



# Kennett Square Library Economic Impact Study

Kennett Square, Pennsylvania

February 4, 2020



ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

# Table of Contents

<b>EXECUTIVE SUMMARY</b>	<b>3</b>	<b>ECONOMIC IMPACT ANALYSIS</b>	<b>36</b>
Project Background	4	Key Findings	37
Takeaways	7	Methodology	38
<b>BACKGROUND RESEARCH</b>	<b>10</b>	<b>Library Construction</b>	<b>40</b>
Methodology	12	<b>Library Operation</b>	<b>43</b>
<b>Case Study Analysis</b>	<b>12</b>	Library Staffing	44
Key Findings	13	Library Visitors	45
<b>Literature Review</b>	<b>23</b>	Library Revenue	49
Key Findings	24	<b>APPENDIX</b>	<b>53</b>
<b>Socio-Economic Analysis</b>	<b>29</b>	Input-Output Impact Modeling	54
Key Findings	30		

# EXECUTIVE SUMMARY

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

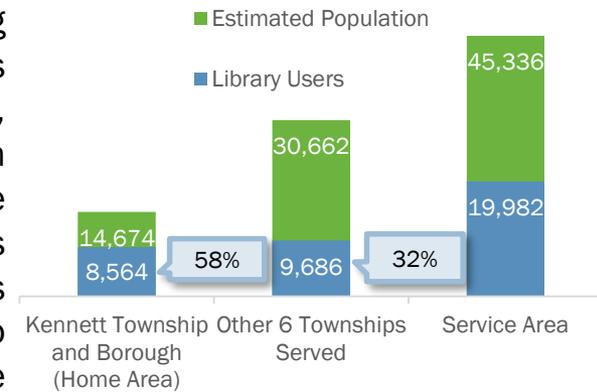


## Project Background: New Kennett Library

The existing 11,000-square foot Kennett Library, is a regional library serving the 45,330 residents within the library’s service area, which includes Kennett Square Borough and the townships of Kennett, Pennsbury, Pocopson, East Marlborough, Newlin, New Garden and West Marlborough. In 2019, 48,000 library visits were from residents living in Kennett Square Borough and Kennett Township (considered the “home area”), 54,290 visits were from residents living in the remaining six townships, and 9,708 visits were from users from outside the service area. As illustrated in the chart to the right, while 58 percent of the population living in the home area are library users, just 32 percent of residents living in the remaining six townships are library users. Many service area residents, particularly those living outside the home area, do not currently use the library due, in large measure, to a lack of onsite parking and communal meeting space.

To address these challenges, the Library’s trustees decided to design a new, modern 29,256-square foot library that will feature a maker space, a children’s program room, quiet reading and study rooms, and 37 surface parking spaces. Furthermore, the library’s 14 meeting rooms and 110-seat auditorium will host a variety of meetings and events (e.g. movies, plays, concerts, lectures, festivals, workshops, etc.). The project is estimated to cost \$15.4 million, with construction estimated to begin in 2021 and end in 2022. By 2023, when the library is expected to be operating, its unique offerings are expected to attract more visitors and bring new spending into the local area (e.g. retail, restaurants, gas, etc.). The purpose of this report is to estimate the library’s potential economic impact to the local service area.

Existing Library, 2019



Existing Kennett Library



New Kennett Library rendering

## Project Background: Methodology

In order to benchmark study assumptions, 4ward Planning performed a case study analysis of four newly built state-of-the-art libraries in communities comparable to Kennett Borough. 4ward Planning analyzed socio-economic metrics to better understand the regional visitor profile and potential market demand for the library's new event offerings. Finally, 4ward Planning utilized IMPLAN, a widely used economic impact assessment software system, to conduct an economic impact analysis of the new library during construction and operation. The impacts during operation focus on new library staffing, non-local visitor spending (e.g. visits from users coming from outside the home or service area), and new rental revenue as a result of the new library since this represents new dollars injected into the local economy rather than an economic shift. Existing research on the economic benefits and impacts of libraries nationally are also presented in order to identify other potential traditional service or program-related benefits not included in this economic impact analysis.

### Case Study Review

- National Examples
  - Cary Regional Library
  - Hebron Library
  - Petersburg Public Library
  - Mayfield Library
- Case Study Key Metrics
  - Funding
  - Costs & Scale
  - Programs
  - Visitor Est.
  - Meeting space
  - Rental revenue
  - Partnerships

### Literature Review

- Potential Economic Benefits
- Public Library Strategies & Contributions
- Summary of Library ROI Studies

### Socio-Economic Analysis

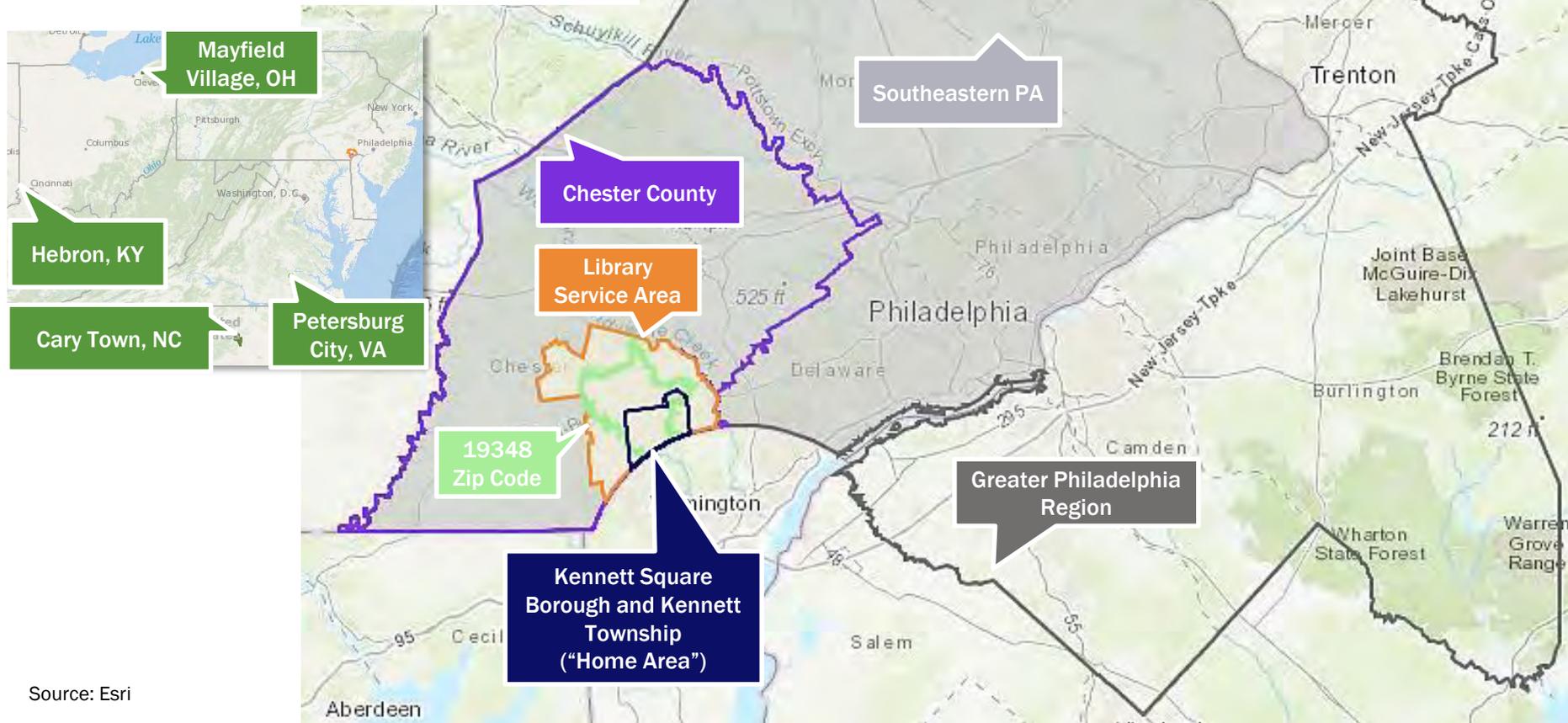
- Population
- Income
- Education
- Age
- Household Spending

### Economic Impact Analysis

- Construction Costs
- New Employees
- Non-Local Visitor Spending
  - Existing Visits from Outside Service Area
  - New Visits from Outside Home Area
- New Rental Revenue

# Project Background: Study Areas

The map to the right highlights the various study areas (right) and case study communities (below) analyzed in this report.



Source: Esri

## Project Takeaways: New Kennett Library

### Libraries are increasingly becoming more active community and workforce development centers

Both literature review and case study findings demonstrate that the role of public libraries has been shifting in recent years, from passive, recreational reading and research institutions to active economic development agents. Many modern library spaces are designed to be light-filled, flexible, and interactive, with programming extending well beyond those of their predecessors. All four newly built state-of-the-art case study libraries, located in communities comparable to Kennett Square Borough, were built to create state-of-the-art, comprehensive community and cultural centers where there previously were not. Two of the case study libraries (Cary Regional Library in North Carolina and the Petersburg Public Library in Virginia) were deliberately developed as pieces of broader city revitalization efforts, with their facilities intended as cultural and physical community anchors.

*Like many of the case studies analyzed, the new Kennett Square library has the potential to become a cultural and civic center for the region and a catalyst for the Borough's downtown revitalization.*

### Population growth, particularly among aging baby boomers, will bring new demand for new library services and programming.

Over the next five years, total population within the home and service areas is projected to increase by approximately 1,140 and 1,900 residents, respectively, bringing new demand for library services and programming. The fastest population growth is expected among adults ages 65 and over (partially represented by the baby boomer generation).

*As the baby boomer generation approaches retirement age in significant numbers, they will have more time and money to spend on comfort, amenities, entertainment, and recreation - an attractive visitor profile for the library's new entertainment and educational offerings.*

## Project Takeaways: New Kennett Library

### Library construction is estimated to support 51 total temporary jobs in the county from 2021 to 2022.

Temporary economic impacts during project construction are based on \$13.98 million in estimated construction costs provided by Kennett Library (\$15.38 million including construction and administrative fees). From 2021 to 2022, library construction is expected to support 34 direct temporary jobs, and generate \$5.37 million in total labor income, \$6.76 million in total value added, and \$13.36 million in total output within the 19348-zip code area. Within Chester County, overall, library construction is expected to support 51 total temporary jobs, and generate \$7.72 million in labor income, \$10.92 million in value added, and \$19.03 million in total output in Chester County.

*During construction, for every \$1.00 invested in the new Kennett Library (\$13.98 million), another \$1.05 is generated in output within the 19348-zip code area and another \$1.36 is generated in output within the county, overall.*

### Non-local visitor spending, new jobs, and rental revenue is estimated to support 23 total permanent jobs in the county by 2023.

By 2023, during the first year of library operation, new library staffing, non-local visitor spending, and rental revenue is expected to support 15 total permanent jobs (including 5.5 full- and part-time direct library staffing jobs), and generate \$586,300 in total labor income (including \$221,777 from new library staffing), \$1.18 million in total value added, and \$3.03 million in total output within the 19348-zip code area. Within Chester County, overall, new non-local visitor spending, new jobs, and rental revenue is expected to support 23 total full- and part-time permanent jobs, and generate \$1.15 million in labor income, \$2.12 million in value added, and \$4.44 million in total output.

*Findings suggest that communities surrounding Kennett Borough (particularly in the home area) will receive an economic return on new library investment driven by salaries and wages paid to new staff and non-local visitor spending due to new library visits.*

## Project Takeaways: New Kennett Library

**Research shows that libraries provided a return of \$5 for every \$1 of tax support.**

Given the shifting role of public libraries in recent years, it is not surprising that an increasing number of economic research tools are being developed to measure the value of libraries. According to a review of public library return on investment (ROI) studies, libraries provide a mean ROI of \$5.00 in benefits for every \$1.00 of tax support. In other words, for every dollar invested in public libraries, a community realizes five dollars in value. A 2007 report found that Pennsylvanian libraries provided a return on investment of \$5.50 in benefits for every \$1 of tax support.

*In additional to economic impacts identified in this report, the new library will also see an increase in traditional service benefits (e.g. individual cost savings) and targeted library programs or service benefits due to increased library capacity and offerings.*

**New rental space at the library will not only be affordable to local businesses and residents, but it will bring in new non-local visitors and spending.**

Similar to the case study libraries studied, the new Kennett Library is expected to become an attractive, relatively affordable meeting and event venue for local business and residents. By 2023, new meeting and event space at the library is anticipated to bring in \$16,050 in new annual rental revenue. For every \$1.00 in new rental revenue generated at the library, another \$1.02 in total economic output will be generated within the 19348-zip code area and \$1.31 within the county.

