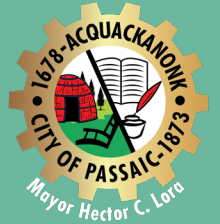


Food Access & Security Action Plan

City of Passaic, Passaic County, New Jersey





Sanborn Insurance Map, 1910. Source: Princeton University Library.

Scale of Feet.

Acknowledgements

City of Passaic

Ricardo Fernandez, PP, AICP, QPA, City Business Administrator
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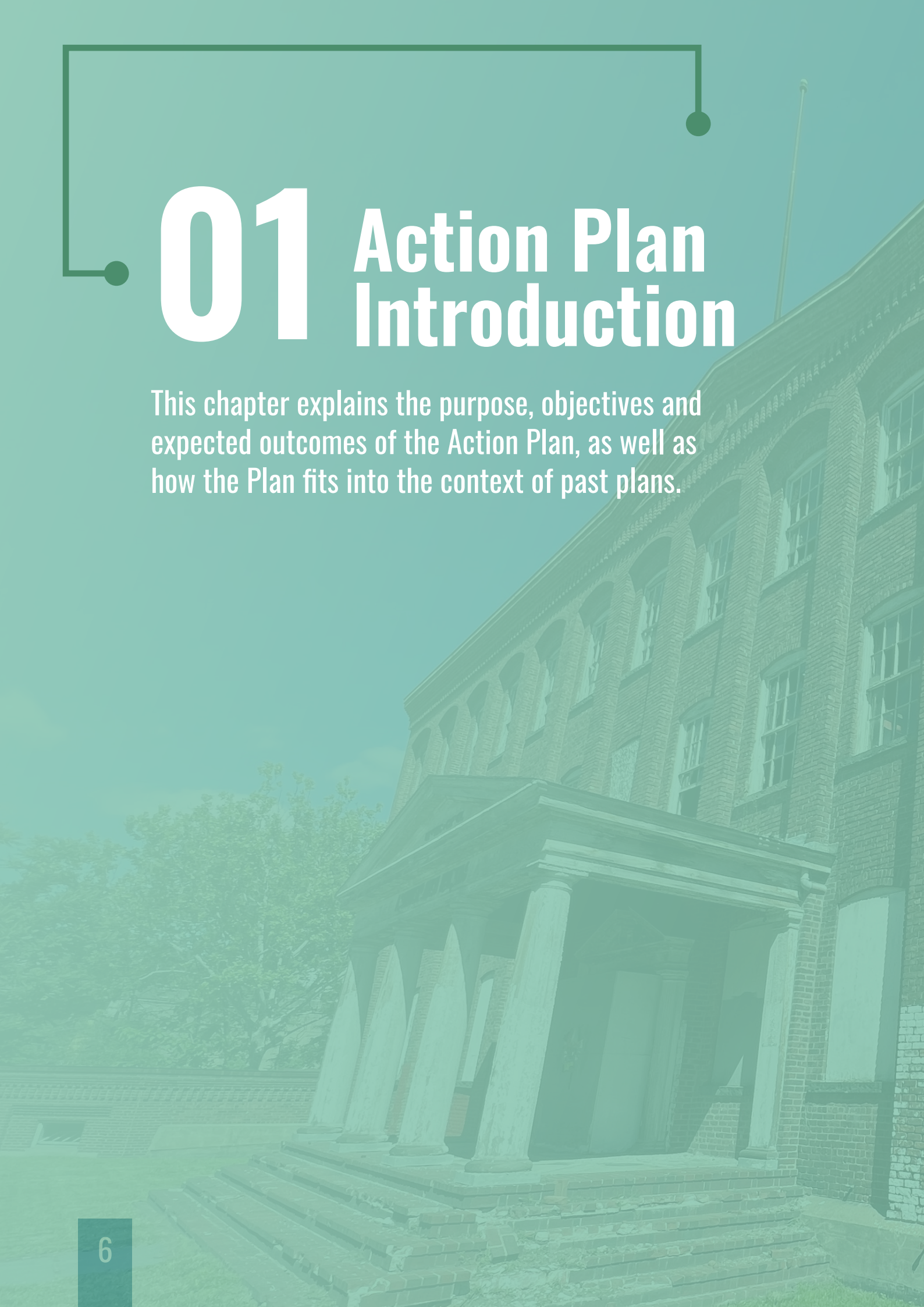
Learn more in:

**Appendix A
Market Analysis**

**Appendix C
Financial Feasibility Analysis**

**Appendix B
Building Assessment**

**Appendix D
Existing Conditions Plans & Concept Plans**



01 Action Plan Introduction

This chapter explains the purpose, objectives and expected outcomes of the Action Plan, as well as how the Plan fits into the context of past plans.



PROJECT OVERVIEW

The purpose of the Food Access and Security Action Plan is to determine the feasibility of transforming a historic site into a thriving community hub that addresses food insecurity and fosters economic growth in the Eastside Neighborhood.

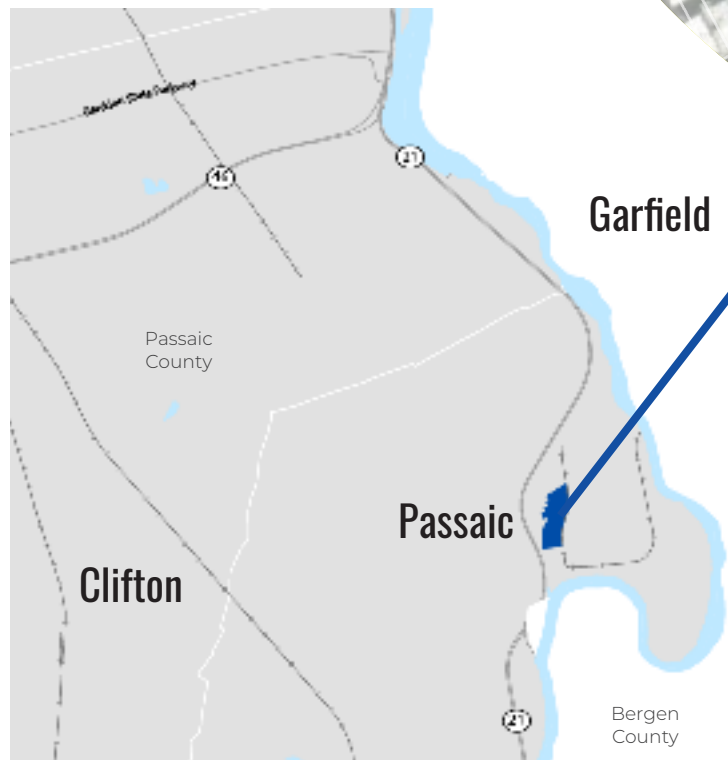
Built in
1923

250,000
Total SF

13.8
Total
Acres

OBJECTIVES

- Address Food Access Issues
- Assess Market Potential
- Support Local Entrepreneurs
- Create a Sense of Place
- Enhance Community & Economic Vitality



Development Site

**220 Passaic St.
(Eastside Neighborhood)**



The available development area is located within Contempo Plaza, which includes a building containing several independent businesses as well as a parking lot. The Contempo Plaza building was built in 1923 and recently renovated in 2018, with a total of 250,000 SF of floor area. In total, the land area of the building and all parking sit on nearly 14 acres. The site that is the subject of this study consists of three tax lots: Block 1076, Lot 1 and Block 1038, Lots 1 & 5. Parking in front of the plaza includes approximately 250 spaces, while there are approximately 60 spaces available for truck trailer parking along the back entrance to the Site. A second building, located along Passaic Street, is currently vacant and gutted. The Site's ample parking area also provides opportunities for community events on the property, an additional source of foot traffic for a potential retail development. Additionally, the building is equipped with loading docks accessible via both exterior and interior.

The development area itself is located on the northern end of Contempo Plaza and includes Space A1 (4,180 SF), A2 (14,600 SF), and B (32,260 SF) for a total developable building area of 51,040 SF.

PROJECT PURPOSE

BACKGROUND

Building Overview

Located at 220 Passaic Street, the formerly known Okonite Cable Factory holds significant historical and redevelopment potential. Built at the turn of the 19th century, this prominent industrial site spans nearly 14 acres and includes 200,000 square feet of commercial space. The two buildings currently existing on the site are currently owned by the Einhorn family, and is partially occupied by Contempo Space, which features an expanded factory, refurbished corporate headquarters, and a retail showroom for their furniture business. One of the lots on the site, known as Lot 5 of Block 1038, which includes a portion of the internal parking lot facing First Street, is currently owned by the City of Passaic.

Although nearly all this property is currently occupied, there are three spaces that are vacant, two of which have been so for a long time. A building along Passaic Street, most recently utilized as an Administration Building for the City's schools, has been gutted and vacant for over 15 years. This building is referred to throughout this report as "Building B." Located behind this building is another, larger building (Building A), which contains two tenant spaces: the first, hereinafter referred to as Building A1, measures 4,180 square feet in area and has been vacant and is used to store maintenance equipment. Another, hereinafter referred to as Building A2, contains 14,600 square feet of floor area, is used as an event space.

Neighborhood Overview

The Eastside Neighborhood, where the property is located, is marked by low median household incomes and is considered as a food desert. This means that local residents face significant challenges in accessing fresh and affordable food options, which can have broader implications for community health and well-being. The redevelopment of 220 Passaic Street aims to stimulate economic growth, create job opportunities, and provide essential services to the local community. One potential redevelopment use would include establishing a farmers' market or similar small-scale indoor fresh food space, or other community facility (i.e. shared kitchen spaces) that increases the accessibility, affordability, and availability of fresh and healthy foods while also fostering local entrepreneurship.



DUE TO THEIR AGE, DETERIORATION, AND LACK OF APPROPRIATE UTILITIES, RETROFITTING AND ADAPTIVE REUSE OF THE VACANT FACILITIES ON THIS PROPERTY ARE NECESSARY FOR EFFECTIVE REHABILITATION.

Process

Improving food access to parts of Passaic, including the Eastside Neighborhood, has been an ongoing effort on the part of the City for over two decades.

2001

Economic Plan Element

The 2001 Economic Plan Element of the City's Master Plan recommended the establishment of ethnic shopping districts and to promote Passaic as a regional center for Hispanic/Latino food, music, and culture.

2013

City Master Plan Update

Flash forward to 2013, when the City's 2013 Master Plan advocated for a "buy local" movement that would help improve access to healthy food, particularly for disadvantaged populations.

2015

Economic Plan Element Update

This was followed by the City's 2015 update to its Economic Plan Element, which recognized that one of the opportunities and strengths of the community was its growing Latin American food products import/distribution sector. Then, in 2015, the City's Urban Enterprise Zone Development Corporation received technical assistance funding from the Local Foods, Local Places program to work with the community to develop a vision and action plan that would increase access to healthy, local food and strengthen the food-related businesses in the Market Street area to promote economic development and improve quality of life for residents. This project, which involved input from a steering committee of local, county, and state representatives, along with a series of public workshops, led to the development of the Local Foods, Local Places: A Community-Driven Action Plan for Passaic, NJ.

2015

Local Foods, Local Places

This report outlined a vision to improve access to healthy, local foods in the Eastside neighborhood, complete with a series of goals and actions to bring this vision to reality.

2024

Food Security Grant

This project was initiated as a result of a Food Security Grant from the New Jersey Economic Development Agency (NJEDA), in order to improve food access within Passaic, particularly in the Eastside neighborhood, as a way to address social and environmental disparities to promote economic vitality. The Project Team, consisting of Colliers Engineering & Design and Camoin Associates, began this study with a visit to the site in May 2024, where they met with the property owner and representatives from the City to understand existing conditions. The Project Team then undertook two detailed analyses of the site: one included interior site scanning of the building spaces; and the other included a market analysis into the potential for bringing food access to the site. The findings from these studies were submitted to the City for review and comment, which were then used to inform this report.

This Action Plan includes a detailed analysis of the site, including an evaluation of the buildings and the property as a whole to understand their strengths and weaknesses for redevelopment. It examines existing market conditions in the area for grocery stores and other retail food providers in order to evaluate the feasibility of the site to provide food access. Finally, it concludes with potential design concepts that could be considered for future development, including cost estimates and other next steps. Overall, this Action Plan is intended to provide the City and the property owner with informational resources that can help guide future development on the site and surrounding neighborhood.



WHY NOW?

The Eastside Neighborhood faces significant challenges in accessing fresh and affordable food. Many residents do not have private vehicles, making it difficult to reach supermarkets located outside the immediate area. The community is predominantly young, low-income, and Hispanic, with many first-generation immigrants who face additional barriers due to language and economic constraints.

At the heart of this Action Plan is 220 Passaic Street. The site offers ample space and infrastructure, making it ideal for a variety of food access solutions, such as a fresh food market or shared kitchen space. Recent renovations and its proximity to Market Street, a bustling hub for local eateries and shops, further enhance its potential as a community food destination.

Community and Economic Benefits

This project is not just about providing food; it's about fostering economic growth and supporting local entrepreneurs. The neighborhood is home to many budding food entrepreneurs who currently lack the resources and infrastructure to grow their businesses. By creating a shared kitchen or food incubator space, we can empower these entrepreneurs, creating jobs and driving local economic development.



Young, Low-Income Population



High Concentration of Carless Households



Foster Existing Entrepreneurship



Strategic Location & Facility Readiness



TRANSFORMING 220 PASSAIC ST. FROM A DISTRESSED PROPERTY INTO A VIBRANT FOOD HUB WILL ADDRESS IMMEDIATE FOOD SECURITY NEEDS AND LAY THE GROUNDWORK FOR LONG-TERM COMMUNITY RESILIENCE AND ECONOMIC VITALITY.

PAST PLANS & STUDIES

INTRODUCTION

For years, the City of Passaic and its partners have been actively studying and planning for the development of the Eastside Neighborhood and surrounding areas. Several common themes run through these plans, including significant potential to revitalize underutilized spaces, improve economic opportunities, and address critical social needs within the community. These plans collectively emphasize the importance of enhancing food access, expanding affordable housing, improving transportation infrastructure, and ensuring that redevelopment efforts are aligned with the needs and desires of the local residents.

