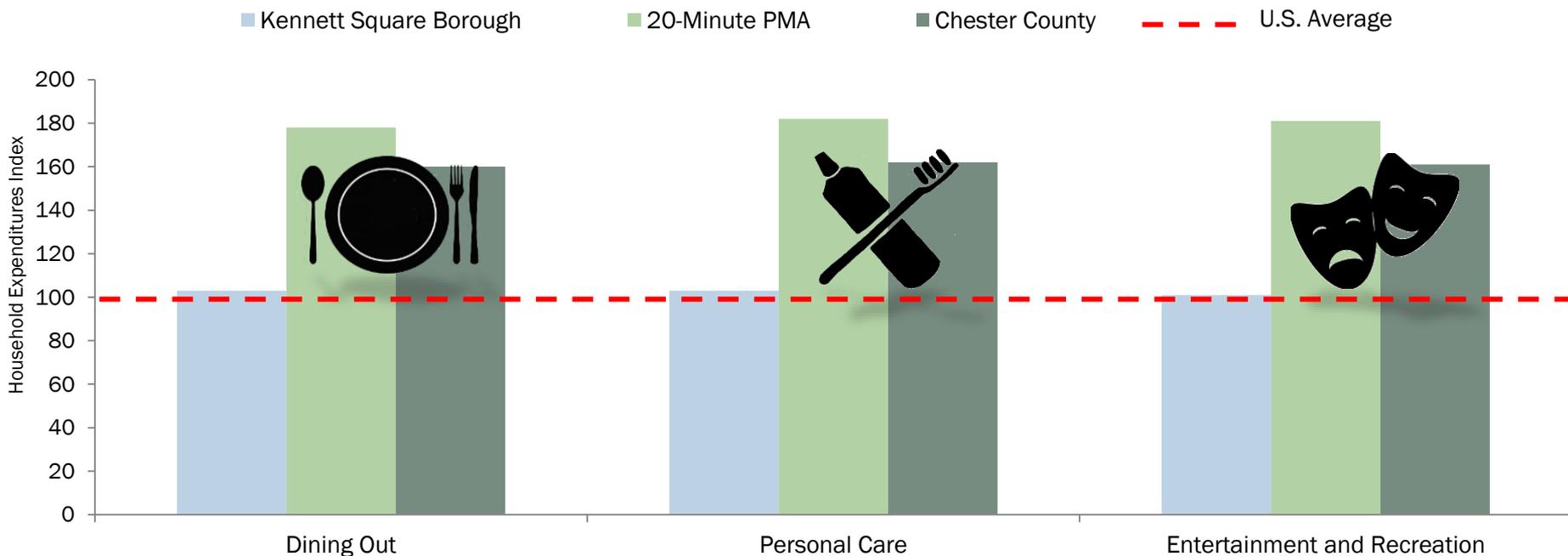
# 2015 Retail Gap per Household: Kennett Square Borough



Source: Esri; 4ward Planning Inc., 2015

## Household, Entertainment & Recreation Expenditures: 2015

As previously discussed in the socio-economic analysis, while Kennett Square Borough is generally on par with the national average in most spending categories, household expenditures within the 20-minute PMA and Chester County are significantly higher than the U.S. average, reflecting the relatively high household incomes in these geographies. Further, strong household spending within the discretionary categories of Dining Out, Personal Care, and Entertainment and Recreation (illustrated below) are quite favorable to existing and prospective restaurants, cafes, and live performance venues in Kennett Square.



Source: Esri; 4ward Planning Inc., 2015

## Retail Trade Services: Business Mix

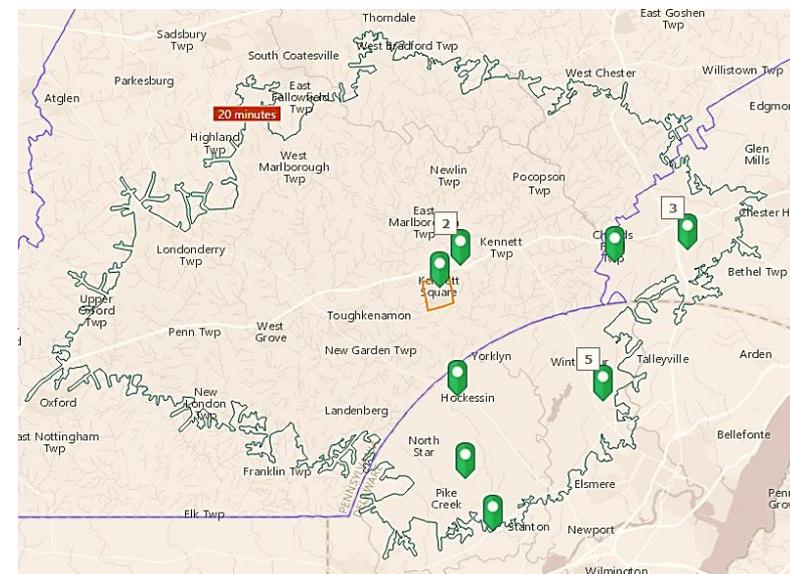
According to Historic Kennett Square, other than two chain stores (e.g. Wawa and Rite Aid) and a small restaurant franchise (Buddy's Burgers), downtown Kennett Square is largely composed of small independent retailers. What is of particular note is the relatively high share of discretionary retail trade, accommodation and food services, and arts, entertainment and recreation businesses (as exhibited in the below chart) present in Kennett Borough, as compared to the share of those businesses within the 20-minute PMA and county. For example, within the highly discretionary clothing and accessories retail category, the percentage share of this category within Kennett Borough is approximately twice the percentage share of such establishments in the PMA and slightly more than twice the percentage share of such businesses present at the county level. The relatively large presence of discretionary consumer businesses in Kennett Borough is indicative of an area in which households enjoy relatively high incomes and an ample amount of leisure time.



Source: Esri; 4ward Planning Inc. 2015

# Health, Beauty, Day & Medical Spas: 20-Minute PMA

As summarized in the table to below, 4ward Planning identified 12 health, beauty, day and/or medical spas within the 20-minute PMA. According to Esri, these facilities employ approximately 160 persons and generate more than \$6.2 million in annual sales. These types of business establishments would be a particularly good fit within Kennett Borough, given the increase in local area income.



Estimated Revenue by Location (\$000s)



Driving Distance (miles)	Name	City	Sales Volume	Number of Employees
1.0	Pure Beauty Med Spa	Kennett Township	\$150,000	4
2.4	Hand & Stone Massage & Facial	Kennett Township	\$187,000	5
4.8	Moraccan Spa & Spa	Chadds Ford	\$384,000	8
4.9	Hockessin Day Spa	Hockessin	\$226,000	6
8.6	Maureen's Hair Salon & Day Spa	Wilmington	\$1,887,000	50
9.0	Oasis Spa At Sherif Zaki Salon	Greenville	\$111,000	3
9.0	Zaki Sherif Salon & Day Spa	Greenville	\$1,887,000	50
9.1	Spa At Montchanin Village	Wilmington	\$558,000	15
9.3	Skin Deep Medspa	Wilmington	\$113,000	3
10.1	Nymphaea Spa	Chadds Ford	\$384,000	8
10.8	Hand & Stone Massage & Facial	Glen Mills	\$187,000	5
12.3	Olympic Health Spa	Glen Mills	\$150,000	4
			<b>\$6,224,000</b>	<b>161</b>

Note: Includes businesses described as health, beauty, day or medical spas.

Sources: Esri, Google Earth, 4ward Planning, Inc. 2015

## Local Event and Banquet Facilities: 20-Minute PMA

As summarized in the table at right, 4ward Planning identified 30 event and banquet facilities within a 20-minute drive of Kennett Square. These facilities - representing hotels, bed and breakfasts, banquet facilities, special event centers, golf courses, wineries, and museums - contain more than 97,000 square feet of corporate and social meeting space.



Distance (miles)	Name	Venue Type	City	Sleeping Rooms	Event Rooms	Meeting Space (SF)
1.2	Fairfield Inn & Suites	Hotel	Kennett Township	109	2	460
1.7	Hilton Garden Inn	Hotel	Kennett Township	92	3	2,000
1.9	Paradocx Vineyard	Winery	Kennett Township	-	1	NA
3.0	Longwood Gardens	Special Events	Kennett Township	-	NA	NA
4.1	Inn at Whitewing Farm	Bed & Breakfast	West Chester	NA	NA	NA
4.4	Hartefeld National Golf Club	Golf Course	Avondale	-	2	NA
4.6	Loch Nairn Golf Club	Golf Course	Avondale	-	2	NA
4.7	Inn at Mendenhall	Hotel	Mendenhall	70	8	19,000
5.1	Hockessin Memorial Hall	Banquet Facility	Hockessin	-	1	8,000
5.5	Chaddsford Winery	Winery	Chadds Ford	-	NA	NA
6.0	Boomers Family Fun	Special Events	Avondale	-	1	3,000
6.7	The Stone Barn	Special Events	Kennett Square	-	6	NA
7.0	Brandywine River Museum	Museum	Chadds Ford	-	2	2,000
7.6	Winterthur Museum & Country Estate	Museum	Winterthur	-	6	11,000
7.6	Brandywine Picnic Park	Special Events	West Chester	-	NA	NA
8.2	Pennsbury Inn	Bed & Breakfast	Chadds Ford	7	1	NA
9.0	Inn at Montchanin Village	Bed & Breakfast	Montchanin	28	3	1,000
9.0	Kreutz Creek Vineyards	Winery	West Grove	-	2	NA
9.9	Hampton Inn & Suites Chadds Ford	Hotel	Glen Mills	124	2	1,000
10.1	Special Teas Tea Room	Special Events	Chadds Ford	-	3	NA
10.2	Faunbrook Bed and Breakfast	Bed & Breakfast	West Chester	85	6	NA
10.3	Paradocx Vineyard - Landenberg	Winery	Landenberg	-	2	NA
10.5	Concord Country Club	Golf Course	West Chester	-	2	NA
10.5	Holiday Inn Express Hotel & Suites	Hotel	West Chester	75	1	600
10.6	Staybridge Suites Wilmington	Hotel	Glen Mills	110	2	1,130
10.7	Wyndham Garden Glen Mills Wilmington	Hotel	Glen Mills	136	11	14,000
10.8	Best Western Concordville Hotel	Hotel	Glen Mills	115	9	14,000
12.0	Microtel Inn & Suites by Wyndham	Hotel	West Chester	102	1	625
13.4	Deerfield	Golf Course	Newark	-	5	10,000
15.2	Days Hotel West Chester	Hotel	Coatesville	141	7	10,000
				1,194	91	97,815

Sources: Cvent, Internet, Google Earth, 4ward Planning, Inc. 2015

## Local Event and Banquet Facilities: 20-Minute PMA

The relatively limited supply of corporate and social meeting space in or near Kennett Borough (within four-miles), combined with a strong and growing discretionary consumer business sector within the downtown (particularly in the dining establishment category), suggests opportunity for attracting one or more business operations which emphasize space rentals for corporate and social functions (e.g., retreat facility, boutique hotel and conference center, large restaurant and on-site banquet facility).

Further, the establishment of such facilities within a borough the size of Kennett Square is highly likely to have a tremendous positive impact on existing local retailers and service businesses who will benefit, indirectly, from bookings.

Finally, event and banquet facilities are labor intensive businesses which require a broad range of skill sets and worker experience – which is well suited to the needs of the many low- and semi-skilled adult workers living in or near Kennett Square.

# Multi-Family Residential Trends Analysis

## Key Findings: MF Residential

### Legend

Existing Advantage

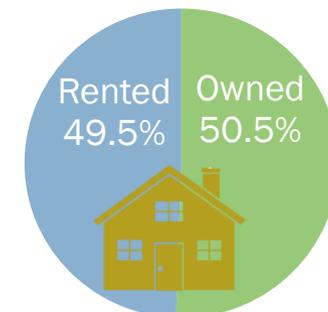
Potential Opportunity

Important Consideration

Market Limitation

### A healthy balance

Housing tenure in Kennett Square is evenly split between owner- and renter-occupancy, while over 70 percent of housing within the PMA and Chester County are owner-occupied.



### 633 apartments in the pipeline

According to construction data provided by CMD Group, and as of November 2015, there are 10 apartment projects in some stage of planning or construction, within the 20-minute drive-time contour, which is projected to add 633 new apartment units within the PMA.



### Extremely low

Reis predicts that average apartment vacancy rate within the West Chester Multi-family Submarket will decrease to an extremely low 0.8 percent, over the next five years, absent the construction of any new inventory.



### 610 to 1,210 new housing units

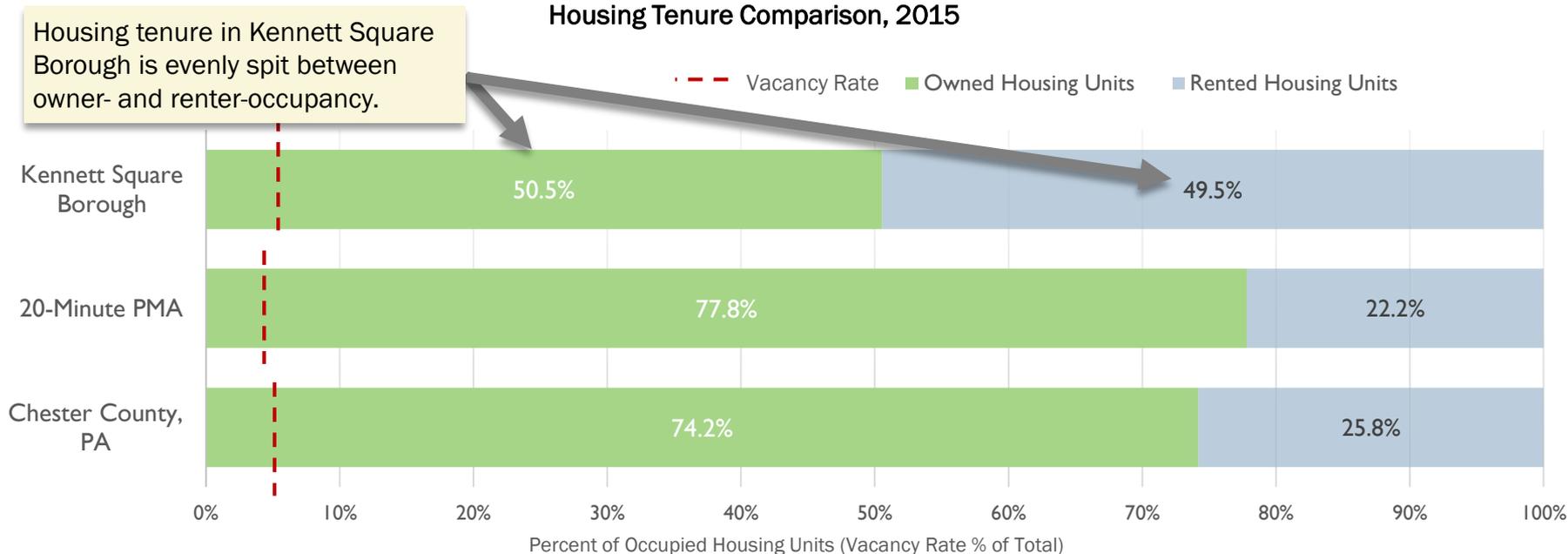
Assuming between five- and ten-percent of net new housing demand within the 20-Minute PMA could be captured within Kennett Square, the Borough has the opportunity to support the development of between 610 and 1,210 residential units by 2030.