*Although the economic impact from new event and meeting space rental revenue is smaller in scale (largely due to their affordability) compared to the impact from new staffing and non-local visitor spending, new event and meeting opportunities at the library will inject new dollars into the local economy and further catalyze economic development in downtown.*

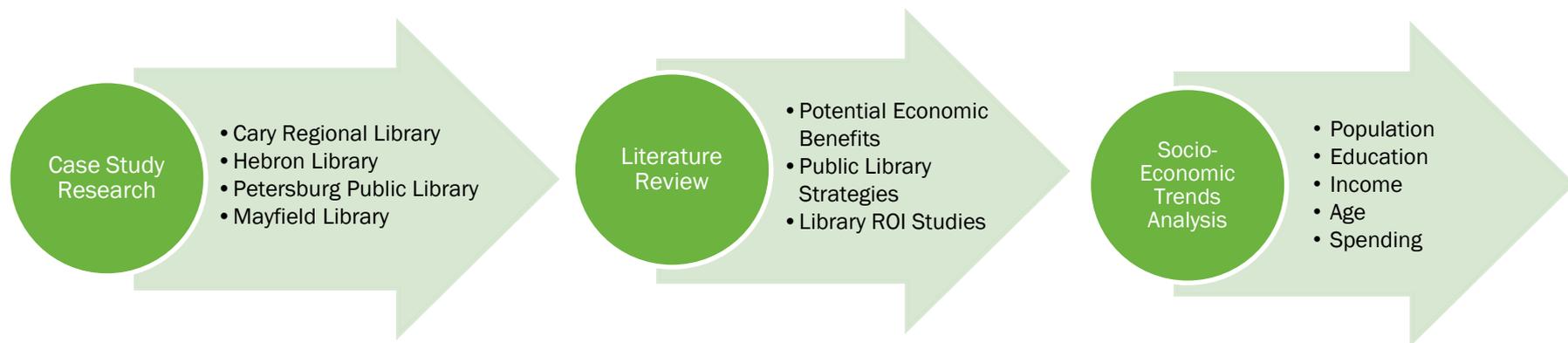
# BACKGROUND RESEARCH

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Methodology: Background Research

4ward Planning performed a national case studies analysis of four newly built state-of-the-art libraries in communities comparable to Kennett Square Borough, examining their funding sources, construction and operating costs, scale (square footage, number of rooms), programmatic elements, visitor estimates, meeting space rental revenue, and community partnerships, where available. While no two case studies are exactly alike, each offers elements of relevance and instruction. Our analysis is informed by online research and telephone interviews with case-study library directors, synthesized into a summary of each and offering best-case practices in support of the successful development of Kennett Square's new library facility. Next, 4ward Planning reviewed existing research on the potential economic benefits derived from library service and administrative functions, public library strategies and contributions to local economic development, and library return on investment (ROI) studies. Next, 4ward Planning utilized ESRI Community Analyst, a provider of socio-economic data, to better understand potential market demand from non-local visitors by analyzing household spending patterns across a range of retail and entertainment categories.



# Case Study Analysis

## Key Findings: Case Studies Analysis

### **Library as community and revitalization tool**

The spaces and programming of many modern libraries extend well beyond those of their predecessors. All four case study libraries were built to create state-of-the-art, comprehensive community and cultural centers where there previously were not. Two of the case study libraries were deliberately developed as pieces of broader city revitalization efforts, with their facilities intended as cultural and physical community anchors.

### **Light-filled, flexible, interactive spaces and outdoor elements**

All four case study libraries were constructed with the intention of offering natural light-filled, flexible, interactive spaces that would accommodate gatherings of different sizes and would be adaptable to new uses. Each facility, to varying degrees, was built to extend into the surrounding outdoor space, symbolically and literally reaching out to the community, sometimes offering outdoor space for library and partnership events.

### **Library space as an affordable meeting and event option**

The case-study library systems vary in their approaches to event and meeting space rental costs – from free to the public and non-profit groups to \$100 per hour for a 400-seat auditorium. Libraries have become attractive, affordable venues for meetings and events.

### **Workforce development programs provide unmeasured economic impact**

Although none of the case-study libraries have reported economic impact measurements, their wide arrays of community programming, particularly those focused on workforce development, likely have positive economic impact on the surrounding community. Although library visitor spending in the local area is likely, it is challenging to measure.

## Case Study: Cary Regional Library, NC

### Background

Wake County and the Town of Cary, situated in north-central North Carolina, partnered to build a 23,450–square-foot state-of-the-art county library and an adjacent 600-space, town-owned parking deck in the heart of downtown Cary. Design and construction of both facilities, managed by the County, totaled \$23.7 million, of which the Town’s portion was approximately \$13 million. The new \$10.7 million, two-story Cary Regional Library, opened in November 2019 and built across from the Cary Arts Center and adjacent to an outdoor performance space, is a vital piece of Cary’s downtown revitalization strategy. The new library and parking deck were intended to solidify Cary’s downtown as a cultural center and a place for activities to support local businesses. Prior to the opening of the new facility, the former Cary Regional Library saw an estimated 250,000 visitors per year, a number expected to substantially increase in the coming years.

### Features & Programs

The Cary Regional Library - with its first-floor children’s collection and large program room, and second-floor adult collection and study spaces - is home to over 90,000 books, 32 public computers (with wireless access) and a community meeting room. The new building features large windows offering generous swaths of natural light and views of the six-acre town park that will be located northeast of the library. The library’s outdoor plaza and public restrooms can be accessed by patrons of the downtown park and the nearby public performing space. A pedestrian bridge will connect the library to the parking deck, around which Cary is reserving space for potential private development. The



Image: Cary Regional Library exterior: Cary Magazine

## Case Study: Cary Regional Library, NC (continued)

library's programming includes 16 weekly young-child storytimes, at least four weekly school-age programs, a weekly teen program, book discussions groups, craft and music events, and adult education programs.. Services for adults include career and resume assistance, professional development guidance, and computer skills resources.

### Funding and Partnerships

More than 12 years prior to the library's grand opening, voters approved a bond to fund the project. When construction bids came in \$2.5 million over budget, \$600,000 was trimmed from the project and the remaining shortfall was covered by bond money that had been set aside for a proposed library in the North Hills area of Raleigh, also part of the Wake County Public Library system.



Image: Cary Regional Library: Joe Reale, Cary Living

The library's current and anticipated partnerships include those with the Cary Parks and Rec Department, a local history museum, the Cary Arts Center, and the downtown Cary Theater.

### Relevance

The vision for the Cary Regional Library as an integral piece in the Town's broader cultural and revitalization efforts is a significant element in its development and path forward. Its community programming as well as the extension of its physical space into other areas of the downtown, by way of its plaza and pedestrian bridge, invite visitor traffic and connection to Cary's other cultural and recreational spaces.

Sources: Athans, Elaina "First-look at Cary's New Multi-Million Dollar Regional Library," abc11.com, Oct 2019; Cary Magazine "Find Beauty and Books at the New Cary Library, Nov 2019; Interview with K. Vernon, Sr. Library Mgr., Jan 2020. Johnson, Anna New Downtown Cary Library is Expected to Open in Fall 2019," Raleigh News & Observer, Feb 2018; Patrick, Jessica "Crowd Gathers for Grand Opening of New Cary Regional Library," WRAL.com, Nov 2019; Traylor, Cheryl Capaldo "Cary Regional Library, Opening in November, Adds a New Chapter to Community Enrichment," Cary Living; Cary Library, Wake County Government, [www.wake.gov](http://www.wake.gov); Cary Regional Library, Town of Cary, [www.townofcary.org](http://www.townofcary.org)

## Case Study: Hebron Branch, Boone County Library, KY

### Background

The 26,000-square foot Hebron Branch of the Boone County Library, located in northern Kentucky, approximately 16 miles west of Cincinnati, Ohio, celebrated its grand opening in July 2019. With a combined \$10 million in construction and furnishing costs, the new library is expected to see an estimated 150,000 visitors in 2020 (compared to 30,000 in its old facility). The modern, light-filled, one-story building provides a much-needed cultural gathering space, as Hebron's former 6,000-square-foot facility had long outlived its effectiveness in serving the growing and aging regional community.

### Features & Programs

One of the most striking elements of the new Hebron Branch is its extension of features into the outdoor space surrounding it, starting with its westward-facing wall of windows overlooking a wooded area. Additionally, the library's outdoor space includes an outdoor patio, a one-mile *Storywalk* - a paved path encircling the building and dotted with story pages by a local children's author mounted and installed along the walkway, and an amphitheater designed for concerts and other outdoor performances (with indoor accommodations to easily move performances inside in the event of inclement weather). In addition to its book collection, library's indoor space includes three flexible meeting rooms that can be combined into one large room with a stage and enough space to seat 388; a conference room with seating for 12; five study rooms; and the Boone Innovation Lab, a makerspace with equipment and computer software to facilitate 3-D printing, laser engraving, quilting, and photography, as well as other equipment, tools, and activities for all ages.



Image: Hebron Branch exterior: Northern Kentucky Tribune

## Case Study: Hebron Branch, Boone County Library, KY (continued)

In consideration of the lifestyles and full array of age ranges of its regional patrons, the Hebron Library was designed with their needs in mind. As Boone County's over-age-55 population is expected to double in size by 2030, the library includes a dedicated retired-adult area, equipped with its large-print collection, computer monitors with large text, easy in-and-out chairs, and extra lighting. To accommodate the busy lives and varying work schedules of its patrons, the library offers a drive-up window for pick-up and drop-off services (the most requested feature during the public feedback stage of its planning) and lobby-area lockers accessible 24 hours a day to allow convenient pick-up of materials on hold.

### Funding and Partnerships

A fund set up by the library's board of trustees nearly 20 years prior to the Hebron Branch's opening allowed the library to pay off the new branch all at once. As a special-purpose government entity, the Boone County Library System is an independent taxing entity, allowing it up to an annual four-percent increase for operating costs. Although the library's flexible meeting rooms and amphitheater are available for rent, their affordability (\$25/four hours; \$50/six hours) does not constitute significant rental revenue.



Image: Hebron Branch interior: [www.cincinnati.com](http://www.cincinnati.com)

The library's primary public partnerships include that with the County Parks Department, school system, and Hebron Business Association.

### Relevance

The Hebron Library has, in its short existence, become an important cultural community center, with indoor and outdoor programs and resources for all ages.

Sources: Hebron Branch Property Land-Use Master Plan, Viox & Viox, Nov 2011; Herrmann, Carrie "Boone County Public Library Director Delivers Report to Community Through Lens of Strategic Plan," Northern Kentucky Tribune, Jan 2019; Mayhew, Chris "Boone County Public Library Hebron Branch: 5 Things to Know Before you go," Cincinnati Enquirer, Jul 2019; "New Hebron Branch of Boone Library to Open at End of July," River City News, Jul 2019; Interview with Carrie Herrmann, Boone County Library Director, Jan 2020.

## Case Study: Petersburg Public Library, VA

### Background

In the face of long-standing public health, educational, and economic challenges, Petersburg, Virginia has been effecting careful steps toward revitalization. A significant piece of this effort was the planning and construction of a \$12.7 million, two-story, 42,000-square-foot library in the center of its downtown – to replace the single-family dwelling built in 1874 that served as the community’s library for many years. Opened in 2014, the Petersburg Public Library has become a regional cultural and civic center and a catalyst for further revitalization. With over 116,000 visitors in 2018, the library has, in its first five years of operations, established a full range of services to a diverse community of residents with a considerable array of needs.

### Features & Programs

The Petersburg Public Library features large expanses of window; thousands of books; 60 computer stations with free internet access; a computer training lab; one conference room; one multipurpose room; three study rooms; reading nooks; a storytelling stage; a children’s *Imagination Station*; a teen center; a special entrance for school buses; self-check-out stations; a spacious outdoor terrace, and a gift shop and café (with all proceeds applied to library resources).

The library’s extensive programming includes, but is not limited to, children’s storytimes; teen activities; yoga; nutritional workshops; senior exercise classes; *Jazz in the Stacks*, an award-winning live-jazz event; literacy programs; and small-business development programs.

In July 2019, the Petersburg Library Foundation announced its intention to build a \$2.5 million, 6,472-square-foot, 375-person-capacity conference and event



Image: Petersburg Public Library exterior: Enteros Design

## Case Study: Petersburg Public Library, VA (continued)

center addition onto the library, which will accommodate corporate, civic, educational, and community groups. Fundraising for this extension is underway.

### Funding and Partnerships

The director of the Petersburg Library and a former pastor and community leader joined forces to initiate a capital campaign to help pay for the new building, which was followed by 10 years of tireless planning and fundraising activities. The Virginia Local Initiatives Support Corporation (LISC), a nonprofit community development support organization, offered an early \$2 million bridge loan to the Petersburg Library Foundation to help launch the project. The rest was pieced together with federal tax credits, private investment, grants from private philanthropists, local government resources, and grassroots community fundraising (e.g., schoolchildren saved their pennies, families purchased bricks, and churches held bake sales). One family, originally from Petersburg, donated an entire room to the library during fundraising.

