

# State of the SID Report

## Commercial Vacancy Assessment

*March 2023*



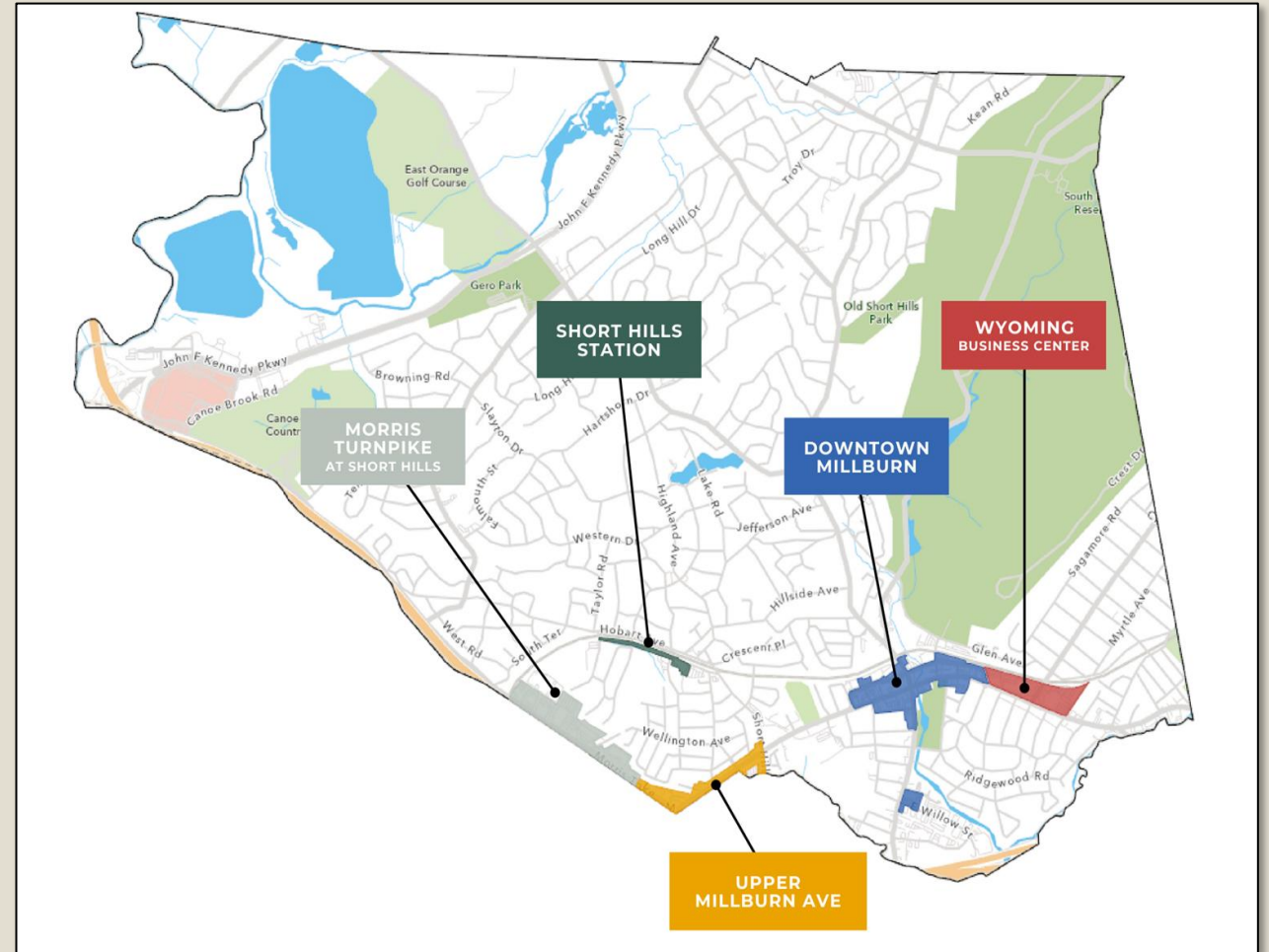
*The Special Improvement District for Millburn-Short Hills*