Eastside Redevelopment Plan (2004) & 2014 Amendment

The 2004 Eastside Redevelopment Plan (ERP), is a comprehensive effort aimed at revitalizing a 99-acre portion of the Eastside neighborhood, focusing on economic development, improving infrastructure and circulation, and providing for a range of residential, commercial, and industrial uses and open space, while retaining the distinctive industrial architectural themes of the area. The 2004 ERP established area-specific zone districts, with the subject site located within the designated Commercial District, whose stated intent was to develop a district of commercial retail or office uses oriented to the Route 21 roadway corridor, while preserving existing roadway connections between the area and central business district. The district permitted a range of commercial uses. The ERP was amended in 2014 as it related to the Okonite Property, to permit an expanded list of uses, to also include light industrial and residential uses.

Passaic Eastside Development Transit Oriented Strategy (2014)

The Passaic Eastside Development Transit Oriented Development Strategy is one of 15 local projects funded by a \$5 million HUD Sustainable Communities Regional Planning Grant awarded in 2011 to TOGETHER NORTH JERSEY. This initiative promotes sustainability, transit connectivity, and TOD in North Jersey, focusing on a 95-acre area east of Route 21 under a 2004 Eastside Redevelopment Plan.

City of Passaic Master Plan (2013)

The 2013 Master Plan covers a wide range of topics, including land use, housing, economic development, recreation, transportation, with an overarching goal of promoting sustainable growth and improving the quality of life for residents. Key elements include as it relates to this study include:

- **Land Use and Redevelopment:** The Master Plan's emphasis on redeveloping contaminated and underutilized sites aligns with the focus on the adaptive reuse of the Okonite Cable Factory site and other locations in the Eastside neighborhood.
- **Economic Development:** The Master Plan outlines goals of revitalizing the business districts and supporting local industries, along with assessing the feasibility of creating ethnic and culturally based shopping districts that would be a destination point for visitors.

- **Public Health and Nutrition:** The Master Plan urges the development of a “buy local” movement in the city to improve local access to fresh and healthy foods, noting that WIC recipients often have to travel to Clifton or Paterson for fruits and vegetables.

City of Passaic NJ Master Plan Economic Development Element (2015)

The 2015 Passaic Master Plan Economic Development Element outlines a number of goals that directly aligns with this study, including:

- Facilitate business formation, preservation, and expansion
- Foster business and pedestrian friendly atmosphere
- Foster cohesive commercial communities within the City
- Identify, embrace, and promote the unique identity of each of the major commercial corridors and districts within Passaic

In addition, the Plan underscores the importance of supporting emerging economic sectors like the Latin American food import/distribution industry. The Master Plan’s strategies to attract and retain these businesses are informed by insights into market demand and business viability.

Moreover, as part of its recommendations relating to education and workforce development, the Plan recommends expanding and improving career development efforts.

Local Foods, Local Places (2016)

The Local Foods, Local Places Action Plan for Passaic, NJ, is a community-driven initiative designed to improve access to healthy, local foods and strengthen food-related businesses in the Eastside neighborhood, particularly along the Market Street corridor. This plan was developed through the collaboration of local stakeholders and several federal agencies, including the U.S. Environmental Protection Agency (EPA), U.S. Department of Agriculture (USDA), and others. Goals and actions identified in this plan include:

- **Increase Sourcing of Local, Healthy Foods:** Engage local businesses in offering more healthy and local food options, establish a buying club, and create a food hub in Eastside.
- **Strengthen Place-Based Identity:** Brand the Market Street area as a culinary destination through cohesive visual identity, streetscape improvements, and community engagement.
- **Increase Accessibility and Affordability:** Expand the availability of fresh food through farmers’ markets and mobile markets, promote healthy options in corner stores, and develop community gardens.
- **Develop Resources for Healthy Food Access:** Improve walkability and create spaces for physical activity, provide nutrition education, and enhance public safety.
- **Promote Market Street as a Cultural Corridor:** Establish a business improvement district, create branded events, and explore outdoor seating and other improvements to attract visitors.

WHAT IS FOOD SECURITY?

FOOD DESERT

Overview

Food deserts and food insecurity are critical issues affecting many low-income communities, including the City of Passaic. A food desert is typically defined as an area that lacks access to affordable and nutritious food, often due to the absence of grocery stores within a convenient traveling distance. This limited access contributes to food insecurity, where residents do not have reliable access to enough affordable, nutritious food.

In Passaic's Eastside Neighborhood, there is an active food scene, yet it faces a significant paradox when it comes to food access. Though it may seem as if there are an abundance of food options, many of the residents face challenges accessing fresh, healthy food daily, impacting their overall health and well-being.

The Okonite Cable Factory is situated in such an area. The city's efforts to redevelop and utilize this property aim to address these disparities by improving access to fresh food and promoting economic vitality. With support from programs like the New Jersey Economic Development Authority Food Security Planning Grant Program, these initiatives seek to enhance the quality of life for Passaic's residents and mitigate the effects of food insecurity in this urban community.

Addressing food insecurity can significantly enhance the overall health, economic stability, educational outcomes, and social well-being of a community, creating a more resilient and prosperous environment for all residents.

What causes/contributes to food insecurity?

- Climate change that leads to a disruption in agricultural production.
- Poverty and unemployment.
- Lack of affordable housing, leading to high rent burdens.
- Poor public transit options, making it difficult to reach stores with healthy food.
- Cultural food preferences that are not met by local food options.

What impacts can food insecurity have on a community?

- Malnutrition and health consequences such as increased rates of chronic diseases, obesity, and malnutrition.
- Education challenges, including lower academic performance and achievement in children due to poor nutrition.
- Economic consequences, including economic strain on families, lead to a cycle of poverty.
- Social and psychological effects, including higher levels of stress, anxiety, and depression.

Food Desert vs. Food Swamp vs. Food Mirage

A food desert, food swamp, and food mirage are all terms used to describe areas with limited access to healthy food, but they each highlight different aspects of this issue:

Food Desert:

A food desert is typically found in low-income areas where residents have limited access to affordable and nutritious food, such as fresh fruits, vegetables, and other whole foods. This lack of access is often due to the absence of grocery stores, farmers' markets, and other sources of healthy food within a convenient traveling distance. As a result, residents in food deserts may rely on small convenience stores and fast-food restaurants, which usually offer limited healthy options.

Food Swamp:

In contrast, a food swamp is an area where unhealthy food options are overwhelmingly more available than healthy options. Food swamps are characterized by a high density of fast-food outlets, convenience stores, and liquor stores, which predominantly sell high-calorie, low-nutrient foods. This abundance of unhealthy food choices can make it difficult for residents to maintain a healthy diet, even if there are some healthy options available nearby.

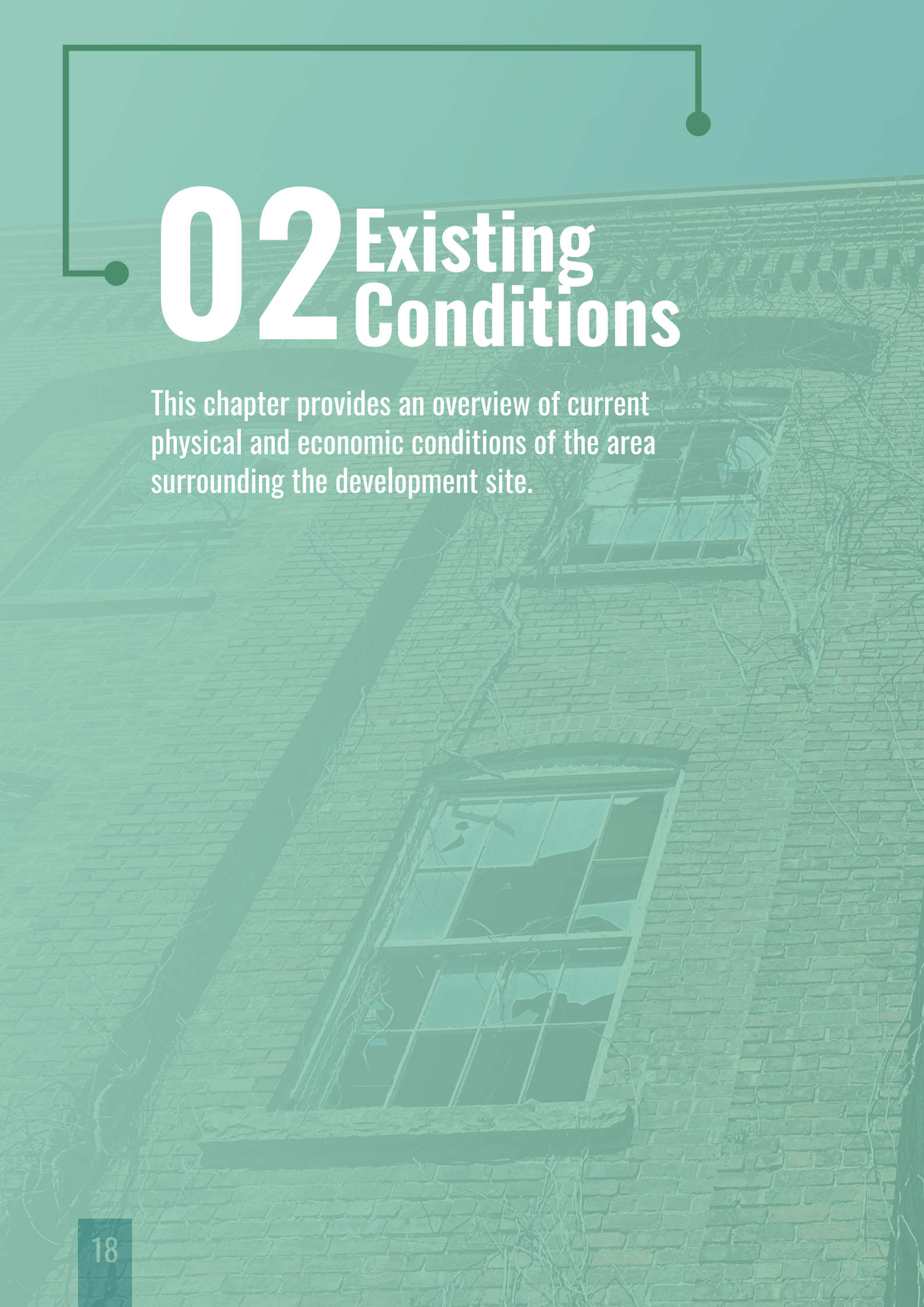
Food Mirage:

A food mirage adds another layer of complexity to this issue. It refers to an area where healthy food options appear to be accessible, but are actually out of reach for many residents due to high prices, poor quality, or other barriers. In a food mirage, a grocery store or supermarket might be physically present, but the cost of healthy foods like fresh produce is prohibitively expensive, or the quality is so poor that residents still turn to cheaper, less nutritious options. This creates an illusion of access, hence the term "mirage," where the availability of healthy food is more of a facade than a reality.

How do they compare?

- Food Desert: Lack of access to healthy food due to physical absence of sources like grocery stores.
- Food Swamp: Overabundance of unhealthy food options, even if some healthy food is technically available.
- Food Mirage: Apparent availability of healthy food, but significant barriers (like high cost or lack of transit access) prevent residents from actually accessing it.

All three environments—food deserts, food swamps, and food mirages—contribute to poor dietary habits and related health issues such as obesity, diabetes, and heart disease. However, they do so in different ways. Addressing these issues requires tailored strategies that consider the specific characteristics of each area, whether it's improving physical access to healthy food, addressing the dominance of unhealthy options, or making healthy food truly accessible and affordable.



02 Existing Conditions

This chapter provides an overview of current physical and economic conditions of the area surrounding the development site.



OVERVIEW

LOCATION

Overview

The property at 220 Passaic Street is situated in the Eastside Neighborhood of the City of Passaic, within Passaic County, New Jersey. It is generally bound by Route 21 on the west, Jefferson Street to the north, First Street to the east, and Passaic Street to the south. Passaic is a densely populated city of about 70,000 residents living within 3.2 square miles, located approximately 15 miles west-northwest of Manhattan Island. This central location places Passaic within the greater New York metropolitan area, providing convenient access to one of the largest urban regions in the United States.

The Eastside Neighborhood, nestled between New Jersey Highway 21 and the Passaic River, is historically significant as a once-thriving industrial hub. Despite its decline in recent decades, the area remains a key focus for redevelopment.

The Eastside neighborhood is surrounded by distinct communities: Passaic Park to the southwest, a suburban area with green spaces; Downtown Passaic to the west, the city's vibrant commercial hub; Clifton to the north and east, a suburban city with residential and commercial areas; Garfield and Wallington across the Passaic River to the northeast, offering urban and quieter suburban environments; and Paterson to the northwest, a larger, industrial city with shared urban density and historical significance.

Market Street Corridor

The site sits one block away from Market Street, a major corridor for restaurants and shops in the Eastside neighborhood. Along the five-block row, 17 restaurants operate and offer a

range of Latin American cuisines and several Polish food stores, representing the vibrant cultural heritage of the Eastside neighborhood.

In addition to these restaurants, an additional 15-17 retail stores operate along these five blocks on Market Street. The close proximity to the Market Street corridor may present opportunities for development at the Site to capitalize on existing commercial activity, particularly local food economy activity, that is already occurring nearby. Additionally, the street draws consumers to the Eastside Passaic Food Access Market downtown area, potentially offering the study Site access to a wider consumer base.

Historic Context

The site is located within the "Potential Passaic Industrial Historic District," an identified New Jersey Register of Historic Places proposed historic district. This designation indicates that the area possesses a significant concentration, linkage, or continuity of historic properties that are united by their historical development and physical layout. The site's inclusion in this district underscores its importance as part of the region's rich industrial heritage. Notably, the property itself is an "identified individual historic resource", known as the Waterhouse Brothers Woolen Mill Complex.