The Petersburg Library has an ongoing partnership with the State Health Department and Virginia Commonwealth University Medical Center, offering patrons resources, information, and classes focused on living healthier lives, as well as adult literacy and small business non-profit partnerships.



Image: Petersburg Public Library interior: Enteros Design:

### Relevance

Funding for the Petersburg Library was the result of a comprehensive, creative community effort, bringing together countless agencies, organizations, and individual families willing the library into existence. The library's presence in the community has become an extension of the original funding effort, making everyone stakeholders.

Sources: Jones, Sean "Petersburg Public Library Commemorates 5 Years in New Location," The Progress-Index, May 2019; "July 31, 2019; "Petersburg Library Foundation Kicks Off Phase 2," [www.petersburgva.gov](http://www.petersburgva.gov), Jul 2019; Petersburg Public Library, Enteros Design, [www.enterosdesign.com](http://www.enterosdesign.com); Street, Candace "How a Virginia City Came Together to Build New Library," [www.nextcity.org](http://www.nextcity.org), Aug 2014.

## Case Study: Mayfield Library, OH

### Background

Situated in Mayfield, Ohio, approximately 25 miles east of Cleveland and part of the Cuyahoga County Public Library system, the Mayfield Library's relocation to the north side of town in April 2013 was the subject of mixed community reaction. Since then, however, the \$11.7 million, 30,000-square-foot, single-story branch has been embraced as an important cultural center, ultimately reflecting feedback from the community by offering an array resources and gathering space, and by being built and used in a way as to honor its natural setting.

### Features & Programs

Great care was taken to include views of surrounding park space in the library's design as well as eco-friendly, energy-efficient elements throughout. The Mayfield library structure is approximately 40 percent glass, including skylights, and outfitted with light-switch sensors that offset the library's energy costs. Another eco-friendly design element is the library's raised floor, which allows all of the building's data, heating, cooling, and electrical cables to flow underfoot.

The Mayfield Library features nearly 440,000 items available for checkout; 62 public-access computers; four study rooms; a community meeting room; a storytime room; an interactive children's play area; a designated teen area that includes game consoles and a cafe area with vended snacks and beverages; a technology learning center for free computer training classes; the *Mayfield Branch Innovation Center* with access to 3-D printing, Adobe design software, and a variety of equipment for exploring computer programming basics, circuit building, and robotics; and a full-service drive-up window.



Image: Mayfield Branch: Steven Litt, The Plain Dealer

## Case Study: Mayfield Library, OH (continued)

### Funding and Partnerships

The Mayfield Library project was funded out of a capital budget, separate from taxpayer funds. Since 2009, state and local property tax funding for operating costs has dropped sharply. The Facilities Master Plan was designed to reduce the county library system's annual operating expenses by replacing inefficient buildings with more sustainable, single-story buildings that cost less to operate.

Although the Mayfield Branch's meeting space is offered free to the public and non-profit groups, there is a branch within the Cuyahoga Library System that includes a 400-person auditorium, which is rented for \$100/hour during library open hours, \$200/hour during off-hours, and \$50/hour for additional meeting room space.

The Mayfield Branch is part of the county library system's larger partnership with Cuyahoga County and the Cleveland Library System, which have come together to provide the region with focused education and workforce development programs. As such, the Mayfield Branch is one of many one-stop shops where residents can access social service applications, basic skills education and literacy programs, GED test preparation, and digital literacy training. The library also maintains a partnership with the American Red Cross, allowing residents to donate blood and access health resources at the branch.



Image: Mayfield Branch interior: Steven Litt, The Plain Dealer

### Relevance

The Mayfield Library was created with the goal of providing a much-needed center for community life in the area. As such, its meeting spaces were designed to be flexible, with the ability to adapt to changing community needs over time.

Sources: Baker, Brandon "Mayfield Library Opens Doors to New \$11.7M Building," [www.patch.com](http://www.patch.com), Apr 2013; Mayfield Branch, Cuyahoga County Public Library, [www.cuyahogalibrary.org](http://www.cuyahogalibrary.org); Litt, Steven "New Cuyahoga County Libraries are Spirited Variations on Themes of Service, Light, Sense of Place," The Plain Dealer, Jul 2019; Price, Kyla "New Mayfield Branch Library Grand Opening Slated for April 20," [www.Cleveland.com](http://www.Cleveland.com), Apr 2013; Interview with Enda Bracken, Branch Services Director, Jan 2020.

# Case Study Analysis Summary

Name (Year Built)	Location	Costs	Initial Funding	Scale (SF)	Programs	Annual Visitors	Meeting Space	Rental Rates	Partnerships
Kennett Library (new)	Kennett Square Borough, PA	\$15.4 MM	<ul style="list-style-type: none"> <li>Municipal grants</li> <li>Private donations</li> <li>capital savings</li> </ul>	29,256	<ul style="list-style-type: none"> <li>Storytime</li> <li>Teen events</li> <li>Book groups</li> <li>Maker space</li> <li>Ted Talks</li> <li>Movies</li> </ul>	200,000 (es.)	<ul style="list-style-type: none"> <li>7 Meeting rooms</li> <li>4 tutor rooms</li> <li>2 classrooms</li> <li>1 Maker space</li> <li>110 seat auditorium</li> </ul>	<ul style="list-style-type: none"> <li>Non-profits: \$0-\$50</li> <li>Commercial: \$50-\$100</li> <li>Auditorium: \$0-\$100/hr.</li> </ul>	<ul style="list-style-type: none"> <li>Chester County Library System</li> <li>More than 40 community organizations</li> </ul>
Cary Regional Library (2019)	Cary Town, NC	\$10.7 MM	<ul style="list-style-type: none"> <li>Voter-approved bond</li> </ul>	23,450	<ul style="list-style-type: none"> <li>Storytime</li> <li>Teen events</li> <li>Book groups</li> <li>Crafts &amp; music</li> <li>Prof. dev.</li> </ul>	400,000 (est.)	<ul style="list-style-type: none"> <li>1 meeting room</li> </ul>	<ul style="list-style-type: none"> <li>Free to public &amp; non-profits only</li> </ul>	<ul style="list-style-type: none"> <li>Parks &amp; Rec. Department</li> <li>History Museum</li> <li>Arts Center</li> <li>Local Theater</li> </ul>
Hebron-Boone County Library (2019)	Hebron, KY	\$10 MM	<ul style="list-style-type: none"> <li>Established board of trustees' fund</li> </ul>	26,000	<ul style="list-style-type: none"> <li>Storytime</li> <li>Teen events</li> <li>Retiree events</li> <li>Makerspace</li> <li>Concerts</li> <li>Car show</li> </ul>	150,000 (est.)	<ul style="list-style-type: none"> <li>3 flexible meeting rooms</li> <li>5 study rooms</li> <li>Conference room</li> <li>Amphitheater</li> </ul>	<ul style="list-style-type: none"> <li>Meeting space: \$25/4 hours; \$50/6 hours</li> </ul>	<ul style="list-style-type: none"> <li>Parks Department</li> <li>School district</li> <li>Business Association</li> </ul>
Petersburg Public Library (2014)	Petersburg City, VA	\$12.7 MM	<ul style="list-style-type: none"> <li>Fundraising</li> <li>tax credits</li> <li>loans</li> <li>grants</li> </ul>	42,000	<ul style="list-style-type: none"> <li>Jazz in the Stacks</li> <li>Health programs</li> <li>Storytime</li> <li>Teen events</li> </ul>	116,000	<ul style="list-style-type: none"> <li>Conference room</li> <li>Multi-purpose room</li> <li>3 study rooms</li> </ul>	<ul style="list-style-type: none"> <li>Free to public &amp; non-profits only</li> </ul>	<ul style="list-style-type: none"> <li>Adult literacy non-profit</li> <li>Small business dev. center</li> </ul>
Mayfield Library (2013)	Mayfield Village, OH	\$11.7 MM	<ul style="list-style-type: none"> <li>Bond issue</li> <li>Donations</li> <li>capital savings</li> </ul>	30,000	<ul style="list-style-type: none"> <li>Tech programs</li> <li>Makerspace</li> <li>Teen events</li> <li>Storytime</li> </ul>	235,000	<ul style="list-style-type: none"> <li>4 study rooms</li> <li>1 meeting room</li> <li>Storytime room</li> </ul>	<ul style="list-style-type: none"> <li>Auditorium (other branch): \$100/hr.</li> </ul>	<ul style="list-style-type: none"> <li>Cleveland Public Library System</li> <li>Cuyahoga Co.</li> <li>Red Cross</li> </ul>

# Literature Review

## Key Findings: Literature Review

### **Library as an active economic development agent**

The role of public libraries has been shifting in recent years, from passive, recreational reading and research institutions to active economic development agents. An increasing number of economic research tools are being used to measure the public value of libraries, including the cost-benefit impacts and Return on Investment (ROI) that public libraries generate.

### **Economic benefits from library service, program, and operation**

In addition to traditional service benefits (e.g. individual cost savings), libraries also generate program-related benefits through targeted library programs or services (e.g. impacts on local businesses from workshops or meeting space) and benefits from library administrations and operation (construction, employment, etc.).

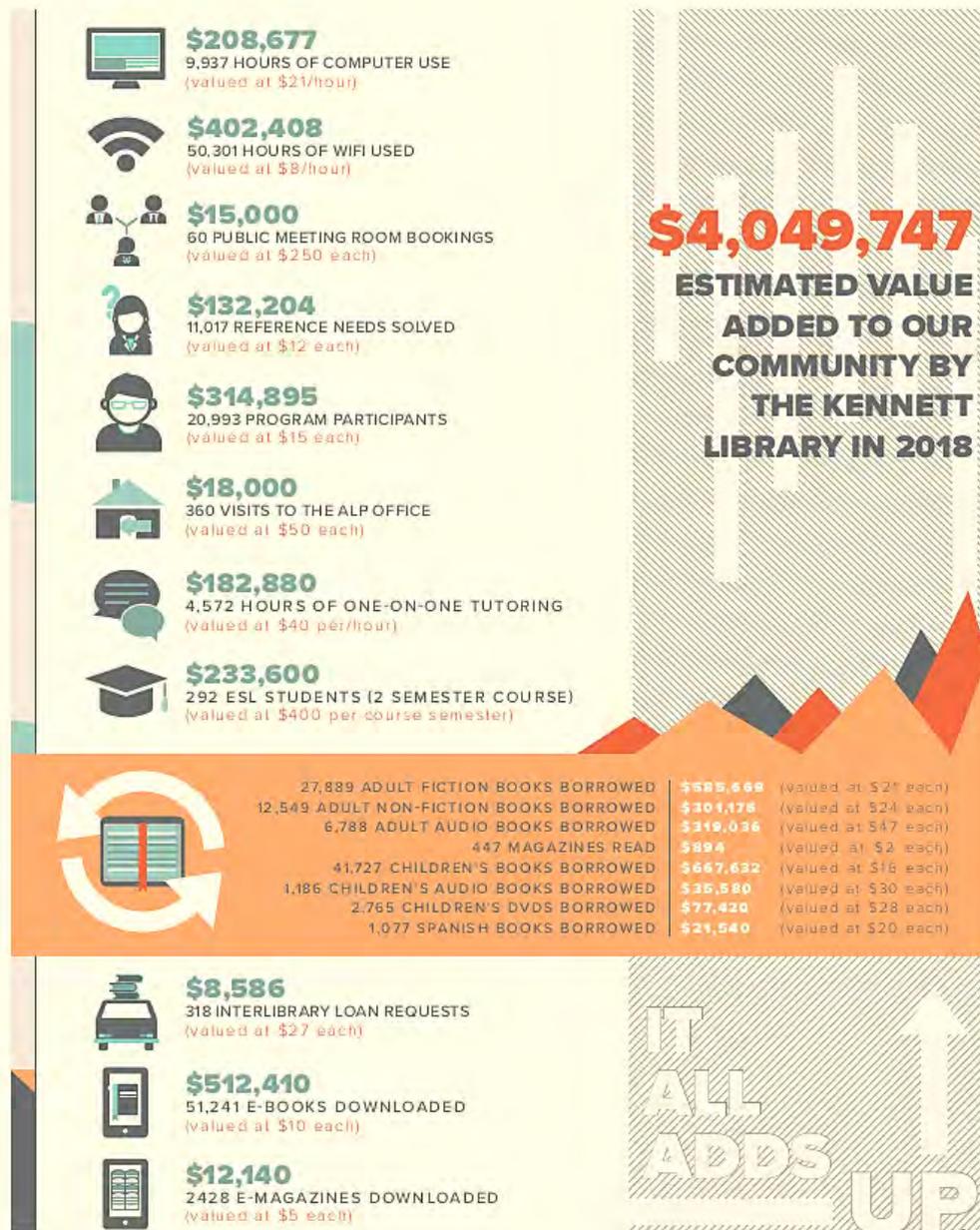
### **\$5.00 in benefits for every \$1.00 of tax support**

A Library ROI study demonstrates the worth of public libraries in terms of dollars-and-cents. According to a review of public library ROI studies presented by the Library Research Service, libraries provide a mean ROI of \$5.00 in benefits for every \$1.00 of tax support. In other words, for every dollar invested in public libraries, a community realizes five dollars in value. A 2007 report found that Pennsylvania's 630 libraries provided a return on investment of \$5.50 in benefits for every \$1 of tax support.