*Data is accurate as of March 10, 2023 and subject to change*

# **SECTION 1 - REPORT BACKGROUND**

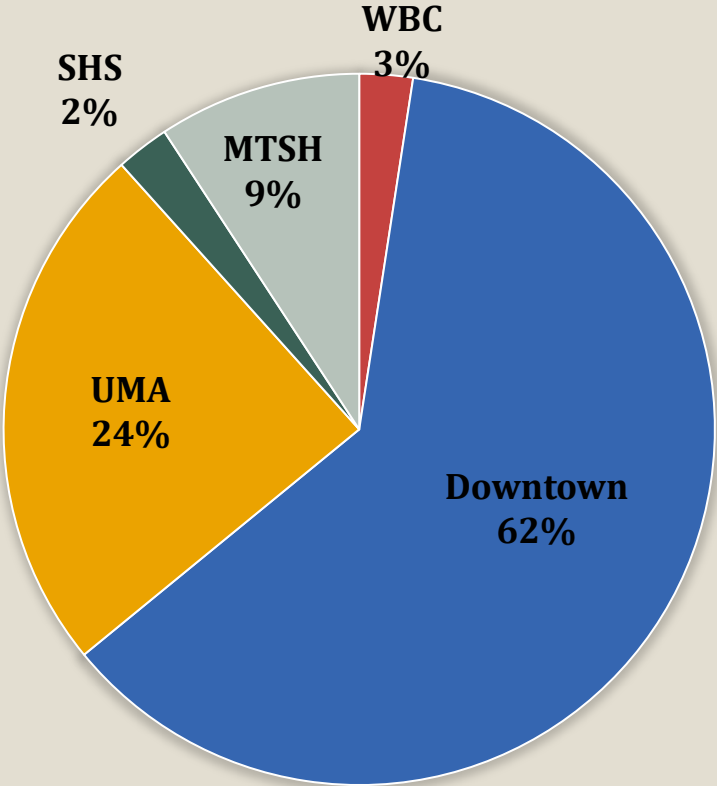
- Explore Millburn-Short Hills is the 501c3 non-profit Special Improvement District (SID) for the township
- Established in August 2020, the organization is tasked with a variety of services including events, marketing and social media, placemaking, beautification and business advocacy
- Every six months, Explore publishes the “State of the SID” report which details trends related to business growth and commercial vacancies

