Annual Report to the Township of Millburn

2021

EXPLORE
MILLBURN
SHORT HILLS

Statistics and Budget Information are Accurate as of November 1, 2021 and Subject to Change

A Message from the Chairman

As Chairman of Explore Millburn-Short Hills I have the distinct pleasure of working with a team of talented professionals and dedicated volunteers to advance the economic vitality of our community. Millburn-Short Hills is a welcoming, diverse and sophisticated town and the perfect place to savor life for residents and visitors alike.

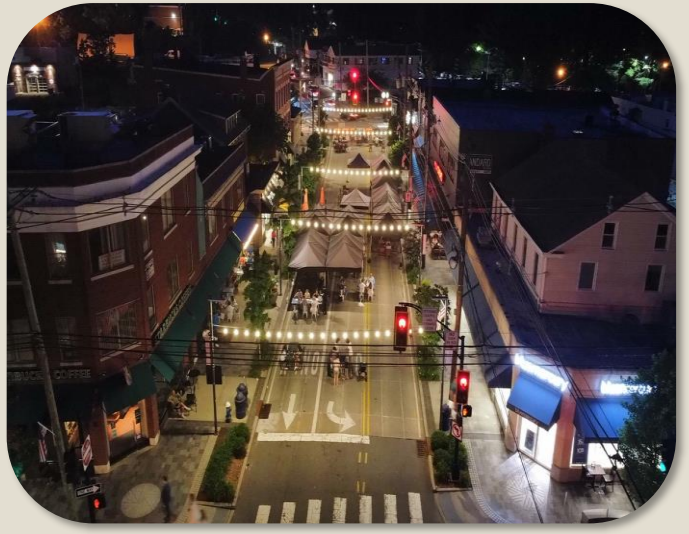
However, the times are changing and action is needed to keep our local economy strong. Covid-19, Hurricane Ida and the impact of changing retail trends demand that communities across the state identify effective strategies to support their local businesses – and that is why Explore Millburn-Short Hills exists.

Explore Millburn-Short Hills is the Special Improvement District (SID) for the township and encompasses five distinct commercial districts with over 500 businesses. Explore hosts business-oriented community events and networking mixers; maintains a strong social media and marketing effort; oversees beautification efforts, placemaking and capital projects and directs local business advocacy efforts and grants. To date, over 400 businesses have participated in Explore's programs and directly benefited from these services.

I am proud of the work we have accomplished and the successes we have had in 2021 and look forward to even more progress in 2022.

Sincerely,

Michael Parlavecchio



The District

The SID is unique compared to many in New Jersey in that there are multiple non-contiguous neighborhoods within the boundaries in addition to the traditional Downtown area.