# Project Background: Library Benefits and Impacts

According to 2018 data provided by Kennett library, illustrated to the right, the existing Kennett Square Library provides nearly \$4.05 million in traditional service and program-related benefits. Traditional service benefits are measured as community cost savings from the provision of free access to library amenities (e.g. computers, WIFI, e-books, e-magazines, etc.), while program-related benefits are measured as the value of services provided through targeted library programs (tutoring, reference help, English as a second language support, etc.).

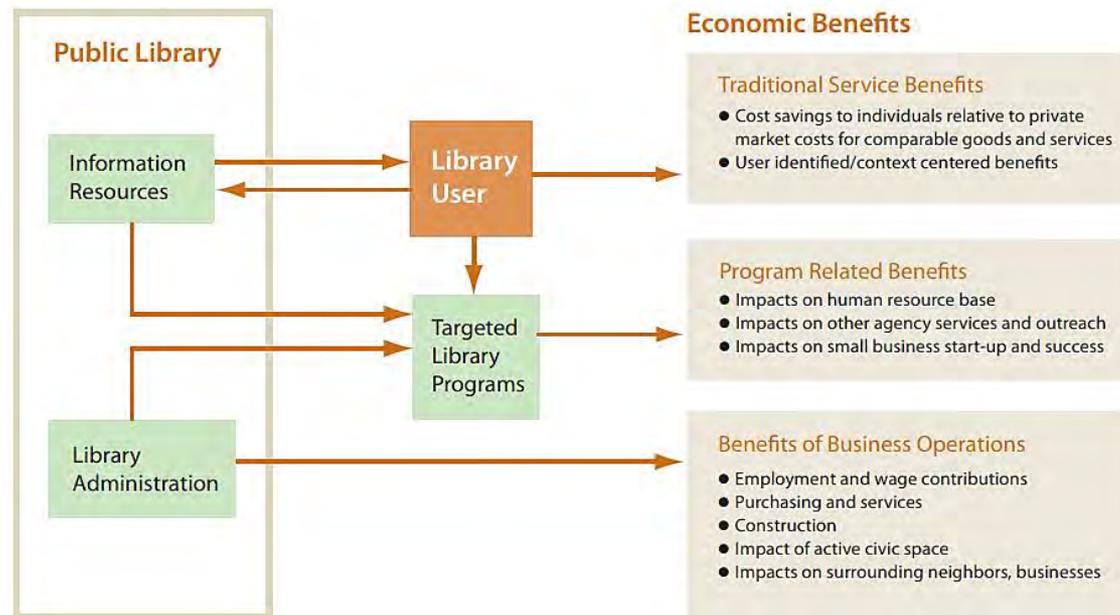
While these traditional service benefits are expected to increase as the number of new library users also increases, the purpose of the economic impact analysis is to estimate the net changes in new economic activity associated with new library construction and operations (new dollars injected into the local area from new visitor spending and business operations).



## Potential Economic Benefits

A 2007 Urban Libraries Council report noted a shift in the role of public libraries – from passive, recreational reading and research institutions to active economic development agents. An increasing number of economic research tools are being used to measure the public value of libraries, including the cost-benefit impacts and return on investment that public libraries generate. As illustrated below, in addition to traditional service benefits (e.g. individual cost savings), libraries also generate program-related benefits through targeted library programs (e.g. impacts on small businesses) and benefits from library administrations and operation (construction, employment, etc.). Additional public library strategies and contributions to local economic development provided by the Library Research Service are provided on the following page.

### Potential Economic Benefits Derived from Library Service and Administrative Functions



Source: The Urban Libraries Council, *Making Cities Stronger: Public Library Contributions to Local Economic Development*, 2007

# Contributions to Local Economic Development

## Public Library Strategies and Contributions to Local Economic Development

Public Library Strategies	Economic Development Contributions
<ul style="list-style-type: none"> <li>• <b>Early Literacy</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>School readiness/academic success</b></li> </ul>
<ul style="list-style-type: none"> <li>• Community Campaigns</li> </ul>	<ul style="list-style-type: none"> <li>• Elevate awareness of the need to read early and often</li> </ul>
<ul style="list-style-type: none"> <li>• Baby Lap-Sit to PreK reading activities</li> </ul>	<ul style="list-style-type: none"> <li>• Elevate levels of early literacy, expand learning resources</li> </ul>
<ul style="list-style-type: none"> <li>• Outreach to parents and caregivers</li> </ul>	<ul style="list-style-type: none"> <li>• Elevate levels of early literacy, improve quality of childcare</li> </ul>
<ul style="list-style-type: none"> <li>• Childcare training and certification</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen community-wide childcare provider network, improve childcare worker qualifications</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Workforce Development</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Expand quantity and competencies of local workforce, long-term community economic capacity</b></li> </ul>
<ul style="list-style-type: none"> <li>• Access to technology</li> </ul>	<ul style="list-style-type: none"> <li>• Expand employment aptitudes, competencies</li> </ul>
<ul style="list-style-type: none"> <li>• Access to internet</li> </ul>	<ul style="list-style-type: none"> <li>• Expand access to employment search and application opportunities</li> </ul>
<ul style="list-style-type: none"> <li>• Access to technology training</li> </ul>	<ul style="list-style-type: none"> <li>• Expand employment skills and opportunities</li> </ul>
<ul style="list-style-type: none"> <li>• English language training, adult literacy resources</li> </ul>	<ul style="list-style-type: none"> <li>• Expand employment opportunities, economic sustainability</li> </ul>
<ul style="list-style-type: none"> <li>• Career skills workshops (w/agencies)</li> </ul>	<ul style="list-style-type: none"> <li>• Provide support for career pathways, expand audiences/reach of agencies</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Small Business Support</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Strengthen key local enterprise base and stimulate new job creation</b></li> </ul>
<ul style="list-style-type: none"> <li>• Access to databases and other resources</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce cost for research and planning</li> </ul>
<ul style="list-style-type: none"> <li>• Technical assistance for start-ups and micro-enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce costs and barriers to entering market, reduce failure rates, expand audience for other local agencies involved in small business support, expand small business sector</li> </ul>
<ul style="list-style-type: none"> <li>• Technical assistance to existing businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen viable small business sector, expand reach and lower costs of other local agencies with shared facilities and resources, increase clustering of enterprises for competitive advantages</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Physical Development</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contribute to vibrant urban and suburban life</b></li> </ul>
<ul style="list-style-type: none"> <li>• Downtown (often “central” or “main”)</li> </ul>	<ul style="list-style-type: none"> <li>• Anchor development, generate foot traffic, revitalize commercial and cultural activity</li> </ul>
<ul style="list-style-type: none"> <li>• Mixed-use, residential</li> </ul>	<ul style="list-style-type: none"> <li>• Provide amenity value, generate foot traffic, increase quality of life and safety</li> </ul>
<ul style="list-style-type: none"> <li>• Mall, commercial development</li> </ul>	<ul style="list-style-type: none"> <li>• Generate traffic, but not sales competition, strengthens developer financing pro forma</li> </ul>
<ul style="list-style-type: none"> <li>• Joint-Use</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce development costs, generate synergy of consumers/service providers</li> </ul>

Source: Library Research Service

## Summary of Library Return on Investment Studies

Return on investment is a ratio between net profit and cost of investment, with a high ROI meaning the investment's benefits (here a library user's benefits) compare favorably to its cost (e.g. tax support). A Library Return on Investment (ROI) study demonstrates the worth of public libraries in terms of dollars-and-cents. According to a review of public library ROI studies presented by the Library Research Service, libraries provide a mean ROI of \$5.00 in benefits for every \$1.00 of tax support. In other words, for every dollar invested in public libraries, a community realizes five dollars in value. A 2007 report found that Pennsylvanian's 630 libraries provided a return on investment of \$5.50 in benefits for every \$1 of tax support. This study estimates ROI based on assigning a contingency valuation (aka "willingness to pay") for library services from different public library users (e.g. recreational or entertainment users, personal or family-related user, etc.).

### Summary of Library Return on Investment Study Findings

Study	Year	Scope	State	ROI
Taxpayer Return on Investment in Florida Public Libraries	2010	State	FL	\$10.18
Reinvesting and Renewing for the 21st Century	2015	Individual Library	CA	\$9.11
Taxpayer Return on Investment in Pennsylvania Public Libraries	2007	State	PA	\$5.50
Placing Economic Value on the Services of the Middle Country Public Library in Suffolk County, NY	2005	Individual Library	NY	\$4.59
Economic Impact of Public Libraries in South Carolina	2005	State	SC	\$4.48
The Economic Value of the Port Jefferson Free Library in Suffolk County, NY	2006	Individual Library	NY	\$4.14
Placing an Economic Value on the Services of Public Libraries in Suffolk County	2005	County	NY	\$3.93
Economic Benefits of Public Libraries: Value for Money	2006	9 libraries	OH	\$3.81
Placing Economic Value on the Services of the Northport-East Northport Public Library in Suffolk County, NY	2006	Individual Library	NY	\$3.30
Carnegie Library of Pittsburgh: Community Impact and Benefits	2005	Individual Library	PA	\$3.00
Placing Economic Value on the Services of the Mastic-Moriches-Shirley Community Library in Suffolk County, NY	2006	Individual Library	NY	\$2.97
			<b>Mean</b>	<b>\$5.00</b>
			<b>Median</b>	<b>\$4.14</b>

Note: Obtained from "Worth Their Weight: An Assessment of the Evolving Field of Library Valuation"

Source: Library Research Service

# Socio-Economic Analysis

## Key Findings: Socio-Economic Analysis

### **Near-term population growth will bring new library users**

Over the next five years, total population within the home and service areas is projected to increase by approximately 1,140 and 1,900 residents, respectively. Near-term population growth is expected to bring new demand for library services and programming.

### **Fastest population growth is expected among older adults**

The fastest population growth is expected among adults ages 65 and over (partially represented by the baby boomer generation). As this age cohort approaches retirement age in significant numbers, they will have more time and money to spend on comfort, amenities, entertainment, and recreation.

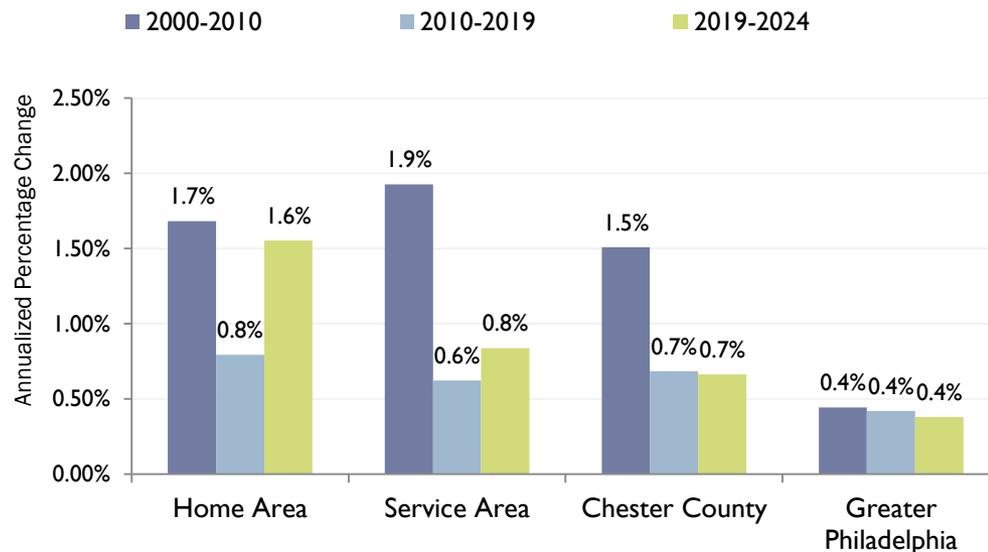
### **Attractive regional visitor profile**

Higher household expenditures in the service area and county are reflective of their relatively higher levels of educational attainment and median household incomes, compared to those within the Borough. According to 2017 visitor data provided by DVRPC, the nearby Longwood Gardens' attracts an affluent and highly educated segment of the baby boomer cohort, an attractive visitor profile new revenue generating amenities at the library (e.g. entertainment and educational offerings).

## Total Population

Both the home and the service areas are expected to continue experiencing positive albeit relatively flat growth through 2024 (increasing by 0.8 percent per year in the service area) - with total population within the home and service areas projected to increase by approximately 1,140 and 1,900 residents, respectively, over the next five years. This near-term population growth will likely increase demand for library services.