5 Districts and 205 Tax Lots  
 374 Total First & Second Floor Spaces  
 493 Total Businesses

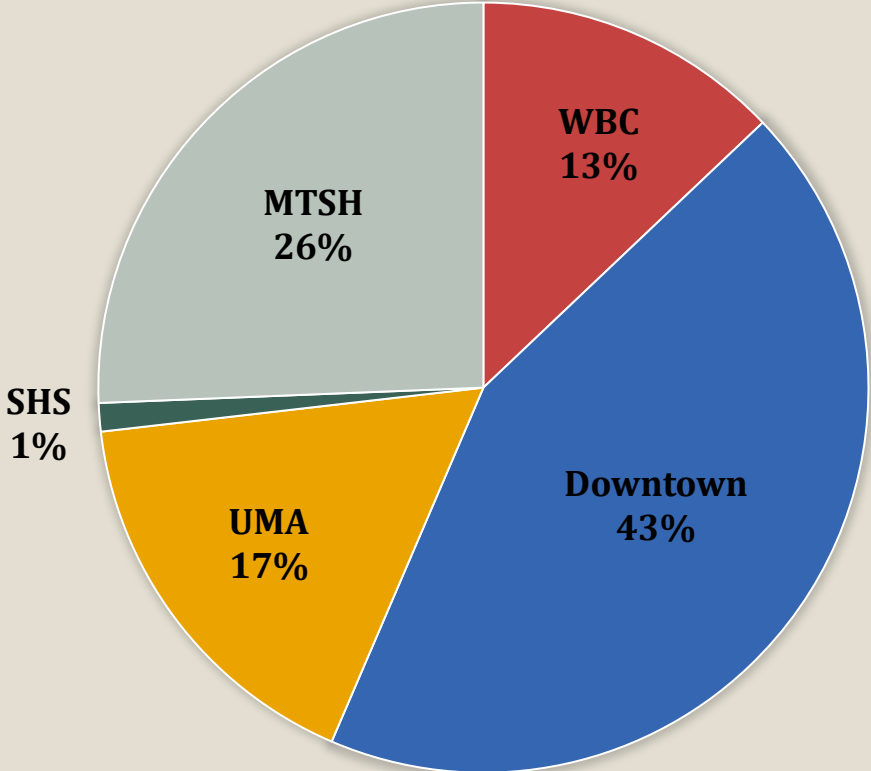


# Tax Lot Information

Percentage of Total Tax Lots

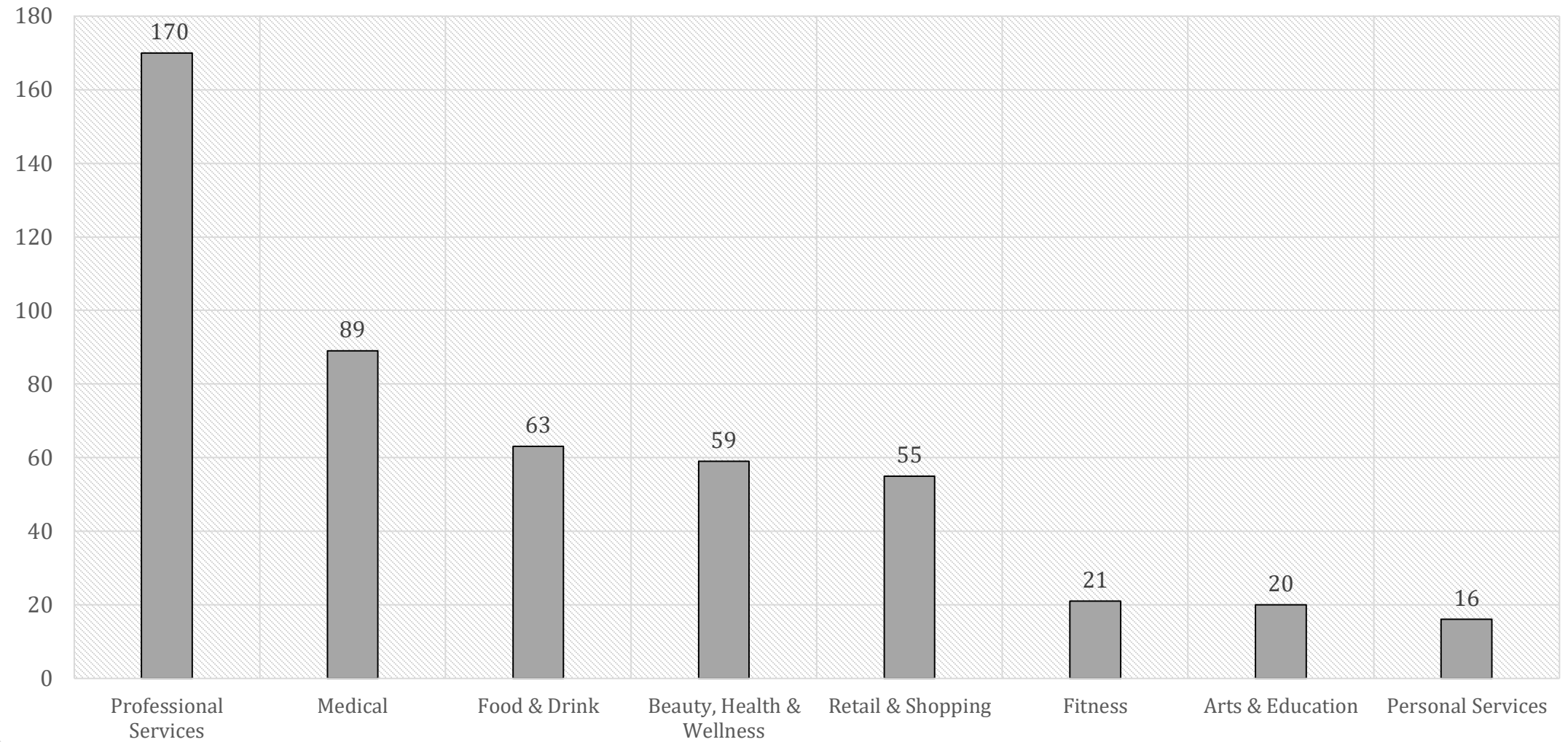


Percentage of Total Assessment



## **SECTION 2 - BUSINESS DATA**

# Businesses by Category



# Business Census

<b>Total Businesses</b>		
<b>District</b>	<b>#</b>	<b>% of Total</b>
Wyoming Business Center	67	13.6
Downtown	272	55.2
Upper Millburn Avenue	44	8.9
Short Hills Station	16	3.2
Morris Turnpike at Short Hills	94	19.1
<b>TOTAL</b>	<b>493</b>	<b>100</b>