Preserving and revitalizing such historic resources is crucial, even within an industrial environment, as it maintains the unique character and cultural significance of the area.



TRANSPORTATION & ACCESSIBILITY

OVERVIEW

The site has nearby accessibility to Route 21, connecting Passaic to nearby population centers. The Site is approximately 0.6 miles away from the Exit 12 on-ramp, only a 3-minute drive away. Additionally, the building site is accessible to freight, with a loading dock and ample parking and storage for truck trailers.

As of 2020 and 2022, around 65,000 vehicles pass by the Site along State Route 21 on average each day. The site has significant potential to draw traffic from Route 21. Additionally, the building is accessible via 1,700 feet of road frontage, with 1,200 feet on First Street and 500 feet along Passaic Street.

Public Transit

Due to the urban nature of the neighborhood, the area boasts high density and walkability, providing residents with easy access to local amenities and services. However, for those without personal vehicles, accessing grocery stores can still pose a challenge. Fortunately, the neighborhood is well-served by public transportation, with four NJ Transit bus lines running along Passaic Street. Two bus stops are conveniently located near the property, enhancing connectivity and offering residents reliable transit options for their daily needs.

The site is also a 19-minute walk from a NJ Transit commuter rail station in Garfield, NJ and a 20-minute drive from the Newark Liberty International Airport. According to CoStar, the neighborhood where the site is located has a high walkability score (91) and a good transit score (57), indicating that consumers in the local neighborhood and elsewhere in Passaic could readily access any retail development at the site without a car.

Walkability

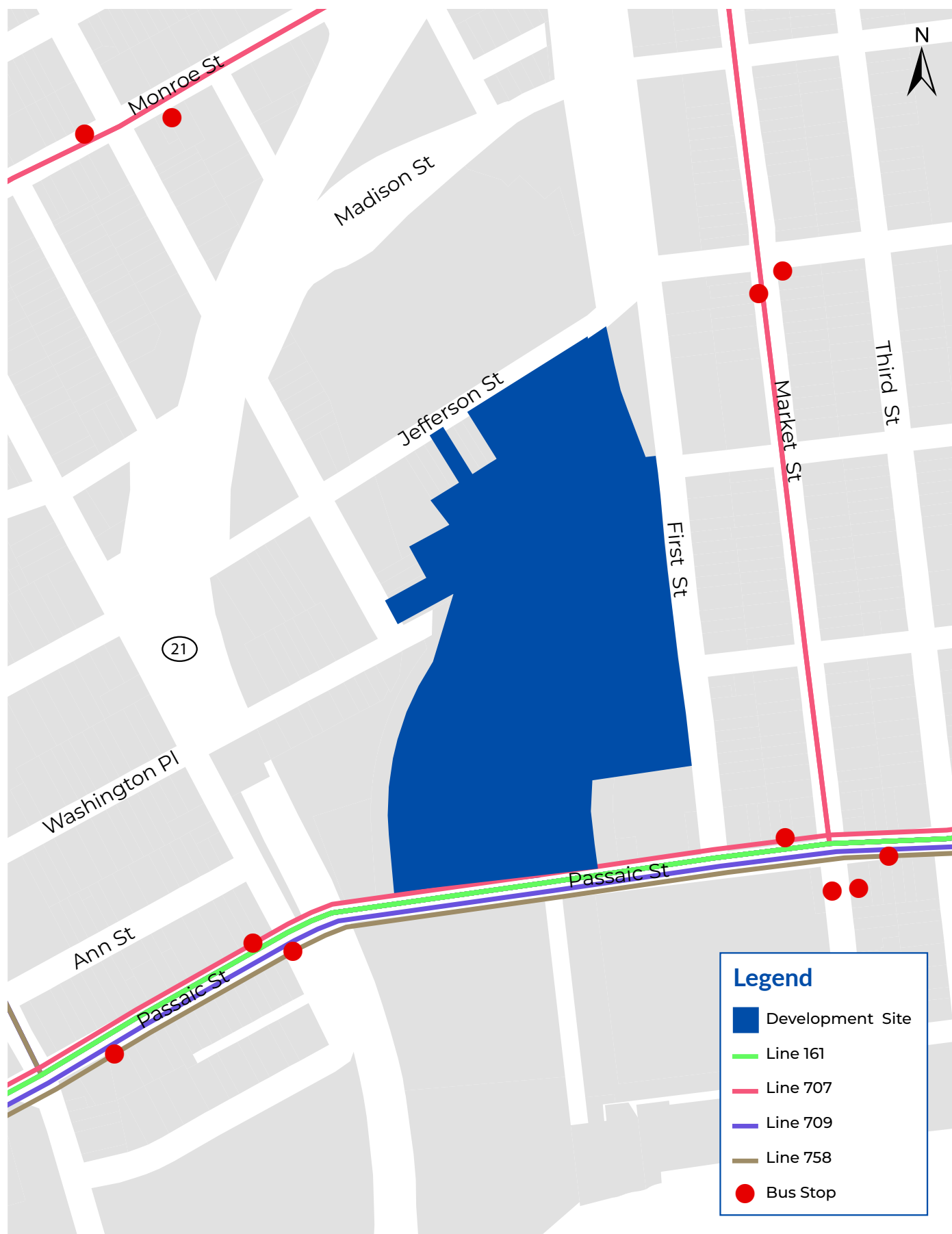
A walkability analysis was conducted to assess pedestrian accessibility around the site. Typically, an average person is able to walk 0.5 miles in approximately 10 minutes; this is also the typical distance that people are comfortable walking to access destinations, whether a park, stores or entertainment.

Using ArcGIS, the center of the parcel was calculated as the focal point for this analysis. From this central point, a detailed walking “service area” was delineated, identifying areas where residents can comfortably walk using sidewalks or other designated pedestrian pathways. This analysis highlights the extent to which the surrounding neighborhood supports pedestrian movement, ensuring that the existing infrastructure effectively connects residents to essential services, amenities, and public transportation options.



LEGEND

- Development Site
- Parcel Center
- 10 Min Walk



ENVIRONMENTAL CONSTRAINTS

OVERVIEW

Evaluating the environmental constraints of this site, such as flood hazards and the presence of contaminated sites is critical to the rehabilitation process. Due to the area's extensive industrial history, it is important to understand any potential environmental hazards and associated mitigation costs.

Brownfields

The property is listed as a known contaminated site under the name "The Okonite Co." and is currently classified as active. It falls within an ongoing Groundwater Contamination Area (CEA) due to the presence of low levels of volatile organic compounds, including chloroethane, ethylidene dichloride, trichloroethane (1,1,1), and vinylidene chloride.

Flood Hazard Areas

The Passaic River runs south of the property. Due to the area's topography and its proximity to the river, the site is located within the 500-year flood zone, which indicates a 0.2% annual chance of flooding (or once every 500 years on average). Additionally, a small portion of the property falls within the 100-year flood zone, signifying a higher risk with a 1% annual chance of flooding (or once every 100 years on average). This 100-year flood zone is primarily concentrated along the creek, along the back (western) side of the property. Worth noting, however, that the topography of the site slopes down to the creek, and that the front side of Building A, which is the focus of this study, is at a higher elevation. Based on conversations with the City and the property owner, flooding on the site has not been noticed.

MANUFACTURING HISTORY

The property located at 220 Passaic Street, known as The Okonite Company site, is a historically significant industrial site with a long-standing association with manufacturing, particularly in the production of insulated electrical wires and cables.

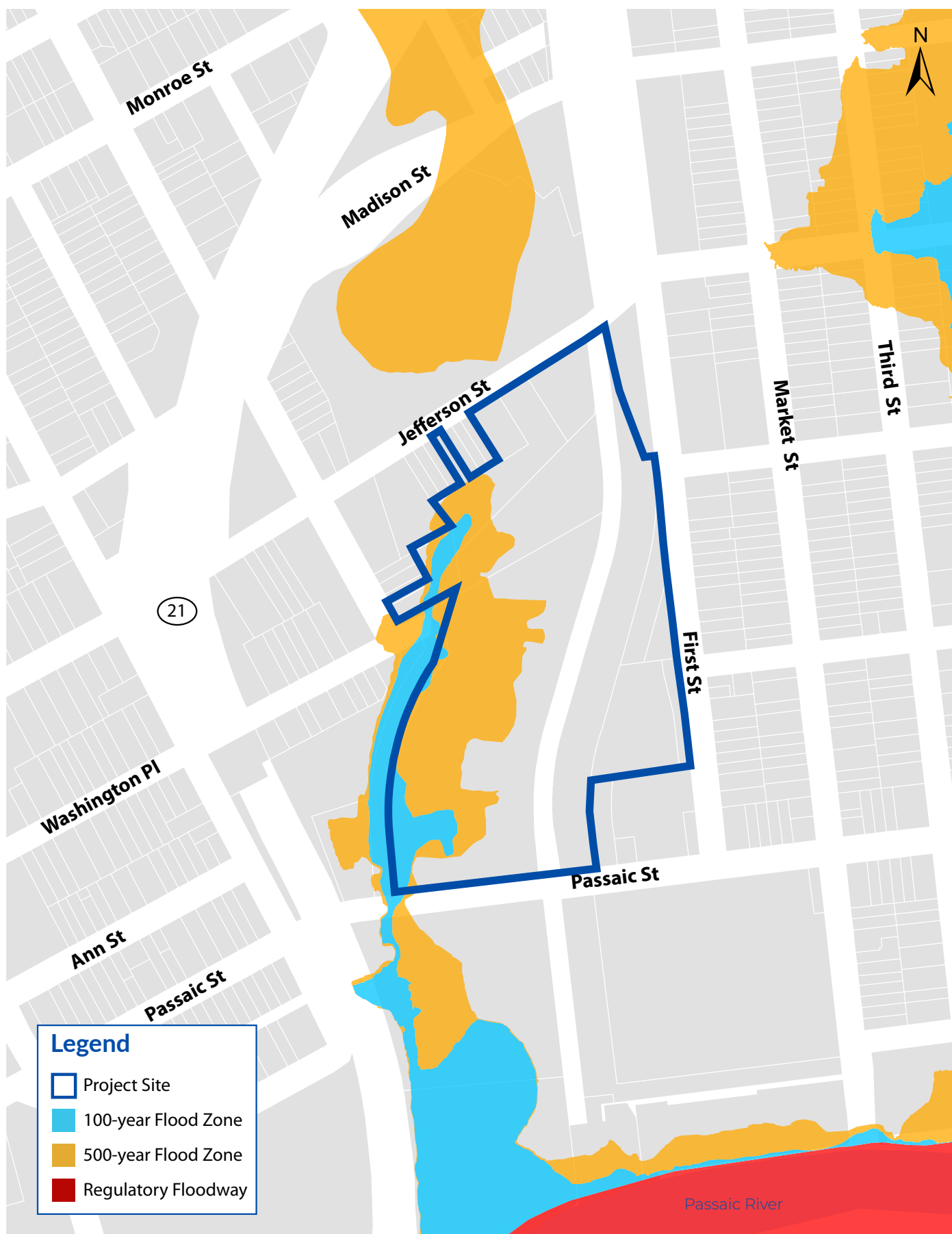
Historical Background

The site has a long industrial history. Sanborn insurance maps from as far back 1884 illustrate a building that appears to share the same footprint as Building B, as part of the Waterhouse Brothers Flock and Beaver Cloth Mills. At that time, Building B was bounded to the west by the Tail Race, the waterway which still borders the western boundary of the site. To the east, the building is bounded by Canal Street, which included a rail line and was bounded by a portion of the Dundee Canal. Both the rail line and this section of the canal are located in the present-day parking area of the property; it was not clear from this study of the current status and condition of these two features. By 1886, the Building B site was referred to as the Dundee Woolen Mill, and by 1894, while Building B continued to be part of the Dundee Woolen Company, the Okonite Company appears to have constructed a building in the vicinity of present-day Building A. The 1910 Sanborn Map, is shown in the inside cover of this report.

The Okonite Company was founded in 1878 and became one of the first American companies to manufacture insulated electrical wires. The site at 220 Passaic Street was a major facility for the company, which played a crucial role in the development of the electrical industry in the United States.

Challenges

Any redevelopment of the Okonite site at 220 Passaic Street will require environmental remediation to ensure that it is safe for new uses. At minimum, this will likely involve an asbestos and lead paint survey, along with soil cleanup and groundwater treatment if the soil is disturbed.



EXISTING ZONING

OVERVIEW

The entire property is located within the Eastside Redevelopment Area (ERA) zone. Below is an overview of the ERA district and the zoning for the surrounding properties, giving an insight to the character of the neighborhood.

Eastside Redevelopment Area (ERA)

The ERA district is an economic redevelopment area focused on revitalizing the 90-acre area in the eastern section of Passaic to stimulate economic growth. Specifically, the use requirements for the subject site permit a mix of uses, including residential, commercial, and light industrial. The district encourages redevelopment and adaptive reuse of properties to enhance the economic vitality of the area.

Market Street Redevelopment District (MSRD)

The stated purpose of the Market Street Redevelopment District is to provide mixed-use and multifamily development near bus and rail transit while preserving the character of the community. It permits mixed use development, residential development, and a wide variety of commercial and retail uses, while prohibiting industrial and uses that encourage automobile usage (i.e. gas stations, automotive rentals, and auto body shops).