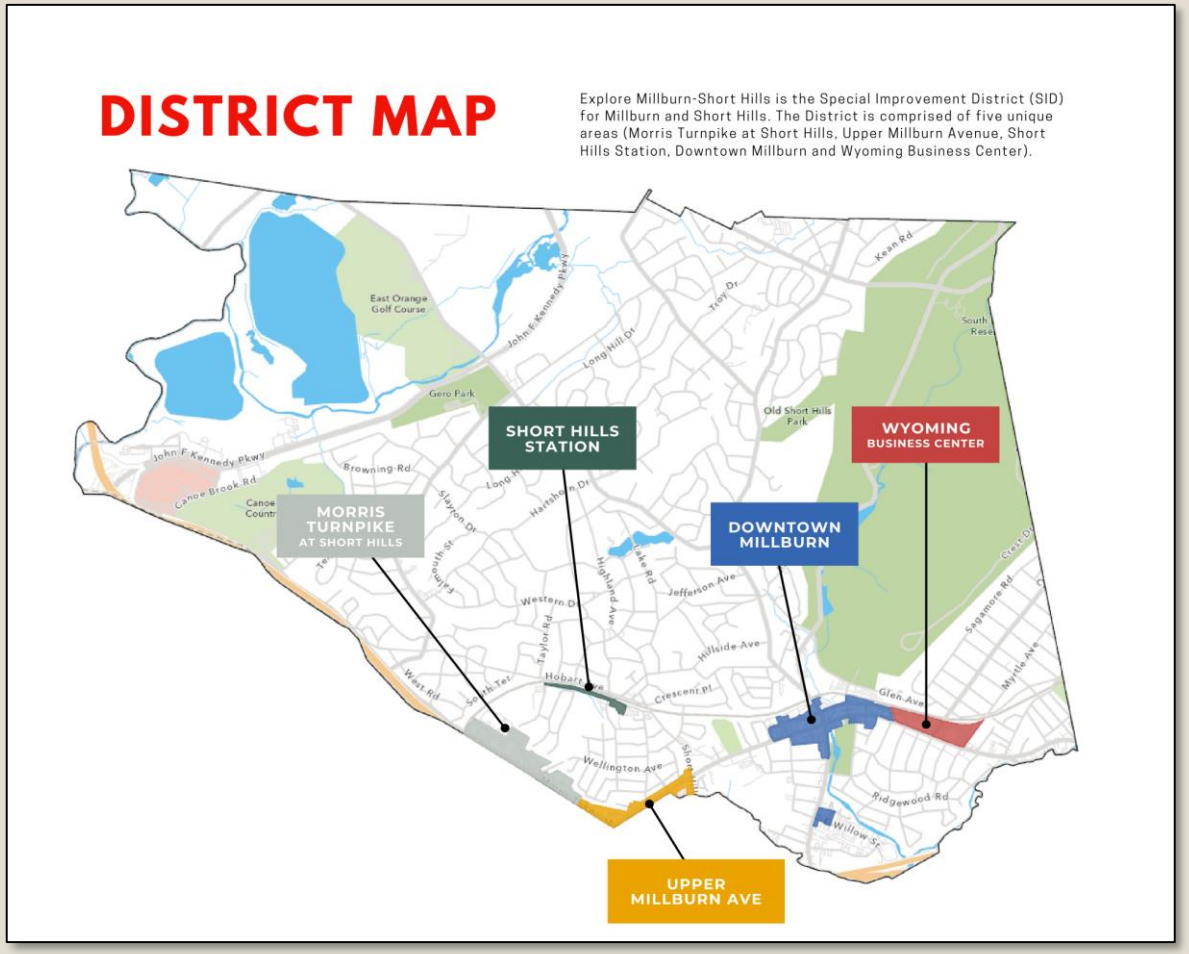
Wyoming Business Center – This district near the Wyoming and South Mountain neighborhoods includes numerous service businesses including medical and professional offices.

Downtown Millburn - The core commercial and retail center of Millburn encompassing the major commercial streets of Millburn Avenue, Main Street, Essex Street and the cross-streets. Explore closes Main Street on weekends during Spring and Fall and daily during Summer and programs live music and entertainment.

Upper Millburn Avenue - The shopping area near the Glenwood section of Short Hills boasts an excellent array of dining, fashion, beauty, wellness, enrichment, pet care, and professional services with easy parking.

Short Hills Station - The beautiful Tudor-style buildings near the Short Hills train station make this a perfect location to grab a bite and access an array of excellent businesses including the unique Boxcar Bar at Short Hills Train Station.

Morris Turnpike at Short Hills - Less than 5 minutes from any location in town, this busy thoroughfare offers many retail, dining, fitness, beauty, and service businesses for your convenience. The area is rapidly becoming the “go to” health, beauty and wellness location for the town.



Organizational Overview

Explore Millburn-Short Hills was established by ordinance in August 2020 and is a 501c3 designated non-profit with a nine member board, a full time Executive Director and a part-time Marketing Director. Explore's office is located in Millburn Town Hall and while a separate entity with an independent board and budget, the group maintains close ties to the Township's professional staff to effectively administer services to businesses and property owners.

The purpose of a Special Improvement District (SID) is to promote, grow and support local businesses, property owners, residents and visitors. Explore strives to encourage the economic, cultural and social vitality of Millburn through increased marketing and visibility, improved and renewed infrastructure and local business development and engagement.

Explore's overall goals include:

- Strengthening existing businesses and attracting new ones through trusted and accessible resources and communications
- Advancing unique planning and placemaking projects and identifying creative opportunities and funding to complete them
- Supporting five commercial districts through various services including marketing, events and business advocacy

This work is achieved through critical strategies related to Marketing, Branding and Placemaking, Planning and Events, Bylaws and Governance and Business Advocacy

CRITICAL STRATEGIES

Marketing, Branding & Placemaking
Promote businesses through multi-media efforts with a tangible impact, develop a network of strategic partners and initiate capital projects and studies that enhance business development