<b>Business Openings by Timing</b>		
<b>Period</b>	<b>#</b>	<b>% of Total</b>
Pre-SID	411	83.3%
Aug. 2020 – Dec. 2021	33	6.7%
2022	43	8.8%
2023	6	1.2%
<b>TOTAL</b>	<b>493</b>	<b>100%</b>

## **SINCE THE CREATION OF THE SID IN AUGUST 2020**

82 businesses - 16.6% of all businesses - have opened  
*60% in Downtown and 40% in the outer districts*

65 have opened in the Downtown  
 (18% of the total for that district)

16 have opened on Morris Turnpike  
 (17% of the total for that district)

11 have opened on Upper Millburn Avenue  
 (25% of the total for that district)

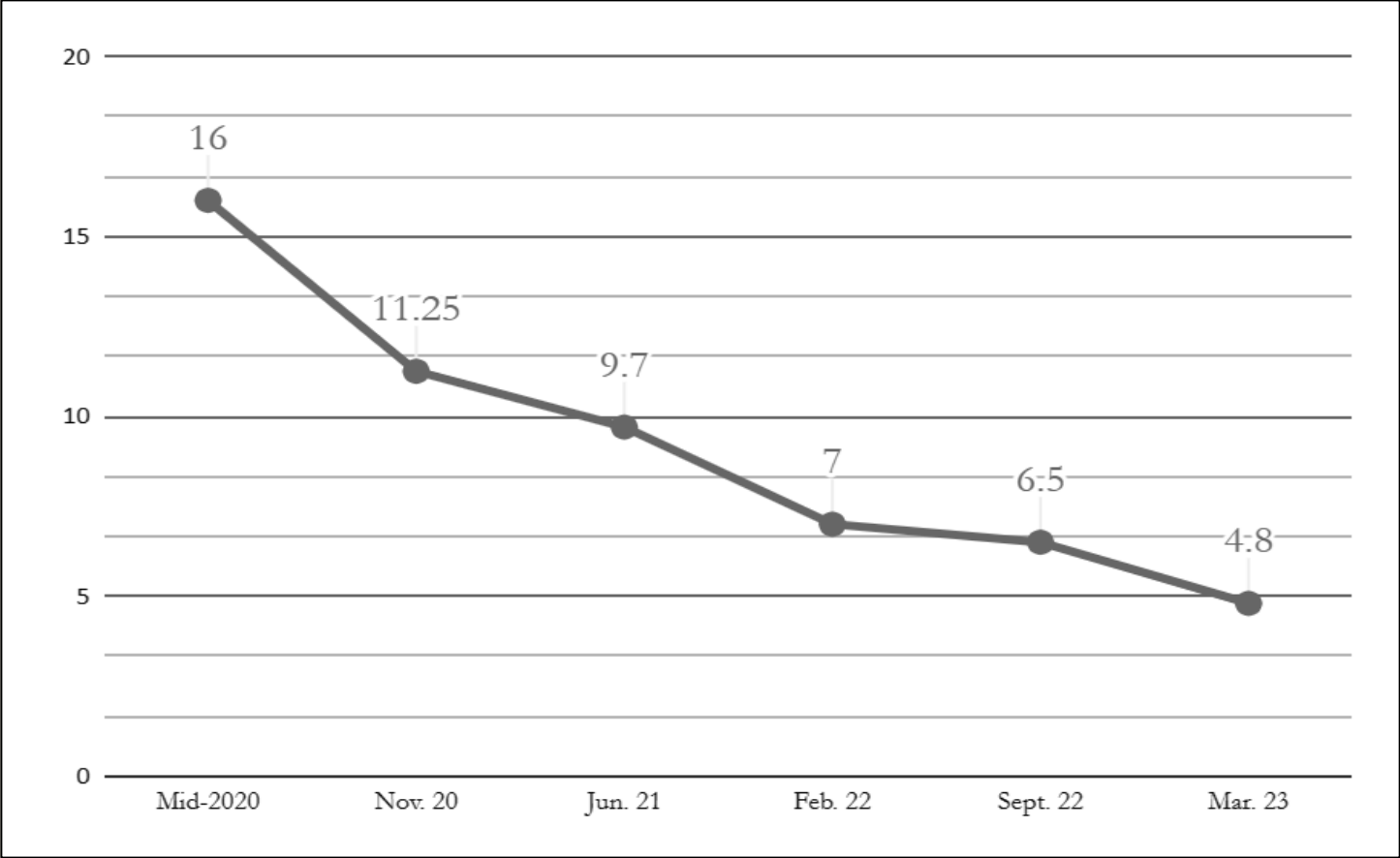
# “The Excitement is Coming”

