



# **PARTNERSHIP FOR HADDONFIELD 2010 BUDGET**

**BOROUGH OF HADDONFIELD  
CAMDEN COUNTY, NEW JERSEY**

**April 26, 2010**



# Introduction

The Partnership for Haddonfield is the District Management Corporation for the Borough's Business Improvement District ("BID"). The mission of the Partnership is:

*To provide leadership that produces the best downtown in the region by creating and promoting a superior business mix, and enhancing the image of Haddonfield in the marketplace.*

To carry out its mission, the Partnership levies an assessment on property owners in the Business District. This assessment represents the Partnership's principal, but not exclusive, source of funding. Each year the Partnership prepares a budget that must be submitted to and ultimately approved by the Board of Commissioners. This document fulfills that obligation.

## 2009 Highlights

Despite the opening of Nordstrom and many other new stores and restaurants at the Cherry Hill Mall, ongoing expansion at the Garden State retail complex on Haddonfield Road and the prolonged economic downturn, Haddonfield's Business District held its own in 2009. While we experienced some turnover, our vacancy rate remains just slightly above 5%, which is low in good times, let alone today's retail climate, and compares very favorably with area malls, strip centers and other downtown business districts. This is a testament to the evolving strength and appeal of the business mix and the focused initiatives of PfH in the areas of events, advertising and public relations. As a result of the efforts of the Partnership and the businesses it represents, **Haddonfield received** all of the **major** downtown shopping **awards** from the regional press, including: "**Best of Philly – Main Street Shopping**" by **Philadelphia Magazine**; "**#1 Top Town in South Jersey**" by **South Jersey Magazine**; and "**Best Downtown Shopping Center**" by the **Courier Post**.

Of the 14 businesses that closed during 2009, only 3 spaces remain vacant and half were leased within a month of the departure of the previous tenant, which attests to the desirability of Haddonfield as a location for independently-owned businesses. Several Kings Highway vacancies were filled by successful businesses who moved to the Highway from side streets or expanded to new locations, including Accent Studio, The English Gardener, Pipsqueak children's boutique and Three-Six-Five boutique. During the year, **12 new businesses opened**, including 6 retail stores and 6 restaurants and cafes. In all, 14 businesses departed, including 7 retailers, 5 restaurants/cafes and 2 service businesses.

The Partnership for Haddonfield, through its Marketing and Business Support Committees and with the support of the Information Center, continued to support and promote a full roster of events, which serve as an important vehicle for bringing people from all over the Delaware Valley to shop and dine in our business district. The events schedule remained active with a successful first full year of **First Friday** events, **Love is in the Air** (Valentine's Day), **Mom's the Word** (Mother's Day), **Summer Sundays** (live music on Kings Court), the **Crafts and Fine Arts Festival** in July, **Dish and Dazzle** (lunch and informal modeling) and **Candlelight Shopping**. These events draw people from all over the Delaware Valley and generate repeat visits, as shoppers. Haddonfield played host to a travelling **John Lennon art exhibit** in the fall, which brought thousands of people to town, not only to see the show, but to dine and shop throughout town.

The goal of the Marketing Committee is to keep Haddonfield “top of mind” as a unique shopping destination that offers a superior shopping experience. Toward that end, the Partnership took advantage of many opportunities to market and promote the town and its events. The Partnership leveraged ad dollars spent by individual businesses, advertising consistently in the local press (all 8 *Sun publications* and “*What’s On*”), as well as doing strategic placements in regional magazines, including *Philadelphia Magazine*, *South Jersey* and *SJ Magazine*, *the Voice*, *the Jewish Exponent* and the *Courier Post*, Holiday advertising efforts also featured radio, which this year expanded at the holidays to include B101 and WRTI-FM, in addition to KYW. Supplementing our paid advertising, Haddonfield and its businesses received extensive free publicity in local and regional print publications, as well as television, thanks to aggressive public relations efforts by our Public Relations firm. Highlights included live broadcasts by *FOX 29* from Kings Highway for an installment of their “One Tank Trips” feature; a taped feature on *6-ABC’s “FYI”* news magazine, as well as periodic appearances on *NBC-10* in holiday gift guide features. In the fall of 2009, *The Washington Post* Travel section featured Haddonfield as a weekend destination.