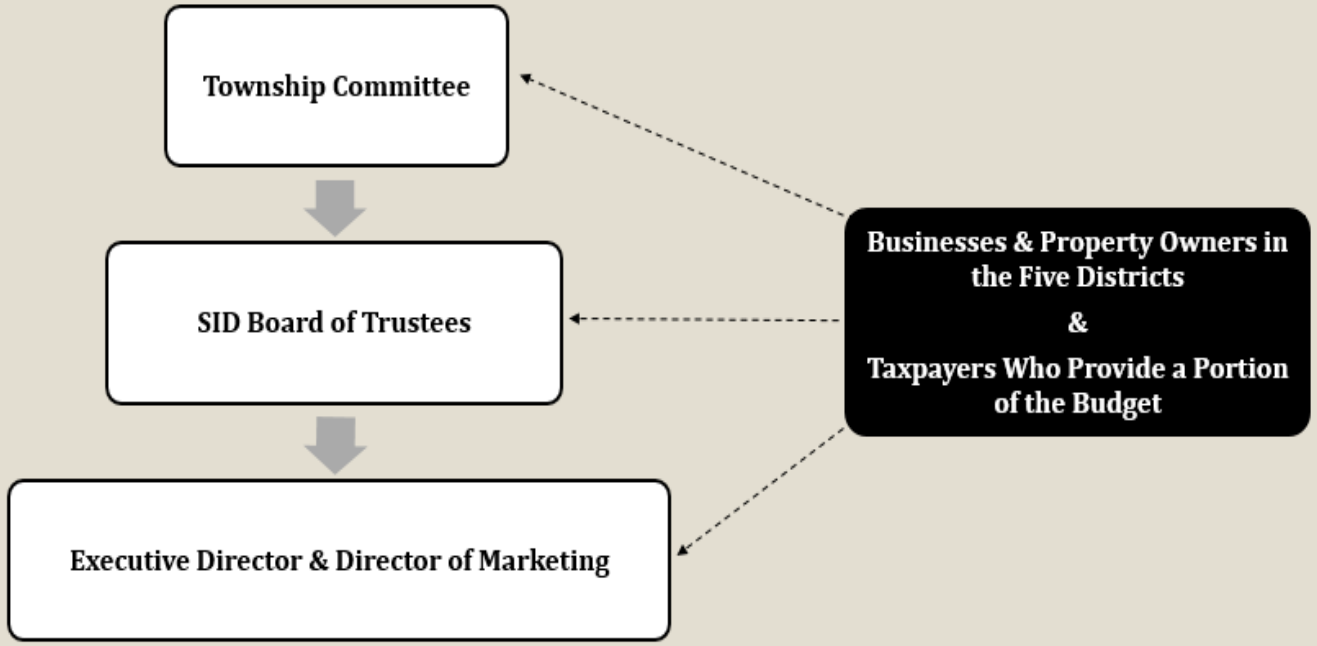
Planning & Events
Create community recognition with high quality, diverse, value-added events focused on business development which actively recruit business and property owners as SID supporters and participants

Bylaws & Governance
Establish good governance procedures for long-term organizational health including non-profit and municipal compliance, fiscal responsibility and grant funding

Business Advocacy
Serve as a policy advocate and support system for businesses, reduce commercial vacancies, create relationships with businesses and property owners and aid in new business attraction

Board Composition

The Board of Trustees is comprised of nine members representing property owners, business owners, residents and elected officials and their designees. The board meets on a monthly basis to review the work presented by the Executive Director and also holds committee meetings on an as-needed basis. The board is appointed by the Township Committee which also approves the proposed annual budget, proposed slate of Trustees and the bylaws of the organization.



2021 Board of Trustees

Michael Parlavecchio – Chairman/Resident Trustee
Tracy Katz-Levine – Secretary/Resident Trustee
Stephen Winer – Treasurer/Operator Trustee
Nadege Nicoll – Owner Trustee
Andrew Morgan – Owner Trustee
Jumana Culligan – Operator Trustee
Richard Wasserman – Township Committee Member
Jackie Benjamin Lieberberg – Mayor's Designee
Alex McDonald – Business Administrator

2021 Operating Budget

The SID's 2021 operating budget was derived from a Township allocation of $204,000 and approximately $12,000 of unexpended funds from 2020 which resulted in a budget of $215,839. Relevant notes on the budget include:

- Staffing - A new Executive Director was hired at a higher salary than the previous one which resulted in a difference of $5,200 and interns were hired during the summer which was not originally accounted for.
- Marketing/Social Media – There was an unexpected additional cost of $2,549 for website development/plug-ins which exceeded the original budget line. Website maintenance was included in the vendor contract and will not be an expense.
- General Operating – Auditing, accounting and legal services exceeded the original projection for the year but the 2022 budget will reflect a more accurate estimate based on this experience.
- Programs – Created the "Explore Refresh" program to address Covid related business issues and provided storefront beautification grants for nine businesses. Holiday and seasonal events came in significantly below the original anticipated budget and $10,000 was shifted from that line to "Live Music" to have a clearer accounting of the expense. The live music program offered over 40 shows throughout the summer and fall.
- Visual Improvements – Expenses related to streetpole banners, A-Frame signs and a beautification/streetscaping project on Morris Turnpike came in below budget.
- Other – Performed a "Curb Efficiency Study" which recommended various parking and signage improvements Downtown. "Meals and Travel" was added to cover Executive Director expenses in the course of business and a board training session was scheduled.
- Overall, there is an estimated $11,000 surplus (as of this report) in this year's budget which will be rolled over into the 2022 budget.

Staffing	**Original Budget**	**Projected**	**Difference**
Executive Director	$79,200	$84,400	($5,200)
Marketing Consultant	$35,750	$34,000	$1,750
Intern	$0	$2,215.75	($2,215.75)
Subtotal	**$114,950**	**$120,615.75**	**($5,665.75)**
Marketing/Social Media	**Original Budget**	**Projected**	**Difference**
Vaulted E-mail Service	$2,100	$1,900	$200
Website Design	$5,000	$7,549	($2,549)
Website Maintenance	$1,000	$0	$1,000
Website Hosting	$1,200	$1,200	$0
Advertising/Marketing	$7,500	$4,500	$3,000
Subtotal	**$16,800**	**$15,149**	**$1,651**
General Operating	**Original Budget**	**Projected**	**Difference**
Legal Services	$8,500	$9,000	($500)
Accountant/Auditor	$4,500	$6,500	($2,000)
IT/Tech Support	$2,000	$0	$2,000
Insurance	$1,000	$1,000	$0
Membership Dues/Fees	$2,000	$1,000	$1,000
Office Supplies/Mailings	$1,000	$1,000	$0
Subtotal	**$19,000**	**$18,500**	**$500**
Programs	**Original Budget**	**Projected**	**Difference**
"Explore Refresh" Program	$10,000	$8,500	$1,500
Holiday/Seasonal Events	$29,000	$6,000	$23,000
Live Music	$0	$10,000	($10,000)
Subtotal	**$39,000**	**$24,500**	**$14,500**
Visual Improvements	**Original Budget**	**Projected**	**Difference**
Streetscape Improvements	$11,089.43	$8,900	$2,189.43
Lighting, & Signage	$15,000	$10,000	$5,000
Subtotal	**$26,089.43**	**$18,900**	**$7,189.43**
Other	**Original Budget**	**Projected**	**Difference**
Curb Efficiency Study	$0	$3,500	($3,500)
Meals & Travel	$0	$350	($350)
Board Training	$0	$3,500	($3,500)
Subtotal	**$0**	**$7,350**	**($7,350)**
GRAND TOTAL	**$215,839.43**	**$205,014.75**	**$10,824.68**

2021 Year in Review

2021 was the first full year of operations for the organization. In February an Executive Director was retained but resigned shortly thereafter. In early May the current Executive Director, Steve Grillo was hired. Mr. Grillo's initial tasks were to set a list of organizational priorities, establish an event and program schedule and ensure regulatory and reporting compliance.