# Housing Tenure and Vacancy

The figure below illustrates housing tenure (owner-occupied versus renter-occupied) for the study geographies. Housing tenure in Kennett Square Borough is evenly split between owner- and renter-occupancy, while over 70 percent of housing units within the 20-minute PMA and Chester County are owner-occupied. The current housing vacancy rate is slightly higher in Kennett Square Borough than in the surrounding geographies (5.1 percent, as compared to 4.8 percent in both the PMA and Chester County). By 2020, the estimated vacancy rate is projected to remain stable in Kennett Square Borough, but to decline to 4.6 percent in the PMA. A natural vacancy rate range within most healthy housing markets is between four- and seven-percent. However, the vacancy rates currently identified could be lower still, once physically obsolescent housing is taken into consideration.

### Housing Tenure Comparison, 2015



Tenure rates shown in the chart are calculated for occupied housing stock only; vacant units are not included in these calculations.

Source: US Census Bureau; Esri; 4ward Planning Inc., 2015

## Multi-Family and Townhouse Pipeline

According to data obtained from CMD Group and Historic Kennett Square officials, as of November 2015, there are 10 known multi-family and townhouse projects (non-age restricted nor student housing restricted) in some stage of the development pipeline (e.g., pre-planning, site plan review, construction or completed and leasing), within the 20-minute drive-time contour. Upon completion, these projects will add 1,117 new multi-family and townhouse units within the PMA. All of these projects, with the exception of Limestone Ridge Apartments, which was financed through the state's low-income housing tax credit program, are market rate projects targeted towards middle- and upper-income households in the region. Interviews with a number of project sponsors and property managers reveal that a combination of downsizing empty nesters and young professionals (millennials and younger Generation X workers) are the principal prospective and actual purchasers and renters of the units.

### Apartment Pipeline: 20-Minute PMA

Project	Dwelling Type	Town/City	Development Planning Stage	Units
Chestnut Square	Apartments	West Chester	Opening Spring 2016	206
Walnut Street Developers	Apts. and Towns	Kennett Township	Conceptual	190
The Ravello	Apartments	Kennett Township	Preliminary Plan	176
The Lofts at State	Apartments	Kennett Square	Sketch Plan Review	175
Limestone Ridge Apartments*	Apartments	Kennett Square	Recently Completed	112
124 Market Place	Apartments	West Chester	Occupied and Leasing	88
Bentley (Walnut Rd.)	Townhouses	East Marlborough Twp.	Under Construction	72
Chestnut Street Lofts	Apartments	West Chester	Occupied & Leasing	60
Basciani (Cope Rd. & S. Walnut St.)	Townhouses	Kennett Square	Sketch Plan	25
Cannery Row	Apartments	Kennett Square & Twp.	Preliminary Plan	13
				<b>1,117</b>

\*This development was funded, in part, through Pennsylvania's low-income housing tax credit (LIHTC) program and, therefore, the rental units are subject to income eligibility criteria (e.g., applicant's must meet low- and/or moderate-income guidelines as promulgated by the U.S. Department of Housing & Urban Development).

Source: U.S. Census Bureau, 2009-2013 ACS, Reis; Construction Market Data Group LLC, as of November 2015, 4ward Planning Inc.

# Large Recently Completed or Planned Multi-family Development: Kennett Township & Kennett Square



## Magnolia Place (Completed Spring 2015) Kennett Square Borough

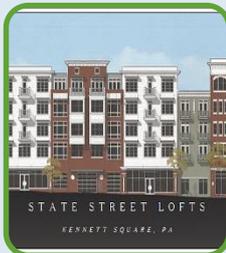
- 33 luxury one-bedroom and two-bedroom units
- 87,000 SF of retail space on the ground floor home to Victory Brewing Company
- Completed by Mike Pia

According to Mike Pia, developer of Magnolia Place, the project was met with great response and is currently fully occupied.



## The Ravello (Preliminary Planning) Kennett Township

- Exclusive lifestyle community will feature luxury flats
- 176 one- and two-bedroom units
- In preliminary planning process by StanAb



## The Lofts at State (Preliminary Planning) Kennett Square Borough

- Exclusive community setting offering specialty retail, dining, and an outdoor piazza
- 175 one- and two-bedroom units
- In preliminary planning process by StanAb



Source: <http://rentmagnolia.com>, [www.theravello.com](http://www.theravello.com), [www.loftsatstatestreet.com](http://www.loftsatstatestreet.com), 4ward Planning, Inc., 2015

# Senior Housing Inventory

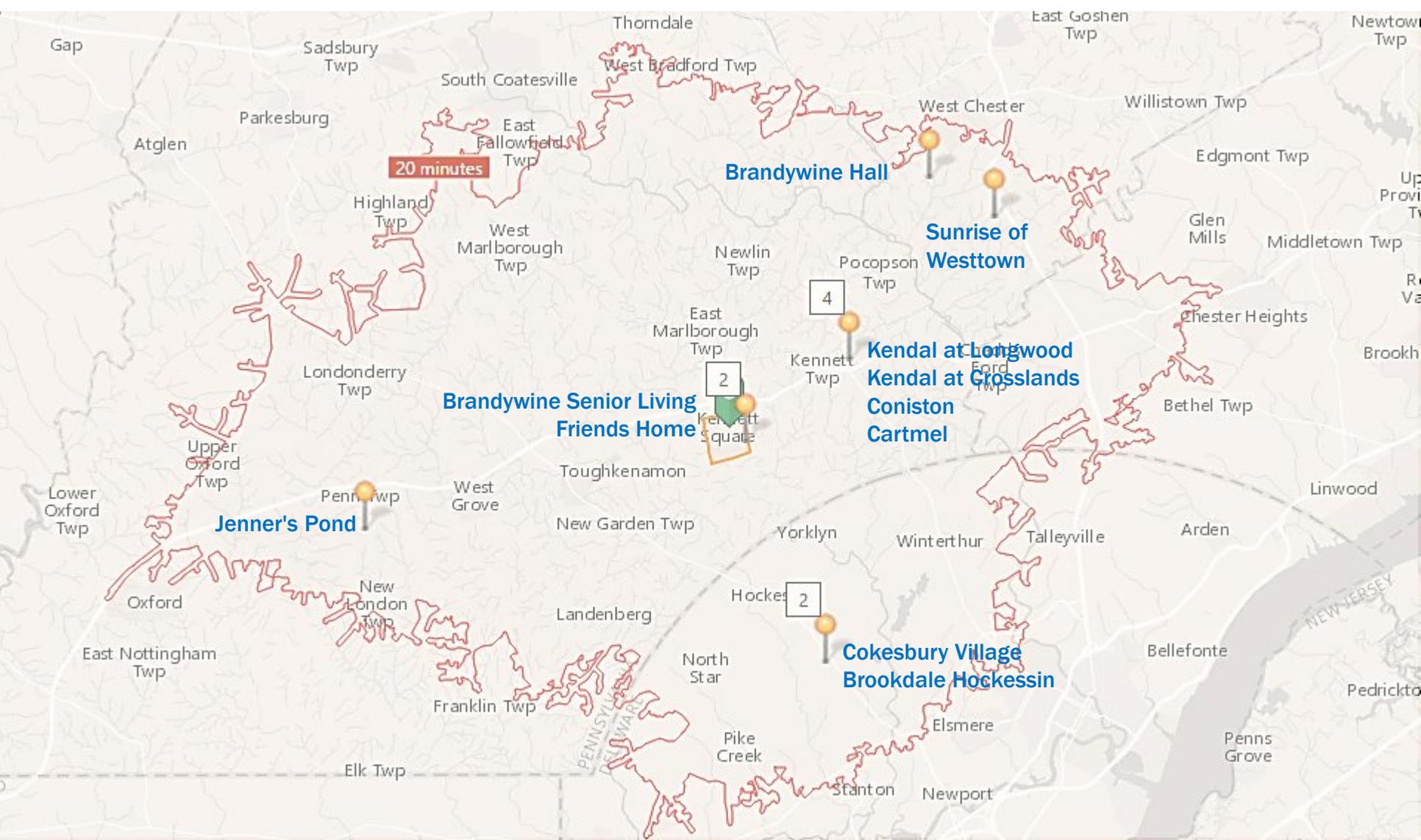
Senior housing is typically a multi-family property, which is designed, configured, and operated for occupancy by persons 55 and older. Most facilities provide a range of housing options and monthly fees, based on medical care needs and other personal service requirements. According to data provided by SeniorHomes.com and Caring.com, two leading on-line providers of senior housing data, there are 11 existing independent-living facilities and retirement communities within a 20-minute drive of Kennett Square, with over half of these facilities located within either Kennett Square or Kennett Township (map on following page). Given the relatively large and growing population of persons 55 and over, within the PMA and county, it is likely that demand for additional senior housing in Kennett Square area will increase over the near-term.

## Adult Independent Living Facilities and Retirement Communities: 20-Minute PMA

Name	Description/Capacity	Location	State	Independent Living	Assisted Living	Respite Care	Memory Care
Brandywine Senior Living	92 beds, assisted living community	Kennett Square	PA	X	X		
Friends Home	studios and 7 one-bedroom apartments	Kennett Square	PA	X	X	X	
Kendal at Longwood	cottages and apartments	Kennett Township	PA	X			
Kendal at Crosslands	cottages and apartments	Kennett Township	PA	X			
Coniston	18 duplexes	Kennett Township	PA	X			
Cartmel	56 one-story duplexes	Kennett Township	PA	X			
Cokesbury Village	45 beds, continuing care retirement community	Hockessin	DE	X	X	X	X
Brookdale Hockessin	66 beds, private and semi-private units	Hockessin	DE		X	X	
Sunrise of Westtown	110 beds, studio, private and semi-private apartments	West Chester	PA		X	X	X
Brandywine Hall	180 beds, private and semi-private rooms	West Chester	PA	X	X	X	
Jenner's Pond	162 cottages, 119 apartments, 60 assisted living suites, 38 beds	West Grove	PA	X	X	X	X

Source: Senior Homes.com, Caring.com, 4ward Planning Inc., November 2015

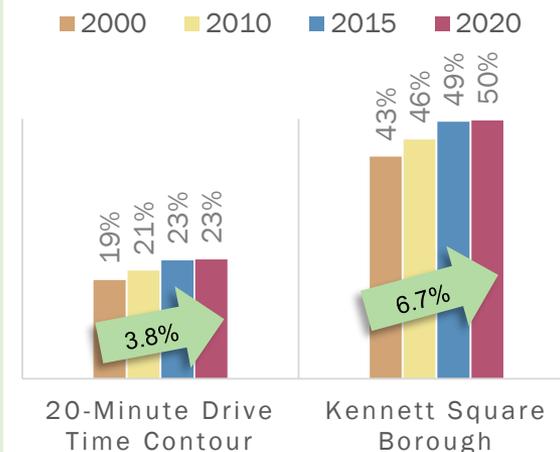
# Senior Housing Inventory: 20-Minute Primary Market Area



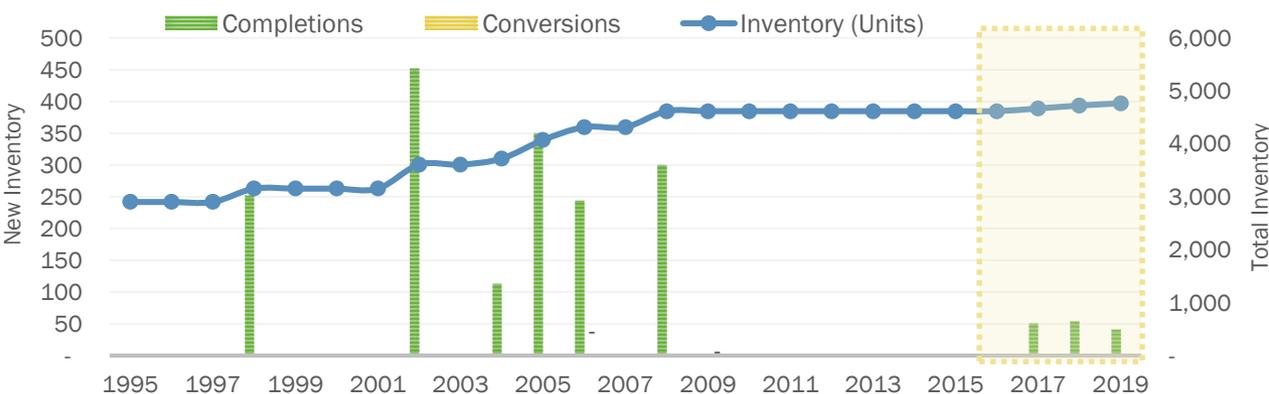
# Multi-Family Inventory and Occupancy Trends

According to Esri, the percentage of renter-occupied housing within Kennett Square Borough and the 20-minute PMA has increased by 3.8 percent and 6.7 percent, respectively, over the past 15 years. Esri estimates that, by 2020, renter-occupied households will compose half of all households within the Borough and 23 percent of households within the PMA. Absent substantial multi-family rental development, Reis expects the West Chester Submarket's apartment inventory will continue to remain relatively flat, growing at a rate (0.6 percent per annum), lower than the Philadelphia Metro or U.S. projected growth rates (1.3 percent and 1.4 percent, respectively). However, and as has been recently demonstrated in Kennett Square, there will likely be continued demand to deliver more rental units in the near-term.