2023 OPENINGS	UNDER CONSTRUCTION OR CONTRACT	OPENING SOON	UNDER DEVELOPMENT (Will be Added to SID)
Millburn Barbershop 109 Main St, Downtown	Bigfoot Entertainment 4 Taylor St, Downtown	Rutgers Health 233 Millburn Ave, Wyoming	Mixed Use Development Former Pet Store 378 Millburn Ave, Downtown
Viv Infusions 44 Main St, Downtown	Former YB Fitness 750 Morris Tnpk, Morris Turnpike	HerMD 241 Millburn Ave, Wyoming	Mixed Use Development Former Wells Fargo 397 Millburn Ave, Downtown
Sweet Tooth Pediatric Dentistry 237 Millburn Ave, Wyoming	Former New Eyes for the Needy 549 Millburn Ave, Upper Millburn	Millburn Ramen 318 Millburn Ave, Downtown	
Interior Motif 519 Millburn Ave, Upper Millburn	Former Longevity Fitness 12 Holmes St, Downtown	To Be Announced Former Bowtie Theater 350 Millburn Ave, Downtown	
The Ethical Mattress 387 Millburn Ave, Downtown	Future Midtown Commercial Realty 565 Millburn Ave, Upper Millburn	BoyChicLiving 41 Main St, Downtown	
Lashley Studio 3 830 Morris Tnpk, Morris Turnpike	Former Charlie Browns 35 Main St, Downtown	To Be Announced Former Futter Shoes 331 & 335 Millburn Ave, Downtown	



## **SECTION 3 - VACANCY DATA**

# Vacancy Rate Over Time (Entire SID)



Vacancy Rate is calculated by adding the number of 1<sup>st</sup> and 2<sup>nd</sup> floor spaces which are either for sale/lease or considered a long-term vacancy and dividing by the total number of storefronts and 2<sup>nd</sup> floor/office retail. In this case, 18 vacancies divided by 374 storefronts