Our **Townwide Gift Certificate** program expanded substantially again this year, largely due to the 10% discount offered on gift certificates sold during the Valentine's Day and Mother's Day promotions, as well as the entire month of December, coinciding with Candlelight Shopping. The cost of the discount was absorbed by the Partnership for Haddonfield and is deemed to be as powerful as any advertising plan, in that the gift certificates find their way directly back into Haddonfield businesses and have a multiplier effect. This year, more than \$80,000 in gift certificates were sold by the Information Center, a 53% increase over 2008 levels, which was, in turn, a 44% increase over 2007.

The **ShopHaddonfield website** continues to be an effective vehicle for conveying information about town-wide and individual store events. Approximately 50 businesses have signed on to be “featured Merchants” and the number of potential shoppers reached by our ShopHaddonfield e-mail blasts is 5,200 customers.

The Business Support Committee conducted a successful retail seminar at Melange Cafe in October entitled “Boosting Holiday Sales without Breaking the Budget.” More than 50 people attended and all came away with fresh ideas. Business Support also sponsored the successful monthly retailer networking events called “Coffee and Conversation,” designed to familiarize retailers with their neighbors’ businesses, promote cross-selling and cooperation and give participants the opportunity to hear about new Partnership initiatives. The Committee also developed and promoted the “Dish and Dazzle” and “Summer Sundays” events, described above.

The Partnership’s Recruitment and Retention Committee launched a successful matching grant program for Haddonfield businesses, enabling them to obtain matching grants of up to \$1,000 for exterior and interior improvements to their store. Fifteen businesses took advantage of this program in 2009, and nearly \$10,000 in grants were extended for projects ranging from new signs and awnings to new carpeting and display fixtures. The program will continue to be offered in 2010.

The Professionals Committee continued its successful efforts to encourage greater awareness of Haddonfield’s professional community, along with greater business-to-business awareness and utilization within Haddonfield. Three (3) highly successful networking events attracted members of the professional and retail communities, as well as PfH staff and Borough government representatives.

The Committee also published the fifth edition of its **Professionals' Directory**, which was distributed to more than 16,000 South Jersey residents through the *Jewish Exponent*. The Committee created a website in 2009, [www.haddonfieldprofessionals.org](http://www.haddonfieldprofessionals.org) and began marketing the website in July of 2009. Also in 2009, the Committee launched a highly successful breakfast networking event for the entire Haddonfield business community, which takes place the first Friday of every month.

The Visual Enhancements Committee pursued a variety of initiatives to enhance the visibility of businesses along Haddonfield's off-Highway commercial corridors. Attractive new temporary signs were created to direct shoppers to side street businesses during all major town events. Seasonal flags and wreaths were purchased for the light posts in parking lots on Haddon Avenue and Mechanic Streets. The Visual Enhancements Committee pooled funding with the Marketing Committee to greatly supplement the number of trees lit by the Borough in the downtown during Candlelight Shopping. The Committee also commissioned the creation of directional signage to be posted at the intersection of Kings Highway and Haddon Ave. These signs will be installed early in 2010.

## **2010 Overview**

In 2010 we are facing many challenges. The economic crisis is continuing to create uncertainty about the future among businesses of all types and sizes. Locally, Haddonfield retailers are facing an increasingly competitive environment due to the expansion of the Cherry Hill mall, as well as the new retail and restaurants at the Garden State Pavilion in Cherry Hill. Many consumers have less money to spend and are bargain hunting. As a result, some downtown retailers are struggling, and it is increasingly more challenging to recruit new businesses in the short term.

The Partnership is planning to execute the following initiatives to help the downtown businesses meet these challenges:

- Aggressively promote the downtown with an expanded event roster
- Focus advertising and marketing efforts on the Haddonfield "experience"
- Generate interest and raise awareness of major business district events and festivals
- Recruit appropriate new businesses and retain current businesses
- Provide networking opportunities, financial incentives, and information to downtown businesses
- Market the Shophaddonfield website to disseminate information
- Implement visual improvements in the Business District that provide improved lighting, signage, and plantings to create comfortable, well-marked, and continuous streetfront experiences.
- Promote awareness of Haddonfield's professional community

# 2010 Budget

To meet the challenges facing the Business District, The Partnership for Haddonfield is proposing a 2010 operating budget of \$386,357, an increase of \$32,676 from 2009.

