



PRINCETON ECONOMIC DEVELOPMENT COMMITTEE

Monthly Meeting Minutes

September 23, 2020

Zoom Meeting * Princeton, NJ 08540

Board Members – Present

Mayor Liz Lempert
Councilwoman Michelle Pirone Lambros
Councilwoman Leticia Fraga

Kristin Appelget
Jacqueline Fay
Kathy Klockenbrink
Bernie Miller

Jack Morrison
Lori Rabon
Dina Shaw
Andrew Siegel
Dean Smith
Mark Sullivan
Dorothea von Moltke

Board Members – Absent

Jennifer Carson

Staff – Present

Jeffrey Grosser, Assistant Administrator
Michael LaPlace, Planner
Justin Lesko, Sr. Planner

Minutes submitted by:
Julie Moy, Board Secretary

Chair Councilwoman Lambros called the meeting to order at 12 pm. *“This is to affirm that the regularly scheduled meeting of the Princeton Board of Health have been duly advertised and are being conducted in compliance with all provision of the New Jersey Open Public Meetings Act.”*

Roll Call was completed.

Approval of Minutes

Regular Meeting Minutes dated August 26, 2020

The motion to approve the regular meeting minutes dated *August 26, 2020* was first moved by Ms. Shaw seconded by Ms. Rabon, all in favor by voice vote.

Discussion

Request to the Princeton Council to Hire a Consultant to Develop a Funding Mechanism for Economic Revitalization Initiatives in Princeton

Councilwoman Lambros sent a proposal to the Committee to review to hire a professional consultant, Stuart Koperweis, to assist with formulating a strategy for an economic revitalization plan and how we can have ongoing funding sources for the plan. She provided an overview of the proposal. A Business Manager will need to be acquired to help maintain the plan. We currently have approximately 30–35+ commercial vacancies. A Business Manager will assist with recruitment and retention; make sure businesses are vibrant and versatile. We need to address parking and transportation issues; development is coming. Robust marketing plan needs to be in place.

Councilwoman Lambros reviewed the original resolution from 2017, that formed this committee and part of the plan was to hire a consultant to help create this plan. With this pandemic, the need is urgent now. The Municipality wants to facility and support the business community, with the businesses being in the driver’s seat. Councilwoman Lambros asked Mr. LaPlace and Justin Lesko to comment on the plan since they have past experience with this type plan.

Mr. LePlace explained his role as a Downtown Manager in Westfield, NJ. His experience is more in the area of how a Special Improvement District (SID) runs; this plan is more preliminary and broader in scope. Since he is new to the Municipality, Mr. Lesko provided his credentials to this Commission. He described his experience with this type of plan and its effect to the town. He worked for Stuart Koperweis, Economic Development Strategist Consultant, on the improvement district in Hoboken, which became the Hoboken Business Alliance. Mr. Lesko explained the how Mr. Koperweis’ plan and process may work. Hoboken’s

Committee included a wide variety of stakeholders to ensure variation of businesses, which included the arts, were represented. The outcome of Hoboken's project was something that was never done in the state. This is what the stakeholders wanted; once passed by the public and Council, they had a \$1.3 million annual budget. Hoboken moved onto Phase 2; Mr. Lesko provided a brief overview. Plans can be seen on their website, hobokenalliance.com. Councilwoman Lambros spoke with Hoboken's representative and others; if we are interested, they are willing to speak to this Committee.

Today's purpose is to set up the Stakeholder meeting and Stakeholder Steering Committee going. Mayor Lempert stated that we are all at a critical juncture and Princeton is not immune to the pandemic. It is important for Princeton not to be left behind. She has been speaking with other Mayors to see what is happening in other parts of the state; they are making permanent changes as a result of COVID. We need to be smart in decisions while keeping pace with what is going on around us. Councilwoman Fraga agreed with the Mayor; she is glad we are having this conversation to move forward.

Councilwoman Lambros described the deliverables and time frame to move forward. There would be phases; current discussion to perform Phase 1 only. This would include community business leaders to discussions in broader context; create Steering Committee from this group. Steering Committee will create goals based on the business community needs. She would like to see Phase 1 underway for the holidays. The Steering Committee would report back to PEDC its findings and recommendations, which then in turn will go to the Council for review.

Committee Members Questions and Comments

Ms. Rabon asked about the current vacancies; her concern is that it seems the Business Manager will control or insert protocols on how vacancies will be filled. Per Councilwoman Lambros, the Business Manager will not dictate who businesses will rent out space. Mr. LaPlace explained how things worked in Westfield with a Business Manager; businesses set their priorities and the Business Manager's role was to assist the businesses, by creating data base, tracking vacancies, letting people know what was available; s/he acts as bridge between public and private sector. Mr. Lesko explained what the Business Manager's role was in Hoboken.