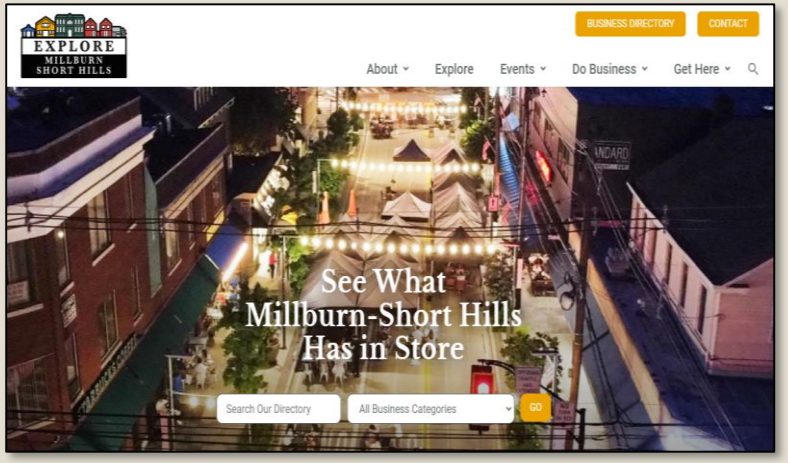
Marketing Branding and Placemaking - Work included expanding social media efforts on Facebook and Instagram, launching a LinkedIn and YouTube page, creating a new website, starting the "Weekend Warm Up" email blast series and creating the "Meet the Merchants" commercial series. Explore also created an A-frame sign donation program, placed business-oriented directional signs in various locations and installed 66 streetpole banners throughout the SID. Other marketing efforts included the "The Excitement is Coming" signage campaign for storefronts under construction and a branded coaster distribution for local restaurants. A major capital project was completed on Morris Turnpike in October and included a clean up of the strip between the curb and sidewalk, planting of grass and placement of stones and the installation of eight branded planters.

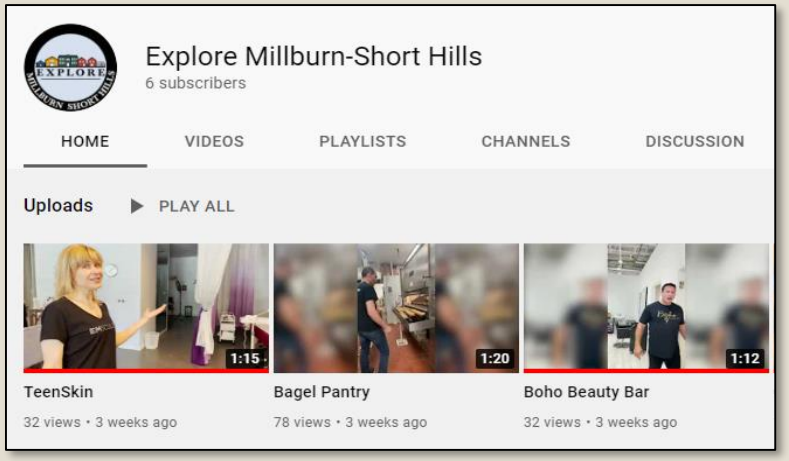
Planning & Events – Explore hosted a number of new events including the "It's a Gem" promotion and the "FAME Event" for Mother's Day, business mixers on Morris Turnpike, Short Hills Station and Upper Millburn Avenue and block parties and sidewalk strolls on Morris Turnpike and Upper Millburn Avenue. A major effort (and community hit) was the Main Street Closure programming including Summer Music Series, "Games on Main," musicians for Summer Sales and the Fall Brunch Music Series. Explore will host a "Winter Windows" decoration effort in December as well.

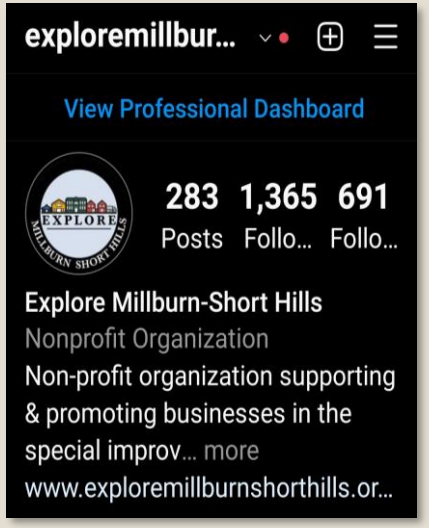
Bylaws and Governance - Improvements started with the hiring of a full time Executive Director which led to a variety of successes. These include securing a 501c3 non-profit designation from IRS, consolidating the Bylaws and Human Capital committees into "Bylaws & Governance" and hosting a Governance meeting. Explore also streamlined the monthly budget review process for increased public transparency and hired an attorney to attend meetings and respond to OPRA requests.

Business Advocacy - In 2021, Explore created the "Explore Refresh" Storefront Beautification Grant Program, drafted and distributed the "Business Success Kit," commissioned a Curb Efficiency Assessment for Downtown and presented the annual Commercial Vacancy Assessment. Staff provided in-person support for various town-driven projects including sign ordinance improvements, communications during the removal of flex parking and promoting grant opportunities for small businesses (including managing the Hurricane Ida Recovery Fund). Staff has also participated in Township driven efforts such as the Cultural, Engagement, Diversity & Arts Committee (CEDA), Parking Ad-Hoc Committee, Downtown Two-Way Traffic Committee and the Taylor Park Gateway Committee.