## Revenue

Revenue in this budget is derived from four (4) sources: (1) the District Assessment, (2) appropriated surplus funds, (3) the Crafts Festival, and (4) Shophaddonfield.org sales. This is broken down as follows:

District Assessment	\$250,000*
Appropriated Surplus	\$101,357
Crafts Festival	32,000
Shophaddonfield.org	<u>3,000</u>
Total:	\$386,357

\*Note that \$250,000, or about 65% of the Partnership's revenue, comes from the District Assessment.

Of particular note in 2010 is that (1) there will be no increase in the District assessment; and (2) appropriated surplus is limited to a conservative 85% of surplus funds. The unappropriated surplus will be held in the operating account at Susquehanna Bank.

## Appropriations

The appropriations are presented in seven (7) categories: (1) Marketing and Public Relations, (2) Retail Recruitment and Retention, (3) Administration, (4) Professionals, (5) Business Support, (6) Information Center, and (7) Visual Enhancements. Of the total funding, 43% is dedicated to Marketing and 31% Retail Recruitment and Retention. Administration is maintained at a modest 10%. This is broken down as follows:

Marketing and Public Relations	\$ 168,300
Retail Recruitment and Retention	120,018
Administration	39,264
Professionals	18,775
Business Support	10,000
Information Center	18,000
Visual Enhancements	12,000
Total	\$386,357

## Marketing and Public Relations

The Marketing & Public Relations Committee is requesting a budget of \$168,300 to continue current marketing and public relations efforts, advertising, and managing special events. This is \$16,000 more than the budgeted figure for 2009.

Advertising: A budget of \$66,000 is requested for 2010 to cover the cost of a advertising in a variety of media, including radio, television, local and regional newspapers, regional magazines and internet.

Major Events: A budget of \$65,460 is requested to cover the cost of PfH sponsored special events, including *Mom's the Word*, *Fall Festival*, *First Friday*, *Dish and Dazzle*, *Summer Sundays*, and *Candlelight Shopping*. A special, new "Bridal Event" is slated for this year. This budget request includes the cost of expanding both the number and caliber of special events.

Agency fees: A budget of \$36,840 is requested to cover the cost of a Public Relations firm to manage PfH's 2010 public relations campaign. It also covers the cost of a marketing firm to continue the current media campaign, as well as to develop new advertising collaterals to further the growth and awareness of Haddonfield's Business District.

### Retail Recruitment and Retention

The allocation of \$120,018 in the Retail Recruitment and Retention category includes a budgeted figure of \$59,950 to support an aggressive effort to recruit restaurants and retail business in a variety of targeted categories. This figure is \$50 less than last year. The current inventive program is being expanded to allow current Haddonfield business owners to access incentive funding for new business ventures within the downtown, provided they meet the criteria defined in the program. Grants may take the form of rent subsidies, fit-out grants for retailers, or interest reimbursement subsidies on bank loads. Funds within this budget category will also be used to continue a matching grant program to reimburse selected tenants for improvements to their facades, window displays and merchandising displays. The remaining budgeted items cover the costs of recruitment packets, travel expenses, and employing a Retail Coordinator. No pay increase for the retail coordinator has been factored into the overall retail recruitment budget.

### Administration

The budget for Administration, at \$39,264 reflects a slight increase from 2009. The budget includes funds for Directors and Officers liability insurance, auditor and professional fees, credit card fees, and compensation for a Treasurer as well as a Secretary-Administrator. No pay increase in compensation for the Secretary-Administrator or Treasurer are in this year's budget. Related administrative expenses are managed conservatively.

### Professionals

The budget for the Professionals, at \$18,775, remains the same as the prior year. Professionals Committee budget request includes planned marketing and networking events, and promoting the Professionals website. The Committee will continue to explore areas of opportunity to create awareness of the diversity of talented professionals within the community. The Committee will also continue to sponsor and organize 3 Business After Business networking events, which have proven to be very successful.

The following are some of the expenses anticipated:

- \$11,275 for advertisements and promotions through local newspapers, promoting awareness

of professional and service businesses in Haddonfield Borough, including newspapers in neighboring townships, including Cherry Hill, Moorestown and Haddon Heights, into which the Professionals' client base may extend. This proposed expense includes printing of thousands of bi-fold counter top professional listings, which are to be distributed to all retailers and professionals and reprinted as necessary.