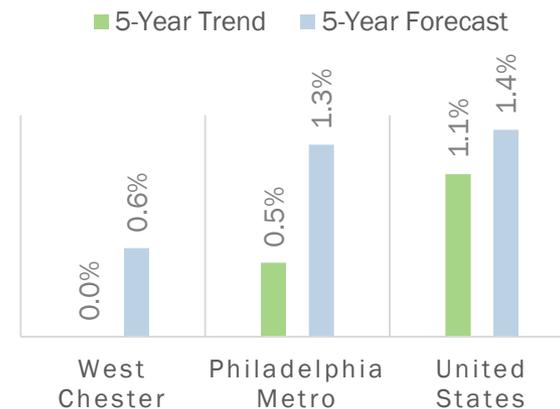
## Renter-Occupied Housing Trends



## Apartment Supply Trends: West Chester Submarket



## Apartment Inventory Growth Rate - Annualized

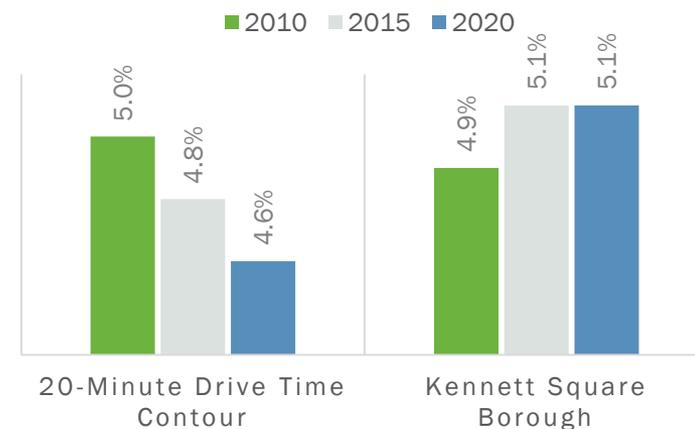


Source: Reis; Esri, 4ward Planning Inc., 2015

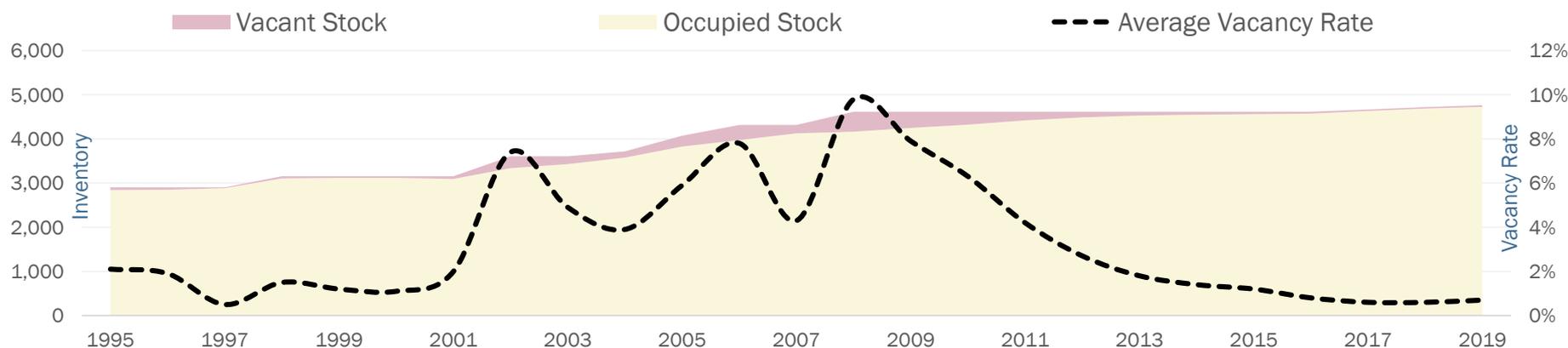
# Multi-Family Vacancy Trends

According to third-quarter 2015 data provided by Reis, the average apartment vacancy rate within the West Chester Apartment Submarket was a low 1.2 percent, substantially lower than both the Metro region (3.1 percent) and the U.S. average vacancy rates (4.2 percent). Reis predicts average apartment vacancy rates within the Submarket will decrease to an extremely low 0.8 percent, over the next five years. Such an extremely low multi-family vacancy rate, if not ameliorated through the addition of more apartment supply, will prove challenging for local area workers and, ultimately, those employers seeking to retain them.

## Housing Vacancy Trends



## Apartment Vacancy Trends and Forecasts: West Chester Submarket

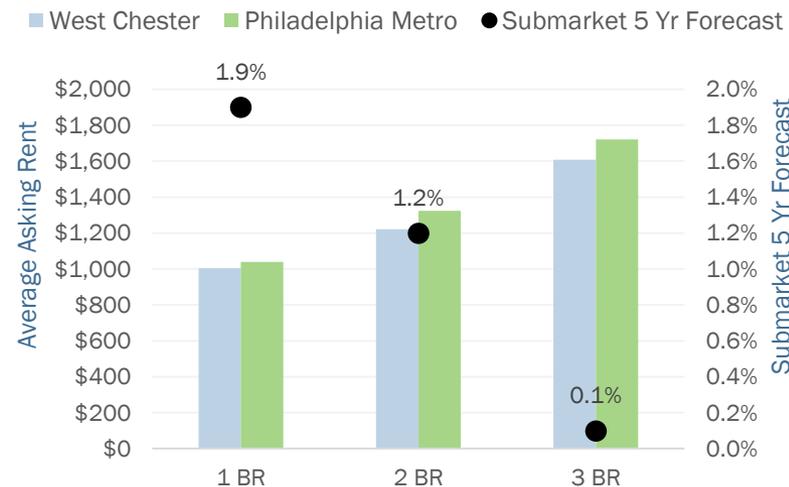


Source: Reis; 4ward Planning Inc. 2015

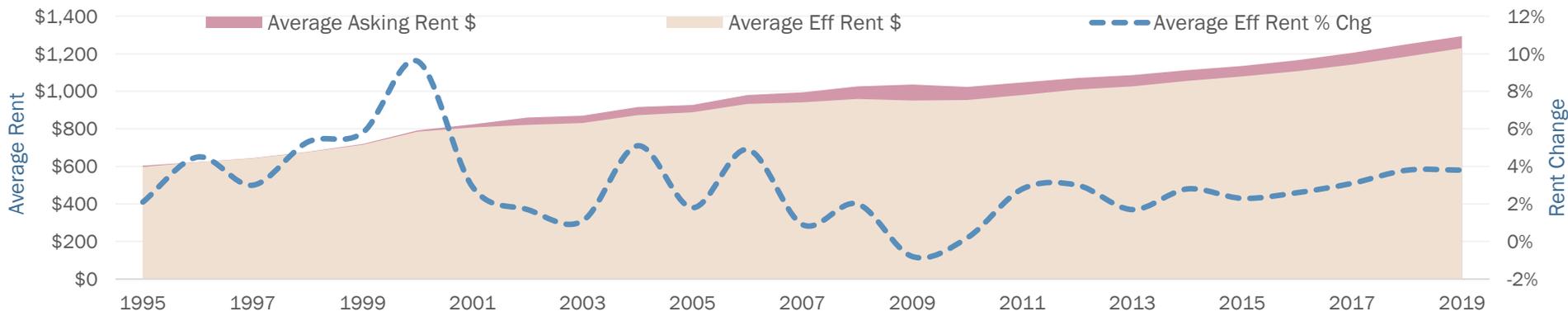
# Multi-Family Asking Monthly Rent: West Chester Submarket

As of first-quarter 2015, average monthly asking rent for apartments in the West Chester Submarket was approximately \$1,300 and average effective rent (after taking into account rent concessions) was \$1,230 per month. Average asking apartment monthly rent in the Submarket ranged from approximately \$1,000 per month for a one-bedroom to \$1,600 per month for a three-bedroom apartment. Over the next five years, Reis predicts average asking apartment rents within the Submarket will grow by 1.9 percent per year, for one-bedrooms, 1.2 percent per year for two-bedrooms, and 0.1 percent per year for three-bedroom apartments.

## Apartment Asking Rent Comparisons



## Apartment Asking Rent Trends and Forecasts: West Chester Submarket



Source: Reis; 4ward Planning Inc. 2015

## Apartment Asking Sale Price: 20-Minute PMA

According to November 2015 data provided by LoopNet, and presented below, there were only three multi-family residential buildings listed for sale within the 20-Minute PMA, including two Garden/Low-Rise properties in Landenberg and one Duplex/Triplex/Fourplex property in West Grove. On a per-unit and per-square-foot basis, average asking sale prices were higher for the one Garden/Low-Rise properties and lower for the one Duplex/Triplex/Fourplex properties. As confirmed by interviews with local real estate professionals, the market demand for multifamily residential properties within the 20-Minute PMA is strong and growing.

### Multifamily Asking Sale Price: 20-Minute PMA

Location	Property Sub-type	Asking Sale Price	Price per Unit	SF	Price per SF
Landenberg, PA	Garden/Low-Rise	\$575,000	\$82,143	NA	NA
Landenberg, PA	Garden/Low-Rise	\$999,999	\$125,000	6,000	\$167
West Grove, PA	Duplex/Triplex/Fourplex	\$224,000	\$112,000	2,426	\$92

Source: Loopnet, 4ward Planning, November 2015

Source: LoopNet, 4ward Planning Inc., November 2015

# Supply/Demand Analysis: Flat Growth Scenario

## Key Assumptions Underpinning the Residential Flat Growth Scenario

**Net Household Formation Remains Flat (0.6 Percent per Annum) from 2015 to 2030.**

This assumption is based on Esri's 2015 to 2020 household projections for the 20-Minute PMA.

**Number Employed within the 20-Minute PMA Increases by 29,720 from 2015 to 2030.**

This estimate is based on an average annual growth rate of one-percent over 2013 base employment.

**Five-percent of those Working in the 20-Minute PMA but Living Elsewhere Represent Pent-Up Demand.**

A conservative assumption is that five out of every 100 of these workers would trade their commutes, if adequate housing choice was available in Kennett Square.

**1.0% of the Current Housing Stock in the PMA is Physically Obsolescent and Unmarketable.**

Twelve out of every 100 units in the PMA were built before 1940, increasing the incidence of physical obsolescence.

**1.0% of PMA's Remaining Housing Stock Becomes Obsolescent Annually.**

All housing wears out over time and, on average, one out of every 100 units becomes physically obsolescent, annually.

**50% of New Unit Demand will be for Renter Housing.**

This is based on current and projected consumer demand for housing.

**The 20-Minute PMA will Maintain an Annual Housing Vacancy Rate of Approximately 5%.**

This assumption is based on Esri's housing vacancy projections for the 20-Minute PMA and natural vacancy rates.

## Supply/Demand Analysis: 20-Minute PMA

As illustrated in the table on the following page, estimated net housing (dwelling unit) demand within the 20-Minute PMA is approximately 4,609 units in 2015 - with a large share of this pent-up demand coming from workers commuting from outside the area into the trade area (where it is conservatively assumed that five-percent of those commuting from outside of the 20-minute PMA to jobs within the PMA would trade their commute for quality housing, near their place of employment).

By 2030, assuming continued flat household growth and no additional housing units are built in the 20-Minute PMA, beyond what is currently identified in the PMA development pipeline (estimated 1,117 multi-family and townhouse units), there will be an estimated net demand for approximately 12,110 dwelling units within the 20-Minute PMA. Much of this is projected to come from existing and new pent-up worker demand, as well as demand associated with the replacement of physically obsolescent dwelling units.

Further, much of the net new housing demand identified will be satisfied by the development of multi-family housing units (both for-sale and rental), as well as townhouse units – all of which will be, generally, smaller in size than the traditional single-family detached housing units found within the 20-minute PMA.

# Supply/Demand Analysis: 20-Minute PMA

## 20 -Minute Drive PMA: Net Dwelling Unit (DU) Demand Through 2030

	2015	2020	2025	2030
<b>Housing Demand Metrics</b>				
Population	194,240	200,140	206,220	212,480
<i>Households (each household in PMA represents demand for one housing unit)</i>	<b>70,410</b>	<b>72,550</b>	<b>74,750</b>	<b>77,020</b>
Estimated Workers within 20-minute PMA	148,620	156,200	164,170	172,540
Estimated Workers Residing Outside 20-minute PMA (65%)	96,603	101,530	106,711	112,151
<i>Estimated Pent-Up Housing Unit Demand from Commuting Area Workers (5%)</i>	<b>4,830</b>	<b>5,077</b>	<b>5,336</b>	<b>5,608</b>
<i>Estimated Number of Vacant Housing Units (5% is a natural/average vacancy rate fac)</i>	<b>3,717</b>	<b>3,716</b>	<b>3,714</b>	<b>3,711</b>
<b>Estimated PMA Aggregate Housing Unit Demand in PMA</b>	<b>78,958</b>	<b>81,342</b>	<b>83,799</b>	<b>86,339</b>
<b>Housing Supply Metrics</b>				
Estimated Housing Units in 20-minute PMA	73,971	75,088	75,088	75,088
<i>Subtract Physically Obsolescent Units (5% of total units, 1% annual obsolescence rate)</i>	<b>740</b>	<b>777</b>	<b>817</b>	<b>859</b>
New Units to Add (based on housing pipeline report estimates)	1,117	-	-	-
<b>Estimated PMA Net Marketable Housing Units in PMA</b>	<b>74,348</b>	<b>74,311</b>	<b>74,271</b>	<b>74,229</b>
<b>Net Housing Demand/Supply Calculation</b>				
<i>Estimated PMA Aggregate Housing Unit Demand in PMA</i>	<b>78,958</b>	<b>81,342</b>	<b>83,799</b>	<b>86,339</b>
<i>Subtract Estimated PMA Net Marketable Housing Units in PMA</i>	<b>74,348</b>	<b>74,311</b>	<b>74,271</b>	<b>74,229</b>
<b>PMA Net Housing Unit Demand/ (Excess Units) (Assumes no new housing beyond 201</b>	<b>4,609</b>	<b>7,031</b>	<b>9,528</b>	<b>12,110</b>

Source: 4ward Planning Inc. 2015

## Supply/Demand Analysis: 20-Minute PMA (cont.)

The table below summarizes estimated net housing unit demand breakdown by household characteristic (e.g. tenure, size, household income or age, etc.). While the share of owner-occupied households has been declining in recent years, the demand for multi-family housing is expected to be evenly split between owner- and renter-occupied units (50 percent, each). Furthermore, a portion of housing demand is also expected to come from area workers desiring housing closer to their places of employment, and empty nesters looking to downsize – two strong potential markets for multi-family residential investment within Kennett Square.

