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SPOTLIGHT on RETAIL

Local retailers battle the malls

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Long threatened by trends towards mall shopping, downtown business districts are fighting back with Special Improvement Districts (SIDs). Bayonne recently approved a SID program for a portion of the Broadway shopping district and Hoboken still has one under consideration.

The program has met with some success in towns like Cranford, New Brunswick and Englewood, where an Annual May Day festival and facade improvement program was started.

ASID is created by merchants, in cooperation with their municipality, to create a shopping district in which the merchants will have a voice in improving the area and drawing other retailers and consumers into their city. Typically, a tax is added to properties within the district. The money is then put into a fund for the SID program to use towards advertising and physical improvements in the area.

The buck stops here

"It (a SID) puts the burden where it belongs in the sense that if you want your business to prosper, you should be willing to dip into your pocket," said Mayme Jurkat, Executive Director of Hoboken Advantage. Hoboken's merchants are still considering forming a SID.

"The number one concern we hear about is parking," said Daniel Cans, Chairman of the Board for Hoboken Advantage, "but we're still trying to formulate the concerns of retailers in general." He said that SIDs have worked well in other areas of the

state and that, sometime in the future, Hoboken could have a SID.

"Merchants would have control of the program. They would have a great deal of say in what goes on. They could tailor the program to suit their district," Jurkat said. She said that the tax may cost an average figure of \$300-\$600 a year.

"It is a minimal expense," she said.

"We don't know a lot about how successful they are. The oldest one is in Cranford and that one is only four years old." Jurkat said. But, she said, many merchants in cities that do have SIDs are very enthusiastic.

Bayonne takes the lead

The Bayonne City Council approved a proposed SID on Sept 26, 1990, which some merchants see as the salvation of their retail stores. The SID will cover Broadway from 19th Street to 27th Street, a stretch that includes an ice cream store,

other towns, she felt confident enough to join other Bayonne merchants in this venture. She said that many towns were forced to create an SID in the past, and that, until recently, Bayonne had been one of the few holdouts. LaScala pointed to greedy landlords, malls, and the economy as reasons why businesses along Broadway were forced out. "It (Bayonne) slipped...Now we have empty stores, which we never had years ago," she said.

Battling the malls

Michael Minitelli, owner of Pay N Save, a health and beauty aids store, has been in business for 20 years. He said that with the growth of malls, shopping had become a social event and that with the SID Bayonne merchants might be able to make improvements that would keep customers shopping along Broadway.

"I hope it will revitalize the center of the town and all of Bayonne," Minitelli said. "It became a matter of more people realizing something had to be done," he said, explaining why the SID was proposed.

LaScala said that "years ago, there were 150-200 dues paying merchants. Today, that number has dropped to about 50." The financial burden then fell on the few members of the merchants association left. She said that with the SID in place, "everyone in the district will pay their fair share."

The merchants hope to have the SID in place and its organization functioning within two or three months.

"The strong are going to survive," LaScala said.

The Community Advocates has assisted Hoboken Advantage, Inc. and the Bayonne Town Center Management Corporation in creating and implementing many successful development programs to enhance the downtown district.

several clothing stores, a pharmacy and a film developer, among other businesses.

Carol LaScala, owner of Career 'n' Cradle, is very enthusiastic when she talks about the prospects of a SID in Bayonne.

"It is a step forward. I'm excited about what we can do in the future," she said.

She said that, at first, she was a little skeptical. She did not think that government and business were a healthy mix.

But after researching the effects of SIDs in



Don Smartt and The Community Advocates