Communication Efforts







Beautification & Placemaking

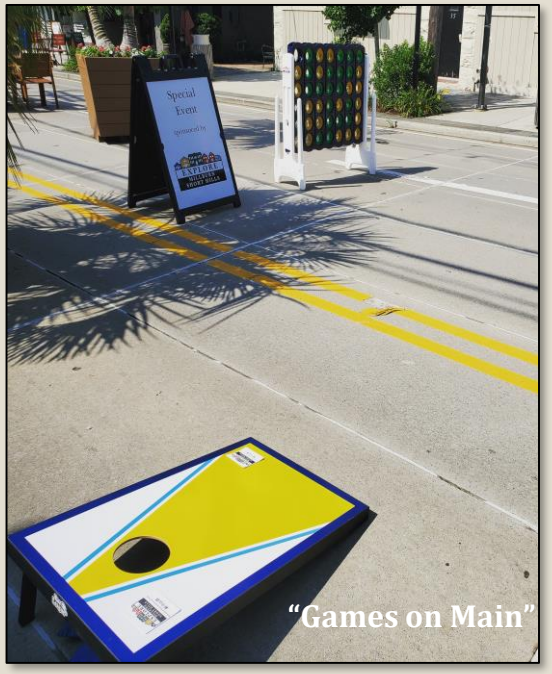
Events & Promotions

Upper Millburn Ave
Short Hills Station Mixer

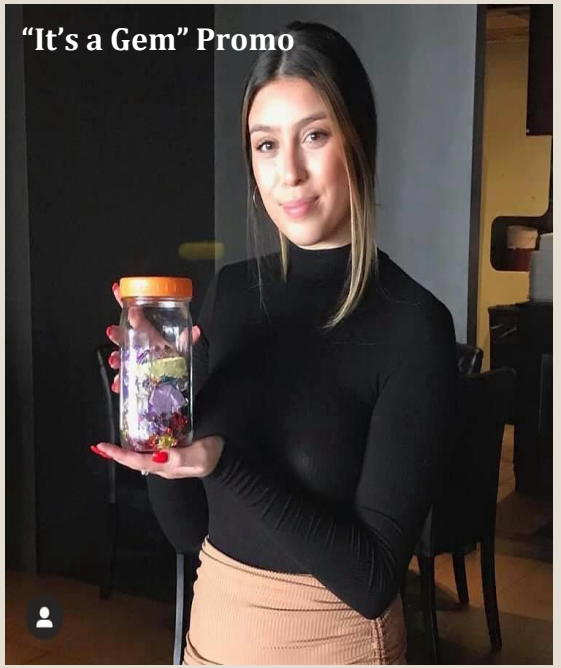
FAME Festival at Taylor Park

One Year Anniversary Mixer

Live Music Series



“Games on Main”