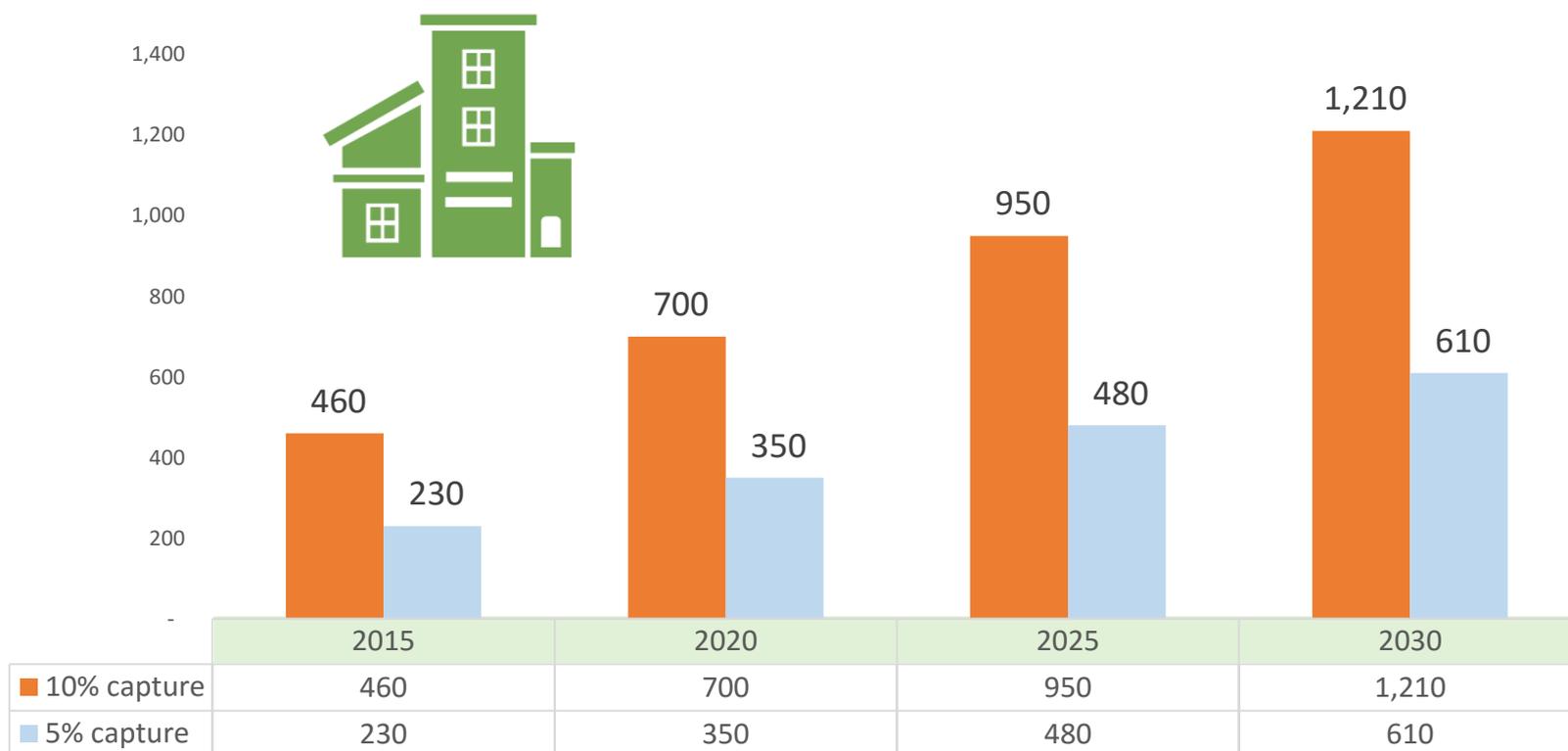
### 20-Minute PMA: Net Dwelling Unit (DU) Demand Through 2030

	2015	2020	2025	2030
Replacement (1%)	740	777	817	859
Household Growth and Pent-up Worker Demand (77%)	3,870	6,254	8,711	11,251
Owner-Occupied (50%)	2,305	3,516	4,764	6,055
Renter-Occupied (50%)	2,305	3,516	4,764	6,055
1-Bdr (20%)	922	1,406	1,906	2,422
2-Bdr (70%)	3,226	4,922	6,670	8,477
3+ Bdr (10%)	461	703	953	1,211
HH Income \$75k or Greater (15%)	691	1,055	1,429	1,816
HH Income \$40k to \$74.9K (25%)	1,152	1,758	2,382	3,027
HH Income \$39.9k and Less (60%)	2,766	4,219	5,717	7,266
Age 29 or Younger (25%)	1,152	1,758	2,382	3,027
Age 30 to 54 (55%)	2,535	3,867	5,240	6,660
Age 55 or Older (20%)	922	1,406	1,906	2,422

Source: 4ward Planning Inc. 2015

## Supply/Demand Analysis: Kennett Square Borough

Assuming between five and ten-percent of net housing demand within the 20-Minute PMA could be captured within Kennett Square, the Borough has the opportunity to support the development of between 610 and 1,210 residential dwelling units by 2030. Many of the identified units, below, would be in the form of multi-family (apartments and condos), as well as attached and semi-detached townhouses.



Source: US Census Bureau; On The Map; 4ward Planning Inc. 2015

# Public Outreach and SWOT Analysis

## Methodology: SWOT Analysis

On February 11<sup>th</sup>, 2016, the first of three project public meetings were held in Kennett Square Borough, which included a discussion of the Borough's *Strengths, Weaknesses, Opportunities, and Threats* (SWOT). In order to gather additional SWOT feedback from the community, in March 2016 a total of 509 public surveys were collected via Survey Monkey, an online survey tool. The SWOT findings from both the public meeting and survey, presented on the following pages, provides insight into the physical, economic, and social assets and challenges specific to Kennett Square Borough and significant to its future economic health.



## Key Findings: Public Meeting

### Strengths

- Mushroom Capital of the World
- Longwood Gardens as local asset and regional attraction
- Natural resources, open spaces, park/trails and recreational activities
- Safe tight-knit community with small town character
- Larger corporate employers (Exelon, Genesis Healthcare, and Chatham Financial)
- Schools and high educational attainment levels among adult residents
- Large share of relatively affluent households, locally and regionally
- Unique Main Street, and small service shops and restaurants
- Close proximity to cultural and heritage tourist sites in region
- Vicinity to higher educational institutions and library
- Proximity to Philadelphia and major Delaware cities
- Existing multi-municipal partnership between township and borough
- Diversity of people living in Kennett Square

### Opportunities

- Mushroom industry as regional attraction
- New partnerships with Longwood Gardens
- National Vulcanized Fiber (NVF) development site
- Proximity to Philadelphia and major Delaware cities
- Growing Latino population
- Young millennials and retiring baby boomers
- Prospective entrepreneurs currently living in the area
- Retail, restaurants, entertainment opportunities
- Collaboration between schools and new housing
- New multi-municipal partnership between township and borough
- Educate about existing public transit opportunities (SCCOOT, Uber)

### Weaknesses

- New residents unaware of Mushroom industry
- Incomplete sidewalk/trails network
- Lack of sufficient parking spaces
- Traffic and lack of meaningful public transit into/out of town
- Lack of a sufficient supply of affordable housing stock
- Little support for entrepreneurs and startups
- Local real property tax rate
- Local zoning process

### Threats

- High cost of living in region
- Consolidation/downsizing of DuPont facilities
- Mushroom industry's workforce housing needs
- Lack of a sufficient supply of quality affordable housing stock
- Increase in number of households falling below poverty line
- Lack of meaningful public transit into/out of town
- Sprawl/lack of coordinated development policies



LONGWOOD  
GARDENS



POSITIVE

NEGATIVE

## Key Findings: Public Survey (Top Ten by Category)

### Strengths

- Longwood Gardens
- Small-town character
- Cultural and Heritage Sites
- Local Mushroom Industry
- Proximity to Delaware Cities
- Proximity to Philadelphia
- Natural Resources and Open Space
- Restaurants
- Main Street
- Affluent Households



LONGWOOD  
GARDENS



### Opportunities

- Young Millennials
- Workforce Training
- Redevelopment Sites
- Entertainment Options
- Support for Entrepreneurs
- Park and Trail system
- Latino Population
- Retail Stores
- Library
- Lower Income Households

### Weaknesses

- Existing Public Transit
- Parking
- Automobile Traffic
- Housing Affordability
- Property taxes
- Pedestrian Amenities
- Housing Supply
- Cost of Living
- Lower Income Households
- Entertainment Options



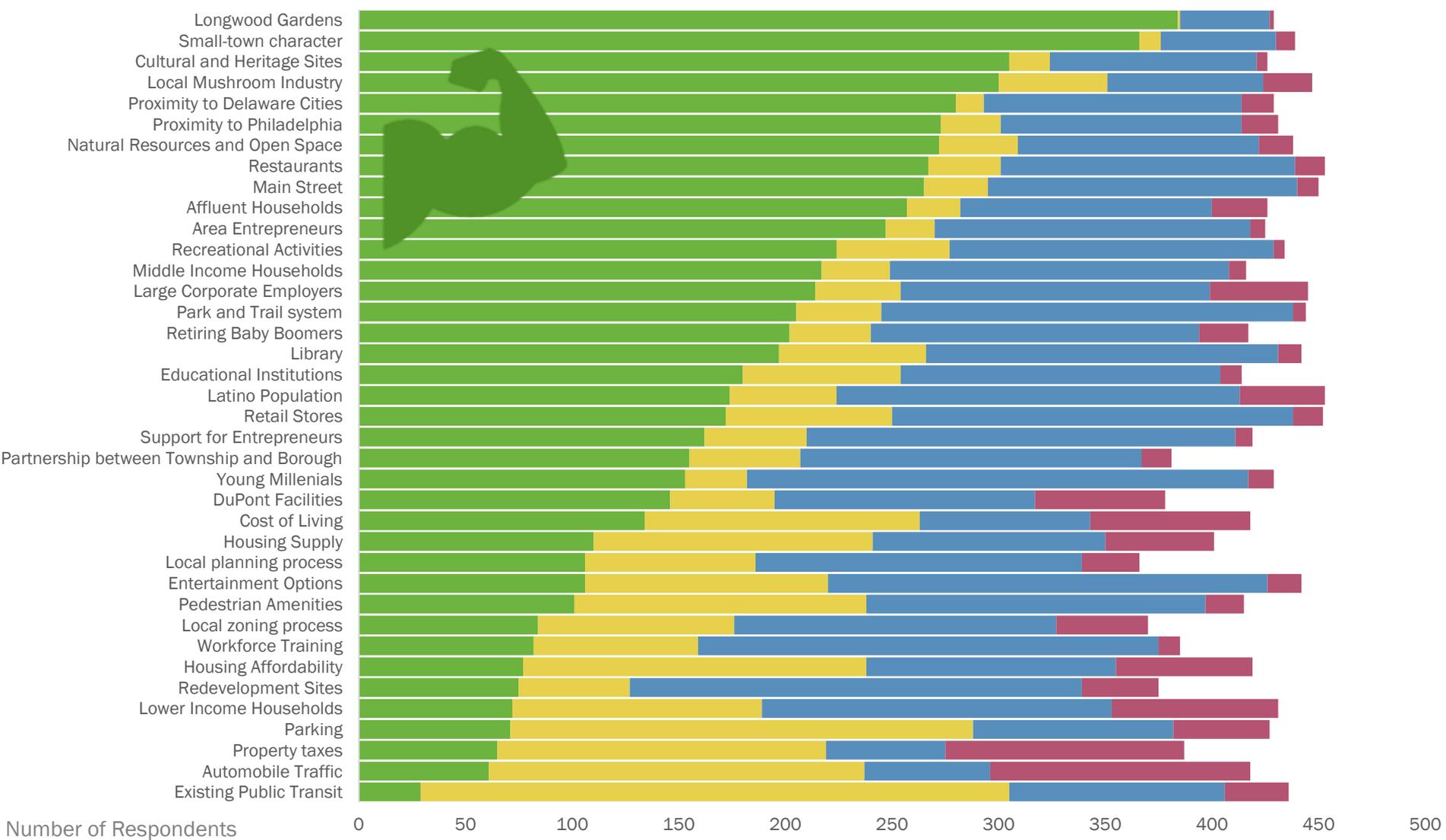
### Threats

- Automobile Traffic
- Property taxes
- Lower Income Households
- Cost of Living
- Housing Affordability
- DuPont Facilities
- Housing Supply
- Large Corporate Employers
- Parking
- Local zoning process

NEGATIVE

# Key Findings: Public Survey (Ranked by Strength)

■ Strength ■ Weakness ■ Opportunity ■ Threat



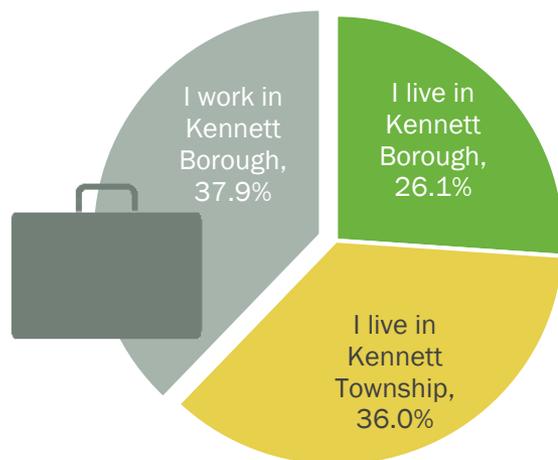
Number of Respondents

0 50 100 150 200 250 300 350 400 450 500

## Public Survey Demographics: Place of Residence or Work

The largest share of respondents (37.9 percent) work in Kennett Borough. Thirty-six percent of respondents live in Kennett Township, while just 26 percent live in Kennett Borough.

Please identify which category describes your place of residence or work?

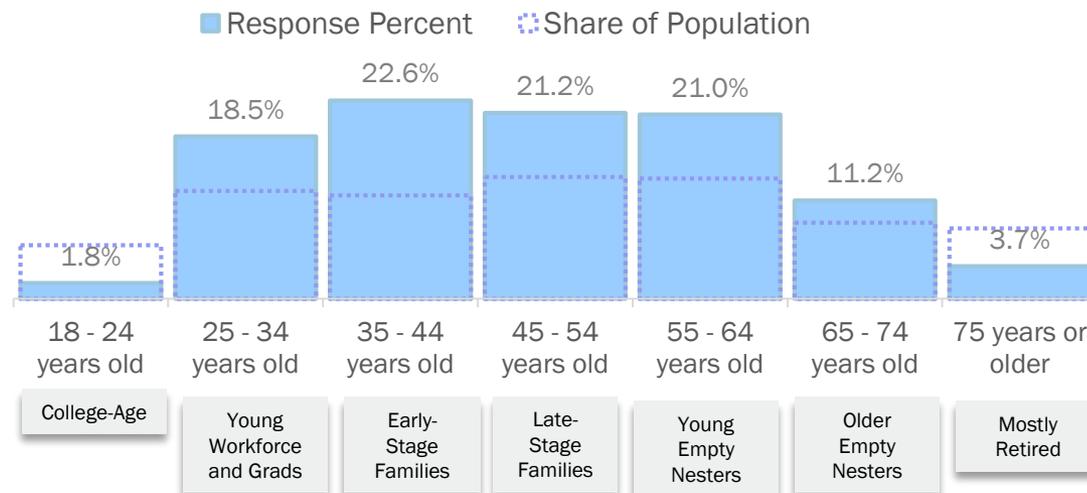


Number of Respondents= 509

## Age

The largest share of respondents (22.6 percent) are between 35 and 44 years old, representing the early-stage families age cohort.