- \$2,500 to cover three (3) Business After Business events - printing and mailing 850 invitations, refreshments for 75 - 100 guests per event
- \$5,000 in support of marketing opportunities created by features in local magazines like *SJ Magazine* or *Philadelphia Magazine* highlighting "best docs", "best lawyers", "best salons", where appropriate. This also includes maintenance cost of the [Shophaddonfield.org](http://Shophaddonfield.org) web page for the Professionals.

### Business Support

Funds in the amount of \$10,000 have been allocated for Business Support Operational Improvement Grants to hire consultants to help retailers address specific operational issues such as inventory control, window and merchandising display, business planning, marketing/promoting their business, and financial controls.

### Information Center

The Partnership receives support from the Information Center in several areas including sales of gift certificates, Craft Festival coordination, and various other administrative support related to the Marketing Committee, Candlelight Shopping, Sidewalk Sale, and other events. The Partnership has budgeted \$18,000 to reimburse the Borough for these services.

### Visual Enhancements

The Partnership has allocated \$12,000 for the Visual Enhancements Committee to supplement the Borough efforts to keep the downtown attractive by providing funding for wreaths, planters and associated maintenance, and decorative flags.

PARTNERSHIP FOR HADDONFIELD, INC.  
 BUDGET WORKSHEET FOR 2010 BUDGET

04/21/10

	2009 budget	2010 temporary	2010 proposed
<b>Revenue</b>			
PfH Assessments	250,000	62,500	250,000
Crafts& Fine Arts Festival- net income	32,000	8,000	32,000
Appropriated surplus	68,681	17,170	101,357
Shophaddonfield – net income	3,000	750	3,000
<b>Total</b>	<b>353,681</b>	<b>88,420</b>	<b>386,357</b>
<b>Expenses</b>			
<b>Marketing and Public Relations</b>			
Advertising	63,000	15,750	66,000
Major Events	50,300	12,575	65,460
Agency fees	39,000	9,750	36,840
<b>Subtotal</b>	<b>152,300</b>	<b>38,075</b>	<b>168,300</b>
<b>Retail Recruitment &amp; Retention</b>			
Wages - Retail Coordinator	44,257	11,064	44,257
Payroll added cost	5,311	1,328	5,311
Recruitment packets	1,000	250	3,500
Travel and other recruiting expenses	7,000	1,750	7,000
Recruitment and retention grants	60,000	15,000	59,950
<b>Subtotal</b>	<b>117,568</b>	<b>29,392</b>	<b>120,018</b>
<b>PfH Administration</b>			
Compensation, Treasurer	14,924	3,731	14,924
Compensation, Secy-Administrator	11,727	2,932	11,727
Treasurer expenses	450	113	500
Secretary expenses	450	113	500
Web page maintenance	400	100	550
Insurance	1,137	284	1,163
Professional fees – auditor/legal	2,800	700	6,000
Membership fees/seminars	1,500	375	1,000
Misc	850	213	900
Credit Card and Bank Fees	1,800	450	2,000
<b>Subtotal</b>	<b>36,038</b>	<b>9,010</b>	<b>39,264</b>
<b>Committee for Professionals</b>			
Advertising	11,275	2,819	11,275
Special Events	2,500	625	2,500
Marketing	5,000	1,250	5,000
<b>Subtotal</b>	<b>18,775</b>	<b>4,694</b>	<b>18,775</b>
<b>Business Support</b>			
Networking/Seminars	10,000	2,500	10,000
<b>Subtotal</b>	<b>10,000</b>	<b>2,500</b>	<b>10,000</b>
<b>Information Center</b>			
PfH Support	10,000	2,500	18,000
<b>Subtotal</b>	<b>10,000</b>	<b>2,500</b>	<b>18,000</b>
<b>Visual Enhancements</b>			
Benches & planters, beautification	9,000	2,250	12,000
<b>Subtotal</b>	<b>9,000</b>	<b>2,250</b>	<b>12,000</b>
<b>Total</b>	<b>\$353,681</b>	<b>88,420</b>	<b>\$386,357</b>

Notes

no increase in tax rate for 2010  
 PfH to fund Information Center for staff time spent on PfH activities  
 Appropriated surplus limited to 85%