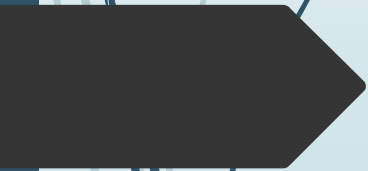




SPECIAL IMPROVEMENT DISTRICT – REVISED

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



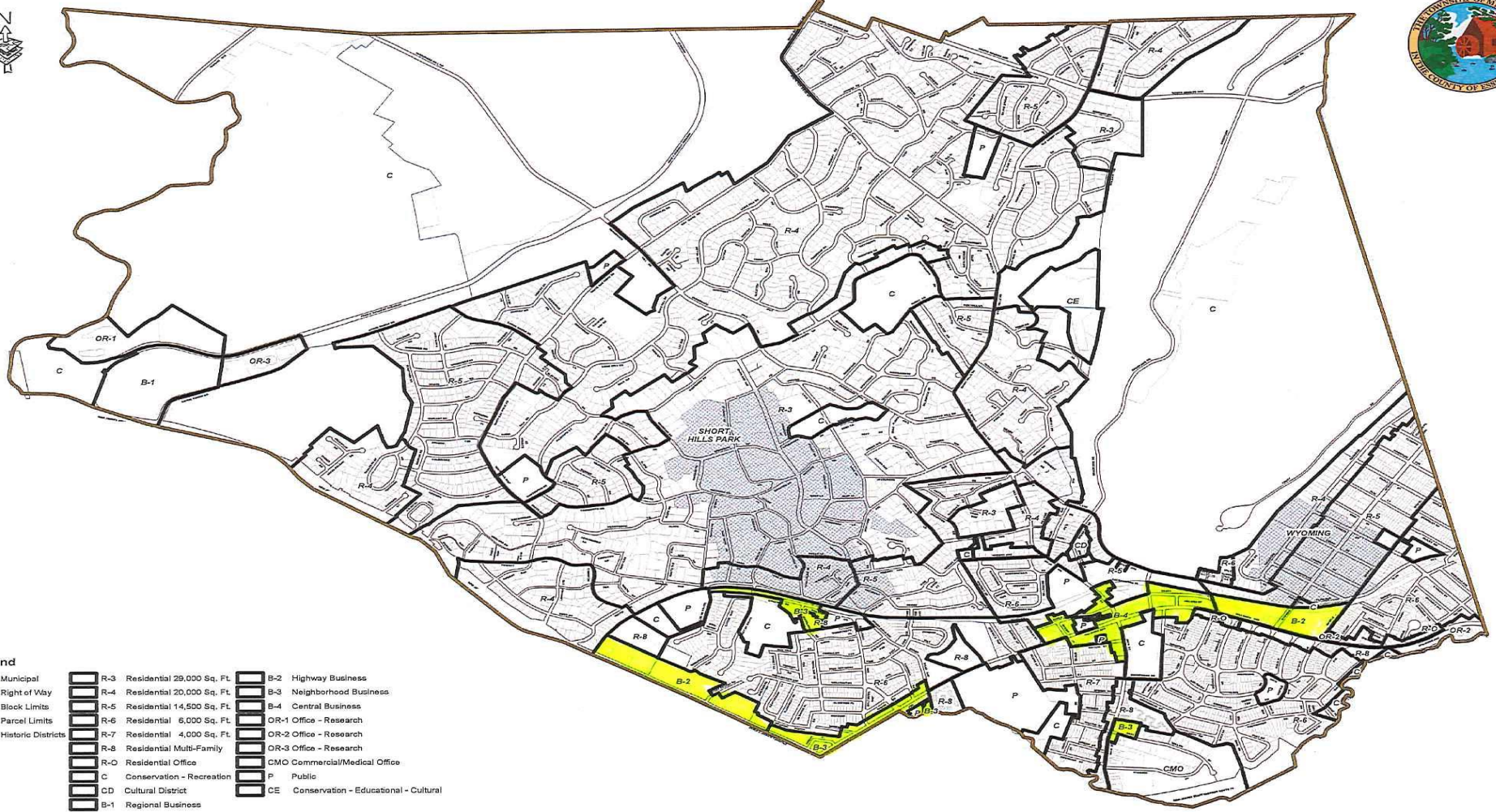
Why a New Ordinance?

- 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- Address deficiencies or outdated items of 1992 ordinance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



Legend

	R-3 Residential 29,000 Sq. Ft.		B-2 Highway Business
	R-4 Residential 20,000 Sq. Ft.		B-3 Neighborhood Business
	R-5 Residential 14,500 Sq. Ft.		B-4 Central Business
	R-6 Residential 6,000 Sq. Ft.		OR-1 Office - Research
	R-7 Residential 4,000 Sq. Ft.		OR-2 Office - Research
	R-8 Residential Multi-Family		OR-3 Office - Research
	R-O Residential Office		CMO Commercial/Medical Office
	C Conservation - Recreation		P Public
	CD Cultural District		CE Conservation - Educational - Cultural
	B-1 Regional Business		



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:
$$\$814,400 \times .0011 \times .65 = \$582.30 \text{ per annum}$$
$$\$814,400 \times .00067 \times .65 = \$354.67 \text{ per annum}$$
- ▶ 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