“It’s a Gem” Promo

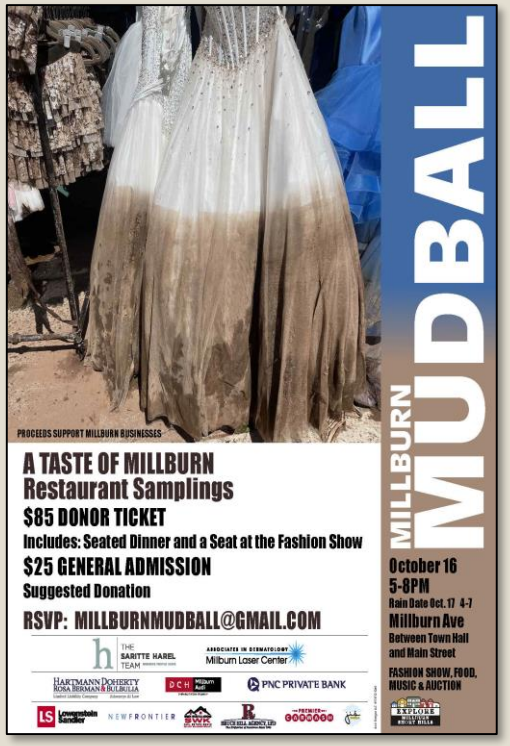
Hurricane Ida Work

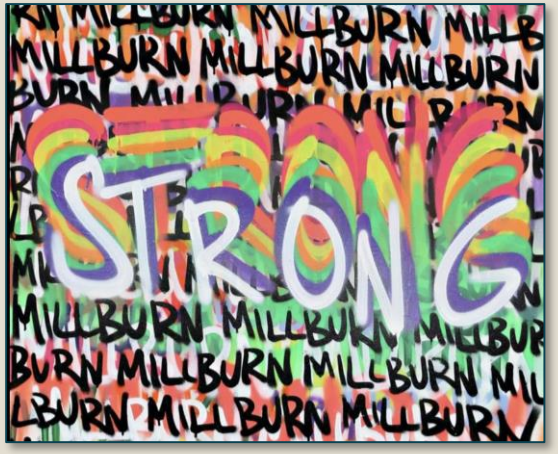
The most significant event of 2021 was Hurricane Ida which hit the town on the evening of September 1. While the town was severely impacted in numerous ways, the reaction to the storm was a central moment in the development of Explore's service portfolio.

Within 24 hours of the storm, Explore's staff and board had helped organize volunteer efforts with local groups, distributed township information regarding an information hotline, basement pumping and trash collection to over 100 businesses and created a donation page which has collected over $150,000.

Over 800 individual donations have been received and over 70 businesses have received all or a portion of the intended award – totaling nearly $400,000 as of this report. The Township also matched initial donations 2:1 with a $220,000 allocation. Various local groups coordinated fundraising programs as well including Paper, Ribbon & Wrap, The Book House, Footnotes, Paper Mill Playhouse, Deerfield School, Millburn High School, J. Nunez Gallery, SwimQuest and Millburn Mud Ball.

Explore also managed a series of business assistance efforts including webinars for small business guidance and developing a team of "Navigators" to assist with funding program enrollment including NJEDA, SBA and FEMA.





2021 Year-End Projects

Marketing, Branding & Placemaking – Explore is excited to launch a pilot effort for a local **gift card program**. This will hopefully expand into a larger, more formal process such as the program offered in Summit. The gift cards will be distributed between Halloween and New Years and will be linked to the **"Small Business Season"** marketing campaign which will be a major social media push to help promote local businesses that have a limited presence on social platforms. Explore will also **update our website** to include merchant/property owner testimonials to reflect the work conducted during 2021.

Events & Planning – As the year concludes, Explore will continue the **merchant mixer** effort. These events has provided an opportunity to network, understand the services and benefits o the SID and build new relationships. Explore is also excited to support and coordinate with the local Chamber of Commerce in the **Winter Windows/Winter Walk** Event in December. Explore will work with businesses to paint winter scenes on their windows in an effort to spread the holiday shopping spirit beyond the immediate area of Taylor Park.

Bylaws and Governance – Explore will be completing a number of important administrative tasks to conclude 2021. These include submitting **edits to the existing bylaws** to the Township Committee and **finalizing the 2022 budget, board membership and assessment roll**. In January, the board will host a **training session** where a consultant will provide guidance on critical issues such as financial reporting and budgeting, OPRA and legal requirements, records retention, banking procedures and committee management. Explore also intends to host a public information session to explain the SID process to members of the community.

Business Advocacy – Explore is eager to engage a variety of stakeholders who can inform the operations of the SID. We will be hosting an **property owner roundtable** to learn about some of the challenges these SID members face as well as a series of **meetings with local real estate brokers** in order to assist them in marketing the SID and to gain insight into how Explore can support their work. Explore will also begin planning for a **Local Business Speaker Series** which will feature various members of the professional services sector accounting, legal, marketing etc. in virtual informational speaking engagements with the intent of assisting local businesses in need of these services. Finally, Explore will continue to **expand local and regional partnerships** with other SIDs and Downtowns including potentially developing a networking group for other SIDs in Essex and Union counties with the Executive Director of Downtown Cranford.

