

**TOWN OF NEWTON**  
**ECONOMIC DEVELOPMENT COMMISSION**  
**March 21, 2017**  
**MINUTES**

Chairman Prendergast called the meeting to order at 6:30 p.m. Ms. Walker called the roll: Mr. Prendergast, Mr. Maruska, and Dr. Clark were present. Mr. McKernan, Mr. Krasnomiowitz, and Mr. Hayek called ahead to be excused. Ms. Butterfield was absent. Deputy Mayor Levante was also present.

Ms. Walker stated the Open Public Meetings Act had been complied with.

Chairman Prendergast moved to approval of minutes. Dr. Clark made a motion to approve the minutes from January 10, 2017 and was seconded by Mr. Maruska. Minutes were approved by a unanimous "aye" vote.

**Old Business –**

1. Krogh's – they've begun work.
2. RPM – progressing nicely.
3. Style Shop – still working on it.
4. McGuire's – designated Woodmont Properties as developer.
5. SCCC – college and Town collaboration on videos of local restaurants.
6. G&H – nothing to report.
7. Hicks Avenue – met with Freeholder Petillo, Representative Gottheimer's representative, and others regarding light at the intersection. We need a commitment for either the funds to install the light, or a commitment that the need for the light will be waived. We have received neither. Gottheimer's representative suggested we look into grants.

Mr. Prendergast questioned if it's the same developer still interested in Hicks Avenue property. Mr. Levante confirmed that it is.

Mr. Levante mentioned that Spring Street permitted uses may be changing. The Council is trying to "think outside the box" and be creative on what is allowed on Spring Street. For instance, a drive-thru may end up being a permitted use.

Dr. Clark asked if Thorlabs is buying Chun Bo, but nobody else had heard that.

**New Business –**

1. New Social Technology Firm – KKPR – replaced AzulCore.
2. Online survey – survey to find out what businesses people are interested in seeing on Spring Street.

Mr. Maruska mentioned a survey the Robotics Team is doing. They are going door-to-door to find out what people think about Newton. Jim Hoffman approached the GNCC for possible questions.

3. Property Tax Rewards Program – there would be a key card that would be scanned whenever a person shops at a local merchant. Once a year, a property tax credit will be issued or a check will be cut as a reward for shopping locally.
4. BID/SID – Mr. Levante discussed the potential for a new BID. The DNA is floundering due to lack of volunteers and funds. This BID would create a public/private partnership. The Council is very excited about it and would like feedback from the EDC and Jim Ciaravolo. Current plans would include only the Historic District as the footprint and would be \$.03 for every \$100 of value. This would come to \$114,000. Some of the funds would go towards hiring a part time Executive Director and Administrative Assistant as well as covering marketing and legal fees. To compare, SID 1.0 was \$.08 per \$100 and SID 2.0 was \$.06 per \$100.

Mr. Ciaravolo brought up that this BID should be approached differently than the last two SIDs. In the last one, everyone was so focused on the \$250,000 but it was left to the management group.

Dr. Clark asked how many hours are considered part time. Mr. Levante said 28 ½ hours.

Mr. Ciaravolo addressed the meeting attendees with the following information: He sent a letter to Tom Russo, the Town Manager, on 2/9. In it he ran through the history of the Town since the 1970's. It has always struggled to thrive. The Main Street group failed; DNA, failed. The business district stretches from the Theatre to the County building. There are 76 store fronts on Spring Street. At the time he wrote the letter, 45% were occupied, 55% vacant. Since then the vacancy has increased to 60%. One third of the occupied businesses do not produce foot traffic. We need new businesses that will bring in foot traffic. We also need to focus on and encourage or instigate positive news about the Town and not the "bad press".

Mr. Ciaravolo continued with his analysis of Spring Street by discussing the change to one-way traffic. He says it has not changed it for the better or the worse. Spring Street is just a pass-through for most. It is not a destination. The value of the buildings on Spring Street is \$41M. Tom Russo thinks it could be higher.

Mr. Ciaravolo showed a map of the area that he suggests should be part of the new BID. The footprint is much larger than just the Historic District. He would like to see it stretch as far as Chun Bo.

He noted that Thorlabs is a huge asset to the Town. He compared them to M&M Mars back in the 1940's. They were looking for a headquarters in the area and nobody wanted them. Now everyone wants them.

He went on to describe the BID as making up DNA/GNCC & the Town. Mr. Levante asked why he would hold onto DNA? Mr. Ciaravolo stated that it would be folded into the BID. Once the BID is official, DNA would cease to exist. Mr. Maruska wondered if it was redundant to have the DNA and GNCC.

Discussion ensued on how it would be established and presented to the public. Mr. Levante explained that the Council would vote, then the attorney establishes, then the board would be put in place. There are already 11 names in the mix. Mr. Ciaravolo stressed that we should have a good plan in place before we present it. Mr. Maruska asked what if it is unsuccessful. Mr. Levante explained that the Sunset Clause would apply. This means that after 5 years, if it is unsuccessful it will be eliminated. Mr. Ciaravolo hopes to have the same problem Tenafly experienced. The stakeholders asked the Council to eliminate the successful BID because occupancy was at 100%, so it was no longer needed.

Mr. Levante explained that we could start in Historic District and expand over time. We can't do it solely based on extending footprint to include larger businesses (i.e. Thorlabs). This could present a legal issue. Mr. Ciaravolo commented that some businesses complain that we only focus on Spring Street.

Mr. Maruska stressed that we need an anchor store. Mr. Ciaravolo says we need to improve landscaping.

Maxwell & Molly asked if the negative issues will be addressed. I don't hear that in what everyone is saying. Events won't solve the negative issues.

Mr. Levante said the BID Board would decide when and how to spend the money.

We should reach out to local realtors so they are informed about tax abatement available in the Historic District.

Mr. Levante summarized that the difference between Mr. Ciaravolo's idea and the Town's is the footprint. What does everyone think about the footprint? Also what about the \$? Is \$.03 enough?

Maxwell & Molly owners expressed that \$114,000 is not enough. To be successful the BID will need a full-time, experienced, committed executive director.

Mr. Levante agreed; either we expand the area or increase the rate. Would \$.04 be ok?

Maxwell & Molly suggests that we need to expand the footprint AND increase the rate. We should be able to do it for \$200,000.

Mr. Prendergast mentioned that if we increase the rate to \$.05 that will get us to \$190,000 with the same footprint.

This seemed agreeable to the Commission and public. Mr. Levante will present it to Mr. Russo and the Town Council.

Discussion ensued on how to make BID successful. Maxwell & Molly brought up multiple surveys and studies that have been done throughout the years. Do we have results of these we can use to help establish goals? Did the State do a study called "Main Street NJ"? Can we find out results?

Mr. Maruska suggested finding out what made Tenafly so successful. The right director should be able to do it. Mr. Ciaravolo suggested the director should be located onsite (an office on Spring Street) so he/she has an accurate view of the challenges and opportunities.

Dr. Connelly from SCCC says we need our conversations regarding the Town to be anchored in facts. Maxwell & Molly agree that we need concrete improvement ideas to present to the public. Mr. Ciaravolo agrees that we should have a well-thought out plan and vision for the BID before presenting to the public. The director should also have his/her vision aligned with BID.

### **Adjournment-**

There being no other business to discuss Mr. Prendergast made a motion to adjourn and was seconded by Dr. Clark. The meeting adjourned at 8:05 p.m.

Respectfully Submitted,

Kathryn Walker  
Administrative Clerk