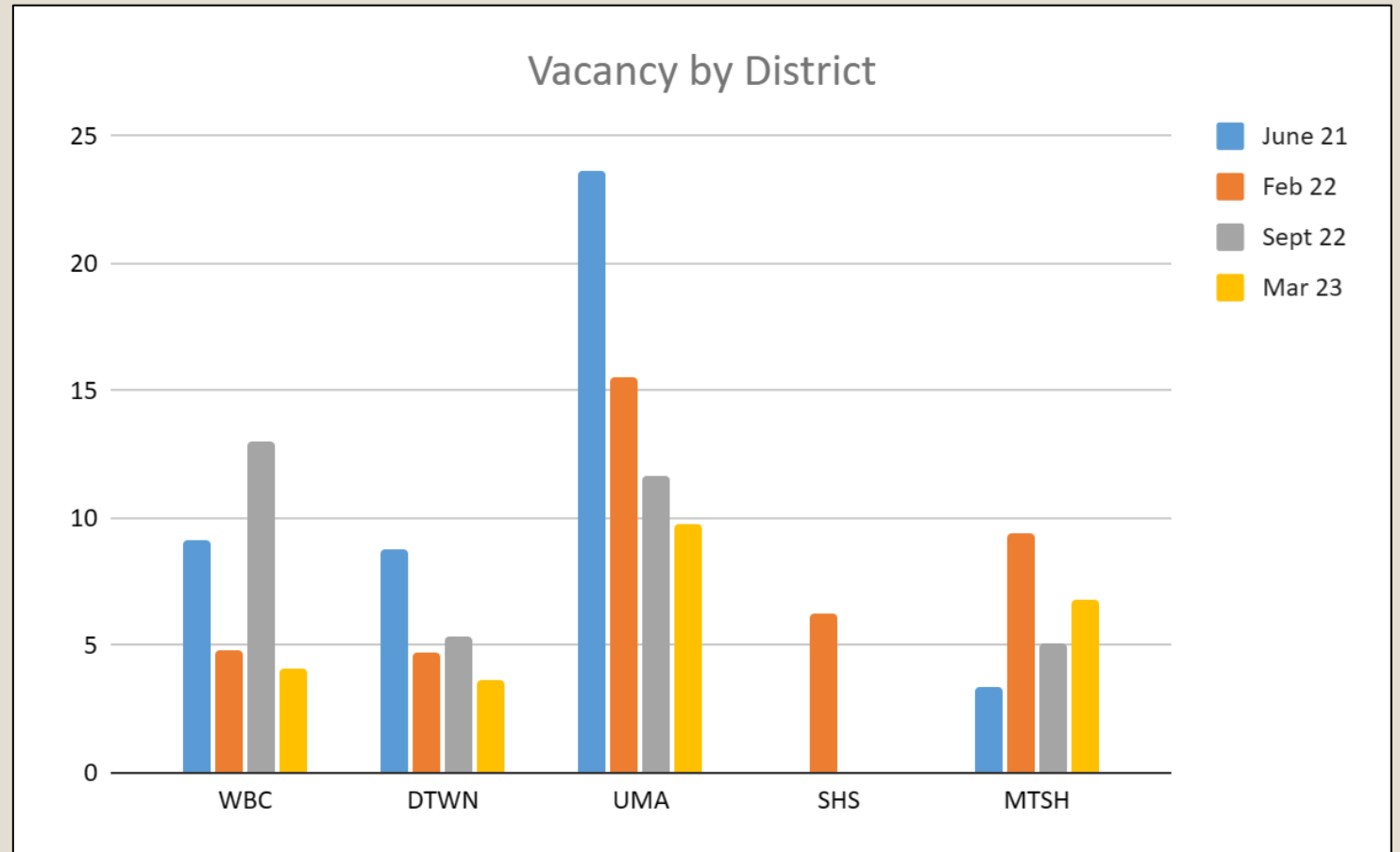
# Vacancy Rate Breakdown

*\*Includes only storefronts and 2<sup>nd</sup> Floor office/retail. Multi-tenant offices are not included in this count*

Category	#	% of Total	Definition
Occupied	343	91.7%	Occupied spaces with existing businesses
Opening Soon	5	1.34%	Expected to open within the next 30-60 days
Under Contract/Construction	8	2.1%	Sites that have leases signed for tenants and that are being built out or waiting on occupancy
<b><i>Occupied + Under Contract</i></b>	<b><i>356</i></b>	<b><i>95.2%</i></b>	
For Sale or Lease	9	2.4%	Sites that are currently being marketed by an owner/broker If they are not occupied by the next report, they will be moved to Long Term Vacancy
Long Term Vacancy	9	2.4%	"Stranded assets" that have remained vacant for at least a year. These sites have specific challenges and may require township regulatory or policy intervention
<b><i>For Sale/Lease + Long Term Vacancy</i></b>	<b><i>18</i></b>	<b><i>4.8%</i></b>	
<b>TOTAL</b>	<b>374</b>	<b>100%</b>	

# Vacancy Rate Per District

District	Total Storefronts + 2 <sup>nd</sup> Floor	Vacancies	Vacancy Rate
Wyoming Business Center	24	1	4.1
Downtown	224	8	3.6
Upper Millburn Avenue	51	5	9.8
Short Hills Station	16	0	0
Morris Turnpike at Short Hills	59	4	6.8
<b>TOTAL</b>	<b>374</b>	<b>18</b>	<b>4.8</b>



## **SECTION 4 – REVIEW OF VACANT PROPERTIES**

*This list was created based on publicly available information, meetings with stakeholders and general observations by Explore staff  
This list is subjective and in no way should be construed to be an official statement on the development potential of a property  
Explore is committed to supporting all property owners in promoting and leasing their sites and provides a variety of services to do so  
Comments may be submitted to Explore Millburn-Short Hills*