Annualized Percentage Change, Total Population



## Population by Geography

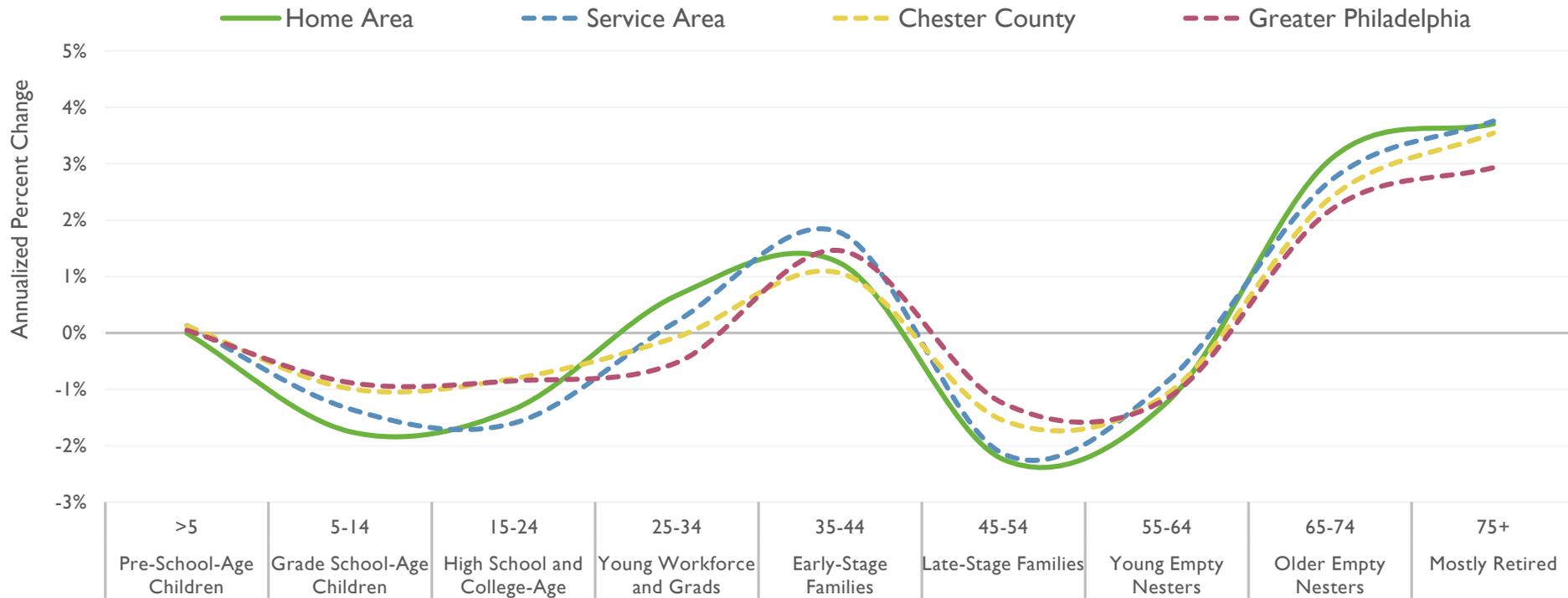
	2000	2010	2019	2024*	Net Change (2019-2024)
Home Area	11,725	13,696	14,674	15,814	1,140
Service Area	35,996	42,932	45,336	47,236	1,900
Chester County	433,501	498,886	529,578	547,137	17,559
Greater Philadelphia	5,387,404	5,626,186	5,838,991	5,949,802	110,811

\* Estimated population and household data provided by Esri is adjusted to account for existing units in the development pipeline. Population projections assume 600 new units are built in the home area and another 400 new units are built in the six other townships. New units are assumed to have a 5% vacancy rate and 2.0 persons per households. Source: US Census Bureau; Esri; 4ward Planning Inc., 2020

# Age Cohort Growth Patterns

Through 2024, all geographies are expected to experience the fastest population growth among adults ages 65 and over (partially represented by the baby boom generation). As the region’s baby boomer population approaches retirement age in significant numbers, they will have more time and money to spend on comfort, amenities, entertainment, and recreation.

**Annualized Age Distribution Change, 2019-2024**

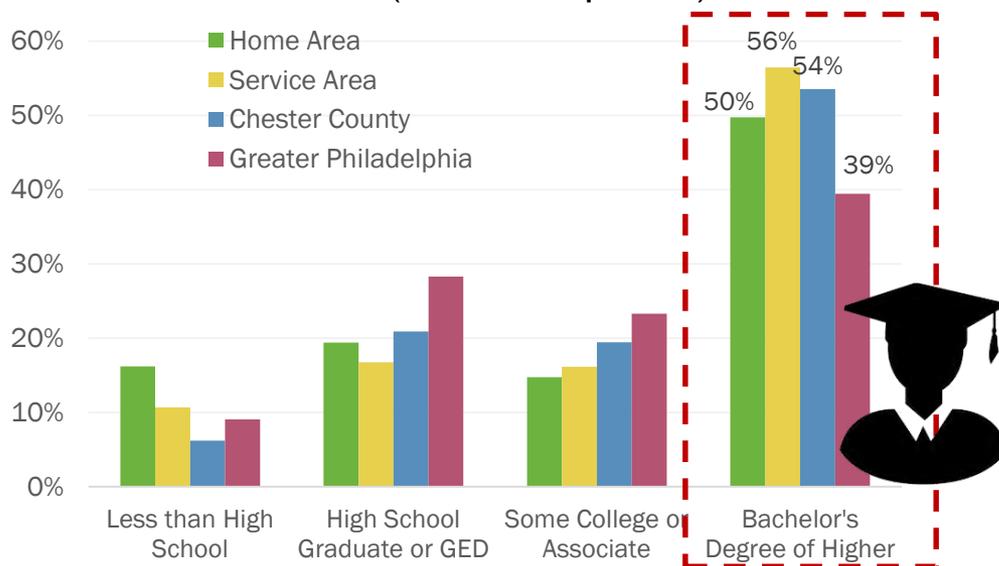


Source: US Census Bureau; Esri; 4ward Planning Inc., 2020

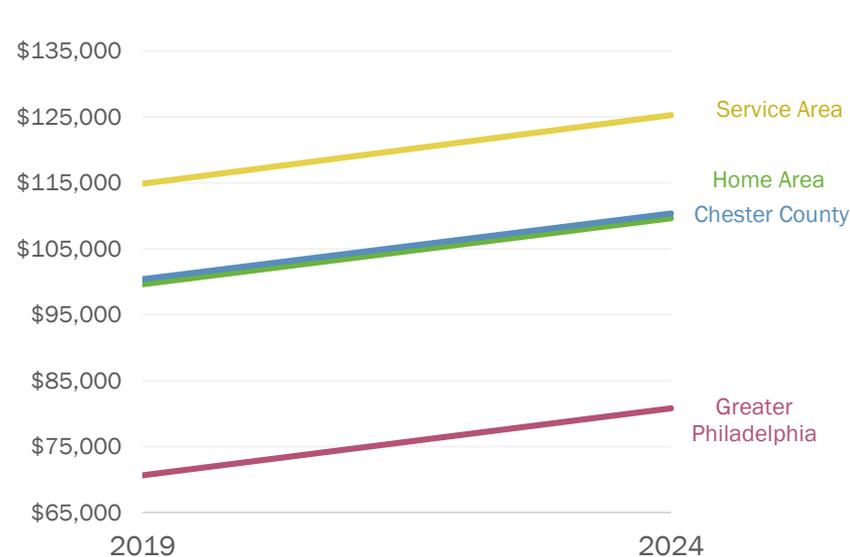
## Educational Attainment & Income

The chart below comparatively illustrates estimated 2019 educational attainment across all geographies. Educational attainment levels are somewhat low in the home area, where just 50 percent of adult residents 25 and older hold a bachelor’s degree or higher level of education (compared to 56 percent in the service area, overall). Since median household income is often correlated with educational attainment, it is not surprising that 2019 median household income within the home area (\$99,610) is also lower than that in the service area (\$114,860).

**Educational Attainment (% of Adult Population) 2019**



**Median Household Income 2019-2024**



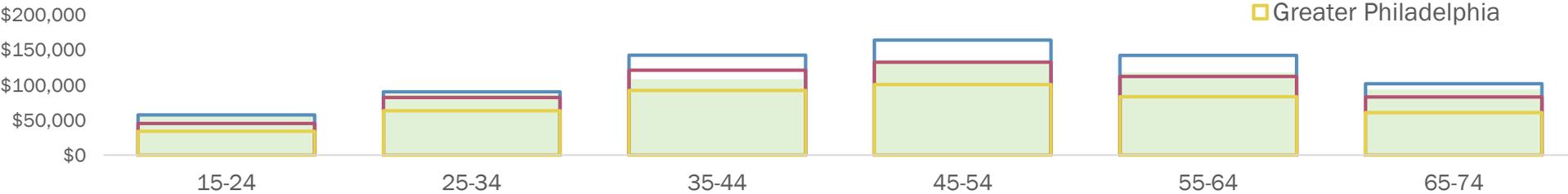
Source: Esri; 4ward Planning Inc., 2020

# Spending Potential by Age

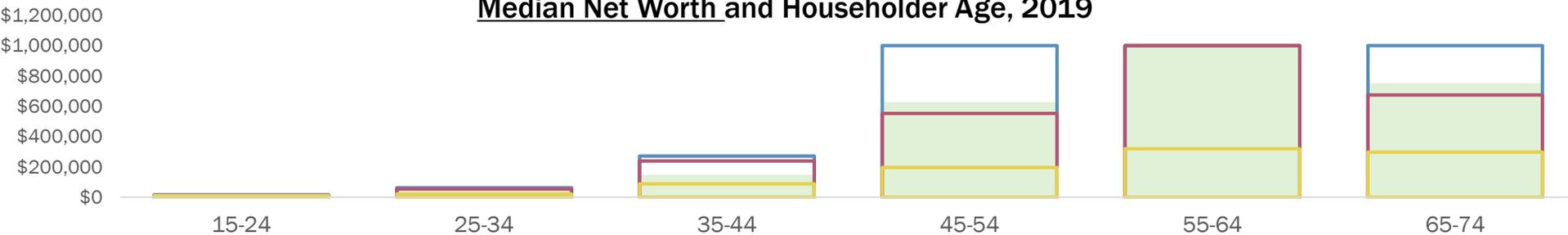
The chart below comparatively illustrates estimated 2019 median household income and net worth by age of householder by geography. While median household income typically peaks among householder ages 45 to 54, median net worth (sum of all assets, including the market value of real estate, like a home, minus all liabilities) peaks among householders between 55 and 65 years (partially representing the baby boomer generation).

	Median Household Income	Median Net Worth
Home Area	\$99,610	\$344,950
Service Area	\$114,860	\$677,380
Chester County	\$100,410	\$373,240
Greater Philadelphia	\$70,620	\$142,960

**Median Household Income and Householder Age, 2019**



**Median Net Worth and Householder Age, 2019**

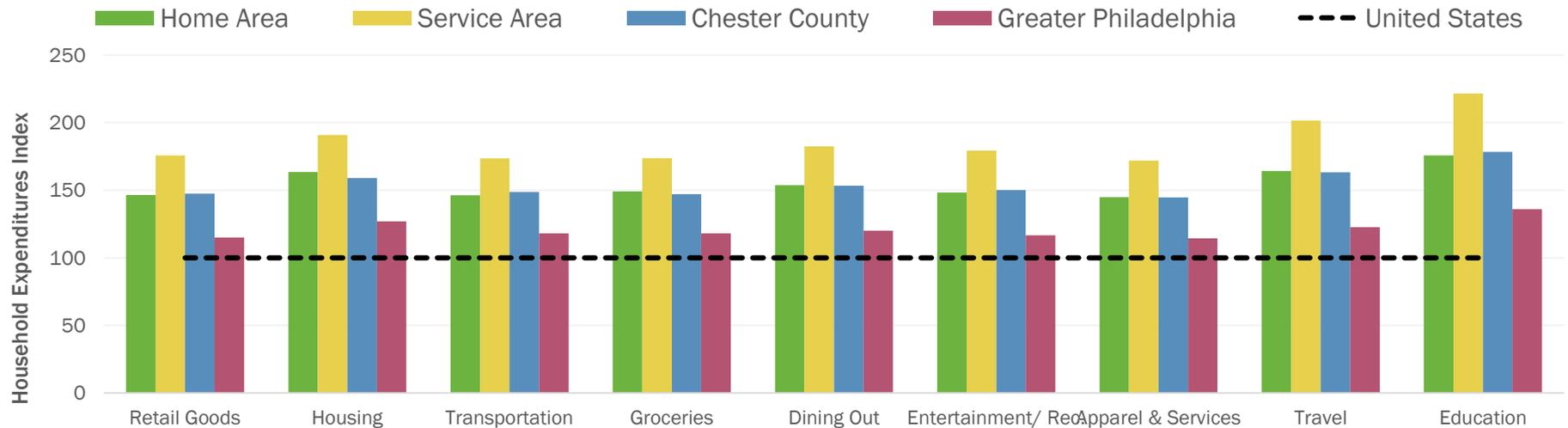


Source: Esri; 4ward Planning Inc., 2020

## Household Expenditures

As shown in the chart below, in 2019, while average household expenditures within all geographies are higher than national average household expenditures on a range of goods and services, average household expenditures within the service area are significantly higher. Higher household expenditures in the service area and county are reflective of their relatively higher levels of educational attainment and median household incomes, compared to those within the Borough. According to 2017 visitor data provided by DVRPC, the nearby Longwood Gardens' attracts an affluent and highly educated segment of the baby boomer cohort (those born between 1946 and 1964), a favorable visitor profile new revenue generating amenities at the library (e.g. entertainment and educational offerings).