General Industrial (M-2)

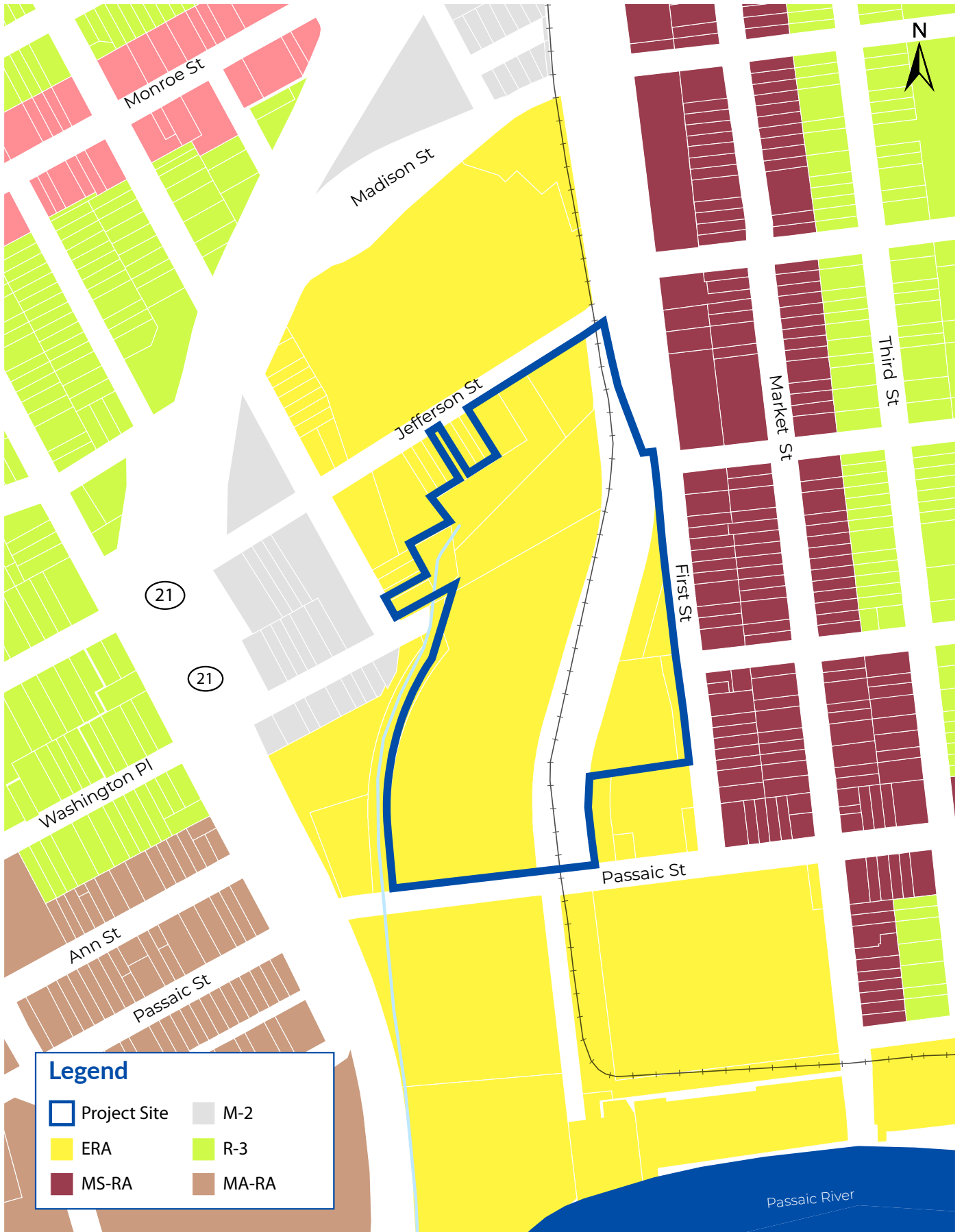
The M-2 district is designated for heavy industrial uses. It allows for a wide range of industrial activities, including manufacturing, processing, and distribution. The zoning regulations are focused on accommodating industrial operations while ensuring that these uses do not negatively impact surrounding areas.

Multi-Family Residential (R-3)

The R-3 Zone is designated for residential use, primarily allowing for single-family detached homes, two-family homes, multifamily dwellings, and townhouses. This district aims to maintain the residential character of neighborhoods, offering regulations on building height, lot size, and yard requirements to ensure appropriate density and land use.

Main Avenue Redevelopment Area (MA-RA)

The Main Avenue Redevelopment Area focuses on the Main Avenue and downtown Passaic area, establishing two redevelopment zones, MX-1 & MX-2. Both zones permit for a mix of uses, with the major difference relating to building height, with the MX-1 zone permitting development of up to 10 stories, while the MX-2 district would permit development of up to 5 stories.



Legend

- | | |
|--------------|-------|
| Project Site | M-2 |
| ERA | R-3 |
| MS-RA | MA-RA |

What is the Eastside Redevelopment Plan?

Passaic's Eastside Neighborhood, once a vibrant industrial center made active by excellent access to both railroad and water borne transportation systems, declined over the course of the second half of the twentieth century. This decline was brought on by the general decline of industrial activity in the northeast, but also due to the age of the buildings, many of which were constructed in the late 1800s and early 1900s, and were not easily adapted to modern industrial and material transport practices.

As a result of the decline in industrial activity, the obsolescence of the existing buildings, and the growing lack of proper utilization and the underutilization of properties in this neighborhood, the City designated a portion of the neighborhood as an "Area in Need of Redevelopment" between 2002 and 2004. Following these designations, the City adopted a Redevelopment Plan for a 99-acre area of the neighborhood. The area that is the focus of this present study was originally designated in the 2004 Redevelopment Plan for office/commercial use.

In 2014, however, the City amended the Redevelopment Plan, specifically for the Okonite Cable Factory site, to permit the development of a mix of uses, including residential, commercial, and light industrial, in order to encourage the adaptive reuse of older industrial structures so as to preserve the structural heritage of the city.

The following zoning changes were identified in the Eastside Redevelopment Plan. Collectively they focus on creating a more flexible and supportive regulatory environment to facilitate the area's revitalization.

Zoning Changes

1. **Mixed-Use Development:** The plan and its subsequent amendment for the site permits an extensive of mixed uses, including commercial, industrial, and residential, while encouraging the adaptive reuse of older industrial structures to preserve the structural heritage of the city. This change allows development to take place in a way where residents can live, work, and shop within the same area.
2. **Increase Density in Key Areas:** The 2014 Eastside Redevelopment Plan Amendment permits residential or mixed use (residential/retail/office) of up to 24 units, provided it is located within an existing structure fronting on Passaic Street.
3. **Transit-Oriented Development (TOD):** The plan includes recommendations for zoning changes that support Transit-Oriented Development (TOD). These changes would focus on increasing density and mixed-use development near transit hubs, making it easier for residents to access public transportation.
4. **Fostering economic resilience:** The plan and its 2014 amendment permit a wide variety of uses, including any combination of those uses, on the subject site, allowing potential developers greater flexibility with its future use. The greater variety of uses also allows for flexibility as a result of changing economic demands on the real estate market.



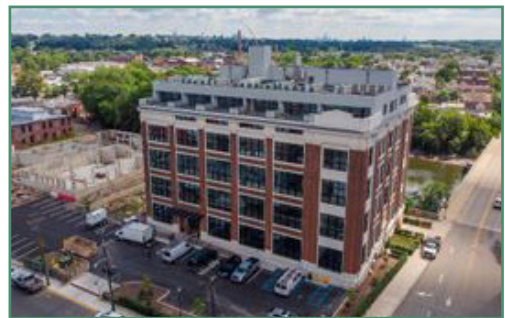
RELATED DEVELOPMENT PROJECTS

INTRODUCTION

Overview

The City of Passaic has embarked on numerous ongoing and upcoming redevelopment projects, many of which are located near the development site. These key projects have not only revitalized underutilized spaces and created new housing but have also significantly increased the city's assessment value, with 2022 estimates ranging from \$10 to \$11 million. Below are three developments that are in the immediate vicinity of the site.

- 1. 26 Jefferson Street:** The former Pantasote warehouse site has been vacant and underutilized for over 30 years. The new use resulted in the cleanup of the contaminated site and a \$25 million investment in our community at this 111,000 square foot industrial property. We expect that when fully occupied, the IDI Logistic Center will create 100 new jobs at this facility.
- 2. 2 Market Street:** This adaptive reuse project that is near completion will have 63 residential loft units with ground floor retail.
- 3. 69 Jefferson Street:** This mixed retail/ residential property will be transformed into a new facility that will provide the community various services such as COVID-19 testing, tracing, immunizations as well as counseling and educational programs with an overall effort to foster and maintain a healthy community.





ANALYSIS & OPPORTUNITIES



FOOD ACCESS AND STAPLE ORDINANCE

The presence of the City's ordinance requiring convenience stores and bodegas to provide fresh food staples offers a unique opportunity to integrate fresh food markets or grocery stores into the redevelopment. This could not only fulfill regulatory requirements but also address the food accessibility issues in the neighborhood, improving community health outcomes.



VEHICLE ACCESSIBILITY AND PUBLIC TRANSIT

The high percentage of households without access to vehicles, coupled with the area's strong public transit connectivity, suggests an opportunity to develop transit-oriented projects. Enhancing walkability and access to amenities could be a priority, potentially reducing reliance on cars and catering to the needs of the local population. The City has also proposed a local shuttle, which would transport people to its central business districts.



LOCAL ECONOMIC INTEGRATION

Proximity to the Market Street Corridor, known for its vibrant local food economy, suggests opportunities to integrate the site's development with existing commercial activity. This could include creating spaces for local food producers or markets, thereby reinforcing the neighborhood's economic ecosystem.



CASE STUDY

JBJ SOUL KITCHEN

MULTIPLE LOCATIONS, NEW JERSEY

33

Overview

JBJ Soul Kitchen, founded by the Jon Bon Jovi Soul Foundation, operates as a non-profit community restaurant with a “pay-what-you-can” model. Located in Red Bank, Toms River, and Newark, New Jersey, the restaurant provides a welcoming space where individuals from all walks of life can enjoy a nutritious meal regardless of their ability to pay. Those unable to pay are encouraged to volunteer in exchange for their meal, fostering a sense of community and mutual support. In addition to serving healthy meals, JBJ Soul Kitchen partners with local organizations to provide additional resources and services, such as housing assistance and vocational training, to help guests improve their overall situation. This holistic approach addresses broader issues of food insecurity and poverty, promoting long-term community well-being.

How does it relate?

The model employed by JBJ Soul Kitchen offers a valuable concept for the redevelopment of 220 Passaic Street. By incorporating a similar pay-what-you-can approach and leveraging donations and volunteer efforts, the project could create a food hub that not only addresses immediate food security needs but also provides a supportive community environment. The not-for-profit structure would allow for reinvestment into the community, aligning with the goals of fostering economic vitality and resilience in the Eastside Neighborhood.

Similar funding strategies that could be considered:

- Grants and Public Funding: Apply for grants from federal, state, and local governments aimed at food security, community development, and economic revitalization.
- Private Donations and Fundraising: Engage with local businesses, philanthropists, and the community to raise funds.
- Corporate Sponsorships: Partner with corporations and local businesses for sponsorships and in-kind donations.
- Volunteers and In-Kind Contributions: Encourage community involvement through volunteer work and in-kind contributions of goods and services, reducing operational costs and fostering a sense of ownership among residents.

WHY IT WORKS

- **Pay-What-You-Can Model:** Guests who can afford to pay are encouraged to cover the cost of their meal and “pay it forward” to help others. Those unable to pay can volunteer in exchange for their meal
- **Nutritious Meals:** The restaurant offers healthy, locally sourced meals prepared by professional chefs.
- **Community Engagement:** Collaboration with local organizations to provide job training, health services, housing assistance, etc.



03 Building Conditions

This report evaluates the current state of three spaces in Buildings A & B. The assessment provides a comprehensive overview of their structural conditions, existing utilities, and potential for adaptive reuse, focusing on the feasibility of converting these spaces into commercial entities like a grocery or food market. The full Building Assessment is provided in Appendix B.

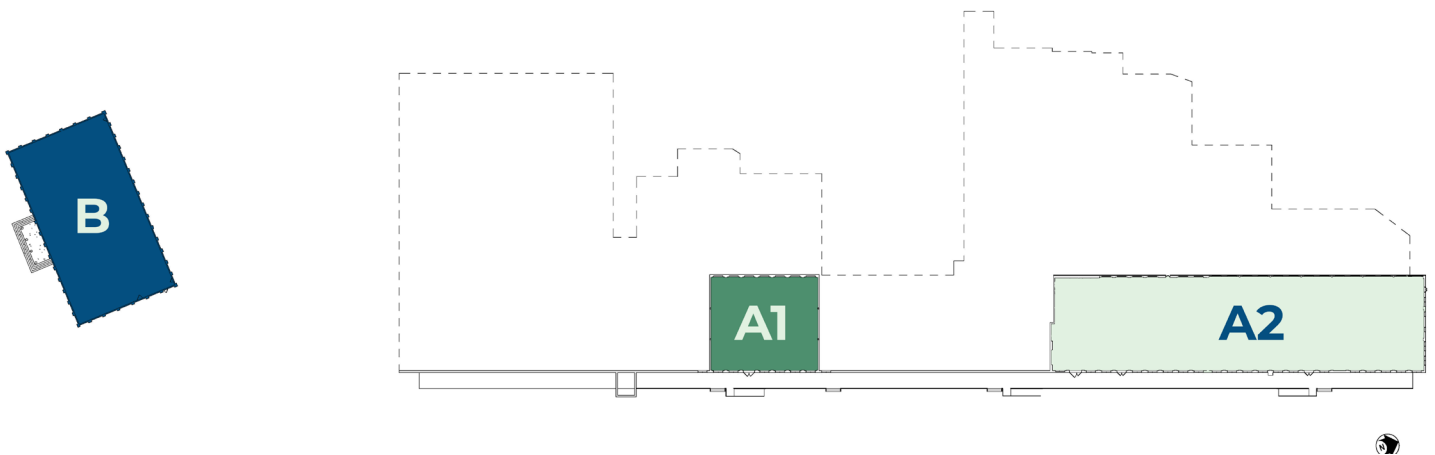


SITE CONDITIONS

INTRODUCTION

Overview

The redevelopment site, Contempo Plaza, is privately owned and currently zoned within the Eastside Redevelopment Area (ERA). The assessment focuses on three main spaces: Building A1 (Storage Space), Building A2 (Banquet Space), and Building B (Okonite Office Building/City of Passaic School District), each with distinct characteristics and current conditions. The evaluation includes the utility systems, structural integrity, accessibility, and potential adaptability for future uses, particularly the possibility of converting the spaces into a grocery or food market. Overall, one of the major strengths of the site is its proximity to new housing coming to the area, along with its accessibility for pedestrians, local bus service, and major roads. Another major strength is that the site development for the east (Front) parking lot has already been completed, and only requires limited improvements. While each of the units currently lack adequate utilities for many-food related uses, the site is easily served by water, sewer, electric, and natural gas.



