



The Star-Ledger

Newark mayor wants to sell retailers on city

Wednesday, May 16, 2007

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Nazan Pettiford has managed the Home Depot on Springfield Avenue in Newark for more than a year and says customers who live in the city love shopping at the store.

"They are very satisfied with not having to go outside of the city. A lot of people felt neglected," said Pettiford, a Newark native.

Home Depot, which opened in late 2005, is Newark's first and only big-box retail store. Besides the Applebee's that opened up next to it, an Old Navy, Ashley Stewart and Starbucks downtown and a few other stores, there's a dearth of national retailers in Newark, the state's largest city.

There's no major electronics dealer and no major office supply store.

Mayor Cory Booker is headed to the International Conference of Shopping Centers, a national retail convention in Las Vegas, Sunday with the hopes of changing that.

Booker and Deputy Mayor for Economic Development Stefan Pryor say they want to begin the conversations that will eventually convince retailers like Barnes & Noble, Circuit City and Lowe's that Newark is an ideal place to locate.

It's the first time Newark will have a presence at the global convention, which will include retailers, shopping center owners and developers. The International Conference of Shopping Centers has 65,000 members in more than 80 countries.

"We who live in Newark know it is a national and international city. My goal is to let people know that on the national economic stage, Newark is a player," Booker said.

A study by the Boston Consulting Group shows that there is a market in Newark for national retailers, Pryor said.

For example, almost 40 percent of the money Newark residents spend at grocery stores and on building materials and garden supplies is spent outside of the city. When it comes to electronics and appliances, the figure is about 35 percent and around 30 percent for office supply stores. For full-service restaurants, the number is about 25 percent.

The statistics are even worse in certain areas of the city. In the University Heights section, where six major colleges and universities are located, 100 percent of the money spent on full-service restaurants is spent outside of the city.

"Who's ever heard of a college campus environment without full-service restaurants?" asked Pryor.

"Newark exists as a viable -- even vibrant -- market. We have the customers. We are appealing to retailers not out of a sense of charity but under the sense that there is an emerging market."

By attracting major retailers, Newark can benefit by collecting property taxes. There will also be job opportunities for residents. Booker said he stopped by the Whole Foods supermarket in Montclair after attending a political fundraiser there and met workers and shoppers who lived in Newark.

"Newark residents are already shopping in those national retailers except they are doing so outside of the boundaries of Newark," said James Hughes, dean of the Edward J. Bloustein School of Planning and Public Policy at Rutgers University in New Brunswick.

Perception, including the lingering effects of the 1967 riots, have held Newark back from attracting more retailers, Hughes said.

"Newark does have the consumer purchasing power to support national retailers but exports its spending power to the suburban shopping centers. It's important that the city recapture those spending streams," Hughes said

Rutgers-Newark Provost Steve Diner said that with the growth of students living in Newark, it's important to bring in restaurants and other entertainment. A Subway sandwich shop that opened at Rutgers' new University Square dormitory is having trouble keeping up with demand. The shop is considering staying open 24 hours a day.

"Other places you might not notice that a Subway moved in," said Diner. "In Newark, the idea of a Subway operating 24 hours a day, seven days per week is exciting news and another step in creating a true residential building."

Barnes & Noble recently began running the bookstore at Rutgers-Newark, and the city is meeting with members of the Council of Higher Education in Newark to push the idea of a larger bookstore.

Yesterday city business leaders gathered at City Hall for an unveiling of the booth that will be showcased at the convention. The booth features a collage of what officials plan to sell as three of the city's major selling points: New Jersey Performing Arts Center, the new Devils hockey arena and the airport.

Ted Zangari, a board member of the Newark Alliance, consortium of private business leaders dedicated to Newark's revival, said the conference is a rare opportunity for face time with the country's top retailers.

"This is a once-in-a-lifetime opportunity for the city to showcase itself," said Zangari.

During the convention, Booker will meet with executives from some large national retailers, brokers and developers. He will also spend time on the convention floor mingling with the crowd and manning Newark's booth.

Most of the cost of the trip is being paid for by the Newark Real Estate Board and the Newark Alliance. Booker said he will personally pick up some cost of the trip and will stay with family in Las Vegas as opposed to a hotel. In addition to Pryor, mayoral aide Barri Mattes will accompany Booker. The mayor said the cost to taxpayers will be "minimal to none."

Pryor characterized the trip as the beginning of a process to attract retailers and said it would be a mistake to think Newark will land a major retail chain next week, although the city does have an inventory of available retail locations. Because of the limited amount of land in Newark, more big-box retailers may not be in play. Smaller, storefront locations are a major possibility in the future, such as adding Starbucks in other neighborhoods.

Still, there is pressure on Booker to deliver something big soon. This is his first major trip outside of the city on city business. Many of his other trips have been to speak about American democracy or issues that affect urban America.

Many of the projects in Newark, including the Home Depot and the Devils' Prudential Center, are the product of the former administration. Booker said he expects the trip to be fruitful.

"Instead of doing it one company at a time, it's a chance to get the top retailers in the country all together in a group," said Booker. "This is a start to a process. This is just one step in a journey."

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