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LOCAL TALK *Weekly*

MAYOR HAWKINS SPEAKS AGAINST CHRISTIE'S UEZ ELIMINATION PLAN

Stresses plan would damage redevelopment in Orange and increase property taxes; Joins with other mayors in fight to save UEZ program

In a letter dated March 1, 2011 to Senate President Steven Sweeney, Assembly Majority Leader Sheila Oliver, Senator Richard Codey, and Assemblymembers Mila Jasey and John McKeon, Mayor Eldridge Hawkins, Jr. wrote:

"I am writing to enlist your support for preserving funding of the Urban Enterprise Zone program and to detail for you what the loss of this funding will mean to Orange.

Last year, Governor Christie effectively eliminated funding for the Urban Enterprise Zone program. At the time he took the money, the governor promised that his administration would study and evaluate the UEZ program to make it more cost effective. Instead, he announced last week that he intends to eliminate local UEZ funding entirely and continue to use UEZ revenues to fund state government.

When Governor Christie took our UEZ funding, he created a \$1.1 million hole in our budget on top of the \$2 million deficit he caused by cutting state aid. The result has been increased property taxes.

The impact of losing UEZ funding to Orange is very measurable. In the past five years, the UEZ program has created over 100 private sector jobs in our city, aided by clean and safe streets in our business districts financed by UEZ. With the end of UEZ funding we lost 9 public works employees who kept our shopping

areas clear of litter, 11 police officers who made Main Street safer, and the equivalent of two Planning Department employees who were the catalyst for private sector UEZ participation.

The Urban Enterprise Zone Program has been at the heart of our tax stabilization and redevelopment strategy. The UEZ is the only funded program that the State has to enhance commerce in Orange and our other cities. UEZ projects are creating and retaining private sector jobs, promoting commerce and leveraging private investment through maintenance and safety of the zone. We are using UEZ funds to attract additional private investment, and especially to spur development within walking distance of public transportation.

In Orange, we used UEZ funding to develop our long-term comprehensive redevelopment strategy. At a time when many downtown retail corridors are in serious trouble, Orange is implementing a UEZ funded plan to attract shoppers back into our business districts and to help local businesses survive and grow.

With UEZ funding, we were able to conduct a market and retail study and analysis of our commercial corridors and to develop both long-term and short-term strategies for revitalization. As a result of

this study, we found out what kinds of stores are missing from our retail mix and how to attract them. We learned that many of our merchants are not targeting high end shoppers that could strengthen their businesses. We gained an understanding of the unique strengths and potential of our Main Street corridor. We learned about the negative perceptions that are keeping shoppers away from Orange.

This study led to a revitalization plan that includes improved parking, better signage, helping shops improve merchandise selection and presentation, restoring the original architecture of Main Street, recruiting upscale dining and sidewalk cafes, improving our retail zoning and much, much more. Creation of that plan would not have been possible without UEZ funding. And now, as the plans are in the first stages of implementation, the UEZ funds that we need to carry them out are being taken away.

Our UEZ funding helped retailers increase sales and revenue, and attract more shoppers to our commercial corridors. It enabled us to establish an email database of people who shop in Orange to help our stores target their future marketing at low cost. With the remaining funds left in our UEZ account,

we are launching "Discover Orange," a branding and marketing campaign that will identify the best Orange has to offer. We will attract new residents, new shoppers, new restaurant patrons and new entertainment seekers. Shortly, we will be launching our Discover Orange website. Our UEZ funded retail support efforts have captured the attention of other towns and the media. Our ideas for bringing commerce back to downtown have been reported in the New Jersey Conference of Mayors Magazine, the New Jersey League of Municipalities Magazine and in local papers.

Losing the UEZ is particularly painful in Orange because we have been very successful in increasing our UEZ revenues by aggressively recruiting new businesses to the program. Now we stand to lose the entire program.

The Urban Enterprise Zone program was created by the state legislature. Modifications of the program and its funding must be carried out by the legislature and not arbitrarily by the Governor. Orange is playing a leadership role with the NJ League of Municipalities and the NJ Urban Mayors in seeking to restore full funding for the UEZ. We are asking that you support our effort. In turn, we stand prepared to work with you and the Christie administration to strengthen and modify the UEZ program to make it more effective in carrying out its very important mission."