Contempo Plaza also contains the following spaces:

- Contempo Space Furniture Store
- Factory 220 Event Center
- Great Falls Bistro
- North Hudson Community Action Corporation
- Cielo's Floral Design
- JC Home & Décor
- Cely's Beauty Studio
- C&E Beauty Supplies Retail and Wholesale

Other related establishments in the near vicinity include a range of food industry businesses, including:

- GroMex, on the corner of Passaic and 1st, a major distributor of Mexican fruits, vegetables, and other Latin American ingredients
- Don Martin Produce LLC, a produce wholesaler

KEY FINDINGS

1.

Building A1 (Storage Space)

- **Current Use:** A 4,180 sq. ft. storage space within a larger building complex, primarily used for maintaining the plaza. This space has a basement below and a second floor tenant above that is Great Falls Bistro; neither are directly accessible from this space.
- **Structural Condition:** The building has unpainted brick masonry walls, heavy timber beams, and wooden floor decking. It lacks basic utilities, including water, electric, sanitary sewer, and HVAC systems. The space is in need of significant improvements for any future use.
- **Challenges:** The largely unimproved state would require significant infrastructure improvements to support a grocery use.
- **Opportunities:** The large window openings provide a vast amount of natural lighting into the space. The mostly-open floor plan provides a clean slate for interior development. The industrial look of this original construction is easily adaptable to an urban market style of store.



Existing Conditions

2.

Building A2 (Banquet Space)

- Current Use: A 14,600 sq. ft. banquet space with an open floor plan, used for hosting catered events.
- Structural Condition: Similar to Building A1, it has a robust structure with unpainted brick masonry and heavy timber elements. The space has some utilities, including domestic water and sanitary sewer systems, but also lacks sufficient infrastructure for more demanding uses like a grocery store.
- Challenges: The long and narrow shape of the space may require unconventional layouts. Basement space is occupied and thus not available to a tenant looking for extra storage space.
- Opportunities: The industrial aesthetic and large windows make the space adaptable to an urban market style while providing a vast amount of natural lighting into the space.



Existing Conditions

Building B (Okonite Office Building)

- Current Use: A 32,260 sq. ft. vacant building that once served as the office for the Okonite Cable Company and later administrative offices for the Passaic City School District. The building is in a severely deteriorated condition, with much of its internal structure exposed to the elements.
- Structural Condition: Significant portions of the roof and floors are missing, and the building lacks all essential utilities, including electricity, HVAC, and water systems. The building would require extensive renovation or possibly demolition.
- Challenges: Despite its condition, the location and size of Building B offer considerable potential for redevelopment into office or residential spaces. Demolition and new construction may be a more feasible option for certain uses, such as a small-format grocery store.
- Opportunities: Prime location with a tremendous amount of potential for redevelopment into office or residential space. This building resembles that of 147 South Street prior to its renovation into rental housing.



Existing Conditions

STRENGTHS

- **Prime Location:** All buildings are situated in a strategic location with easy access to major transportation routes and proximity to new housing developments, which could attract future tenants.
- **Redevelopment Potential:** The open floor plans, industrial design, and large windows provide a blank slate for creative redevelopment, especially for urban market-style stores or other commercial uses.
- **Sustainability:** Building B's large roof offers the potential for solar energy systems, and the surrounding open space could support geo-thermal systems. Redevelopment of existing buildings, in contrast to demolition and new construction, also promotes sustainability.

WEAKNESSES

- **Significant Infrastructure Needs:** All buildings, particularly Building B, require extensive infrastructure improvements to support modern commercial uses, including electrical, plumbing, and HVAC systems.
- **Structural and Accessibility Issues:** Collectively, the buildings face several structural challenges, including deteriorated roofs and masonry, lack of ADA compliance, and insufficient egress points.
- **Financial Feasibility:** The cost of restoring or renovating these buildings may be prohibitive, and a detailed financial analysis would be necessary to determine the best course of action.

KEY TAKEAWAY

The properties, particularly Buildings A and B, offer significant redevelopment potential due to their prime location and the influx of new housing nearby. However, substantial challenges exist, including the need for extensive infrastructure improvements, structural evaluations, and compliance with modern energy codes. Addressing these issues will require creative design solutions and considerable investment to fully capitalize on the site's strengths.



CASE STUDY

FINDLAY MARKET

CINCINNATI, OHIO

41

Overview

Findlay Market is Ohio's oldest continuously operated public market and one of Cincinnati's most cherished institutions. Located in the Over-the-Rhine neighborhood, it serves as a bustling marketplace offering a wide variety of fresh, local produce, meats, cheeses, and other food products. Findlay Market has been instrumental in addressing food accessibility issues, supporting local farmers and artisans, and fostering a sense of community.

How does it relate?

Findlay Market serves as a vibrant hub in Cincinnati's Over-the-Rhine neighborhood. Offering a wide variety of fresh, local produce, meats, cheeses, and other food products, it plays a crucial role in addressing food accessibility, supporting local farmers and artisans, and fostering a strong sense of community. This model can be applied to 220 Passaic Street through the following themes :

- **Creating a Vibrant Food Hub:** A focus on local food access and support for small-scale food entrepreneurs can lay the groundwork for both immediate and long-term community resilience and economic vitality.
- **Addressing Food Insecurity:** By offering fresh, affordable food options in a central location residents—especially those with limited transportation—have reliable access to nutritious food.
- **Supporting the Local Economy:** Prioritizing local vendors and partnering with local farmers, artisans, and small businesses has brought the market immense success. This approach helps to stimulate the local economy, create jobs, and provide a platform for entrepreneurs to thrive, contributing to the neighborhood's overall revitalization.
- **Fostering Community Engagement:** Findlay Market successfully fosters community engagement. By hosting events, workshops, and cultural activities it strengthens the social fabric of the Over-the-Rhine neighborhood, celebrating its diversity and building a sense of belonging among residents.

WHY IT WORKS

- **Approach:** Findlay Market prioritizes the needs and preferences of the local community, providing affordable and accessible food options to low-income residents.
- **Support for Local Businesses:** The market offers a platform for small businesses, local farmers, and food artisans to sell their products, contributing to the local economy and creating jobs.
- **Educational & Community Programs:** The Market not only promotes healthy eating through cooking classes and nutrition workshops but also fosters community engagement with regular events such as farmers' markets, cultural festivals, and holiday celebrations, enhancing food literacy and social cohesion.





04 Market Analysis

This chapter summarizes the key findings from the Food Access Market Analysis conducted for the Action Plan. The full Market Analysis Report, including all data sources, is provided in Appendix A.



OVERVIEW

INTRODUCTION

Residents of the Eastside Neighborhood currently lack reliable access to fresh and affordable food, especially for those lacking private vehicles. The neighborhood is characterized as relatively young and low-income with high concentration of Hispanics. Many individuals in the neighborhood are first-generation coming from Mexico and the Dominican Republic, and nearly a quarter speak poor or no English. The area's population faces the additional challenge of relatively low car ownership, with between 30-50% of households having no access to a vehicle.

The property at 220 Passaic Street provides a new opportunity to bring food access to this densely populated, dynamic neighborhood through various models. The City of Passaic commissioned this study to identify potential uses of the space that the market could support while also meeting the objective of providing local food access.

Existing Supply of Food Markets

- 1. Currently, there are no major supermarkets located within the Neighborhood Trade Area.** The nearest grocery stores to the site include CTown and SuperFresh in Passaic, located to the West of the Neighborhood Trade Area across Route 21. Previously, ShopRite operated for 21 years on Eighth Street in Passaic but closed in 2015. This store was replaced with a new location in Wallington, approximately 2 miles from the site.
- 2. Current options for buying food in the Neighborhood Trade Area primarily include bodegas and minimarkets.** Note that Passaic has a staple food ordinance, which means all bodegas are required to sell staple foods such as milk, eggs,

proteins, fruits and vegetables, etc. Therefore, these stores serve as an option for the local neighborhood population to buy some food. However, selection is limited, and prices are often higher than they would be at a supermarket.

- 3. There are ample options for bodegas and minimarkets in the local area,** with approximately 20 in the Neighborhood Trade Area and another approximately 60 elsewhere within a one-mile radius from the Site. Many of these options are walkable within 5-10 minutes from the Site.
- 4. Farmers Markets and fresh produce stores offer another option for local consumers to purchase food.** These include stores that are open daily with normal store hours but focus on fresh and often local food options such as produce, meat, and seafood. While these are less common than typical supermarkets, there are several located within a five-mile radius of the Site, including one (Wallington Farmers Market) within the Neighborhood Trade area and two located just outside the one-mile radius.

The regional inventory of food stores is a critical input into understanding the market potential for a new food store at the Site.

SIGNIFICANT INVENTORY OF OTHER SUPERMARKETS WITHIN A 3-MILE RADIUS INDICATES THAT A LARGE SUPERMARKET-FORMAT STORE WOULD NOT BE VIABLE AT THE SITE.

Demand Drivers

On a macro level, grocery store spending accounts for 61% of national food spending, a figure that has remained elevated post-COVID-19, compared to the pre-pandemic level of 56%. Although the surge in at-home food sales has decreased since 2021, grocery store share remains strong. In 2023, 66% of shoppers sought cheaper products or switched to lower-price retailers, with this trend being most pronounced for center store items (68%) and least for fresh produce (60%).

A successful food market at the Site will need to cater to the neighborhood's demographics, which include a high concentration of Hispanic residents, many of whom are first-generation immigrants from Mexico and the Dominican Republic. Two-thirds of the population speaks Spanish at home, and nearly a quarter speak English poorly or not at all. Additionally, relatively few households have access to a private vehicle.

Hispanic consumers place a high value on fresh foods, spending \$175 more annually than the general population. Many residents likely live in multigenerational households and shop for their large families, preferring familiar brands and ingredients, especially those from Mexico and the Dominican Republic.

It is important to note that this neighborhood is generally characterized by relatively low-income households that are likely to value affordability. Price sensitivity is significant in this low-income area, making affordability and discounts crucial for these shoppers.



Grocery spending accounts for
61%
nationally



66%
of shoppers sought cheaper products



Hispanic consumers spend
\$175
more on fresh food each year



Median household income of
\$46,600

SITE ANALYSIS



The local neighborhood has a young, densely populated residential community, with strong walkability, bikeability, and access to transportation.



The area is experiencing significant residential development, attracting higher-income households.



There's an existing food culture, with strong entrepreneurial potential, supported by high income and spending power in surrounding areas.



On-site parking is available.

ADVANTAGES



DISADVANTAGES



Relatively low spending potential among neighborhood residents



Competing grocery stores located nearby



Risk of market saturation impacting local businesses



New development must be compatible with existing uses at the Site

FOOD ACCESS MODELS

Overview

Food access models vary and have variable viability for the Project Site. Potential models include conventional grocery stores, a daily indoor farmer's market or small-format grocery focused on fresh products, or a shared kitchen and food production space available for rent to food entrepreneurs. A mix of these use types may likely be the best fit for the Site. Given the constraints of the Site, including relatively low spending potential in the neighborhood area and competing nearby supermarkets, it will be critical that any new food retailer balances the dual objectives of maintaining affordability and accessibility of food to neighborhood residents while also attracting consumers from a wider region.

SUPPORTABLE SQUARE FEET AT SITE

Conventional Grocery Store

NOT VIABLE

Fresh Food/Farmer's Market

UNDER
15,000 SF

Shared Kitchen Space: 5,000

10,000 -
15,000 SF

KEY FINDINGS

Conventional Grocery Store

A conventional grocery or supermarket-style store would provide the greatest selection of food products to the neighborhood area, but due to several major constraints, it is not likely to be viable at this study site.

