

Fiscal Impact Summary (DRAFT)
The Smith Property Residential Development
Kennett Township, Chester County, PA

	Single-Family Detached Residential	"Empty Nester" Units	TOTAL
Residential Units	48	24	72
Market Value of Proposed Development	\$19,920,000	\$9,960,000	\$29,880,000
Assessed Value (approx. 51.28% of market value)	\$10,215,385	\$5,107,692	\$15,323,077
New Residential Population	129	65	194
New School-Aged Children	24	0	24
Kennett Township			
Real Estate Tax Revenue (2.3 mills)	\$ 23,495	\$ 11,748	\$ 35,243
Non-Property Tax Revenue	\$ 7,154	\$ 5,185	\$ 12,339
Earned Income Tax Revenue (0.75%)	\$ 41,189	\$ 41,189	\$ 82,378
Real Estate Transfer Tax (0.5%)	\$ 4,980	\$ 4,980	\$ 9,960
Total Township Revenues	\$ 76,818	\$ 63,102	\$ 139,920
Total Township Expenditures	\$ (65,752)	\$ (32,876)	\$ (98,628)
Net Township Fiscal Impact	\$ 11,066	\$ 30,226	\$ 41,292
Kennett Consolidated School District			
Real Estate Tax Revenue (30.4479 mills)	\$ 311,037	\$ 155,519	\$ 466,556
Non-Property Tax Revenue	\$ 1,692	\$ 846	\$ 2,537
Intergovernmental Revenue	\$ 107,560	\$ -	\$ 107,560
Earned Income Tax Revenue (0.5%)	\$ 27,459	\$ 27,459	\$ 54,919
Real Estate Transfer Tax (0.5%)	\$ 4,980	\$ 4,980	\$ 9,960
Total School District Revenues	\$ 452,728	\$ 188,804	\$ 641,531
Total School District Expenditures	\$ (489,536)	\$ -	\$ (489,536)
Net School District Fiscal Impact	\$ (36,808)	\$ 188,804	\$ 151,996
Total Development-Generated Revenues (Township + School District)	\$ 529,546	\$ 251,905	\$ 781,451
Total Development-Generated Expenditures (Township + School District)	\$ (555,288)	\$ (32,876)	\$ (588,164)
Total Net Annual Fiscal Impact	\$ (25,742)	\$ 219,029	\$ 193,287

NOTES:

- This analysis assumes the following mix of single-family detached unit types and values:
 - 24 2-bedroom units valued at \$395,000 per unit
 - 48 3-bedroom units valued at \$425,000 per unit
- It is assumed that one-third of the total 72 units are occupied by "Empty Nesters" and represent households with no school-aged children living there.
- Population estimates for total household size and number of school-aged children based on demographic multipliers published by the Rutgers University Center for Urban Policy Research (2006). No reduction in the number of school-aged children has been assumed for those that may be attending non-public schools.
- Assessed Value based on Chester County common-level ratio of 1.95, which equates to approximately 51.28% of market value.
- "Non-property tax revenues" for Kennett Township includes revenues from permits, fees, and charges for services. (Source: Kennett Township 2019 Budget.)

Fiscal Impact Summary (DRAFT)
The Smith Property Residential Development
Kennett Township, Chester County, PA

6. "Non-property tax revenue" for Kennett Consolidated School District includes revenues from District activities and contributions and donations from private sources. "Intergovernmental revenue" to the Kennett Consolidated School District includes funding from State and Federal sources. (Source: Kennett Consolidated SD 2018-2019 Final General Fund Budget.)
7. Earned Income Tax (EIT) revenue calculation assumes a median annual household income of \$114,414 (<https://www.census.gov/quickfacts/kennetttownshipchestercountypennsylvania>). The calculation further assumes that 50% of the "Empty Nester" units represent retired households and hence, will not be paying the EIT.
8. The transfer tax revenue calculation assumes that 5% of the units in the proposed development will be sold annually.