SITE NAME (Address)	ACTIVE CONSTRUCTION	ACTIVE MARKETING	SID WORKING WITH OWNER/BROKER	SID ACTIVELY REFERRING TENANTS	ADDITIONAL PROJECT i.e. PUBLIC ART	LIKELY OBSTACLES i.e. RENTAL RATE, PHYSICAL BUILDING etc.
Futter Shoes (333 Millburn Ave Only)	Completed	X	X	X	X	
J. Weill & Assoc. (387 Millburn Ave)		X	X	X		
Kika Stretch Studio (313 Millburn Ave)		X	X			
Elephant Plate (346 Millburn Ave)		X	X	X		
Harmon (720 Morris Tnpk)			X	X		
Highline Fashion (306 Millburn Ave)		X	X	X		
Calico (752 Morris Tnpk)		X		X		
Health Food Mart (700 Morris Tnpk)		X		X		
Motion Fitness (187 Millburn Ave)		X		X		
President's Club (389 Millburn Ave)		X	X	X		Price Per SF
Mixed Use Development (271 Millburn Ave)		X	X	X		
Short Hills Framing (688 Morris Tnpk)		X	X	X		
Millburn Florist (322 Millburn Ave)		X	X	X		
Unica Clothing (517 Millburn Ave)	X					
Elos AquaStudio (533 Millburn Ave)						
Ganny Russ Optics (521 Millburn Ave)						Building Damage
Use Unknown (1 Short Hills Ave)						
Paul Master Contractors (514 Millburn Ave)						

## **SECTION 5 - STRATEGIES TO ADDRESS VACANCIES**

<b>Strategy</b>	<b>Recommended Actions</b>	<b>Update from Sept 2022 - Mar 2023</b>
Identify a Municipal Team	Special Improvement District, Business Administrator, Advisory Committees, Construction, Zoning and Planning	Communications have increased with certain property owners and new programs have been implemented such as public art installations. However, substantial discussions with land use boards has not occurred
Maintain a Property Inventory	Track and monitor vacancies and keep an accurate record of available spaces for potential users	This continues to be an important service of the SID. The website and property records are updated on a monthly basis
Perform an Analysis and Survey of Businesses	Define the economic potential, challenges and needs of businesses in order to implement improvement programs	The three main issues that continue to present themselves are 1) property owners who are not seeking to actively fill spaces, 2) high rent and/or difficult lease terms and 3) space which is too large to meet market demands. There also needs to be better coordination between 2nd floor or office building owners and Explore to promote small office spaces. This should be a focus of Explore's Business Advocacy Committee
Engage Businesses & Shoppers	Develop plans to expand events, marketing, special projects, placemaking, beautification, parking and walkability	Spring/Summer 2023 planning efforts are underway for new signage on Upper Millburn Avenue, new public art installations and beautification work
Implement Cost Effective Infrastructure Solutions	Propose improvements related to parking, streetscapes/plantings, wayfinding and signage, public art/vacant storefront beautification, micro-grant programs, lighting, holiday decorations, and special projects	



Strategy	Recommended Actions	Update from Sept 22 – Mar 23
Maximize New Dining Options	Promote pedestrian malls, create parking for delivery drivers and create better vehicular circulation	Explore serves on the Township’s Parking ad-hoc committee and the town has implemented a new delivery driver waiting area in Lot 16 per Explore’s recommendation to reduce double parking and congestion on Millburn Avenue. The Main Street Pedestrian Mall is expected to be approved for July-August 2023
Address Restrictive Zoning & Codes	Work to improve issues related to existing zoning, parking requirements, maximum building heights, signage and restrictions on specific uses. Additional policy items such as public infrastructure improvements, connectivity to public open spaces, public art requirements and liquor license availability should be considered	Formal discussions should take place between Explore’s Business Advocacy Committee and the Township Committee to ensure that all parties understand the pros/cons and opportunities/challenges with these types of recommendations. Downtown Westfield recently conducted a retail attraction analysis which can be reviewed by Explore’ Business Advocacy Committee  Town should consider the creation of an Economic Vitality Committee comprised of various stakeholders to develop a long term vision plan for all areas of economic development including business attraction/investment/retention, affordable housing, school occupancy, park space availability, quality of life etc.
Market the District & Cultivate Relationships with Local Brokers	Establish a diverse approach to recruitment including a) existing businesses within or near the district, b) emerging entrepreneurs and technologies, c) existing local or regional businesses, d) national chains and e) collectives, pop-up shops and business incubators/accelerators	
Backfill Vacancies with Innovative Uses	Consider strategies including subdividing ground floor storefronts into smaller spaces, prioritizing short-term leases, supporting pop-ups and incubator spaces and encouraging non-profit, cultural, arts and community uses	

# THE EXCITEMENT IS COMING

**Another new business is opening!**



[www.exploremillburnshorthills.org](http://www.exploremillburnshorthills.org)  
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**[www.exploremillburnshorthills.org](http://www.exploremillburnshorthills.org)**