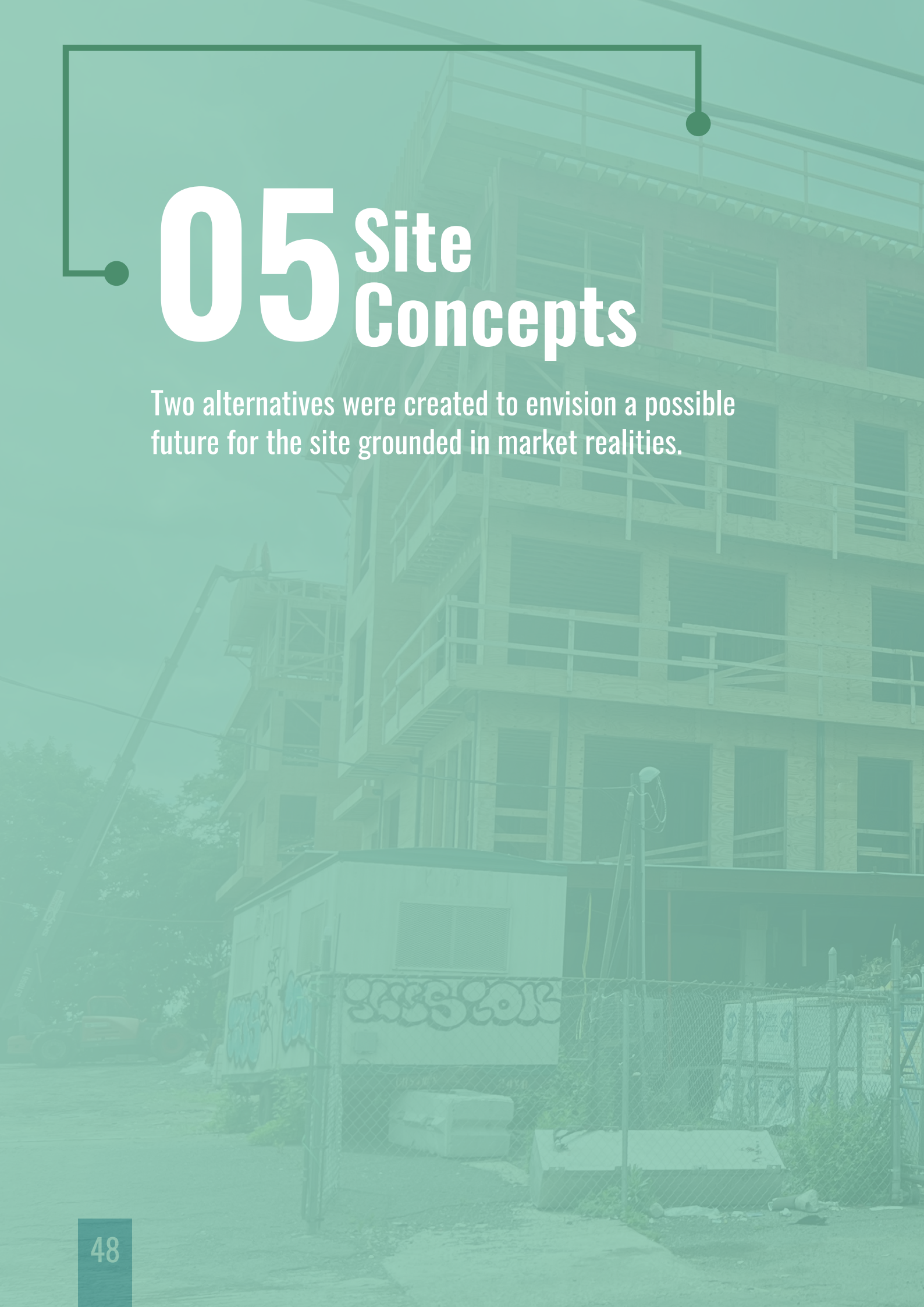
Fresh Food/Farmer's Market

This store model would provide neighborhood residents critical access to fresh foods such as produce, dairy, and meat while also offering a differentiated store experience that is less likely to disrupt the regional grocery market. This type of market would be a good fit for the space, with local market demand showing potential to support up to 15,000 SF.

Shared Kitchen Space

A shared kitchen or kitchen incubator could fill a critical gap in Passaic's growing food economy, supporting local entrepreneurs and providing residents with locally produced food. With potential retail components, it could also become a food hub destination. Based on similar regional models, the study site could support 5,000-15,000 SF of shared kitchen space.

220 PASSAIC HAS THE POTENTIAL TO TRANSFORM A LOCAL FOOD DESERT INTO A VIBRANT CULINARY HUB. BY OFFERING AFFORDABLE, HIGH-QUALITY FOOD THAT REFLECTS LOCAL CULTURE AND INNOVATIVE CULINARY EXPERIENCES, THIS SITE CAN BECOME A DESTINATION FOR BOTH RESIDENTS AND FOOD ENTHUSIASTS. IT CAN ALSO SERVE AS A LAUNCHPAD FOR EMERGING FOOD ENTREPRENEURS, FOSTERING LOCAL BUSINESS GROWTH WHILE ENRICHING THE COMMUNITY.



05 Site Concepts

Two alternatives were created to envision a possible future for the site grounded in market realities.



CONCEPTUAL SITE PLAN

As noted in the previous section, Buildings A and B offer significant redevelopment potential due to their prime location and the influx of new housing nearby. This section outlines potential concepts for units A1 and A2 inside Building A. These units were selected over Building B due to the number of challenges that would need to be addressed in order to have Building B restored.

The conceptual site plan (right) envisions no significant changes to the exterior of the buildings, but rather improves the public-facing section of the site, particularly as it relates to pedestrian circulation and ADA accessibility. Similarly, one of the buildings on the site was demolished between 2018 and 2019 and is used as a gravel parking area. This conceptual site plan would expand the parking area to include this area to provide for uniform paving and striping.





SITE IMPROVEMENTS

INTRODUCTION

The proposed site improvements at 220 Passaic Street aim to enhance the overall functionality and aesthetic appeal of the property while maintaining its existing structure. The primary focus will be on paving the gravel area, improving landscaping, and making necessary upgrades to the public-facing sections of the site, particularly in terms of pedestrian circulation and ADA accessibility. These enhancements are intended to create a more inviting environment for visitors and potential tenants alike.

It is important to note that the costs associated with these site-wide improvements have not been factored into Financial Feasibility Analysis (Appendix C), which primarily focuses on building improvements. The assumption is that these site-wide enhancements would be addressed by the property owner, who would have the discretion to allocate these costs as deemed appropriate.

Additionally, any site improvements will incorporate elements of resiliency, particularly concerning potential stormwater management solutions, to ensure that the site remains sustainable and resilient to environmental challenges. These efforts will contribute to the long-term viability and attractiveness of the property for future development and use.



Building A Exterior

Site Improvement Estimates

Description	Qty	Total Cost
PARKING LOT REPLACEMENT		
Excavation Over Dig 24"	2,593 CY	\$194,450
Backfill	35,000 SF	\$113,750
Asphalt Base, Base Course, Top Coat	3,889 SY	\$209,070
Parking & Crosswalk Painting	1 ls	\$1,200
OTHER		
Top Coat Paving	15,722 SY	\$133,640
Parking & Crosswalk Painting	1 ls	\$6,000
Landscaping Allowance	1 ls	\$50,000
CONTINGENCIES		
Design & Estimating	20%	\$141,630
Construction Contingency	5%	\$35,410
Stormwater Improvement Contingency	11%	\$77,900
DIRECT COSTS SUBTOTAL:		\$963,050
INDIRECT COSTS		
General Conditions	7%	\$67,420
General Requirements	3%	\$28,900
Overhead and Profit	15%	\$144,460
Permits & Fees	1%	\$9,640
Builders Risk Ins.	1%	\$12,040
General Liability Ins.	1.15%	\$13,850
INDIRECT COSTS SUBTOTAL:		\$276,310
TOTAL ESTIMATED COST		\$1,239,360



\$1,446,620

Total Project Cost

BUILDING A1

Project Overview

Space A1 includes a 4,200-square-foot fresh food market. The space includes produce cases, coolers and storage, restrooms, and a sales floor. While the market analysis found that a conventional grocery store would not be viable at this site, the fresh food market would focus on local produce and perishable goods. Unlike a traditional farmer's market, the fresh food market is intended to be open daily and operate out of a small, indoor space. This store model would provide neighborhood residents critical access to fresh foods such as produce, dairy, and meat while also offering a differentiated store experience that is less likely to disrupt the regional grocery market.

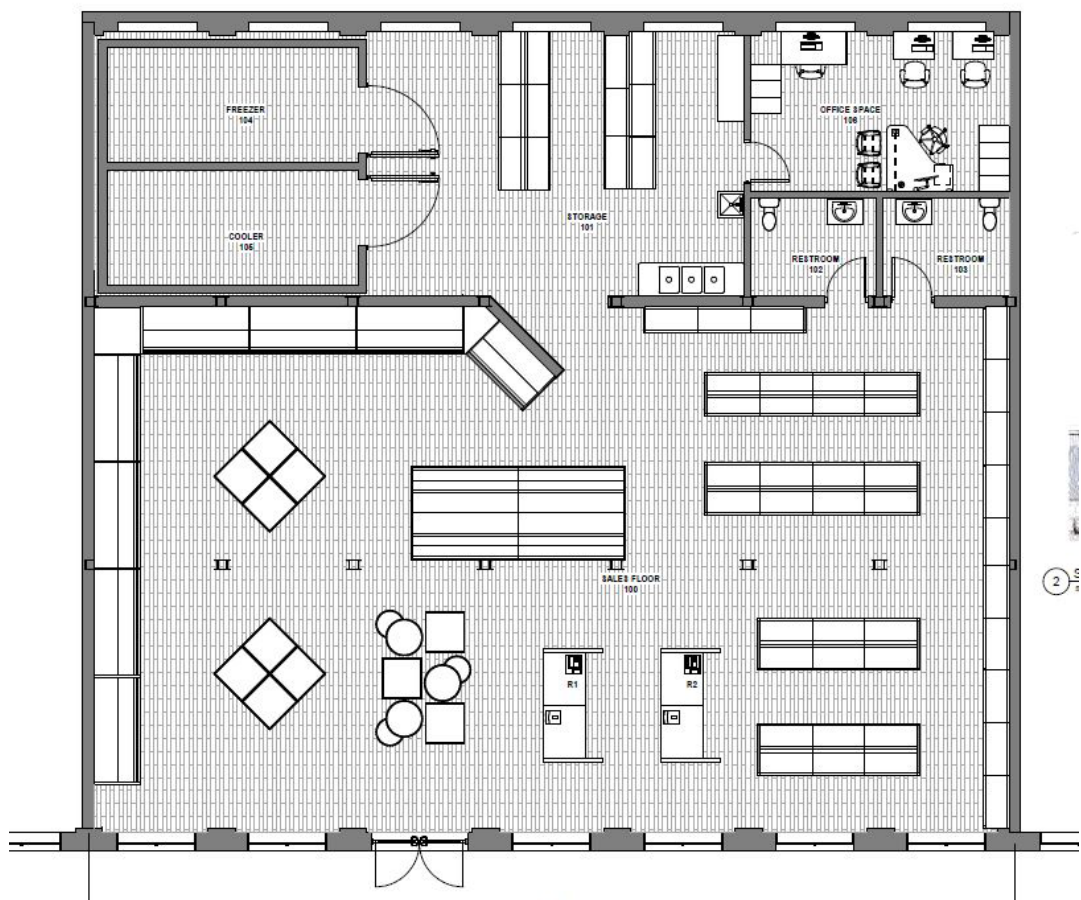
The neighborhood market area that this store would primarily serve has a high share of low-income residents. In order to meet the City's objectives of providing food access to the neighborhood, this fresh food market will need to place a focus on affordability. For this reason, the store may need to adopt a nonprofit model.

Conceptual Building Estimates

Description	Qty	Total Cost
DEMO		
Space Demo	4,000 SF	\$80,000
Abatement	4,000 SF	\$40,000
MASONRY		
Interior Tuck Pointing	1,000 SF	\$15,000
ROOFING & WATERPROOFING		
Waterproofing & Caulking	4,000 SF	\$10,000
DOORS & WINDOWS		
Windows	240 SF	\$21,600
Doors	1 RR	\$8,500
FINISHES		
Wall Partitions	1,500 SF	\$25,500
Floors/Base/Ceiling	4,000 SF	\$120,000
Bathrooms	2 ea	\$30,000
EQUIPMENT		
Walk in Cooler	1 ls	\$20,000
Walk in Freezer	1 ls	\$25,000
Coolers	8 ea	\$60,000
FURNISHINGS		
Shelves/Displays	936 SF	\$42,120
Kiosk Check Out	2 ea	\$5,000
FIRE PROTECTION		
Wet Type Sprinkler System	4,000 SF	\$30,000
PLUMBING		
Conceptual Plumbing System	4,000 SF	\$72,000
Fixtures	1 ls	\$5,000
HVAC		
Conceptual HVAC System	2,500 SF	\$144,000
ELECTRICAL		
Conceptual Electrical "not including supply side"	2,500 SF	\$142,000
TECHNOLOGY		
Cameras	4,000 SF	\$8,000
IT Wiring	4,000 SF	\$8,000
		SUBTOTAL: \$911,720
CONTINGENCIES		SUBTOTAL: \$227,940
INDIRECT COSTS		SUBTOTAL: \$326,960
		TOTAL ESTIMATED COST \$1,466,620

Proposed Conditions - Fresh Food Market

Proposed Floor Plan



Proposed Rendering



Financial Feasibility

Based on the Market Analysis (Appendix A) it is assumed that the market will have retail revenue of \$635 per square foot, totaling \$2,667,000 of retail revenue annually upon stabilization. The previous market analysis found that total spending on food in the wider region was about \$1,000 per square foot.

Looking at fresh foods only (produce, dairy, meat, etc.) total regional spending was lower, ranging from \$500-\$600 per square foot. However, this food store would be the only store directly serving the neighborhood trade area and would be likely to directly compete with other full-scale grocery stores within the 1-mile radius, and therefore sales per square foot at this store can reasonably be expected to be slightly higher than the regional average for fresh food. Based on these insights, an assumption of \$635 per square foot is used.

In context, \$2.67 million in food sales at this store would represent approximately 13% of total neighborhood spending on food based on the current population, and would represent an estimated 10% of total neighborhood spending on food after accounting for projected growth in households.

The financial viability of this scenario hinges on several capital assumptions. Startup depends on the operator securing funds for construction and renovation of Space A1 into a market. Without grants, the operator will need \$146,662 for a down payment (10% of total costs) and a loan of \$1,319,958 for the remainder. During the 5-year loan period, an annual operating subsidy of \$214,063 would be required to cover an 8.0% revenue gap. However, after the loan is paid off in Year 6, the store is expected to generate an annual profit of \$125,000, with a 4.7% profit margin, assuming sales of \$635 per square foot. See Appendix C for more information.

