

Your Money

Experts: NJ should cut tax breaks

Incentives don't follow best practices, they say

Ashley Balcerzak North Jersey Record
USA TODAY NETWORK - NEW JERSEY

New Jersey should dole out less money to corporations in tax breaks, require more frequent evaluations of companies and consider more effective alternatives to tax incentives, fiscal experts and academics told a receptive Senate committee Thursday.

New Jersey has been without major corporate tax incentive programs for nearly two months, when two large tax break programs expired July 1, so policymakers are asking for outside help as they craft replacement programs.

Lawmakers and Gov. Phil Murphy butted heads over the best way forward: Legislators wanted to extend the tax breaks without changes through January 2020, but Murphy vetoed a bill to do so, saying he wouldn't support any policy without major alterations, like limits on the awards given corporations. Senate committee chairman Bob Smith, D-Middlesex said he was unsure if the Senate will respond to the veto.

Lawmakers heard from panelists that said New Jersey's latest tax breaks didn't follow best practices and cost taxpayers twice the national average that states typically spend per job, according to Timothy Bartik, a senior economist at the Michigan-based nonprofit W.E. Upjohn Institute.

And tax breaks in general aren't necessarily the best way to grow the workforce, experts said. In the case of 75 percent of companies winning tax breaks, the firm would have probably moved to that location without the incentive anyway, according to research from the W.E. Upjohn Institute.

After hearing the statistic, Smith said, "You just provided the headline" and asked the next panelist "Why bother" with tax breaks at all.

The amount of money doled out by New Jersey's two major tax breaks aimed at boosting development and jobs, Grow NJ and Economic Redevelopment & Growth, ballooned after a 2013 rework of the programs that eliminated ceilings on the awards.

The two programs are also at the center of multiple investigations and the subject of critical reports

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State Sen. Bob Smith said he was interested in learning more about flexible caps on awards and job training programs.

ASHLEY BALCERZAK/USA TODAY NETWORK - NEW JERSEY



Chris Carbone, owner of Carbone's Barber Shop in Brick, says said that barber shops like his are coming back strong because they fill an important and unserved niche. PETER ACKERMAN/ASBURY PARK PRESS

Old-fashioned cuts at Brick barbershop

Susan Bloom Special to Asbury Park Press
USA TODAY NETWORK - NEW JERSEY

BRICK – For lifelong Brick resident Chris Carbone, owner of Carbone's Barber Shop in Brick, hair styling and grooming were always in the mix.

"Growing up, my best friend Vinny Dattolo's father owned a salon and Vinny and I were always cutting and dying each other's hair," recalled Carbone, 34. While he began his professional career within his family's flooring business (Brick-based Gypsea Industries), a twist of fate would soon bring the entrepreneur back to the hobby he'd always loved.

Several years ago, "one of the customers we were doing tile work for bought the building that our business was located in," he said. "A spot opened up and I decided to open a barber shop."

Carbone leased the 1,000-square-foot space in July 2016, and worked with his friend Jimmy Torsiello, who was familiar with the barber shop industry, to launch the business, hire one barber and open Carbone's Barber Shop in September 2016.

Pampered, old-school experience

Three years later, and recently relocated to a larger space just down the road that was formerly occupied by Odyssey Hair Salon, Carbone's has become a bustling destination for men, women and kids alike.

"Today, we have 10 barbers, 10 chairs, a large customer waiting area, and a pool table," said Carbone of the 1,600-square-foot shop outfitted with an epoxy floor, wood paneling, and other retro elements. "We offer everything from regular men's and women's haircuts, which are priced at \$20, to hot towel service (which ranges from \$15 to \$30), men's shaves and beard trimming, and haircuts for kids and seniors, which are priced at \$15."

While Carbone himself sported his share of crew cuts years back, "crew cuts are kind of out now and 'skin fades' — where the hair is cut much shorter on the sides — are very big," he said of current hairstyle trends. "Designs carved into the hair with a straight razor are also really popular, as are full beards."

Carbone's Barber Shop

Location: 1930 Route 88, Suite 13, Brick

Phone: 732-451-2636

Owner: Chris Carbone

Opened: September 2016

Website: www.carbonesbarbershop.com

In a field bookended by both inexpensive haircut franchises and high-end salons, Carbone said that barber shops like his are coming back strong because they fill an important and unserved niche.

"A lot of the haircutting franchises offer basic cuts and get you in and out fast, but we're trained in men's grooming and provide our customers with a more pampered, old-school experience that involves hot lather shaves using a straight razor, hot towel service, neck shaves, etc.," Carbone said.

And while high-end salons are much more expensive, "they also don't have the ability to do what we do," he noted. "We offer a relaxing experience where you can have open conversations and are truly the last place a guy can go to be a guy — but we also serve many women, kids and families. We're a men's place but are very family-oriented too."

Brick resident Lou Sorrentino is among the customers who relish the atmosphere at Carbone's.

"When they opened, I started taking my 96-year-old father there because he lived nearby, and the whole team at Carbone's was so good to him and so caring, respectful, and accommodating that I started going there too," said Sorrentino, 69, a retired public health investigator.

"They do a great job and it's a fun experience with music, a pool table and a hometown, community feeling. They do such specialty work and I've recommended them to many people," added Sorrentino, who frequents the shop once a month. "You truly get a made-to-order haircut there and I would never go anywhere else."

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New Nordstrom offers services but lacks merchandise

Anne D'Innocenzio ASSOCIATED PRESS

NEW YORK – Nordstrom opened a new store in Manhattan on Thursday — without any merchandise.

Instead, the store offers services like tailoring and allows customers to pick up or return items, including online orders from any retailer.

The push to open these local hubs comes as Nordstrom, like many department stores, is trying to reinvent itself as it sees customers shopping more online.

"We believe this is our model for the future," said Erik Nordstrom, the retailer's co-president. "So we have to figure it out and tweak it. The more we engage our customers, the better it is."

The Upper East Side location is the first Nordstrom "mini store" in New York. The company opened three others in Los Angeles and plans another one in New York's West Village later this month. The company's co-president declined to say how many Nordstrom will open in total.

Last month, retailer trimmed its earnings and sales outlook for the current fiscal year after it reported profit and sales declines in the second quarter. Sales at its full-priced stores dropped 6.5%.

At the Nordstrom mini stores, which average about 2,000 square feet, customers can get fittings and alterations from tailors on the premise, even if they buy their clothes elsewhere. The stores will also accept not only returns of items purchased at Nordstrom but from any online retailer. Customers bring the packaged items, with or without the pre-printed labels, and



Nordstrom Co-President & CEO Erik Nordstrom stands in the Nordstrom Local store in New York's Upper East Side on Thursday. The new store carries no merchandise and instead offers tailoring services and allows customers to pick up or return online orders. RICHARD DREW/AP

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