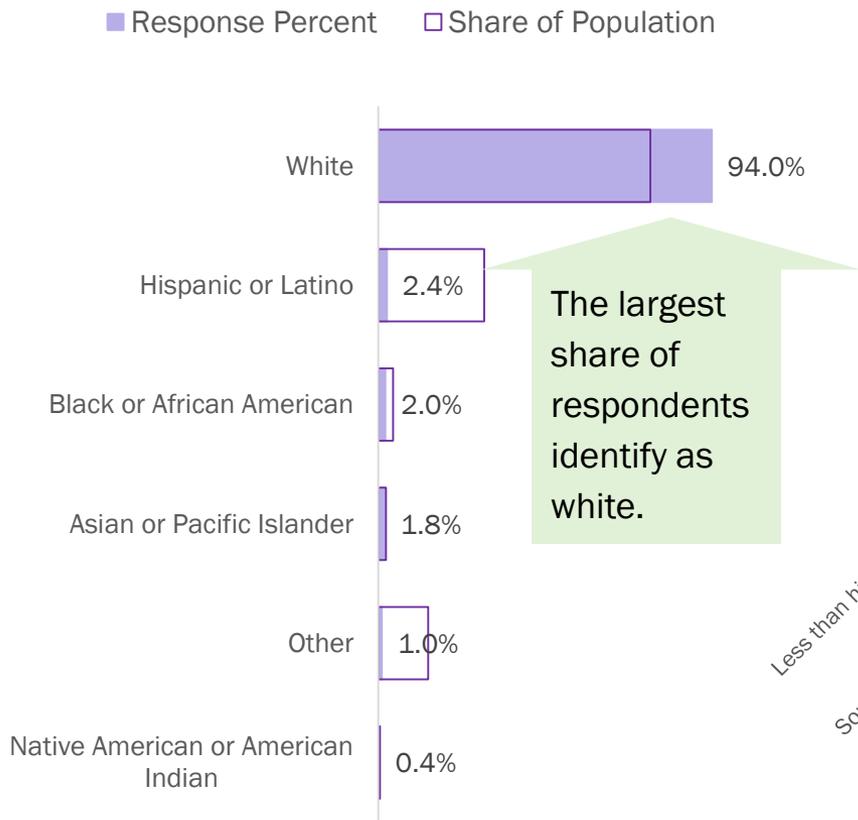
Please identify your age range:



Number of Respondents=509

# Public Survey Demographics: Race

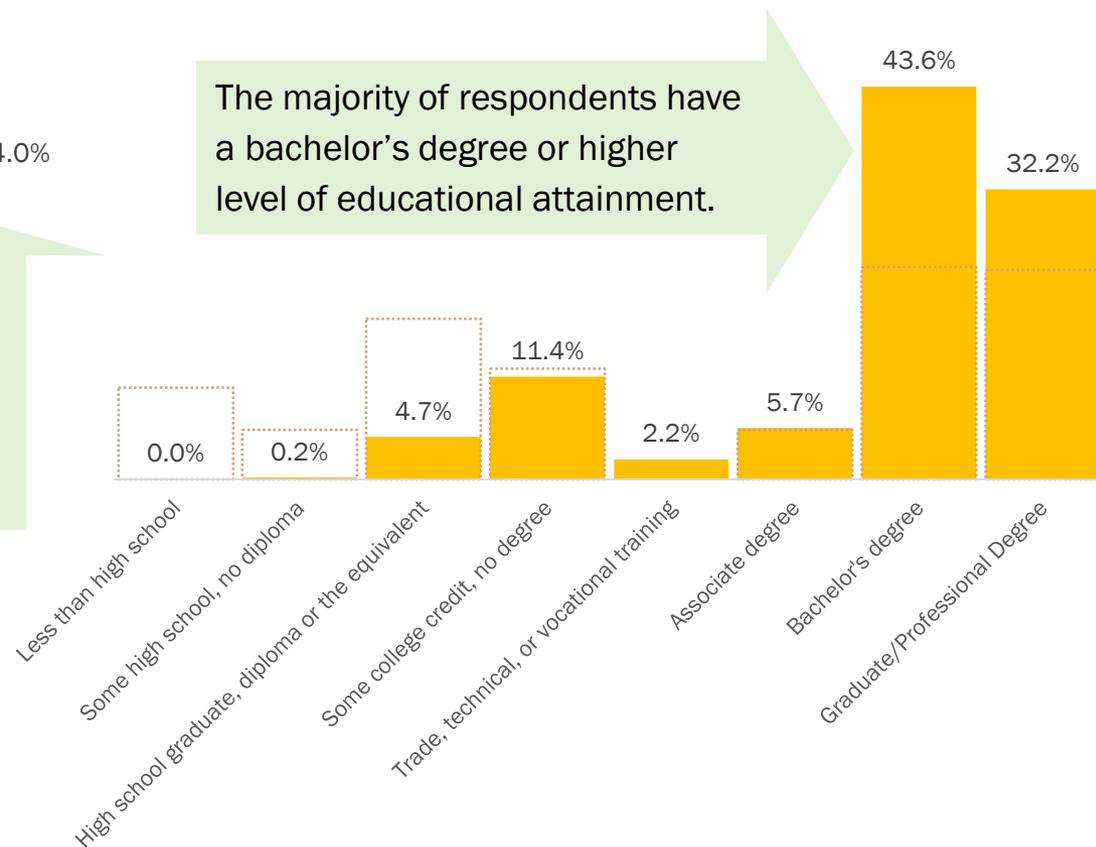
Please identify your ethnicity (check as many as apply):



Number of Respondents= 498

# Educational Attainment

Please identify your level of educational attainment:

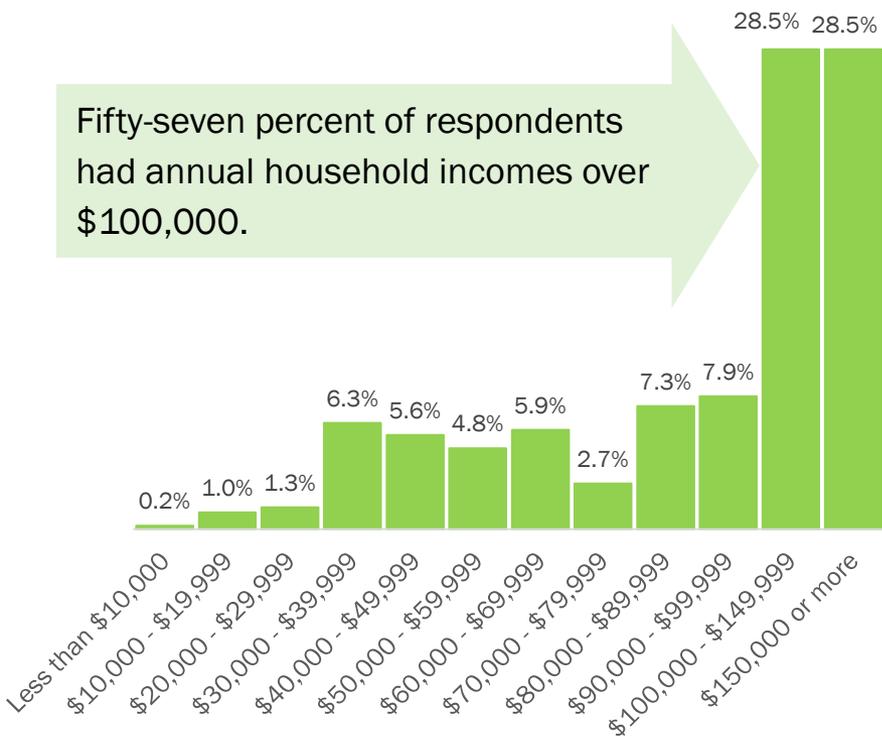


Number of Respondents=509

# Public Survey Demographics: Household Income

Please identify your total annual household income:

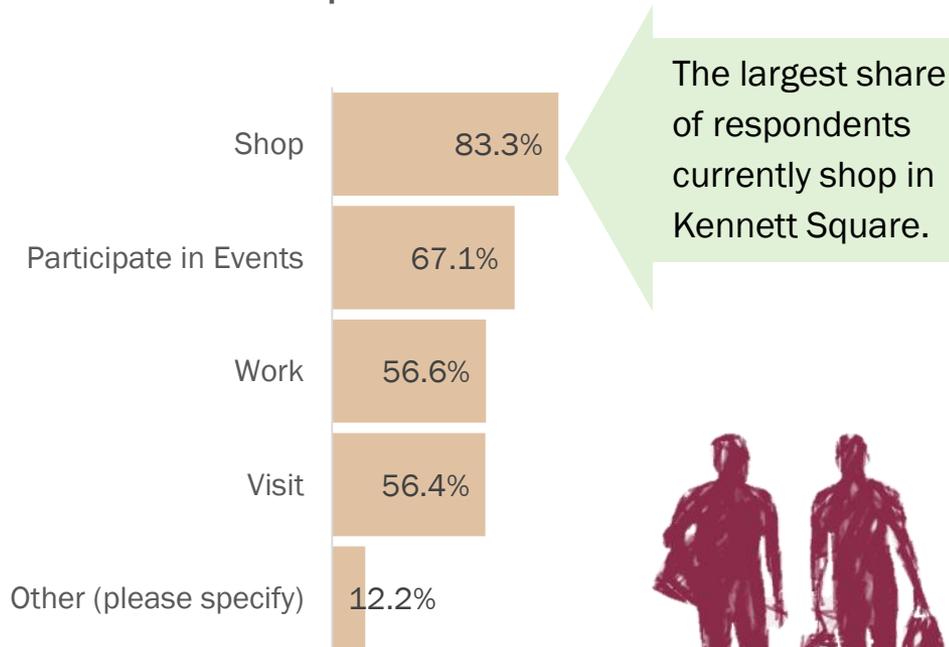
Fifty-seven percent of respondents had annual household incomes over \$100,000.



Number of Respondents= 478

# Participation

Do you shop, work, visit, or participate in events in Kennett Square?



Number of Respondents=502

## Glossary of Terms: Socio-Economic Trends

- **Household:** A household consists of all the people who occupy a housing unit. A house, an apartment, or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters. The count of households excludes group quarters and institutions.
- **Family Household:** A family is a group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people are considered as members of one family. The number of families is equal to the number of family households; however, the count of family members differs from the count of family household members, because family household members include any non-relatives living in the household.
- **Non-Family Household:** A non-family household consists of a householder living alone (a one-person household), or where the householder shares the home exclusively with people to whom he/she is not related.
- **Empty Nester Household:** A household in which one or more parents live after the children have left home, typically represented by ages 55 through 74.
- **Primary Market Area (PMA):** A primary market area is the immediate area surrounding the study area for goods, services, and other factors. Here, the PMA is a 20-minute drive time contour from downtown Kennett Square.
- **Secondary Market Area (SMA):** A secondary market area is the greater region surrounding the study area for goods, services, and other factors. Here, the SMA is Chester County.
- **Growth Rates:** The chart to the right, outlines how 4ward Planning defines growth rates. For example, flat growth reflects an annualized rate of change between -0.75 and 0.75 percent.

<b>Strong Positive Growth</b>	Greater than	1.50%			annually
<b>Modest Positive Growth</b>	Between	1.50%	and	0.75%	annually
<b>Flat Growth</b>	Between	0.75%	and	-0.75%	annually
<b>Modest Negative Growth</b>	Between	-0.75%	and	-1.50%	annually
<b>Strong Negative Growth</b>	Less than	-1.50%			annually

Source: U.S. Census Bureau

# Glossary of Terms: Labor and Industry Trends Analysis

- **Primary Job**: According to the U.S. Census, a primary job refers to the job an individual has which provides the greatest income. If an individual is employed by a single job, this would be considered a primary job. If an individual is employed at multiple jobs, including part-time employment, the job that provides the greatest income would be considered a primary job.
- **Employment by Industry**: The industry is the type of activity that occurs at a person's place of work. Industries are classified through the North American Industry Classification System (NAICS), the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.
- **Employment by Occupation**: A person's occupation refers to the work that he or she does to earn a living. The Bureau of Labor Statistics' Standard Occupational Classification (SOC) system is used by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.
- **Metropolitan Statistical Area (MSA)**: Metropolitan Statistical Areas (metro areas) are geographic entities defined by the Office of Management and Budget, containing a core urban area of 50,000 or more population. Each metro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.

Source: US Census Bureau; BLS

## Glossary of Terms: Real Estate Trends

- **Community Center** (125,000 to 350,000 sf) – General merchandise or convenience-oriented offerings. Wider range of apparel and other soft goods offerings than neighborhood centers.
- **Free-Standing Building** – Stand-alone building, often tucked away in a neighborhood location or right off a highway.
- **Neighborhood Center** (30,000 to 150,000 sf) – Convenience shopping for consumers in the immediate three-mile trade area or neighborhood. Has at least one anchor tenant (often a supermarket or drugstore).
- **Power Center** (250,000 to 600,000 sf) – Category-dominant anchors, including discount department stores or off-price stores with only a few small tenants. Generally comprised of three or more Big Box style structures.
- **Regional Center** (400,000 to 800,000 sf) – General merchandise or fashion-oriented offerings. Typically enclosed with inward-facing stores connected by a common walkway. Parking surrounds the outside perimeter.
- **Retail Pad** – Vacant or underutilized land designated for retail use.
- **Street Retail** – Retail space located in the commercial downtown area of a small town.
- **Strip Center** (less than 30,000 sf) – Attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Typical anchor store includes a convenience store, such as a minimart.
- **Super-Regional Center** (800,000+ sf) – Similar in concept to regional malls, but offering more variety and assortment.

# Financial Pro Forma Modeling

## Financial Pro Forma Modeling: Background

4ward Planning earlier completed a market analysis for Kennett Square and Kennett Township, in support of evaluating development opportunities within the two municipalities. As part of its charge, 4ward Planning was tasked with performing financial feasibility analyses associated with recommended redevelopment and development activities earlier identified in this study.

The principle objectives for performing the financial feasibility analyses were **(a)** to determine the minimum development density (e.g., units of housing and/or commercial square footage) and land-use mix (e.g., residential, retail and/or office) which could be financially viable – permitting a sufficient market rate of return given the associated risk for undertaking a development project within each of the project sites – and **(b)** to identify where prospective redevelopment projects would likely require some form of public subsidy, in the way of infrastructure and public realm investments.