ANNUAL NET CASH FLOW AT STABILIZED OCCUPANCY

Operations	
REVENUE	
Retail Revenue	\$2,667,000
COST OF GOODS SOLD	
Grocery Items	(\$1,749,552)
GROSS MARGIN	\$917,448
OPERATING EXPENSES	
Rent (\$84,000)	
Direct Labor (\$490,560)	
Overhead Labor (\$100,000)	
Marketing (\$16,800)	
Utilities (\$25,200)	
Depreciation (\$21,000)	
Misc. (\$54,600)	
TOTAL OPERATING EXPENSES	(\$792,160)
NET OPERATING CASH FLOW	\$125,288
Financing	
DEBT FINANCING	
Debt Service Payments	(\$339,351)
TOTAL NET CASH FLOW	(\$214,063)



TOTAL NET CASH FLOW FOR SPACE A1 IS ESTIMATED TO BE -\$214,063 ANNUALLY, OR AN 8.0% DEFICIT COMPARED TO REVENUES. THEREFORE, THIS MARKET WOULD NEED TO BE OPERATED BY A NOT-FOR-PROFIT ORGANIZATION.

Sustainability

The fresh food market can promote sustainability by focusing on the local sourcing of produce and perishable goods, reducing the carbon footprint associated with transportation. The daily operation of the market ensures consistent access to fresh, healthy foods for neighborhood residents, particularly in a low-income area where food deserts are common.

By prioritizing energy-efficient upgrades and retrofitting the existing building to meet modern standards, the project also supports long-term environmental sustainability through reduced energy consumption and improved building performance.

Project Impacts

The redevelopment of Building A1 into a fresh food market has the potential to significantly impact the community, including the following:

- Transforms an underutilized space into a vibrant resource for local entrepreneurs, particularly those in the food industry.
- Repurposes a vacant building, activating the area and potentially boosting neighboring property values and surrounding businesses.
- Provides a daily source of fresh, affordable produce and other perishables, directly addressing food insecurity.
- Creates accessible opportunities for small businesses and connects the local community to economic opportunities within the Eastside neighborhood.
- Provides an opportunity to serve as a hub for food education, fostering a deeper connection between residents and the local food industry while supporting the broader goals of community development and sustainability.

Next Steps

Building A1 is currently in an unfinished condition and will require significant improvements to meet modern building codes and accommodate future uses. The space lacks proper insulation on the interior of the exterior walls, and the windows are poorly sealed, with noticeable gaps, especially at the curved sections. The aging wood flooring is uneven, reflecting the building's age, and the electrical infrastructure is inadequate, with insufficient panels, power receptacles, and minimal lighting. These deficiencies highlight the need for comprehensive renovations to transform the space into a functional, code-compliant environment.

Additionally, there is no HVAC system in place. Planned upgrades for these spaces will need to be carefully designed to meet all current building, mechanical, electrical, fire, and energy code requirements.

The structural integrity of Building A1 must be thoroughly evaluated by a structural engineer to ensure it can support any proposed uses for the space. Although the building was originally designed to accommodate the heavy loads typical of a production factory, which suggests it may be well-suited for retail and commercial purposes, a comprehensive assessment of the existing structure and its components is necessary. This review will confirm the building's suitability for the intended uses and ensure full compliance with current building codes.

THE DAILY TABLE CASE STUDY

Daily Table is a nonprofit that operates 5 grocery stores throughout Greater Boston. It focuses on affordability & accessibility, nutrition, dignity, and community. It aims to provide healthy food options to low-income communities where healthy food isn't often available.

To achieve its vision, Daily Table sourced 69% of its revenue from retail sales, and 31% from grants and contributions in 2023. Daily Table served 10,000 customers per week in 2023, and 25% of all transactions were made using SNAP.





BUILDING A2



\$5,602,320

Total Project Cost

Project Overview

Space A2 includes four synergistic use types centering on local access to food as well as support for local food entrepreneurs. While the 3,750 SF market is intended to be nearly identical in scope to the concept for Space A1, Space A2 also includes other key components that would simultaneously serve the multiple objectives of providing the local neighborhood with access to fresh foods, supporting food entrepreneurs in the neighborhood who need licensed space to scale production, and drawing in new visitors from outside of the neighborhood into Passaic's Eastside food economy.

While the neighborhood market area would be the primary target customer base for the fresh food market, the space's other uses such as the food court and rental commercial kitchen space would likely draw customers from a wider region. The market analysis for the site found that depending on the kitchen's model, the nearest commercial kitchen or food incubator is between 6-15 miles from the Site, with more general kitchen rental spaces located farther from the site. Meanwhile, few food halls exist throughout Northern New Jersey to compete with the proposed concept.

In Concept 2, the larger A2 space in Contempo Plaza would be converted into a destination food hall and market featuring several unique space use types that provide a variety of food access points to the local population and to food economy entrepreneurs. The 14,600-square-foot space would feature:

1. A 3,750-square-foot fresh food market similar in scope to Concept 1.
2. Two 2,400-square-foot commercial kitchens that can be rented by local food economy entrepreneurs for their food manufacturing, catering, meal prep, or other similar food business.
3. A 3,550-square-foot food court featuring four service stations, storage, and a customer seating area. The vision of this food court is to provide local pop-up chefs and other aspiring restaurateurs with affordable space to launch their restaurant business, and additionally draw visitors from outside of the neighborhood to Passaic's burgeoning food scene.
4. A 2,500-square-foot café and food service area, which would be rented to one additional food vendor seeking larger prep space, storage, and a dedicated seating area.



A2 - MARKET CONCEPTUAL RENDERING

Conceptual Estimates - Cafe / Food Service

Description	Qty	Total Cost
DEMO		
Space Demo	2,500 SF	\$50,000
Abatement	2,500 SF	\$25,000
MASONRY		
Interior Tuck Pointing	800 SF	\$12,000
ROOFING & WATERPROOFING		
Waterproofing & Caulking	2,500 SF	\$6,250
DOORS & WINDOWS		
Windows	100 SF	\$9,000
Doors	1 PR	\$8,500
FINISHES		
Wall Partitions	1,300 SF	\$22,100
Floors/Base/Ceiling	2,500 SF	\$75,000
Bathrooms	1 ls	\$130,000
FURNISHINGS		
Tables/Chairs/Counters	2,000 SF	\$30,000
FIRE PROTECTION		
Wet Type Sprinkler System	2,500 SF	\$18,750
PLUMBING		
Conceptual Plumbing System	2,500 SF	\$45,000
HVAC		
Conceptual HVAC System	2,500 SF	\$90,000
ELECTRICAL		
Conceptual Electrical "not including supply side"	2,500 SF	\$88,750
TECHNOLOGY		
Cameras	2,500 SF	\$5,000
IT Wiring	2,500 SF	\$5,000
		SUBTOTAL: \$620,350
CONTINGENCIES		SUBTOTAL: \$155,090
INDIRECT COSTS		SUBTOTAL: \$222,490
TOTAL ESTIMATED COST \$997,930		

Conceptual Estimates - Market

Description	Qty	Total Cost
DEMO		
Space Demo	3,750 SF	\$75,000
Abatement	3,750 SF	\$37,500
MASONRY		
Interior Tuck Pointing	800 SF	\$12,000
ROOFING & WATERPROOFING		
Waterproofing & Caulking	3,750 SF	\$9,380
DOORS & WINDOWS		
Windows	240 SF	\$21,600
Doors	2 PR	\$17,000
FINISHES		
Wall Partitions	100 SF	\$1,700
Floors/Base/Ceiling	3,750 SF	\$112,500
EQUIPMENT		
Walk in Cooler	1 ea	\$20,000
Walk in Freezer	1 ea	\$25,000
Coolers	8 ea	\$60,000
FURNISHINGS		
Shelving/Displays	936 SF	\$42,120
Kiosk Check out	2 ea	\$5,000
FIRE PROTECTION		
Wet Type Sprinkler System	3,750 SF	\$28,130
PLUMBING		
Conceptual Plumbing System	3.750 SF	\$45,000
Fixtures	1 ls	\$5,000
HVAC		
Conceptual HVAC System	3,750 SF	\$135,000
ELECTRICAL		
Conceptual Electrical "not including supply side"	3,750 SF	\$133,130
TECHNOLOGY		
Cameras	3,750 SF	\$7,500
IT Wiring	3,750 SF	\$7,500
		SUBTOTAL: \$822,560
CONTINGENCIES		SUBTOTAL: \$205,650
INDIRECT COSTS		SUBTOTAL: \$295,010
TOTAL ESTIMATED COST \$1,323,220		

Conceptual Estimates - Test Kitchens

Description	Qty	Total Cost
DEMO		
Space Demo	2,400 SF	\$48,000
Abatement	2,400 SF	\$23,000
MASONRY		
Interior Tuck Pointing	1,920 SF	\$28,800
ROOFING & WATERPROOFING		
Waterproofing & Caulking	2,400 SF	\$6,000
DOORS & WINDOWS		
Windows	300 SF	\$27,000
Doors	2 PR	\$17,000
FINISHES		
Wall Partitions	1,440 SF	\$24,480
Floors/Base/Ceiling	2,400 SF	\$72,000
EQUIPMENT		
Kitchen Equipment	2,400 SF	\$840,000
FURNISHINGS		
Tables/Chairs/Counters	1 ls	\$10,000
FIRE PROTECTION		
Wet Type Sprinkler System	2,400 SF	\$18,000
PLUMBING		
Conceptual Plumbing System	2,400 SF	\$43,200
HVAC		
Conceptual HVAC System	2,400 SF	\$86,400
ELECTRICAL		
Conceptual Electrical "not including supply side"	2,400 SF	\$85,200
TECHNOLOGY		
Cameras	2,400 SF	\$4,800
IT Wiring	2,400 SF	\$4,800
		SUBTOTAL: \$1,339,680
CONTINGENCIES		SUBTOTAL: \$334,930
INDIRECT COSTS		SUBTOTAL: \$480,440
TOTAL ESTIMATED COST \$2,155,050		

Conceptual Estimates - Food Court Center

Description	Qty	Total Cost
DEMO		
Space Demo	3,550 SF	\$71,000
Abatement	3,550 SF	\$35,500
MASONRY		
Interior Tuck Pointing	1,000 SF	\$15,000
ROOFING & WATERPROOFING		
Waterproofing & Caulking	3,550 SF	\$8,880
DOORS & WINDOWS		
Windows	200 SF	\$18,000
Doors	1 PR	\$8,500
FINISHES		
Wall Partitions	3,550 SF	\$60,350
Floors/Base/Ceiling	3,550 SF	\$106,500
FURNISHINGS		
	3,550 SF	\$17,750
FIRE PROTECTION		
Wet Type Sprinkler System	3,550 SF	\$26,630
PLUMBING		
Conceptual Plumbing System	3,550 SF	\$63,900
HVAC		
Conceptual HVAC System	3,550 SF	\$127,800
ELECTRICAL		
Conceptual Electrical "not including supply side"	3,550 SF	\$126,030
TECHNOLOGY		
Cameras	3,550 SF	\$7,100
IT Wiring	3,550 SF	\$7,100
		SUBTOTAL: \$700,040
CONTINGENCIES		SUBTOTAL: \$175,020
INDIRECT COSTS		SUBTOTAL: \$251,060
TOTAL ESTIMATED COST \$1,126,120		

Financial Feasibility

Revenue generated by the operator would come primarily from rent charged to each of the sub-tenants of the space. These revenue projections are based on a unique set of assumptions tailored to each sub-tenant.

The financial modeling of this scenario is dependent on several capital assumptions. Startup will be contingent on the operator's ability to finance construction and renovation costs associated with turning Space A2 into the proposed concept. Without grants or subsidies, the capital needed to complete construction includes approximately \$775,737 for a down payment (10% of total costs) and, therefore, a loan for the remaining \$6,981,633.

During the 5-year loan period, the operator would need an annual operating subsidy of approximately \$1,760,656 to break even. However, this operating subsidy is unlikely to be necessary following loan payoff in Year 6. Without the cost of financing, Net Operating Cash Flow is estimated to turn a profit of just over \$34,000 annually starting in Year 6, representing a profit margin of approximately 1%.

