

Finding answers in the sky

More and more businesses are seeking the help of third-party providers "in the cloud" to help maintain software over the Web.

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High-Tech Update Spotlight

Nets bringing more than fans to Brick City

NEWARK'S PRUDENTIAL Center, that state-of-the-art sports and entertainment arena in the state's largest city, is not three years old, yet already has welcomed more than 3.5 million guests through its doors. Better yet, patrons are arriving in increasing numbers by mass transportation.

Nicknamed "The Rock," the arena has brought fresh vitality to the downtown, spurring a number of new restaurants, a new hotel and increased patronage of existing businesses. This is what Newark Regional Business Partnership's board of directors expected when we supported the building of the arena as part of an overall strategy to revitalize Newark's downtown core.

The news that the National Basketball Association's Nets will make The Rock their home for the next two years is a great opportunity to introduce professional basketball fans to the city and to provide a new attraction for many Newarkers who have not yet visited the venue. With two major sports franchises and an improving climate for urban growth, Newark is joining the ranks of other major-league cities like Indianapolis, Seattle, Buffalo and Cincinnati.

According to reported figures, \$475 million in development and construction costs have been invested in the arena and surrounding infrastructure. Using the modeling formula in the project's original economic impact analysis, the



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construction and development alone generated an estimated \$556 million in economic activity, including about 1,036 jobs in Newark.

On an annual operating basis (utilities, professional services, supplies, etc.), \$16 million is spent at The Rock and another \$72 million for Devils and Prudential Center payroll, including 204 full-time and 1,350 part-time employees. And that is just at the arena itself. Local taxes, including payroll and parking, have added nearly \$7 million to the city.

Using the economic impact report's estimate of \$5 per patron for expenditures on non-arena goods and services, such as eating in local restaurants, the primary and secondary economic impact of the attendees to date is more than \$19 million. That number doesn't include parking or hundreds of thousands of trips via NJ Transit.

The promising start for The Rock will encourage more projects for urban centers like Newark that possess the advantages of multimodal transportation, a strategic location, access to labor and favorable economic development incentives. At the same time, elected officials must consider thoughtful strategies to spur economic growth throughout the state.

The Nets' departure from their former home at the Izod Center, where they made two appearances in the NBA finals, marks the end of a 30-year Meadowlands relationship. While the Meadowlands of the future may not look like that of the past, it contains some of our state's most valuable real estate, with a rich history of entertainment and economic vitality. None of us can ignore the need for a comprehensive plan to strengthen the region and take advantage of its great assets.

As Gov. **Chris Christie** has pointed out, for

Corner Office

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too long the decisions about state-owned facilities and the enterprises they host have been viewed in "silos." We are confident that legislative hearings and the recently appointed commission to study the future of racing, gaming and the New Jersey Sports & Exposition Authority will provide an honest and realistic look at

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how to generate the best return for the state's taxpayers and the maximum economic opportunity for those in the Meadowlands region.

With sound public policy and smart business decisions, we can not only build upon a strong foundation for visitor and business growth in Newark, we can restore the rock-solid tradition of economic resilience and competitiveness that makes northern New Jersey a premier place in which to do business and create jobs. ♦

Chip Hallock is president and chief executive of Newark Regional Business Partnership, a 450-member business advocacy organization.