SPECIAL IMPROVEMENT DISTRICT – REVISED

June 2, 2020
Timeline

Tentative timeline of SID Ordinance

- June 2, 2020 – additional discussion and presentation
- June 9, 2020 – virtual information/Q&A with property owners
- June 16, 2020 – Introduction of new SID ordinance
- July 14, 2020 – Public Hearing and consideration to adopt the ordinance on final reading
  - Appointment of Board of Trustees
  - Articles of DMC Incorporation filed
- July/August – Search for FT Executive Director
- September 2020 – Hire Executive Director
- March 2021 Introduction of budget
- April 2021 Adoption of DMC budget – 1st assessment
Background

- Special improvement district first established in 1992

- Boundaries were defined geographically and included:
  - B-4
  - B-2 on Millburn Avenue (between Essex St. and Wyoming Ave.)
  - OR-2 on Millburn Avenue (between Wyoming Ave and Ridgewood Rd.)
  - Paper Mill Playhouse

- SID Ordinance was overseen by the district management corporation known as the Downtown Millburn Development Alliance

- DMDA was dissolved in December of 2018
Why a New Ordinance?

- Township of Millburn needs a business advocate group – a network of volunteers dedicated to the economic vitality of our business districts

- Commitment for an executive director to manage the needs of the Board of Trustees and business community

- Success of neighbors – Millburn is an anomaly in not having an active district management corporation to manage its SID.

- Address deficiencies or outdated items of 1992 ordinance

- The opportunity to provide a focused reemergence from the current public health crisis.
What is different this time?

- Larger area served by the SID ordinance and district management corporation ("DMC")
  - Will include all B-2 and B-3 districts and B-4 (downtown)

- Greater controls by the Township
  - 7 member board of trustees – appointed by Millburn Township Committee
  - 50% of Executive Director salary paid by the Township
  - No dissolution of DMC without approval of Township
  - Township Committee must approve bylaw amendments

- Allows Township Committee to administer grants through the DMC

- Timing of budget will be consistent with Township’s budget process
What remains the same?

- The budget process will continue to follow municipal budget law
  - 1st reading, read by title and public hearing prior to adoption
- Special assessment of property owners based on property valuation and percentage retail
  - Exemptions for tax-exempt, exclusively residential, residential portions of mixed use properties and vacant or unimproved land
- The powers designated to the district management corporation
How is the assessment calculated?

- Assessed valuation X rate X percentage chargeable

- Example:
  - $814,400 \times .0011 \times .65 = $582.30 per annum
  - $814,400 \times .00067 \times .65 = $354.67 per annum

- The rate is determined by the proposed budget against the total net assessment of the districts.

- It is likely that a larger SID will result in a reduced rate multiplier