# Financial Pro Forma Modeling: Methodology

4ward Planning's build-out assumptions were based on recommended zoning densities and and newly recommended land uses, as identified by the RBA Group (sub-consultant to 4ward Planning).

Conventional and locally germane metrics were used for site work and construction costs (4ward Planning's local developer interview findings were particularly instructive for developing locally relevant construction metrics). 4ward Planning also utilized RS Means On-line Construction Data, a proprietary database containing national, regional and local construction metrics for commercial and residential real estate development.

Further, to ensure that our analysis was realistic, known and/or assumed pre-development costs were identified and modeled within the financial development pro forma (e.g., property acquisition, demolition, parking, infrastructure, and general site improvements).

Operating costs, lease rates and price points included in the pro forma are also based on locally observed real estate trends.

While care was taken to develop realistic development metrics, it should be noted that development metrics are relatively fluid over time and depending upon when this report is being read, the development metrics underpinning the financial modeling may or may not be relevant. Consequently, we caution the overreliance on the following pro forma results and strongly recommend additional analysis, in advance of private investment.

## Financial Pro Forma Modeling: Methodology

The financial analysis performed (e.g., development and operating pro forma for each scenario examined) were performed on an unleveraged basis – that is, each development scenario was modeled without the assistance of debt, which is customary when performing a financial feasibility analysis for real estate development. Market area financial benchmarks such as the cash-on-cash rate of return (ROE) and the internal rate of return (IRR) were incorporated into the operating pro forma to allow analysis of financial viability (4ward Planning used identified financial benchmarks based on interview findings with local developers experienced with similar scale and types of development). We made an assumption that a project sale (the entire mixed-use project within a given scenario which is not fee simple in nature) would be sold in year 15, which is a reasonable hold period for projects of this size analyzed.

4ward Planning developed an Excel based financial model which allowed for creation of development and operating pro forma associated with various development project scenarios (for the purposes of this analysis, 4ward Planning modeled two development scenarios within Kennett Township and two development scenarios within Kennett Borough), and their associated development iterations.

Much detail was built into both the development and operating pro forma, including estimated annual inflation rates, estimated construction and lease costs per square foot, estimated acquisition costs, estimated demolition costs, etc. (see development and operating assumptions at the end of the financial analysis section write-up for all development scenarios).

## Financial Pro Forma Modeling: Methodology

The pro forma variables having most influence on the prospective financial return rates (e.g., cash-on-cash and internal rate of return) are as follows:

- Residential construction costs per square foot
- Property acquisition costs
- Market residential rental rates
- Office and retail construction costs
- Office and retail lease rates
- Residential and commercial space density

While adjustments to any of the above variables had a noticeable impact on return rates within the cash-flow model, it should be understood that all of these variables, with little exception, are subject to market forces and, therefore, cannot be arbitrarily adjusted for purposes of achieving a desired financial result. While 4ward Planning performed a limited amount of sensitivity testing by slightly adjusting the values of the above variables, no marked change in return rate was observed.

# Financial Pro Forma Modeling: Millers Hill

## Project Summary

## Medical and Professional Office Space

	Units	Rooms	Square Feet	Total Cost
<b>Residential Units</b>	0	NA	0	\$0
Rental Apartments	0	NA	0	\$0
Condominiums	0	NA	0	\$0
Town Houses	0	NA	0	\$0
Single-Family Houses	0	NA	0	\$0
Low-Income Units	0	NA	0	\$0
Moderate-Income Units	0	NA	0	\$0
<b>Commercial Space</b>	NA	NA	175,000	\$28,070,000
Retail	NA	NA	0	\$0
Office	NA	NA	175,000	\$28,070,000
Hotel/Lodging	NA	0	0	\$0
<b>Industrial Space</b>				
LI/Flex/Tech MFG	NA	NA	0	\$0
<b>Non-Market Space</b>	NA	NA	0	\$0
<b>Parking</b>	438	NA	NA	\$1,400,000
Surface	438	NA	NA	\$1,400,000
Structured	0	NA	NA	\$0
<b>Infrastructure</b>	NA	NA	NA	\$350,000
<b>Demolition</b>	NA	NA	0	\$0
<b>Property Acquisition</b>	NA	NA	NA	\$1,000,000
<b>Total Built Square Feet and Cost</b>			175,000	\$30,820,000

This development scenario features a total of 175,000 s.f. of newly built medical and professional office space, complementing Excelon Corporation's existing office space. The prospective 175,000 s.f. of office space is projected to have a total build-out cost of \$30.8 million, inclusive of \$1,000,000 for property acquisition and \$350,000 towards infrastructure improvements (internal site improvements such as sidewalks, parking areas, landscaping, etc.). Adding a five-percent developer fee (standard for this size project) increases the total project cost to \$32.3 million.

However, it should be understood that the above estimates may be below what the actual costs will be once final designs and cost estimates have been determined. Based on this level of investment (construction and infrastructure) and the estimated annual triple net lease rate (\$25 PSF), the investment would yield a relatively attractive cash-on-cash rate of 12.7 percent (cash-on-cash rate of return is equivalent to return on equity) and a relatively low internal rate of return of 5.4 percent (the internal rate of return should be above an investor's cost of capital (e.g., the cost of borrowing and equity)). Based on these return rates (particularly the relatively low IRR), the project developer would likely need a subsidy to assist with any additional infrastructure requirements.

# Financial Pro Forma Modeling: Millers Hill

## Office Land Use Key Assumptions

Office Building Type **Low-rise Green Building**

Total Floors **3**

Total Square Feet **175,000**

Efficiency Factor **85%**

Total Hard Cost per Square Foot **\$135**

Total Soft Cost per Square Foot **\$40.00**

TI Allowance per Square Foot **\$20.00**

Annual Rent per Square Foot **\$25.00**

Annual CAM & Utilities/S.F. **\$0.00**

Annual Average Vacancy Rate **5.00%**

Parking per 1,000 s.f. **2.5**

### Other Key Assumptions

Absorption: 6 to 24 month period

# Financial Pro Forma Modeling: Ways Lane

## Project Summary

## Mixed-Income New Neighborhood

	<u>Units</u>	<u>Rooms</u>	<u>Square Feet</u>	<u>Total Cost</u>
<b>Residential Units</b>	<b>80</b>	<b>NA</b>	<b>64,500</b>	<b>\$9,420,349</b>
Rental Apartments	0	NA	0	\$0
Condominiums	0	NA	0	\$0
Town Houses	80	NA	64,500	\$9,420,349
Single-Family Houses	0	NA	0	
Low-Income Units	8	NA	6,450	
Moderate-Income Units	8	NA	6,450	
<b>Commercial Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
Retail	NA	NA	0	\$0
Office	NA	NA	0	\$0
Hotel/Lodging	NA	0	0	\$0
<b>Industrial Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
LI/Flex/Tech MFG	NA	NA	0	\$0
<b>Non-Market Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
<b>Parking</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>\$0</b>
Surface	0	NA	NA	\$0
Structured	0	NA	NA	\$0
<b>Infrastructure</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$500,000</b>
<b>Demolition</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
<b>Property Acquisition</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$1,500,000</b>
<b>Total Built Square Feet and Cost</b>			<b>64,500</b>	<b>\$11,420,349</b>

This development scenario features a total of 80 newly built small town house units (two- and three-bedrooms), inclusive of 16 low- and moderate income units. The prospective 64,500 s.f. of dwelling unit space is projected to have a total build-out cost of \$11.4 million, inclusive of \$1,500,000 for property acquisition and \$500,000 towards infrastructure improvements. Adding in a five-percent developer fee (standard for a project of this scale), the total project cost is \$11.9 million.

However, it should be understood that these estimates may be below what the actual costs will be, once final design and building costs are identified. Based on this level of investment (construction and infrastructure) and the estimated weighted average sales costs associated with the townhouse units, the investment would yield a relatively low cash-on-cash rate of 5.2 percent (cash-on-cash rate of return is equivalent to return on equity) and an attractive internal rate of return of 10.1 percent (the internal rate of return should be above an investor's cost of capital (e.g., the cost of borrowing and equity)). Based on these return metrics, it is highly likely that an investor would require financial assistance with needed infrastructure investments, in order for the project achieve an adequate return.

# Financial Pro Forma Modeling: Ways Lane

## Townhouse Land Use Key Assumptions

			Totals & Weighted Averages
<b>Market Rate Units</b>	<b>Moderate Income Units</b>	<b>Low-Income Units</b>	
Number of Townhouse Units <b>64</b>	Number of Townhouse Units <b>8</b>	Number of Townhouse Units <b>8</b>	<b>80</b>
Avg. Hard Cost per S.F. <b>\$115</b>	Avg. Hard Cost per S.F. <b>\$115</b>	Avg. Hard Cost per S.F. <b>\$115</b>	
Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	
<b>Two-Bedroom Market Units 40</b>	<b>Two-Bedroom Moderate Income Units 5</b>	<b>Two-Bedroom Low Income Units 5</b>	<b>50</b>
Average Unit Size <b>750</b>	Average Unit Size <b>750</b>	Average Unit Size <b>750</b>	
Average Sales Price/S.F. <b>\$245</b>	Average Sales Price/S.F. <b>\$196</b>	Average Sales Price/S.F. <b>\$123</b>	<b>\$228</b>
Average Sales Price/Unit <b>\$183,750</b>	Average Sales Price/Unit <b>\$147,000</b>	Average Sales Price/Unit <b>\$91,875</b>	<b>\$170,888</b>
Average Cost/Unit <b>\$86,250</b>	Average Cost/Unit <b>\$86,250</b>	Average Cost/Unit <b>\$86,250</b>	
<b>Three-Bedroom Market Units 24</b>	<b>Three-Bedroom Moderate Income Units 3</b>	<b>Three-Bedroom Low Income Units 3</b>	<b>30</b>
Average Unit Size <b>900</b>	Average Unit Size <b>900</b>	Average Unit Size <b>900</b>	
Average Sales Price/S.F. <b>\$220</b>	Average Sales Price/S.F. <b>\$176</b>	Average Sales Price/S.F. <b>\$110</b>	<b>\$205</b>
Average Sales Price/Unit <b>\$198,000</b>	Average Sales Price/Unit <b>\$158,400</b>	Average Sales Price/Unit <b>\$99,000</b>	<b>\$184,140</b>
Average Cost/Unit <b>\$103,500</b>	Average Cost/Unit <b>\$103,500</b>	Average Cost/Unit <b>\$103,500</b>	
<b>Four-Bedroom Market Units 0.001</b>	<b>Four-Bedroom Moderate Units 0</b>	<b>Four-Bedroom Low Income Units 0</b>	<b>0</b>
Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	
Average Sales Price/S.F. <b>\$0</b>	Average Sales Price/S.F. <b>\$0</b>	Average Sales Price/S.F. <b>\$0</b>	<b>\$0</b>
Average Sales Price/Unit <b>\$0</b>	Average Sales Price/Unit <b>\$0</b>	Average Sales Price/Unit <b>\$0</b>	<b>\$0</b>
Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	
<b>Other Assumptions</b>			
Absorption: 2 Units per Month			

# Financial Pro Forma Modeling: State Street

## Project Summary

## Infill and Mixed-Use Development

	Units	Rooms	Square Feet	Total Cost
<b>Residential Units</b>	<b>80</b>	<b>NA</b>	<b>56,818</b>	<b>\$8,839,727</b>
Rental Apartments	80	NA	56,818	\$8,839,727
Condominiums	0	NA	0	\$0
Town Houses	0	NA	0	\$0
Single-Family Houses	0	NA	0	
Low-Income Units	4	NA	2,500	
Moderate-Income Units	4	NA	2,500	
<b>Commercial Space</b>	<b>NA</b>	<b>NA</b>	<b>6,000</b>	<b>\$914,400</b>
Retail	NA	NA	6,000	\$914,400
Office	NA	NA	0	\$0
Hotel/Lodging	NA	0	0	\$0
<b>Industrial Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
LI/Flex/Tech MFG	NA	NA	0	\$0
<b>Non-Market Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
<b>Parking</b>	<b>100</b>	<b>NA</b>	<b>NA</b>	<b>\$320,009</b>
Surface	100	NA	NA	\$320,009
Structured	0	NA	NA	\$0
<b>Infrastructure</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$0</b>
<b>Demolition</b>	<b>NA</b>	<b>NA</b>	<b>6,000</b>	<b>\$90,000</b>
<b>Property Acquisition</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$800,000</b>
<b>Total Built Square Feet and Cost</b>			<b>62,818</b>	<b>\$10,964,136</b>

This development scenario features a total of 80 newly built small multi-family units (studios, one- and two-bedrooms), inclusive of eight low- and moderate income units, and 6,000 s.f. of commercial retail space. The prospective 62,81 s.f. of mixed-use development is projected to have a total build-out cost of \$10.9 million, inclusive of \$800,000 for property acquisition, \$320,009 towards surface parking, and 90,000 towards building demolition. Adding in a five-percent developer fee (standard for a project of this scale), the total project cost is \$11.5 million.

However, it should be understood that these estimates may be below what the actual costs will be, once final design and building costs are identified. Based on this level of investment (construction and infrastructure) and the estimated weighted average annual rents associated with the rental units and commercial space, the investment would yield a relatively strong cash-on-cash rate of 15.8 percent (cash-on-cash rate of return is equivalent to return on equity) and an acceptable internal rate of return of 9.1 percent (the internal rate of return should be above an investor's cost of capital (e.g., the cost of borrowing and equity)). Based on these return metrics, this project would likely attract a number of prospective mixed-use developers experienced with similar projects.