Ms. Shaw she prefers the term Economic Development Director instead of Business Manager; we need to be careful in using terminology. We need to be at least a season a head for marketing purposes. She supports the format and to be more proactive.

Mr. Smith had questions on the process; we hire a person to work or be contracted with Municipality that would facilitate business engagement and improvement. The special Business Improvement District, which seems to be a separate issue and funding. The person would be available to get hard information and figure out how to appeal to recruit businesses. He opines that there should be two separate conversations; 1) hiring someone in this role; 2) the Special Improvement District (SID). He reviewed the SID; some statements he did not understand; he expressed his concerns regarding potential loss of services from the Municipalities. The SID states "all property owners will be affected"; he thought this was a bold statement with a number of nonprofit in the downtown area. Councilwoman Lambros responded that these are questions the Steering Committee would be asking. She explained that the initial role of the consultant and the Steering Committee is to decide how someone would be hired and how to get this mechanism about. She explained the goal is to have the business be part of the process.

Ms. Von Moltke commented that there many good ideas falter due to lack of funds; the Municipality is funding the consultant. Who would fund the Business Manager's salary? Councilwoman Lambros replied that we need to approach with an open mind on how funding can take place during these pandemic times. We will figure it out how and where the funding will come from.

Ms. Klockenbrink stated that she has reviewed many budgets from different towns along with the evolution of those towns. Whichever steps we take, this is the process necessary to figure out what we will become. She would like to see us come up with a neutral term in place of SID. The budget will be as big as we will dedicate it to be. We need to be creative and figure it out how to make this work.

Mayor Lempert's understanding is that the consultant would assist us to articulate the goals and plan a long term funding mechanism and what the options are. If the Business Manager is paid by the Municipality, s/he cannot report to the businesses, but to the Municipality. The consultant will assist with clearing up this step. The funding structure will impact what the Business Manager will do; outlining goal will help clarify what is needed and what s/he would be doing.

Mr. Miller commented that the Municipality has provided seed money for projects they believed in the past that. We need to enter this with an open mind; business community must buy in. The study should help us determine where we should go; we should not prejudge the answers before we get started.

Mr. Siegel stated that the draft proposal is a good start. He expressed his concerns for the Business Manager. We need to decide out what his/her responsibilities will be; figure out what the goals are of his/her role. He is cognizant for the use of tax payer funds. Mr. Siegel commented that if we chose to go this path, he would like to ask Mr. LaPlace or Mr. Lesko or other external groups that has gone through this process, if they feel Mr. Koperweis would be a fit for Princeton. Mr. Koperweis' experience is installing SIDS, which may not be the right fit for Princeton. Mr. Siegel has reached out to another representative who has worked with Mr. Koperweis for his opinion. Mr. LaPlace responded to Mr. Siegel's comment; he is aware of some towns that have and have not created a SIDs program. Some towns have issue with funding sources. Mr. Lesko explained his experiences with Mr. Koperweis in Hoboken; Mr. Koperweis will work in the direction the group prefers. Councilwoman Lambros agreed; she has attended many conferences and people have spoken highly of Mr. Koperweis' experiences. Taking the project in small steps will get us to a consensus of what we want to do. After Phase 1 outcome, we can choose to either continue working with Mr. Koperweis or go in another direction.

Mr. Morrison commented that this could create a challenge for future of Princeton; objectives would be to focus on SIDs, second choice is EDC; we all agree we could use EDC. Landlords are having tough time. NJ annually ranks as top worst state to do business in. He expressed his concerns in regards to potential tax increase. If we take this step, do we have control in next step? Sustainable Princeton is working hard on the community initiatives to create a sustainable environment. His concern is that there is a forgone conclusion that we will have a SID. Councilwoman Lambros responded that the Steering Committee voices would be heard; your decision. The Municipality is just looking to facilitate the program.

Ms. Rabon asked if this project is for commercial or includes residential. Councilwoman Lambros' response is that it would be commercial. Mr. Lesko stated that would be determined by the Steering Committee and voted by Council. Goals and accomplishments needs to be determined before discussing funding sources. Mayor Lempert commented that it is important how we will communicate this message into the community. We want to get ahead of the problems which are being experienced nationally due to what this pandemic is doing to the economy.

Mr. Sullivan brought up the discussion on fees and time frame of project. Councilwoman Lambros stated the fee would be to get to the point consensus to move forward and make recommendation to EDC, Mayor and Council before there would be additional fees. Ideally is to meet as much as possible before Black Friday and have recommendation completed by January. Councilwoman Lambros will make sure to get schedule in writing to make sure there would not be additional fees before we decide if we will contract him for Phase 2

of the project. Mr. Morrison expressed his concern about the time schedule since everyone is working so hard to keep businesses going.