**2019 Average Household Expenditures by Geography**



Source: Esri; 4ward Planning Inc., 2020; DVRPC, *Hospitality & Tourism Data Snapshot*, 2017; Longwoods International Tourism Economics/Econsult, May 2017.

# ECONOMIC IMPACT ANALYSIS

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Economic Impact Analysis

### Output ROI between \$1.05 and \$1.36 during construction

During construction, for every \$1.00 invested in the new Kennett Library (\$13.9 million after omitting construction and administrative fees), another \$1.05 is generated in output within the 19348-zip code area and another \$1.36 is generated in output within the county, overall.

### 5.5 new full- and part-time library staff by 2023

According to Kennett Library, due to increased development, program management, and operation needs, the new library staffing will require 5.5 new full- and part-time library personal staff (includes both full- and part-time) and \$221,777 in additional wage and benefits. When direct, indirect, and induced impacts are combined, new library jobs and employee compensation is expected to support 11 total permanent jobs, and generate \$615,270 in labor income, \$1.36 million in value added, and \$3.18 million in total output in the county, overall.

### \$1.89 million in annual non-local visitor spending

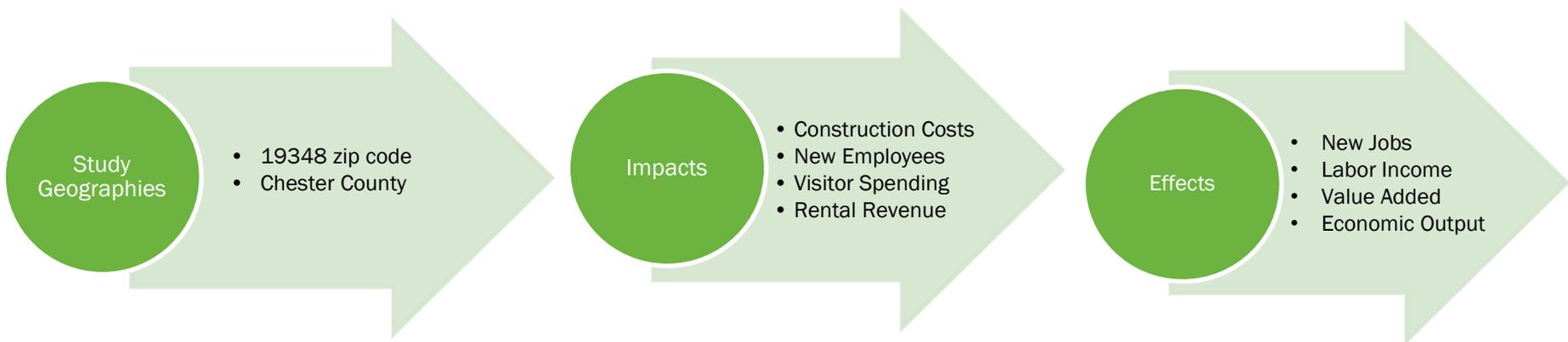
By 2023, the 9,710 existing visits from users coming from outside the service area and the projected 52,140 average new visits from users coming from outside the home area (61,850 total visitors), combined, are estimated to contribute approximately \$1.89 million in visitor spending. Every \$1.00 in local spending from these non-local library visitors is expected to generate another \$0.41 in total output within the 19348-zip code area or \$0.65 in total output within the county, overall.

### \$16,050 in meeting and event space revenue

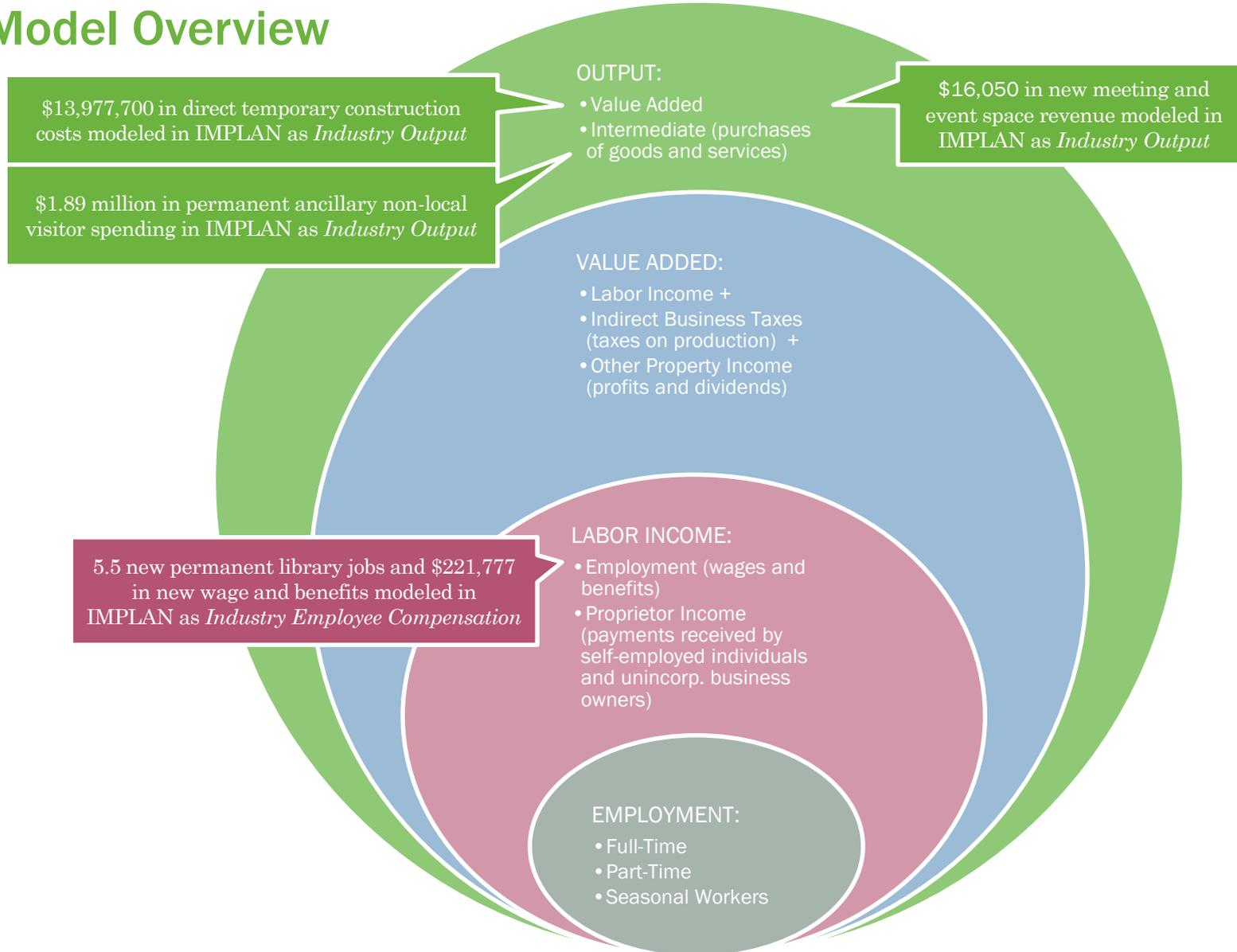
By 2023, Kennett Library anticipates events at the new library to bring in \$16,050 in new annual rental revenue from meeting and event space. For every \$1.00 in new rental revenue generated at the new library, another \$1.02 in total economic output will be generated within the 19348-zip code area and \$1.31 within the county.

## Methodology: Economic Impact Analysis

Based on case study findings and local meeting spaces offerings, 4ward Planning worked with Kennett Library to estimate annual revenue from the new library's auditorium and meeting space. 4ward Planning utilized IMPLAN, a widely used economic impact assessment software system, to conduct an economic impact analysis of new library construction and operation (e.g. jobs, labor income, value added, economic output, and local and state tax revenue) within both the 19348-zip code area (the zip code closest representing the Kennett Square Borough and Kennett Township home area) and Chester County. In order to identify the economic impacts during project construction, cost data provided by Kennett Library was broken down by soft and hard costs and modeled equally over the two-year construction period (2021 to 2022). Based on data provided by Kennett Library, the economic impacts during operation (assumed in 2023), are based on employee and compensation (includes wage and benefits) estimates, non-local ancillary visitor spending estimates, and meeting and event space rental revenue estimates. While the library is expected to also bring additional traditional service and program-related benefits to residents and visitors alike, this economic impact analysis focuses on the economic impact from new investment as a result of library construction, and new non-local visitor spending (e.g. coming from outside the home or service area) and revenue as a result of library operations, since this represents new dollars injected into the local economy, rather than a shift. Dollar values are presented in 2020 dollars.



# Model Overview



# Library Construction

## Methodology: Construction

Construction impacts are based on estimated construction cost data provided by Kennett Library presented in the table below. After separating out construction fees (insurance, bonds, fees) and administrative fees (land purchase, building permit and impact fees) for modeling purposes, 4ward Planning spread out the \$13,977,700 total in direct library construction costs (evenly over the two-year period) as industry changes based on the IMPLAN sectors identified below.

### Total Project Cost Summary and IMPLAN Inputs

Costs	Sector	IMPLAN Description	Total
Construction Trade Costs (Prevailing Wage Adj.) <sup>1</sup>	55	Construction of new educational and vocational structures	\$8,981,800
Reimbursable Construction Labor	55	Construction of new educational and vocational structures	\$774,000
CM/Preconstruction Fee & Contingency	55	Construction of new educational and vocational structures	\$1,547,300
Other Construction Fees & Construction Costs (Insurance, Bonds, Fees)	NA	Not Included	\$644,400
<b>Grand Total Construction Costs</b>			<b>\$11,947,500</b>
Design Services (Architecture, Geotechnical, Commissioning)	449	Architectural, engineering, and related services	\$1,294,000
Furniture Fixtures (Auditorium)	397	Retail - Furniture and home furnishings stores	\$757,800
Equipment (Auditorium, Computers, Technology)	398	Retail - Electronics and appliance stores	\$137,800
Admin. Consultant Services (Legal, Feasibility, Capital)	462	Office administrative services	\$485,000
Other Admin. Costs (Land Purchase, Building Permit & Impact Fees)	NA	Not Included	\$756,000
<b>Grand Total Other Construction Related Costs</b>			<b>\$3,430,600</b>
<b>Grand Total</b>			<b>\$15,378,100</b>
<b>IMPLAN Subtotal</b>			<b>\$13,977,700</b>

<sup>1</sup> Based on a construction quote completed on 1/1/19 with non-prevailing wage rates. Since government grants will require prevailing wage rates, construction trade estimates were increased by 6 percent to account for higher labor costs.

Source: Kennett Library; 4ward Planning, 2020.

## Construction: Outputs (2021-2022)

The tables below compare the economic impacts of library construction within the 19348-zip code area and Chester County, overall. From 2021 to 2022, library construction is expected to support 34 direct temporary jobs, and generate \$5.37 million in total labor income, \$6.76 million in total value added, and \$13.36 million in total output within the 19348-zip code area. Within Chester County, overall, library construction is expected to support 51 total temporary jobs, and generate \$7.72 million in labor income, \$10.92 million in value added, and \$19.03 million in total output in Chester County. During construction, for every \$1.00 invested in the new Kennett Library (\$13.9 million after omitting construction and administrative fees), another \$1.05 is generated in output within the 19348-zip code area and another \$1.36 is generated in output within the county, overall.

### Summary of Potential Library Construction: 19348-Zip Code Area

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	34.0	\$5,321,183	\$6,688,754	\$13,253,529
Indirect	0.2	\$33,347	\$50,281	\$81,042
Induced	0.1	\$10,813	\$17,886	\$28,543
<b>Total</b>	<b>34.3</b>	<b>\$5,365,344</b>	<b>\$6,756,921</b>	<b>\$13,363,113</b>

### Summary of Potential Library Construction: Chester County

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	34.0	\$5,318,486	\$6,678,022	\$13,239,783
Indirect	8.0	\$1,373,095	\$2,062,513	\$3,083,609
Induced	9.3	\$1,029,749	\$1,751,642	\$2,702,098
<b>Total</b>	<b>51.3</b>	<b>\$7,721,330</b>	<b>\$10,492,178</b>	<b>\$19,025,490</b>

# Library Operation

## Library Staffing: Assumptions and Outputs

According to Kennett Library, due to increased development, program management, and operation needs, the new library staffing will require 5.5 new full- and part-time library personal staff (includes both full- and part-time) and \$221,777 in additional wage and benefits. 4ward Planning modeled the economic impacts of new jobs and employee compensation as an industry economic compensation impact in IMPLAN under sector *431: News syndicates libraries, archives and all other information services*. As summarized below, when direct, indirect, and induced impacts are combined, new library jobs and employee compensation is expected to support 11 total permanent jobs, and generate \$615,270 in labor income, \$1.36 million in value added, and \$3.18 million in total output in the county, overall.