# Financial Pro Forma Modeling: State Street

## Apartment Land Use Land Use Key Assumptions

			Totals & Weighted Averages
<b>Market Rate Units</b>	<b>Moderate Income Units</b>	<b>Low-Income Units</b>	
<b>Number of Apartment Units</b> 72	<b>Number of Apartment Units</b> 4	<b>Number of Apartment Units</b> 4	<b>80</b>
Avg. Hard Cost per S.F. <b>\$123</b>	Avg. Hard Cost per S.F. <b>\$123</b>	Avg. Hard Cost per S.F. <b>\$123</b>	
Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	
<b>Studio Market Units</b> 18	<b>Studio Moderate Income Units</b> 1	<b>Studio Low-Income Units</b> 1	<b>20</b>
Average Unit Size <b>450</b>	Average Unit Size <b>450</b>	Average Unit Size <b>450</b>	
Average Monthly Rent/S.F. <b>\$2.60</b>	Average Monthly Rent/S.F. <b>\$2.50</b>	Average Monthly Rent/S.F. <b>\$1.56</b>	<b>\$2.54</b>
Average Monthly Rent/Unit <b>\$1,170</b>	Average Monthly Rent/Unit <b>\$1,124</b>	Average Monthly Rent/Unit <b>\$703</b>	<b>\$1,144</b>
Average Cost/Unit <b>\$55,125</b>	Average Cost/Unit <b>\$55,125</b>	Average Cost/Unit <b>\$55,125</b>	
<b>One-Bedroom Market Units</b> 36	<b>One-Bedroom Moderate Income Units</b> 2	<b>One-Bedroom Low-Income Units</b> 2	<b>40</b>
Average Unit Size <b>625</b>	Average Unit Size <b>625</b>	Average Unit Size <b>625</b>	
Average Monthly Rent/S.F. <b>\$2.20</b>	Average Monthly Rent/S.F. <b>\$2.06</b>	Average Monthly Rent/S.F. <b>\$1.28</b>	<b>\$2.15</b>
Average Monthly Rent/Unit <b>\$1,375</b>	Average Monthly Rent/Unit <b>\$1,285</b>	Average Monthly Rent/Unit <b>\$803</b>	<b>\$1,342</b>
Average Cost/Unit <b>\$76,563</b>	Average Cost/Unit <b>\$76,563</b>	Average Cost/Unit <b>\$76,563</b>	
<b>Two-Bedroom Market Units</b> 18	<b>Two-Bedroom Moderate Income Units</b> 1	<b>Two-Bedroom Low Income Units</b> 1	<b>20</b>
Average Unit Size <b>800</b>	Average Unit Size <b>800</b>	Average Unit Size <b>800</b>	
Average Monthly Rent/S.F. <b>\$1.95</b>	Average Monthly Rent/S.F. <b>\$1.81</b>	Average Monthly Rent/S.F. <b>\$1.13</b>	<b>\$1.90</b>
Average Monthly Rent/Unit <b>\$1,560</b>	Average Monthly Rent/Unit <b>\$1,445</b>	Average Monthly Rent/Unit <b>\$903</b>	<b>\$1,521</b>
Average Cost/Unit <b>\$98,000</b>	Average Cost/Unit <b>\$98,000</b>	Average Cost/Unit <b>\$98,000</b>	
<b>Three-Bedroom Market Units</b> 0	<b>Three-Bedroom Moderate Income Units</b> 0	<b>Three-Bedroom Low Income Units</b> 0	<b>0</b>
Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	
Average Monthly Rent/S.F. <b>\$0.00</b>	Average Monthly Rent/S.F. <b>\$0.00</b>	Average Monthly Rent/S.F. <b>\$0.00</b>	<b>\$0.00</b>
Average Monthly Rent/Unit <b>\$0</b>	Average Monthly Rent/Unit <b>\$0</b>	Average Monthly Rent/Unit <b>\$0</b>	<b>\$0</b>
Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	

### Other Assumptions

Absorbtion occurs over two years.

# Financial Pro Forma Modeling: Mill Road/NVF

## Project Summary

## Mixed-Use Residential Neighborhood

	Units	Rooms	Square Feet	Total Cost
<b>Residential Units</b>	<b>200</b>	<b>NA</b>	<b>210,500</b>	<b>\$31,338,943</b>
Rental Apartments	80	NA	62,500	\$9,723,504
Condominiums	0	NA	0	\$0
Town Houses	120	NA	148,000	\$21,615,439
Single-Family Houses	0	NA	0	
Low-Income Units	14	NA	13,992	
Moderate-Income Units	11	NA	11,929	
<b>Commercial Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
Retail	NA	NA	0	\$0
Office	NA	NA	0	\$0
Hotel/Lodging	NA	0	0	\$0
<b>Industrial Space</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
LI/Flex/Tech MFG	NA	NA	0	\$0
<b>Health Club &amp; Aquatic Center</b>	<b>NA</b>	<b>NA</b>	<b>30,000</b>	<b>\$4,191,000</b>
<b>Parking</b>	<b>210</b>	<b>NA</b>	<b>NA</b>	<b>\$672,003</b>
Surface	210	NA	NA	\$672,003
Structured	0	NA	NA	\$0
<b>Infrastructure</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$2,000,000</b>
<b>Demolition</b>	<b>NA</b>	<b>NA</b>	<b>0</b>	<b>\$0</b>
<b>Property Acquisition</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>\$3,000,000</b>
<b>Total Built Square Feet and Cost</b>			<b>240,500</b>	<b>\$41,201,945</b>

This development scenario features a total of 200 newly built dwelling units (town houses and multi-family rental units), inclusive of 25 low- and moderate income units, and a 30,000 s.f. health club and aquatic center. The prospective 240,500 s.f. of mixed-use development is projected to have a total build-out cost of \$41.2 million, inclusive of \$3 million for property acquisition, \$672,000 towards surface parking, and \$2 million towards site infrastructure. Adding in a five-percent developer fee (standard for a project of this scale), the total project cost is \$43.1 million.

However, it should be understood that these estimates may be below what the actual costs will be, once final design and building costs are identified. Based on this level of investment (construction and infrastructure) and the estimated weighted average annual rents and sales prices associated with the housing and commercial space, the investment would yield a modest cash-on-cash rate of 8.9 percent (cash-on-cash rate of return is equivalent to return on equity) and an acceptable internal rate of return of 8.7 percent (the internal rate of return should be above an investor's cost of capital (e.g., the cost of borrowing and equity)). However, and depending upon a particular developer's return requirements, public subsidy for infrastructure and civic space improvements may be required.

# Financial Pro Forma Modeling: Mill Road/NVF

## Townhouse Land Use Key Assumptions

			Totals & Weighted Averages
<b>Market Rate Units</b>	<b>Moderate Income Units</b>	<b>Low-Income Units</b>	
Number of Townhouse Units <b>104</b>	Number of Townhouse Units <b>8</b>	Number of Townhouse Units <b>8</b>	<b>120</b>
Avg. Hard Cost per S.F. <b>\$115</b>	Avg. Hard Cost per S.F. <b>\$115</b>	Avg. Hard Cost per S.F. <b>\$115</b>	
Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	
<b>Two-Bedroom Market Units 72</b>	<b>Two-Bedroom Moderate Income Units 4</b>	<b>Two-Bedroom Low Income Units 4</b>	<b>80</b>
Average Unit Size <b>1,100</b>	Average Unit Size <b>1,100</b>	Average Unit Size <b>1,100</b>	
Average Sales Price/S.F. <b>\$245</b>	Average Sales Price/S.F. <b>\$196</b>	Average Sales Price/S.F. <b>\$123</b>	<b>\$236</b>
Average Sales Price/Unit <b>\$269,500</b>	Average Sales Price/Unit <b>\$215,600</b>	Average Sales Price/Unit <b>\$134,750</b>	<b>\$260,068</b>
Average Cost/Unit <b>\$126,500</b>	Average Cost/Unit <b>\$126,500</b>	Average Cost/Unit <b>\$126,500</b>	
<b>Three-Bedroom Market Units 32</b>	<b>Three-Bedroom Moderate Income Units 4</b>	<b>Three-Bedroom Low Income Units 4</b>	<b>40</b>
Average Unit Size <b>1,500</b>	Average Unit Size <b>1,500</b>	Average Unit Size <b>1,500</b>	
Average Sales Price/S.F. <b>\$220</b>	Average Sales Price/S.F. <b>\$176</b>	Average Sales Price/S.F. <b>\$110</b>	<b>\$205</b>
Average Sales Price/Unit <b>\$330,000</b>	Average Sales Price/Unit <b>\$264,000</b>	Average Sales Price/Unit <b>\$165,000</b>	<b>\$306,900</b>
Average Cost/Unit <b>\$172,500</b>	Average Cost/Unit <b>\$172,500</b>	Average Cost/Unit <b>\$172,500</b>	
<b>Four-Bedroom Market Units 0.0001</b>	<b>Four-Bedroom Moderate Units 0</b>	<b>Four-Bedroom Low Income Units 0</b>	<b>0</b>
Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	Average Unit Size <b>0</b>	
Average Sales Price/S.F. <b>\$0</b>	Average Sales Price/S.F. <b>\$0</b>	Average Sales Price/S.F. <b>\$0</b>	<b>\$0</b>
Average Sales Price/Unit <b>\$0</b>	Average Sales Price/Unit <b>\$0</b>	Average Sales Price/Unit <b>\$0</b>	<b>\$0</b>
Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	Average Cost/Unit <b>\$0</b>	

### Other Assumptions

Absorption: Occurs over 36 months

# Financial Pro Forma Modeling: Mill Road/NVF

## Apartment Land Use Land Use Key Assumptions

			Totals & Weighted Averages
<b>Market Rate Units</b>	<b>Moderate Income Units</b>	<b>Low-Income Units</b>	
<b>Number of Apartment Units</b> 71	<b>Number of Apartment Units</b> 3	<b>Number of Apartment Units</b> 6	<b>80</b>
Avg. Hard Cost per S.F. <b>\$123</b>	Avg. Hard Cost per S.F. <b>\$123</b>	Avg. Hard Cost per S.F. <b>\$123</b>	
Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	Avg. Soft Cost per S.F.	
<b>Studio Market Units</b> 13	<b>Studio Moderate Income Units</b> 1	<b>Studio Low-Income Units</b> 1	<b>15</b>
Average Unit Size <b>450</b>	Average Unit Size <b>450</b>	Average Unit Size <b>450</b>	
Average Monthly Rent/S.F. <b>\$2.60</b>	Average Monthly Rent/S.F. <b>\$2.50</b>	Average Monthly Rent/S.F. <b>\$1.56</b>	<b>\$2.52</b>
Average Monthly Rent/Unit <b>\$1,170</b>	Average Monthly Rent/Unit <b>\$1,124</b>	Average Monthly Rent/Unit <b>\$703</b>	<b>\$1,136</b>
Average Cost/Unit <b>\$55,125</b>	Average Cost/Unit <b>\$55,125</b>	Average Cost/Unit <b>\$55,125</b>	
<b>One-Bedroom Market Units</b> 27	<b>One-Bedroom Moderate Income Units</b> 1	<b>One-Bedroom Low-Income Units</b> 2	<b>30</b>
Average Unit Size <b>625</b>	Average Unit Size <b>625</b>	Average Unit Size <b>625</b>	
Average Monthly Rent/S.F. <b>\$2.20</b>	Average Monthly Rent/S.F. <b>\$2.06</b>	Average Monthly Rent/S.F. <b>\$1.28</b>	<b>\$2.13</b>
Average Monthly Rent/Unit <b>\$1,375</b>	Average Monthly Rent/Unit <b>\$1,285</b>	Average Monthly Rent/Unit <b>\$803</b>	<b>\$1,334</b>
Average Cost/Unit <b>\$76,563</b>	Average Cost/Unit <b>\$76,563</b>	Average Cost/Unit <b>\$76,563</b>	
<b>Two-Bedroom Market Units</b> 27	<b>Two-Bedroom Moderate Income Units</b> 1	<b>Two-Bedroom Low Income Units</b> 2	<b>30</b>
Average Unit Size <b>800</b>	Average Unit Size <b>800</b>	Average Unit Size <b>800</b>	
Average Monthly Rent/S.F. <b>\$1.95</b>	Average Monthly Rent/S.F. <b>\$1.81</b>	Average Monthly Rent/S.F. <b>\$1.13</b>	<b>\$1.89</b>
Average Monthly Rent/Unit <b>\$1,560</b>	Average Monthly Rent/Unit <b>\$1,445</b>	Average Monthly Rent/Unit <b>\$903</b>	<b>\$1,512</b>
Average Cost/Unit <b>\$98,000</b>	Average Cost/Unit <b>\$98,000</b>	Average Cost/Unit <b>\$98,000</b>	
<b>Three-Bedroom Market Units</b> 4	<b>Three-Bedroom Moderate Income Units</b> 0	<b>Three-Bedroom Low Income Units</b> 1	<b>5</b>
Average Unit Size <b>1,100</b>	Average Unit Size <b>1,100</b>	Average Unit Size <b>1,100</b>	
Average Monthly Rent/S.F. <b>\$1.70</b>	Average Monthly Rent/S.F. <b>\$0.00</b>	Average Monthly Rent/S.F. <b>\$0.91</b>	<b>\$1.54</b>
Average Monthly Rent/Unit <b>\$1,870</b>	Average Monthly Rent/Unit <b>\$0</b>	Average Monthly Rent/Unit <b>\$1,004</b>	<b>\$1,697</b>
Average Cost/Unit <b>\$134,750</b>	Average Cost/Unit <b>\$134,750</b>	Average Cost/Unit <b>\$134,750</b>	

### Other Assumptions

Absorption occurs over two years.

# Financial Pro Forma Modeling: Mill Road/NVF

## Private Health Club

Building Type **NA**

Total Floors **NA**

Total Square Feet **30,000**

Efficiency Factor **100%**

Total Hard Cost per Square Foot **\$110**

Total Soft Cost per Square Foot

Annual Rent per Square Foot **\$20.00**

Annual CAM & Utilities/S.F. **\$5.00**

Annual Average Vacancy Rate **0.00%**

Parking per 1,000 s.f. **3.0**

# Fiscal Impact Analysis

## Fiscal Impact Analysis: Methodology

4ward Planning performed a fiscal impact analysis for each of the recommended development scenarios financially modeled (e.g., Millers Hill, Ways Lane, State Street and the Mill Road/NVF, comparing estimated annual local revenues and expenditures associated with the proposed developments.

The Preview Fiscal Impact Model (developed by Rutgers University and widely used, nationally), was utilized, incorporating current revenue and expenditure figures provided by both Kennett Borough and Kennett Township. 4ward Planning analyzed inputs to calculate the various service costs associated with proposed new development, as well as revenues relating to local taxes, allowing for an examination of their relationship to existing land-use and population factors. The impact model was then used to evaluate the fiscal impacts associated with the proposed development.

While each of the scenario developments will phase in over time, for modeling purposes, 4ward Planning has chosen to model a static state scenario for a stabilized year. That is, we have opted to model the first year in which a given development scenario is fully occupied (e.g., all housing units (save for standard vacancies) are fully rented, all housing units are sold, commercial space is at typical occupancy levels, etc.). Fiscal impacts are broken out for residential development, as well as non-residential development.

## Fiscal Impact Analysis: Assumptions and Inputs

- Residential development consists of market rate and affordable (low- and moderate-income units) where, in most cases, the share affordable units represents ten percent of total housing units.
- Population multipliers are applied to prospective new housing units (renter- and owner-occupied units) to estimate the number of new residents and public school-age children, all of whom will affect municipal expenditures in either Kennett Township or Kennett Borough, and the Kennett School District. Pennsylvania-based residential multipliers are sourced from Rutgers University , Center for Urban Policy Research), which has developed such population multipliers for all U.S. states, on behalf of the U.S. Census Bureau.
- The residential demographic multipliers are derived from the 2000 U.S. Census 5-Percent Public Use Microdata Sample (PUMS), and were last updated in June 2006, representing the most current such demographic multipliers in use.
- Residential multipliers applied in this analysis take into consideration the following variables, which have been found by Rutgers University to be associated with statistically significant differences in household size (e.g, the number of residents to be generated from a particular type of dwelling unit), school age children and public school age children: housing type, housing size, housing price and housing tenure.