The motion was made by Ms. Shaw to move forward on the proposed *Request to the Princeton Council to Hire a Consultant to Develop a Funding Mechanism for Economic Revitalization Initiatives in Princeton*, seconded by Mr. Miller, all in favor by voice vote. No nays.

Mr. Siegel is encouraging the group to consider getting a second bid. Ms. Rabon agrees due to the amount of money being spent. It is good business sense to get a 2nd bid. Councilwoman Lambros checked with national, and fees for other consultants are more. Ms. Shaw made the point that this Committee has voted on the proposal to use Mr. Koperweis and members are now requesting a second bid. Mr. Siegel state that his yes vote was contingent on securing a 2nd bid; Ms. Shaw replied that his vote is then a no vote until there is another proposal. Mr. Sullivan stated that Mr. Koperweis' presentation stated he is capable to providing advice for wide variety areas, not specific to SID.

Councilwoman Lambros stated that Mr. Koperweis has worked with a number of towns on this type project. We can hire him for Phase 1 only, and as he works on this phase, we can look for another consultant. If we put out to bid, this process will not begin before January 2021. Mr. Koperweis' name has come consistently by other towns. Mr. Sullivan read a piece from the proposal where Mr. Koperweis' role is to help us to decide which way to go. Mr. Siegel agreed that this was also his understanding however, his comment after his vote, he believe was that if we can find someone who can be 3rd party consultant we should enlist their assistance. Ms. Klockenbrink commented that it sounds like there are two votes: if hesitant to use Mr. Koperweis, then it is a no vote; yes vote to move forward with Mr. Koperweis. If this is the case, who is going to search for 2nd bid? She opines that Mr. Koperweis is fair and professional; he is not going to steer us in direction we are not interested in; we should remove SID off the table. We should restructure the language for the vote.

Rich Feldman commented that everyone is second guessing their vote; the consultant is being hired to guide us in the direction as a vehicle for this Municipality. Vote has already taken place, move on with meeting.

Mr. Smith is not taking back his vote or wants a re-vote. He opined we should not request additional bids; we may get low bids from people without experience. However he has same questions as Mr. Siegel; Committee may have been more comfortable if additional back ground was provided for Mr. Koperweis. He is confident that this team will guide us where we need to be.

Ms. Rabon agreed with Mr. Smith; she does not dismiss Mr. Koperweis' qualifications. However we are spending \$17,000; she just wanted to be sure we are following a process. Normally with this amount, more than one bid would be required. We did speak to Main Street before, therefore can be seen as another actual proposal reviewed. Her vote stands for Mr. Koperweis as the consultant.

Councilwoman Lambros heard from Jim Constantine who connected us with the Urban Land Institute (ULI). ULI sent information; would help with goals, but no plans on what the next steps would be. ULI's proposal a few months ago was \$15,000 and would speak to less people. ULI's work proposal totally differs from Mr. Koperweis'. When she discussed with other towns, most towns recommended Mr. Koperweis. This bid is only for Phase 1; we are not obligated to continue with his services. He will be a facilitator for the businesses. Ms. Rabon looked up Main Street proposal, which came in at \$18,000 with deliverables. Mr. Miller stated that the Municipality hires many consultants with national reputations.

Councilwoman Lambros thanked Ms. Klockenbrink for all her work on this project.



Councilwoman Lambros will write resolution to go Council for review and vote. She will also ask Mr. Koperweis for updated proposal to include deliverables and estimated time line. Councilwoman Lambros will move forward with Mr. Koperweis' bid since there were no more objections.

Witherspoon Redesign

Councilwoman Lambros reported that they will meet with the business community next week regarding redesign to discuss their opinion, input and impact.

Parking Permits for Spring Street Garage

Councilwoman Lambros reported that only six permits were sold.

Winterizing and What is Coming Next

Councilwoman Lambros reported that a meeting will take place September 24th to discuss winterizing and what is coming next. We are struggling with DOT; not sure if Witherspoon will return to two way traffic. Mayor Lempert reported that we put in request to the end of October as advised. If businesses' are not interested in outdoors, we can end October. Only Witherspoon Street is controlled by DOT, therefore impacted by DOT's decision.

Mayor Lempert reported that Public Works (PW) has been going out for garbage pickup twice a day on Saturday and Sunday. There are a couple of garbage cans that are filling up quickly. We are asking the businesses for their cooperation by bagging, replacing bags and place bag on side which will be picked up by PW. Extra bags are in the cans. The garbage can is being cleaned by the Municipal.

Witherspoon Street business survey received about 150 responses.

Adjournment

The motion to adjourn at 1:33 pm was first moved by Ms. Shaw seconded by Mr. Siegel, all in favor by voice vote.

Respectfully submitted by:

Julie Moy
Recording Secretary