### New Library Staffing and Costs

	Staff	Wage and Benefits
Existing Library	22.0	\$650,118
New Library*	27.5	\$871,894
Difference	5.5	\$221,777

### Summary of Potential New Library Jobs: 19348-Zip Code Area

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	5.5	\$221,777	\$718,808	\$2,227,362
Indirect	0.1	\$8,427	\$14,354	\$22,419
Induced	0.0	\$83	\$137	\$219
<b>Total</b>	<b>5.6</b>	<b>\$230,286</b>	<b>\$733,299</b>	<b>\$2,250,000</b>

### Summary of Potential New Library Jobs: Chester County

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	5.5	\$221,777	\$718,808	\$2,227,362
Indirect	4.0	\$313,189	\$504,677	\$743,368
Induced	1.4	\$80,305	\$136,488	\$210,658
<b>Total</b>	<b>11.0</b>	<b>\$615,271</b>	<b>\$1,359,973</b>	<b>\$3,181,388</b>

\*Additional janitorial, maintenance and security staffing needs are not yet known.

Source: Kennett Library, 4ward Planning Inc., 2020

## Library Visitors: Existing and Projected Visitor Assumptions

According to Kennett Library many residents living outside Kennett Square Borough and Kennett Township (the “home area”) but in the service area’s remaining six townships (e.g. Pennsbury, Pocopson, East Marlborough, Newlin, New Garden and West Marlborough) do not visit the library due to the library’s small size and offerings, and lack of parking. With the proposed state-of-the-art library’s new unique offerings and parking spaces (37 surface parking spaces), it is expected to attract a larger share of library users and visits. Based on existing library user metrics provided by Kennett Library, and new population estimates based on housing units in the pipeline, 4ward Planning developed low and high visitor scenarios for the new library in order to estimate new library visits in 2023. Since the home location of library users coming from outside the service area (9,708 users) is unknown, the number of these users remains constant in both scenarios. The text below, and table on the following page, present existing and projected visitor scenarios.

- **Existing Visitors (2019):** Approximately 58.4 percent of the population living in the home area were library users, while just 31.6 percent of the population living in the remaining six townships were users. With 19,980 users and 112,000 visits, the average library user visited the library 5.6 times a year.
- **Low Scenario (2023):** The share of population living within the home area that are library users remains constant but the share of population living within the six other townships that are users increases to the share found in the home area (from 31.6 to 58.4 percent). Average visits per user remains constant at 5.6 per year. Under the low scenario, the new library’s 29,320 users would visit 164,190 times per year, resulting in 52,190 new visits.
- **High Scenario (2023):** Both the share of population living in the home area and the six other service area townships increases, to 68.0 percent within the home area and 58.4 percent within the six other townships. Average visits per user increases to 6.6 per year. Under the high scenario, the new library’s 30,840 users would visit 184,330 times per year, resulting in 72,330 new visits.

## Library Visitors: Existing and Projected Visitor Assumptions (Con't)

Similar to annual visitation estimates observed among comparable case study libraries (between 116,000 and 235,000), the new library is expected to attract between 164,190 and 184,330 annual visits by 2023, resulting in an estimated 52,190 to 72,330 new visits. Currently, approximately 9,710 library users (8.7 percent of all users) are coming from outside the service area, bringing discretionary spending into the local area and further stimulating the Historic Kennett economy. By 2023, between 48,470 and 55,810 new library visits (an average of 52,140) are expected from users located in the other six townships.

### Existing and Projected Visitor Assumptions: Kennett Library

	Estimated Population*	Share of Population Library Users	Library Users	Avg. Visits per User	Library Visits	New Library Visits
<b>EXISTING: Library Users by Place of Residence (2019)</b>						
Kennett Township and Borough (Home Area)	14,674	58.4%	8,564		48,002	
Other 6 Townships Served	30,662	31.6%	9,686		54,290	
Users from Outside Service Area			1,732		9,708	
<b>Total</b>	<b>45,336</b>		<b>19,982</b>	<b>5.6</b>	<b>112,000</b>	
<b>LOW SCENARIO: New Library Users by Place of Residence (2023)</b>						
Kennett Township and Borough (Home Area)	15,814	58.4%	9,235		51,718	3,717
Other 6 Townships Served (Achieving 58%)	31,422	58.4%	18,350		102,763	48,472
Users from Outside Service Area			1,732		9,708	-
<b>Total</b>	<b>47,236</b>		<b>29,318</b>	<b>5.6</b>	<b>164,189</b>	<b>52,189</b>
<b>HIGH SCENARIO: New Library Users by Place of Residence (2023)</b>						
Kennett Township and Borough (Home Area)	15,814	68.0%	10,754		64,521	16,520
Other 6 Townships Served (Achieving 58%)	31,422	58.4%	18,350		110,103	55,812
Users from Outside Service Area			1,732		9,708	-
<b>Total</b>	<b>47,236</b>		<b>30,836</b>	<b>6.0</b>	<b>184,332</b>	<b>72,332</b>

\* 2023 population estimates assume 600 new units are built in the home area and 400 new units are built in the six other townships. Units are assumed to have a 5% vacancy rate with occupied households having an average of two people per household.

Source: Kennett Library, 4ward Planning Inc., 2020

## Non-Local Library Visitors Spending: Assumptions

According to 2016 survey data from Longwoods International, a market research consultancy, the average day visitor in the Greater Philadelphia region (includes Bucks, Chester, Delaware, Montgomery and Philadelphia counties) spent an average of \$61 per person, including \$23 on food and beverage, \$17 on retail, \$12 on recreation and entertainment, and \$9 on transportation. As presented below, 4ward Planning conservatively assumed that new Kennett Library visitors would spend half that of the average day visitor spending within the region (\$30.50 per day) on trip-related expenditures within the 19348-zip code area. By 2023, the 9,710 existing visits from users coming from outside the service area and the average 52,140 new visits from users coming from outside the home area (61,850 total visitors), combined, are estimated to contribute approximately \$1.89 million in discretionary visitor spending within the 19348-zip code area.

### Estimated Non-Local Visitor Annual Spending by Industry, 2023

Industry	Spending Per Library Visit (50% of avg. day visitor est.)	Annual Visitor Spending			IMPLAN Sector	IMPLAN Description
		Existing Library Users from Outside Service Area 9,710 visits	New Event Visits from Outside Home Area 52,140 visits	Total 61,850 visits		
Recreation & Entertainment	\$6.00	\$58,260	\$312,840	\$371,100	493	Museums, historical sites, zoos, parks
Retail	\$8.50	\$82,535	\$443,190	\$525,725	405	Retail - General merchandise stores
Transportation	\$4.50	\$43,695	\$234,630	\$278,325	402	Retail - Gasoline stores
Food & Beverage	\$11.50	\$111,665	\$599,610	\$711,275	400	Retail - Food and beverage stores
<b>Total</b>	<b>\$30.50</b>	<b>\$296,155</b>	<b>\$1,590,270</b>	<b>\$1,886,425</b>		

Source: IMPLAN, 4ward Planning Inc., 2020

## Non-Local Library Visitor Spending: Outputs

The table below summarizes the economic impacts from the \$1.89 million in non-local visitor spending within both the 19348-zip code area and Chester County, overall. When direct, indirect, and induced impacts are combined, non-local visitor spending (from existing visits from users coming from outside the service area and new visits from users coming from outside the home area) is expected to support nine full- and part-time total permanent jobs, and generate \$353,880 in labor income, \$429,570 in value added, and \$766,520 in total output within the 19348-zip code area. Within the county, overall, non-local visitor spending is expected to support 12 total full- and part-time permanent jobs, and generate \$528,230 in labor income, \$744,120 in value added, and \$1.23 million in total output. By 2023, every \$1.00 in local spending from these non-local library visitors is expected to generate another \$0.41 in total output within the 19348-zip code area or \$0.65 in total output within the county, overall.

### Summary of Potential New Non-Local Visitor Spending: 19348-Zip Code Area

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	9.4	\$348,470	\$420,644	\$751,879
Indirect	0.1	\$4,229	\$8,617	\$14,158
Induced	0.0	\$184	\$305	\$487
<b>Total</b>	<b>9.5</b>	<b>\$352,884</b>	<b>\$429,565</b>	<b>\$766,524</b>

### Summary of Potential New Non-Local Visitor Spending: Chester County

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	9.4	\$348,470	\$420,644	\$751,879
Indirect	1.6	\$111,174	\$206,925	\$302,020
Induced	1.2	\$68,587	\$116,546	\$179,905
<b>Total</b>	<b>12.2</b>	<b>\$528,232</b>	<b>\$744,115</b>	<b>\$1,233,804</b>

## Library Revenue: Assumptions and Outputs

Comparable to rates found at Chester County Library's other meeting spaces (presented on the following slide), Kennett Library anticipates renting the auditorium for \$50 to \$200 per event and the meeting rooms for \$25 to \$50 per event. Based on the assumptions presented in the table on the following page, events at the new library are anticipated to bring in \$16,050 in new rental revenue from meeting and event space. New rental revenue was modeled as an industry output in IMPLAN sector 440: *Real Estate*. The table below summarizes the economic impacts from this rental revenue within both the 19348-zip code area and Chester County, overall. When direct, indirect, and induced impacts are combined, new rental revenue is expected to generate \$4,990 in labor income, \$15,470 in value added, and \$21,100 in total economic output within the county, overall. By 2023, every \$1.00 in rental revenue is expected to generate another \$1.02 in total economic output within the 19348-zip code area or \$1.31 in total economic output within the county, overall.

### Summary of Potential New Library Rental Revenue: 19348-Zip Code Area

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	0.1	\$3,063	\$12,183	\$16,050
Indirect	0.0	\$54	\$120	\$235
Induced	0.0	\$12	\$20	\$32
<b>Total</b>	<b>0.1</b>	<b>\$3,129</b>	<b>\$12,323</b>	<b>\$16,317</b>

### Summary of Potential New Library Rental Revenue: Chester County

Impact	Employment (Annual)	Labor Income	Value Added	Output
Direct	0.1	\$3,063	\$12,183	\$16,050
Indirect	0.0	\$1,219	\$2,086	\$3,190
Induced	0.0	\$708	\$1,205	\$1,858
<b>Total</b>	<b>0.1</b>	<b>\$4,989</b>	<b>\$15,474</b>	<b>\$21,097</b>

Source: IMPLAN, 4ward Planning Inc., 2020

## Library Revenue: Chester County Library Rentals

Located outside of the service area but within Chester County, Chester County Library and Henrietta Hankin Branch's meeting rooms are used for Library and County purposes and are also provided to the public for cultural, civic and educational purposes.