## Fiscal Impact Analysis: Assumptions and Inputs

- Housing or structure types include the following: single-family detached; single-family-attached (referred to as townhouses); larger multi-family buildings (5 or more units); smaller multi-family buildings (2 to 4 units). For purposes of this study, single-family-attached (townhouses) and multi-family rental (5 or more units) are the only housing types analyzed;
- Housing unit size is measured by the number of bedrooms, ranging from 1 to 5 bedrooms (studio units have a relatively small sample size and given that studios, generally, contain one occupant, we have modeled such units as generating only one adult occupant).
- Housing is additionally classified by tenure: ownership or rental. An owner-occupied housing unit, according to the U.S. Census Bureau, is one where the “owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for...).
- Values and gross rents reported in the 2000 census are updated to 2005 using a residential price inflation index available from the Federal Housing Finance Board. A separate price index is applied for the nation, for each of the 50 states, and for the District of Columbia.
- The demographic profiles by 2005 housing values and gross rents are organized following a four-tiered classification: all value or rent housing, and then housing arrayed by terciles (thirds) of value or rent (units at the 1st–33rd percentile of value or rent; units at the 33rd through 66th percentile of value or rent; and units at the 67th–100th percentile of value or rent.)

# Fiscal Impact Analysis: Assumptions and Inputs

## Pennsylvania Housing Multipliers

### Structure Type

#### Bedrooms

		Total Person Factors	Total PSAC	Public School Grade		
				K-6	7-9	10-12
<b>Single-Family Attached: 2BR</b>						
All Values		1.86	0.15	0.09	0.03	0.03
Less than:	\$129,500	2.06	0.30	0.18	0.07	0.06
Between:	\$129,500 to \$168,000	1.75	0.09	0.05	0.02	0.03
More than:	\$168,000	1.76	0.05	0.03	0.02	0.01
<b>Single-Family Attached: 3BR</b>						
All Values		2.47	0.36	0.22	0.08	0.06
Less than:	\$165,500	2.72	0.57	0.34	0.13	0.09
Between:	\$165,500 to \$205,500	2.46	0.32	0.19	0.08	0.05
More than:	\$205,500	2.22	0.19	0.11	0.03	0.05
<b>Single-Family Attached: 4BR</b>						
All Values		3.67	0.97	0.53	0.31	0.13
Less than:	\$168,000	4.34	1.51	0.82	0.42	0.26
Between:	\$168,000 to \$280,000	3.69	1.04	0.61	0.35	0.09
More than:	\$280,000	2.95	0.31	0.10	0.12	0.09

# Fiscal Impact Analysis: Assumptions and Inputs

## Pennsylvania Housing Multipliers

### Structure Type Bedrooms

5+ Units-Rent: Studio		Total Person Factors	Total PSAC	Public School Grade		
				K-6	7-9	10-12
All Values		1.00	0.00	0.00	0.00	0.00
Less than:			Insufficient Sample			
Between:			Insufficient Sample			
More than:			Insufficient Sample			
<b>5+ Units-Rent: 1BR</b>						
All Values		1.26	0.04	0.03	0.00	0.01
Less than:	\$450	1.13	0.03	0.02	0.00	0.02
Between:	\$450 to \$950	1.28	0.05	0.03	0.00	0.02
More than:	\$950	1.36	0.04	0.03	0.01	0.00
<b>5+ Units-Rent: 2BR</b>						
All Values		1.97	0.19	0.12	0.03	0.03
Less than:	\$900	2.18	0.25	0.18	0.05	0.03
Between:	\$900 to \$1,300	1.98	0.24	0.14	0.05	0.05
More than:	\$1,300	1.75	0.07	0.06	0.00	0.01
<b>5+ Units-Rent: 3BR</b>						
All Values		2.76	0.70	0.35	0.18	0.17
Less than:	\$850	3.16	1.20	0.55	0.28	0.38
Between:	\$850 to \$1,300	2.74	0.60	0.39	0.13	0.08
More than:	\$1,300	2.37	0.29	0.11	0.13	0.05

## Fiscal Impact Analysis: Assumptions and Inputs

- Non-residential uses will generate full- and part-time employment and all net new jobs created are projected to be filled by persons not now currently working in Kennett Borough or Kennett Township.
- Average employment figures (derived from Urban Land Institute reports) are based on the number of employees per 1,000 square feet or per hotel room. Employment multipliers used in this analysis are:
  - Retail and pharmacy: 3.5 employees per 1,000 square feet
  - Restaurant: 4.5 employees per 1,000 square feet
  - Fitness center: 2 employees per 1,000 square feet
  - Lodging: 0.75 employees per room
  - Medical campus: 2.7 employees per 1,000 square feet
  - Logistics – Light Industrial: 0.25 employees per 1,000 square feet
- There is an assumed average vacancy rate of five-percent for all non-residential uses.
- Capitalization rates of between 7 and 8.5 percent were used for capitalizing the net operating income (NOI) of commercial projects, in order to generate a taxable value (a method which is common among tax assessors and professional appraisers to arrive at commercial property value).

## Fiscal Impact Analysis: Assumptions and Inputs

- Development-related revenues to Kennett Township, Kennett Borough and the school district will accrue from local real property taxes. A breakdown of 2016 taxes collected is summarized below:
  - Kennett Township Millage Rate: 0.662%
  - Kennett Borough Millage Rate:
  - School district Millage Rate: 1.358%
- The 2016 Assessment ratio, calculated by Chester County, is 53.8 percent of true value. However, for purposes of this fiscal impact analysis, and based on the method used to assess newly built property, we have used 100 percent assessed valuation for purposes of determining a real property tax levy – that is, the above municipal millage rates are applied against 100 percent of the estimated development value.
- In order to appropriately identify service costs associated with residential versus non-residential development, 4ward Planning obtained the ratio of residential parcels to the total of residential and commercial/industrial parcels for both the borough and township, as well as the ratio of residential assessed value to the total assessed value for residential and commercial/industrial parcels. In this way, 4ward Planning was able to assign a factor to the per capita budget expenditure for each community (each community's municipal budget divided by that community's total population) which accounts for share of the budget spent on residential service delivery (versus municipal services delivered to local businesses). So, for example, and using the above methodology, the ratio of Kennett Borough's budget spent on residential service delivery is approximately 79 percent. Kennett Township's ratio is 75 percent.

## Fiscal Impact Analysis: Assumptions and Inputs

- Current municipal budgets for both Kennett Borough (\$4,777,700) and Kennett Township (\$3,200,000) were also incorporated into the fiscal impact analysis algorithm.
- 4ward Planning utilized a \$16,500 per pupil student expenditure within its fiscal impact analysis algorithm, to account for public school costs associated with public school age children generated through new development. However, it should be noted that in cases where the local school district can easily absorb new students, the true per pupil cost is, often times, far lower than the district per pupil average (given that no new teachers need hiring, school facility costs are fixed, and the provision of books and materials are relatively marginal costs). However, to be conservative, we have opted to utilize the current district average per pupil cost.
- Finally, as the total net new population generated from the four scenarios modeled amount to less than 500 persons in each community, combined, we have not factored in additional costs associated with emergency services (e.g., police, fire and EMT services). However, and to the extent that the actual future build-out should generate a population greater than 500 persons in either community, an emergency services impact analysis may need to be performed.



# Fiscal Impact Analysis: Millers Hill

## Summary of Annual Net Fiscal Impact Findings

<b>Net Fiscal Impacts</b>	<b>\$643,967</b>
<b>Projected Service Costs</b>	<b>\$122,868</b>
Public Schools	\$0
Municipal Services	\$122,868
<b>Projected Capital Costs</b>	<b>\$0</b>
Schools	\$0
Wastewater	\$0
Roads	\$0
<b>Projected Net New Revenues</b>	<b>\$766,835</b>
Township Tax Revenues	\$65,494
School District Tax Revenues	\$701,341

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# Fiscal Impact Analysis: Ways Lane

## Development Generated Estimated Service Costs: Ways Lane Mixed-Income New Neighborhood

	Resident Percent	Worker Non-Resident Percent	Estimated Per Resident Service Cost	Est. per Worker Non-Resident Service Cost				
Estimated 2016 Per Capita Municipal Service Cost:	\$421	75%	25%	\$316	\$105			
Estimated 2016 Per Pupil Public School Expenditure:	\$16,500							
Development Generated Population:	141	Estimated Percent New	100%	Estimated Number New	141	Est. New Service Costs <u>\$44,526</u>	New School Expenditures	Sub Totals <b>\$258,138</b>
Total Public School Age Children:	13	100%	13			<u>\$213,612</u>		
Total Public Elementary School Children:	7	100%	7			\$207,941		
Total Public Junior High School Children:	3	100%	3			\$118,822		
Total Public High School Children:	2	100%	2			\$56,111		
Total Special Needs Children:	2	100%	2			\$33,008		
Total Special Needs Children:	2	100%	2			\$5,671		
Development Generated Employment:	0	Non-Resident Jobs Factor	1.00	Estimated Non-Resident Jobs	0	Est. New Service Costs <u>\$0</u>		<b>\$0</b>
Retail/Dining/Entertainment:	0	1.00	0			\$0		\$0
Office:	0	1.00	0			\$0		\$0
Light Industrial/Mfg.:	0	1.00	0			\$0		\$0
Lodging:	0	1.00	0			\$0		\$0
Non-Market/Health Club:	0	1.00	0			\$0		\$0
<b>Projected Total New Public Costs:</b>								<b>\$258,138</b>

# Fiscal Impact Analysis: Ways Lane

## Summary of Annual Net Fiscal Impact Findings: Ways Lane

<b>Net Fiscal Impacts</b>	<b>\$157,972</b>
<b>Projected Service Costs</b>	<b>\$258,138</b>
Public Schools	\$213,612
Municipal Services	\$44,526
<b>Projected Capital Costs</b>	<b>\$0</b>
Schools	\$0
Wastewater	\$0
Roads	\$0
<b>Projected Net New Revenues</b>	<b>\$416,111</b>
Township Tax Revenues	\$2,827
School District Tax Revenues	\$413,284

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## Fiscal Impact Analysis: State Street

### Summary of Annual Net Fiscal Impact Findings: State Street

<b>Net Fiscal Impacts</b>	<b>\$263,152</b>
<b>Projected Service Costs</b>	<b>\$137,582</b>
Public Schools	\$67,828
Municipal Services	\$69,754
<b>Projected Capital Costs</b>	<b>\$0</b>
Schools	\$0
Wastewater	\$0
Roads	\$0
<b>Projected Net New Revenues</b>	<b>\$400,734</b>
Township Tax Revenues	\$73,773
School District Tax Revenues	\$326,961

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## Fiscal Impact Analysis: Mill Road/NVF

### Summary of Annual Net Fiscal Impact Findings: Mill Road/NVF

<b>Net Fiscal Impacts</b>	<b>\$1,204,199</b>
<b>Projected Service Costs</b>	<b>\$529,208</b>
Public Schools	\$316,138
Municipal Services	\$213,070
<b>Projected Capital Costs</b>	<b>\$0</b>
Schools	\$0
Wastewater	\$0
Roads	\$0
<b>Projected Net New Revenues</b>	<b>\$1,733,408</b>
Township Tax Revenues	\$317,799
School District Tax Revenues	\$1,415,609

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## Slide 34 Concepts Ways Lane

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Image 9 N/A

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Image 3 The Imperial Building, Auckland, New Zealand <http://www.archdaily.com/257150/the-imperial-buildings-fearon-hay-architects>

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Image 2 Observation Balloon Preview Park Orange County Great Park, Irvine CA <https://vtwatershedblog.com/2015/06/04/part-2-stormwater-misconceptions/>

Image 3 East 4<sup>th</sup> Street, Cleveland OH <http://northernohio.outdoorlights.com/string-lighting-your-cleveland-area-yard-or-property/>

Image 4 Picnurbia, Vancouver Canada <https://sjbcitiesprogram.wordpress.com/tag/pop-up-park/>

Image 5 <http://www.derckandedson.com/planters/>

Image 6 The movement café <https://www.pinterest.com/pin/370491506826417558/>

Image 7 Village Gift Barn, Berlin OH <http://casselbear.com/clients/village-gift-barn/>

## Slide 64 Concepts State Street

Image 1 Kennett Square Inn [http://timlynvaughanphotos.com/uploads/processed/1346/1311102217101399\\_kennett\\_inn.jpg](http://timlynvaughanphotos.com/uploads/processed/1346/1311102217101399_kennett_inn.jpg)

Image 2 Google Map

Image 3 Kennett Sq PA <http://photos.visitphilly.com/Kennett-Square-R.Kennedy-900VP.jpg>

Image 4 RBA

# Image Credits

## Slide 65 Concepts State Street

Image 1 Princeton Downtown Redevelopment NJ <http://www.njfuture.org/smart-growth-101/smart-growth-awards/2005-award/princeton/>

Image 2 Princeton Public Library

## Slide 76 Concepts Cypress St

Image 1 Victory Brewpub, Kennett Sq PA <http://www.victorybeer.com/2014/06/breaking-news-victory-brewpub-open-kennett-square/>

Image 2 Lambertville Station Restaurant Inn NJ <http://www.wedding-spot.com/venue/2098/Lambertville-Station-Restaurant-Inn/>

## Slide 98 Concepts Mill Rd / NVF

Image 1 Jamie Bell Adventure Playground, High Park, Toronto ON, Canada

<http://www.mytorontoscoop.com/fun-toronto-parks-for-kids/>

Image 2 Birchtree Catering at Greensgrow Farms, Philadelphia PA <http://birchtreecatering.com/supper-club/supper-club-iix-march-at-greensgrow/>

Image 3 Greensgrow Farms, Philadelphia PA <http://www.agadevelopers.com/our-neighborhoods/south-kensington/greensgrow-farms>

Image 4 412 s Van Brunt st Englewood NJ

Image 5 Luther College Aquatic Center, Decorah IA <https://www.opus-group.com/OurWork/Luther-College-Aquatic-Center>

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4ward Planning Inc. and RBA have endeavored to ensure that the reported data and information contained in this report are complete, accurate, and relevant. All estimates, assumptions, and extrapolations are based on methodological techniques employed and believed to be reliable. 4ward Planning Inc. and RBA assume no responsibility for inaccuracies in reporting by the client, its agents, representatives, or any other third-party data source used in the preparation of this report.

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