Potential Efforts for 2022

Marketing, Branding & Placemaking

Drone Video of All Districts	Additional A-Frame Signs with Directions/Slogans	Public Art Fund & Open Competition	Attraction Signs, Intersection Art, Murals, Pedestrian Canopies	Treepits, Planters, Seating, Lighting, Decor & Wayfinding	Upper Millburn Avenue Pedestrian Mall & Streetscape Plan	Branded Window Clings at Parking Kiosks

Planning & Events

Community Clean Up in Non-Downtown Districts	Night Market and/or Restaurant Week	Interactive Kids Event (Lego/Gems) at Closure	Mother's Day Health & Wellness Crawl	Father's Day Beer Garden	Live Painting – "Street Scenes" Program	Winter Market at Bauer Center	"Mud Ball" Part 2

Bylaws & Governance

Successfully Complete Audit	Acceptance into Main Street NJ Program	Create New Committees including Real Estate and Visioning & Funding	Coordinate Working Group with Other Regional SIDs	Continue Board & Staff Training Programs

Business Advocacy

Job Fair and Expand Website to inc. Open Jobs Board and Grant Opportunities	"Access to Capital" Programs w/ Town	Vacant Storefront Art Walk	Bauer Center Business Incubator	Work with Realtors/Owners to Promote Properties and Attract Tenants	Reduce Overall Vacancies & Diversify Businesses

Challenges & Opportunities

Commercial Vacancy – There are 548 total businesses in the SID including 226 interior tenants (mainly professional services). The 2021 Commercial Vacancy Study found that there are 358 total storefronts in the SID of which 322 were occupied at the time of report resulting in a 10% vacancy rate. This rate is approaching an area of concern and is even more relevant due to the vacancies created by Hurricane Ida. Long-term vacancy on Upper Millburn Avenue (20% vacancy) is a concern but there is hope that the development of the former Saks site will reduce this rate. It is critical that the SID and town work with local brokers and property owners to attract tenants to the Upper Millburn Avenue and prioritize this area for occupancy.

Retail Trends – It is no secret that brick and mortar retail has suffered tremendously in the past decade and this was only exacerbated by Covid-19. Traditional retail must adapt to new experiential concepts (explained in the 2021 Commercial Vacancy Study) and adapt new plans for engagement. The SID will also work to enhance their promotion, visibility and access to resources.

Employment Shortages – Since the onset of Covid-19 businesses have been struggling to find employees. This is a national trend that is hitting Millburn hard. Explore will work with local businesses and other partners to enhance our website to include a job board, support local students looking for employment and to continue to post open job notices on our social media and email communications.

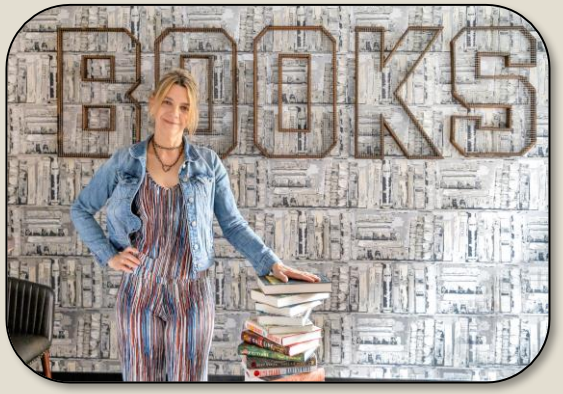
Cost of Doing Business – New Jersey is consistently ranked as one of the most difficult states to do business in. This is due to high taxes, numerous levels of permitting and the overall cost of living expenses. Explore has worked to put "cash on the street" including the "Explore Refresh Program" and the Hurricane Ida Recovery Fund. Explore will continue to pursue innovative programs that make cash awards and micro-grants accessible to businesses to off-set costs and work with the Township to streamline permitting and other regulatory processes to help reduce time and expense.

Hurricane Ida Recovery – Explore raised approximately $400,000 to assist in the recovery effort from the storm. However the financial impact will be felt for a long time to come. Explore must work with existing and potential new businesses to address financial, insurance and regulatory concerns and continue to be a resource between local government and the business community.

Consumption Establishments – Bars, distilleries, breweries and wine bars are exciting additions to a business district. Commercial districts in nearby Summit, Cranford, Westfield, Orange, Chatham and Kenilworth have all seen new construction and investment in these types of attractions. Millburn should consider locations and partnerships to increase interest in bringing these establishments to town as well as potentially expand the number of liquor licenses available.

Integrating Art & Economic Development – Millburn is a hotbed of creative minds and artistic talent. Explore is eager to work with local residents as well as established community organizations and businesses to create more public art, pop-up exhibitions and signage that is both informational and beautiful.

Thank You
Millburn-Short Hills



EXPLORE MILLBURN-SHORT HILLS

The Special Improvement District for Millburn-Short Hills

Steve Grillo, Executive Director
steve@exploremillburnshorthills.org
973.921.2829

Millburn Town Hall - 375 Millburn Avenue, 2nd Floor
www.exploremillburnshorthills.org