**Chester County Library**

### **Struble Room (maximum 120 persons) and M. Elizabeth Burke Meeting Room (maximum 20 persons)**

- For profit - \$100/reservation
- Non-profit and Individual - \$35/reservation
- Walk in Use - Struble Room \$15/use,
- Burke Meeting Room \$10/use



**Henrietta Hankin Branch Library**

### **Community Room (maximum 65 persons) and Annex (maximum 140 persons)**

- For profit - \$60/reservation
- Non-profit and Individual - \$35/reservation
- Frequent Use - \$15/reservation (must pay for a minimum of 6 reservations in advance) - Walk in Use - \$15/use\*

### **Small Conference Room A (maximum 8 persons), Small Conference Room B (maximum 6 persons) and Annex Room A (maximum 8 persons)**

- For profit - \$30/reservation
- Non-profit - \$15/reservation and Individual
- Walk in Use - \$5/use\*

Source: Chester County Library

# Library Revenue: Auditorium and Meeting Room Assumptions

## Proposed Auditorium Uses and Estimated Annual Revenue

Room	Planned Uses	Event Organizer Type	Rental Charge per Event	Estimated Events per Year	Avg. Visitors per Event	Estimated Total Annual Visitors	Share Visitors from Outside Home Area	Annual Visitors from Outside Home Area	Estimated Total Annual Revenue	Estimated Total New Revenue from Outside Home Area
Auditorium	Movies - Foreign Films, Film Festivals	Library	\$0	50	65	3,250	35%	1,138	\$2,000	\$700
Auditorium	Event Screenings (Olympics, world cup, etc.)	Library	\$0	6	75	450	30%	135	\$200	\$60
Auditorium	Poetry and Short Story Events	Library	\$0	12	75	900	35%	315	\$0	\$0
Auditorium	Children's Theatre presentations	Non-Profit	\$50	4	75	300	35%	105	\$200	\$70
Auditorium	Music Concerts	Library	\$0	12	90	1,080	50%	540	\$400	\$200
Auditorium	Community Presentations	Library	\$0	20	50	1,000	25%	250	\$0	\$0
Auditorium	Hadley Fund Presentations	Non-Profit	\$50	2	75	150	35%	53	\$100	\$35
Auditorium	TED Talks	Library	\$0	3	100	300	45%	135	\$0	\$0
Auditorium	Panel Discussions	Library	\$0	4	50	200	25%	50	\$0	\$0
Auditorium	Career Talks	Library	\$0	4	50	200	25%	50	\$0	\$0
Auditorium	Author lectures and book signings	Library	\$0	12	75	900	40%	360	\$0	\$0
Auditorium	Graduation Ceremonies for local organizations	Non-Profit	\$50	6	100	600	25%	150	\$300	\$75
Auditorium	Adult Literacy tutor workshops, graduations	Library	\$0	2	75	150	30%	45	\$0	\$0
Auditorium	International Festivals	Library	\$0	6	80	480	50%	240	\$200	\$100
Auditorium	Talent Shows	Library	\$0	4	75	300	35%	105	\$0	\$0
Auditorium	Magic Shows	Profit	\$200	2	75	150	35%	53	\$400	\$140
Auditorium	Competitions and Tournaments	Library	\$0	6	75	450	30%	135	\$0	\$0
Auditorium	Corporate Meetings and Events	Profit	\$400	4	80	320	50%	160	\$1,600	\$800
Auditorium	Non-Profit Meetings and events	Non-Profit	\$50	8	70	560	40%	224	\$400	\$160
	<b>Auditorium Total</b>			<b>167</b>	<b>1,410</b>	<b>11,740</b>		<b>4,242</b>	<b>\$5,800</b>	<b>\$2,340</b>
Classrooms (2)	Corporate Meetings & Trainings	Profit	\$100	12	25	300	50%	150	\$1,200	\$600
Classrooms (2)	Non-Profit Meetings & Trainings	Non-Profit	\$25	20	20	400	35%	140	\$500	\$175
Multi-Purpose Room	Corporate Meetings & Trainings	Profit	\$150	6	60	360	50%	180	\$750	\$375
Multi-Purpose Room	Non-Profit Meetings & Trainings	Non-Profit	\$50	6	60	360	35%	126	\$300	\$105
Smaller Meeting Rooms (5)	Corporate Meetings & Trainings	Profit	\$50	100	10	1,000	50%	500	\$5,000	\$2,500
Smaller Meeting Rooms (5)	Non-Profit Meetings & Trainings	Non-Profit	\$25	100	10	1,000	35%	350	\$2,500	\$875
	<b>Other meeting room totals</b>			<b>244</b>	<b>185</b>	<b>3,420</b>		<b>1,446</b>	<b>\$10,250</b>	<b>\$4,630</b>
	<b>Grand Totals</b>			<b>411</b>		<b>15,160</b>		<b>5,303</b>	<b>\$16,050</b>	<b>\$6,970</b>

Source: Kennett Library, 4ward Planning Inc., 2020

# Library Operation: Output Summary by Geography (2023)

## 19348-Zip Code Area

### Employment

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	9.4	0.1	0.0	9.5
Non-Local Rental Revenue	0.1	0.0	0.0	0.1
Library Personal Staff	5.5	0.1	0.0	5.6
<b>Total</b>	<b>9.5</b>	<b>0.2</b>	<b>0.0</b>	<b>15.1</b>

### Labor Income

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$348,470	\$4,229	\$184	\$352,884
Non-Local Rental Revenue	\$3,063	\$54	\$12	\$3,129
Library Personal Staff	\$221,777	\$8,427	\$83	\$230,286
<b>Total</b>	<b>\$573,309</b>	<b>\$12,710</b>	<b>\$280</b>	<b>\$586,299</b>

### Value Added

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$420,644	\$8,617	\$305	\$429,565
Non-Local Rental Revenue	\$12,183	\$120	\$20	\$12,323
Library Personal Staff	\$718,808	\$14,354	\$137	\$733,299
<b>Total</b>	<b>\$1,151,635</b>	<b>\$23,090</b>	<b>\$462</b>	<b>\$1,175,188</b>

### Output

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$751,879	\$14,158	\$487	\$766,524
Non-Local Rental Revenue	\$16,050	\$235	\$32	\$16,317
Library Personal Staff	\$2,227,362	\$22,419	\$219	\$2,250,000
<b>Total</b>	<b>\$2,995,291</b>	<b>\$36,811</b>	<b>\$738</b>	<b>\$3,032,841</b>

## Chester County

### Employment

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	9.4	1.6	1.2	12.2
Non-Local Rental Revenue	0.1	0.0	0.0	0.1
Library Personal Staff	5.5	4.0	1.4	11.0
<b>Total</b>	<b>15.0</b>	<b>5.6</b>	<b>2.7</b>	<b>23.3</b>

### Labor Income

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$348,470	\$111,174	\$68,587	\$528,232
Non-Local Rental Revenue	\$3,063	\$1,219	\$708	\$4,989
Library Personal Staff	\$221,777	\$313,189	\$80,305	\$615,271
<b>Total</b>	<b>\$573,309</b>	<b>\$425,582</b>	<b>\$149,600</b>	<b>\$1,148,491</b>

### Value Added

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$420,644	\$206,925	\$116,546	\$744,115
Non-Local Rental Revenue	\$12,183	\$2,086	\$1,205	\$15,474
Library Personal Staff	\$718,808	\$504,677	\$136,488	\$1,359,973
<b>Total</b>	<b>\$1,151,635</b>	<b>\$713,689</b>	<b>\$254,239</b>	<b>\$2,119,563</b>

### Output

Impact	Direct	Indirect	Induced	Total
Non-Local Visitor Spending	\$751,879	\$302,020	\$179,905	\$1,233,804
Non-Local Rental Revenue	\$16,050	\$3,190	\$1,858	\$21,097
Library Personal Staff	\$2,227,362	\$743,368	\$210,658	\$3,181,388
<b>Total</b>	<b>\$2,995,291</b>	<b>\$1,048,578</b>	<b>\$392,420</b>	<b>\$4,436,289</b>

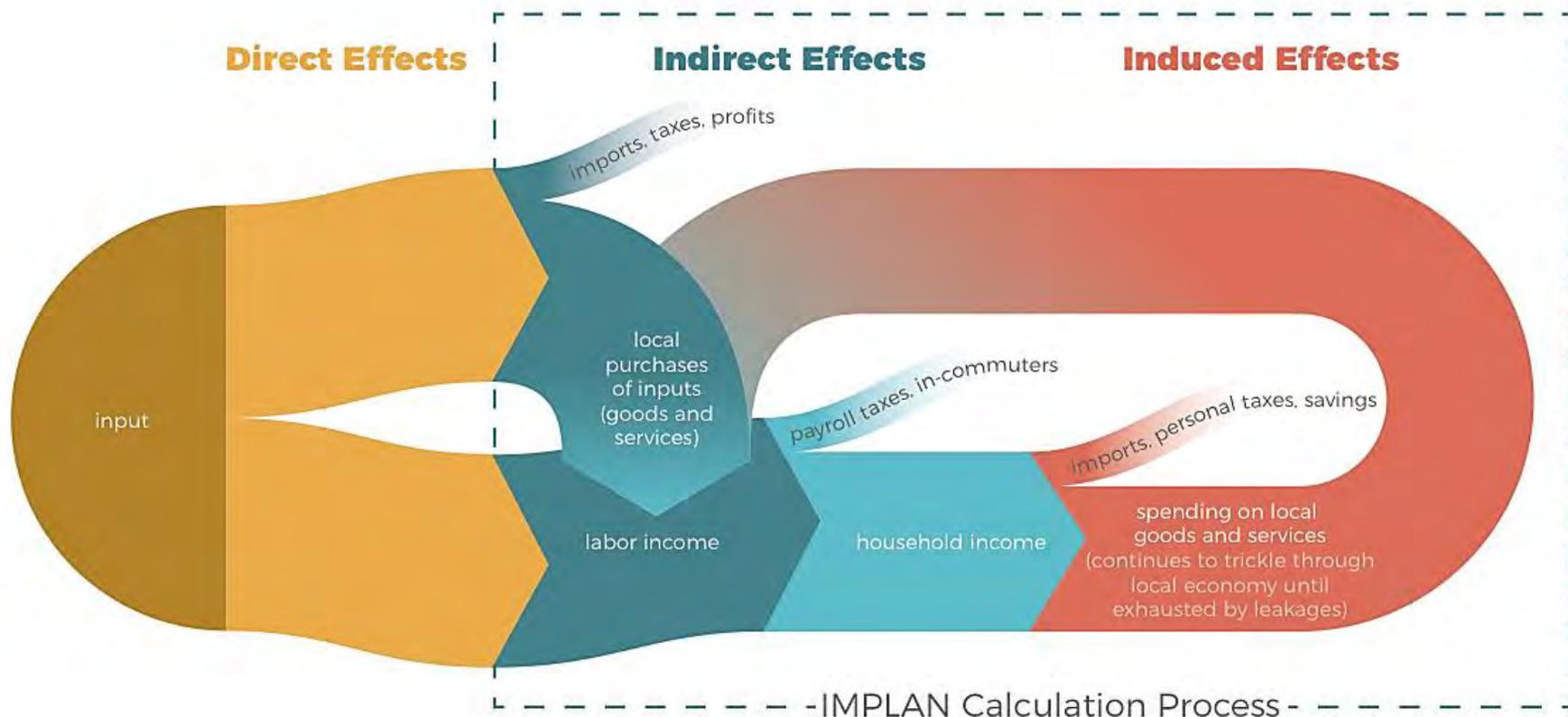
# APPENDIX

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



# Input-Output Impact Modeling: Overview

Economic impact analysis involves applying a final demand change to a predictive economic input-output model, and then analyzing the resulting changes in the economy under study. More concisely, an impact analysis is an assessment of change in overall economic activity as a result of change in one or several specific economic activities. Economic effects, whether for employment or output, are typically referenced as *direct*, *indirect*, and *induced*.



## Input-Output Impact Modeling: Definitions

**Cost-Benefit Analysis:** An economic efficiency analysis that measures net changes or levels in social welfare associated with an industry, event, or policy. This type of analysis includes both market and non-market values and accounts for opportunity costs.

**Direct effects:** A series (or single) of production changes or expenditures made by producers/consumers as a result of an activity or policy.

**Economic Activity:** Dollars spent within region that are attributable to a given industry, event, or policy.

**Economic Benefit:** A net increase in total social welfare. Economic benefits can be both market and nonmarket values.

**Economic Impact:** The net changes in new economic activity associated with an industry, event, or policy in an existing regional economy. This differs from an “economic shift” which is simply spending activity currently occurring in the study area that is diverted to another consumer category (e.g., instead of spending money at the movies on Thursday night, as usual, we spent the same amount of money dining out.)

**Employee Compensation:** Total payroll cost of wage and salary employees to the employer. This includes wages and salaries, all benefits (e.g., health, retirement) and payroll taxes (both sides of social security, unemployment insurance taxes, etc.).

**Employment:** Includes all full- and part-time jobs.

**IMPLAN:** An economic impact assessment software system developed and maintained by the Minnesota IMPLAN Group.

**Indirect effects:** The impact of local industries buying goods and services from other local industries

**Induced effects:** The response by an economy to an initial change (direct effect) that occurs through re-spending of income received by a component of value added

**Input-Output Model:** A specific methodological framework that characterizes the financial linkages in a regional economy between industries, households, and institutions. Input-Output only measures economic activity and does not include any nonmarket values.

**Labor Income:** The sum of Employee Compensation (wages and benefits) and proprietor income.

**Output:** Output represents the value of industry production.

**Return on Investment (ROI):** Return on investment is a ratio between net profit (over a period) and cost of investment. A high ROI means the investment's gains compare favorably to its cost.

**Traditional Service Benefits:** This value is measured as cost savings from providing free access to community amenities and services.

**Value Added:** The sum of Employee Compensation, Proprietor Income, Other Property Income, and Taxes on Production and Imports less Subsidies. Value Added is analogous to GDP.

## General & Limiting Conditions

4ward Planning Inc. has 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 by 4ward Planning Inc. and believed to be reliable. 4ward Planning Inc. assumes 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.

Further, 4ward Planning Inc. makes no warranty or representation concerning the manifestation of the estimated or projected values or results contained in this study. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from 4ward Planning Inc. This study is qualified in its entirety by, and should be considered in light of, the above limitations, conditions, and considerations.

**For more information, please contact:**

Todd Poole, Managing Principal  
4ward Planning  
[tpoole@landuseimpacts.com](mailto:tpoole@landuseimpacts.com)

