

**District Management Corporation
Highlands Business Improvement District
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Special Board of Directors Meeting – February 9, 2009

The HBP special board meeting public session of the Board of Directors was called to order at 7:22pm by HBP President, Carla Cefalo Braswell and the HBP meeting notification was read. All board members were noticed 48 hours prior to the meeting. The meeting was held at the Robert D. Wilson Community Center, 22 Snug Harbor Avenue, Highlands.

Meeting Attendance: P = Present

A = Absent

L. Bodnar-Nolan	A	J. Cosgrove	P	F. Nolan	A	N. Thomas	A
J. Bollerman	P	J. Koenig	A	F. Rosiak	P	J. Filip	P
C. Cefalo-Braswell	P	M. Takian	A	R. Lee	P	L. Cervantes	A
D. Lenz	P	L. Rose	P	AJ Solomon	P	W. Weber	P

Also in attendance were Mayor Anna Little; Kathaleen Shaw, Downtown Network Co.; Carol Bucco, HBP; Ken Braswell, ShoreGrafx.

HBP 2009 Budget Meeting

HBP Executive, Committee Chairpersons collaborated to revisit the 2009 budget in light of the current economic climate and the essence of maintaining the most successful elements of the HBP business improvement activities that strengthen the Highlands' business environment. An analysis of the proposed 2009 non-assessment cash income was completed anticipating a reduction in the 2009 event and sponsorship cash income by a total of \$15,000. Barter (in-kind) income has been anticipated not to be reduced. 2009 District Program Budget total is \$112,112, with anticipated cash income of \$55,000; Anticipated barter goods & services \$12,000; total 2009 assessment income required to operate \$57,000.

Event Income/Expense projections based upon 2008 figures and there were no reductions of those items. The VIC Committee cut from the budget annual maintenance, flowers, holiday and holiday installation – a total of \$17,000. The Economic Development Committee cut \$35,000 from the budget including an array of activities that support the Borough of Highlands Master Plan/Action Plan (available on website). The Marketing Committee cut \$5,000 from the budget.

After a review, detailed explanations, and discussions, a motion was offered by C. Cefalo, second to the motion was offered by J. Filip to approve the amended 2009 District Program Budget. The total funded from assessment income of \$57,000; total funded by anticipated cash income of \$55,000. There was no further discussion regarding the motion to approve the 2009 annual budget, the motion was approved by a unanimous vote of the ten members present.

Process for HBP Budget Approval

Board member Jim Bollerman will provide an introductory statement for the cover letter to be submitted to the Borough for governing body action on the resolution to approve the 2009 Business Improvement District Budget. Mayor Little was asked when the budget resolution can be placed on a meeting agenda for action by the governing body. February 18, 2009 meeting was identified. The HBP Board will request that quick action be taken, in light of the St. Patrick's Day Parade scheduled for March. The 2009 HBP Events Calendar was approved by the governing body in November 2008.

Board members discussed the notion of being "self sustaining" as an organization. the New Jersey legislature created the enabling legislation to allow older business districts to compete with the common area charge – which is common place in shopping centers, malls and large commercial properties. These charges control the business climate and encourage business growth and vitality. Sustaining with voluntary membership has proven to be a difficult and unpredictable method to managing the environment of a business district. Setting a realistic budget that can be sustained by a large portion of the district through municipal budget resolution and local enabling ordinance have proven itself in New Jersey and the country. The Urban Land Institute, Bloustein School Center for Urban Policy Research (CUPR) provide demonstrated case studies that support those findings.

March Annual Meeting Process

A motion was offered by AJ Solomon, second to the motion was offered by J. Bollerman, to reschedule the annual meeting notice based upon the outcome of the budget action by the Borough. Annual Meeting materials are governed by the HBP By-Laws. The board approved the motion and will await Borough action on the 2009 budget prior to scheduling and noticing for the annual meeting.

Board Comments

A motion was offered to name Doug Lenz, Grand Marshall of the St. Patrick's Day Parade by J. Filip, second by AJ Solomon with all in favor to name Doug Lenz 2009 Parade Grand Marshall. Doug has been in Highlands since 1964 and owns and operates Inlet Café.

Board comments included:

doing something significant with a reduced budget; frustration over going through this same process several times; HBP must act responsibly – even if governing body is limited in providing direction and leadership for the town's future; it is the business owner's money to cut or to spend; HBP needs to sharpen our focus – we know what works, we know what to cut; in these tough economic times a 50% effective cut is responding to the total economic environment; HBP investments from events have made the profits grow through the years.

Board Summary:

- Members will be notified of budget resolution date
- February 18, 2009 is proposed for budget resolution by Mayor Little
- Jim Bollerman will prepare cover statement with request for quick action
- Annual Meeting will be rescheduled based upon outcome of HBP 2009 budget resolution

A motion of adjourn was offered by AJ Solomon, second to the motion was offered by F. Rosiak. With all in favor the meeting adjourned at 9:05pm.

Submitted by: K. Shaw 2/10/09