ANNUAL NET CASH FLOW AT STABILIZED OCCUPANCY

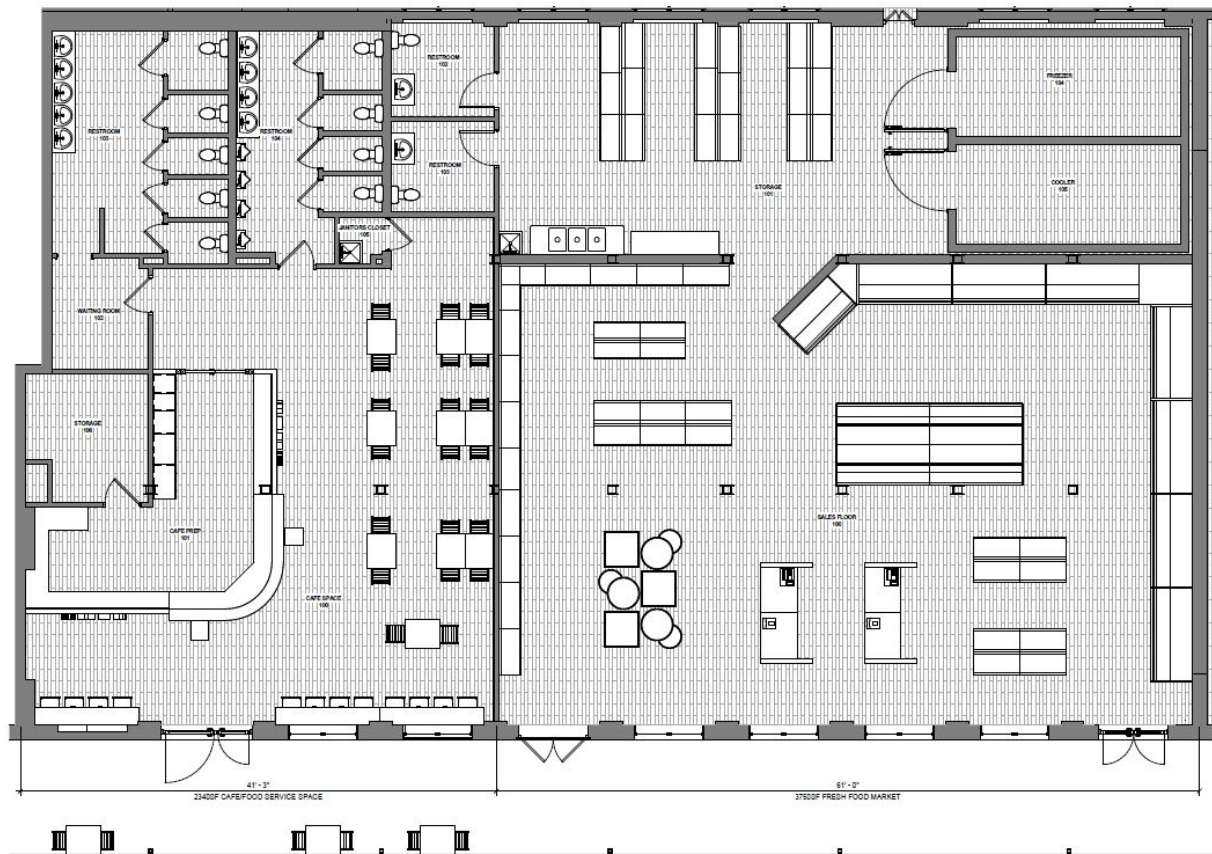
Operations					
	MARKET	TEST KITCHEN	FOOD COURT	CAFE FOOD SERVICE	TOTAL
REVENUE					
Revenue Collected from Vendor Tenants	-	\$500,000	\$96,000	\$60,000	\$656,000
Retail Revenue	\$2,625,000	-	-	-	\$2,652,00
COST OF GOODS SOLD					
Grocery Items	(\$1,722,000)	-	-	-	(\$1,722,000)
GROSS MARGIN	\$903,000	\$500,000	\$96,000	\$60,000	\$1,559,000
OPERATING EXPENSES					
Rent	(\$75,000)	(\$96,000)	(\$71,000)	(\$50,000)	(\$292,000)
Direct Labor	(\$490,560)	(\$125,000)	(\$0)	(\$0)	(\$615,560)
Overhead Labor)	(\$51,370)	(\$65,753)	(\$48,630)	(\$34,247)	(\$200,000)
Marketing	(\$16,669)	(\$21,336)	(\$15,780)	(\$11,113)	(\$64,897)
Utilities	(\$21,431)	(\$27,432)	(\$20,288)	(\$14,288)	(\$83,439)
Depreciation	(\$19,050)	(\$24,384)	(\$18,034)	(\$12,700)	(\$74,168)
Misc.	(\$50,000)	(\$64,000)	(\$47,333)	(\$33,333)	(\$194,667)
TOTAL OPERATING EXPENSES	(\$724,080)	(\$423,905)	(\$221,065)	(\$155,680)	(\$1,524,731)
NET OPERATING CASH FLOW	\$178,920	\$76,095	(\$125,065)	(\$95,680)	\$34,269
Financing					
DEBT FINANCING	(\$306,171)	(\$997,285)	(\$260,565)	(\$230,904)	(\$1,794,925)
TOTAL NET CASH FLOW	(\$127,251)	(\$921,190)	(\$385,630)	(\$326,584)	(\$1,760,656)



TOTAL NET CASH FLOW FOR A2 IS ESTIMATED TO BE -\$1,760,656 ANNUALLY, REPRESENTING A DEFICIT EQUAL TO APPROXIMATELY 54% OF REVENUE.

Proposed Conditions - Cafe / Food Service

Proposed Floor Plan

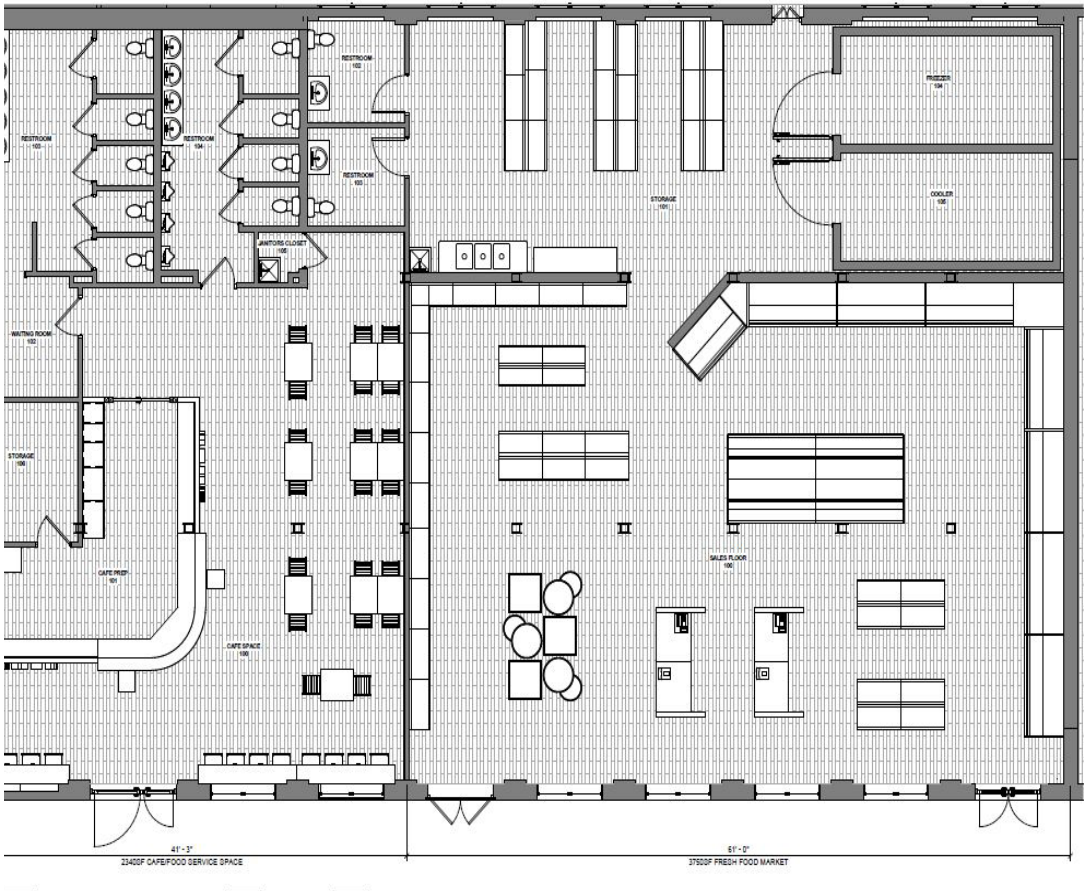


Proposed Rendering



Proposed Conditions - Fresh Food Market

Proposed Floor Plan

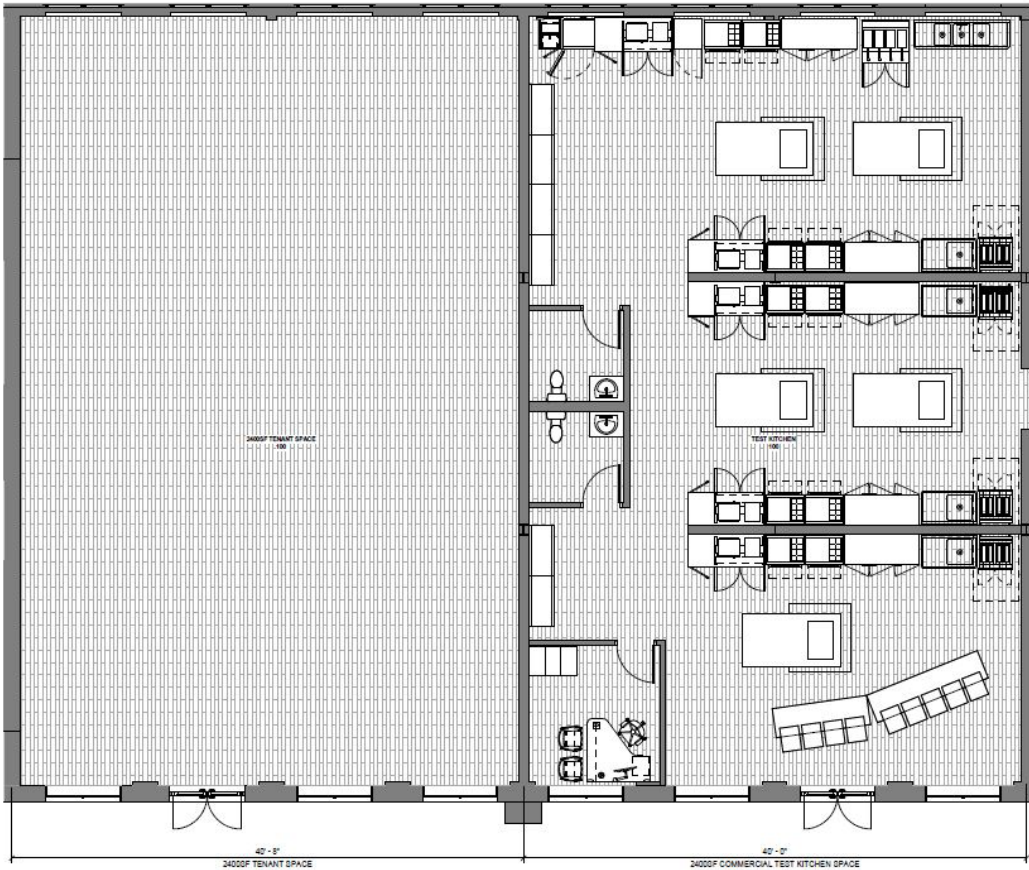


Proposed Rendering



Proposed Conditions - Test Kitchen

Proposed Floor Plan



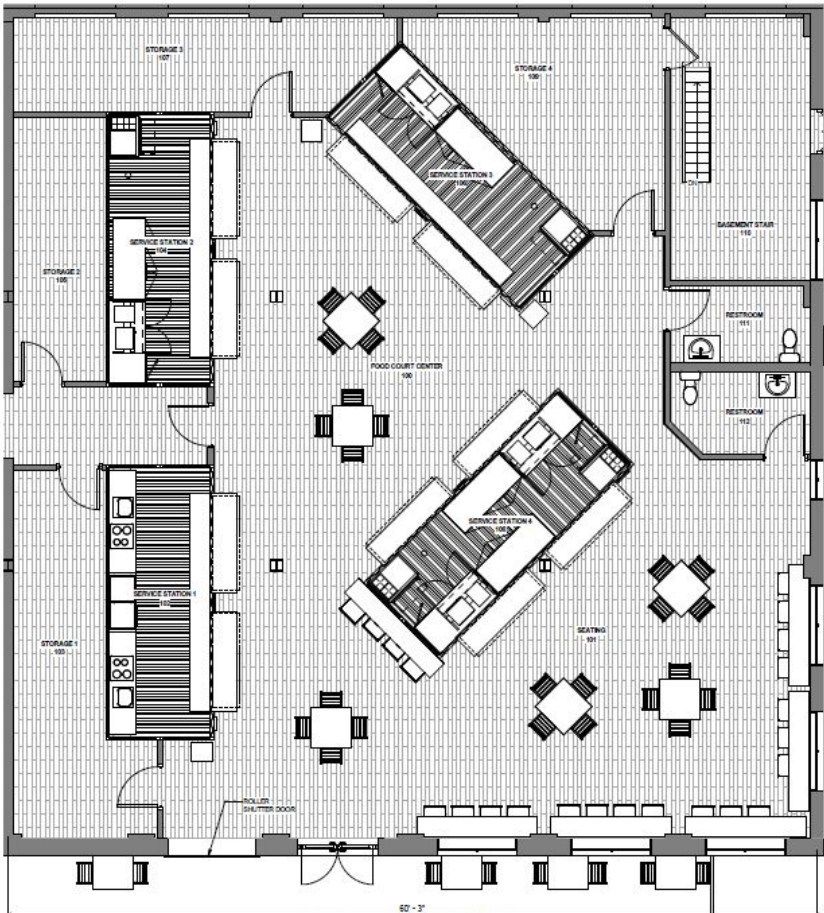
Conceptual Rendering



Source: Facility Designs

Proposed Conditions - Food Court Center

Proposed Floor Plan



Proposed Rendering



Sustainability

This project exemplifies sustainability through the adaptive reuse of an existing building, preserving its historical value while minimizing the environmental impact of new construction. By preserving the core of the building, adaptive reuse minimizes waste generation and the energy required for new construction, thereby conserving natural resources.

Additionally, the planned upgrades, including enhanced insulation, a modern HVAC system, and energy-efficient appliances, will significantly reduce energy consumption, lowering both operational costs and the building's carbon footprint.

Project Impacts

The redevelopment of Building A2 has the potential to significantly impact the community, including the following:

- Improves access to fresh, locally sourced foods.
- Creates a distinctive destination, offering a unique model not currently available in the Northern New Jersey market. Its innovative combination of uses forms a cohesive food hub experience that is poised to attract visitors from outside the area, boosting sales and revenue projections beyond the local neighborhood's spending potential. Creates direct employment opportunities across numerous markets.
- Creates an opportunity to increase property values and spur further investment in the neighborhood.
- Diversifies the local economy by establishing a food destination that provide for the local community and also attracts visitors from beyond the neighborhood
- Provides educational opportunities by offering space for food education and culinary training.

Next Steps

The structure of Building A2 must be evaluated by a structural engineer to ensure it can support the proposed uses, as it was originally designed for factory loads and should be suitable for retail and commercial purposes. Currently, Space A2 is in a raw state and requires significant improvements to meet modern building codes. The space lacks insulation, has poorly sealed windows, uneven flooring, inadequate electrical infrastructure, minimal lighting, and limited water and sewer services. The HVAC system is a shared multi-zone unit. Planned upgrades must address these deficiencies to comply with building, mechanical, electrical, fire, and energy codes.

FUNDING GAPS

INTRODUCTION

At least in the first five years of operation, the Project will need to seek alternative funding, such as grants, donations, or contributions from charitable foundations. The proposed uses are estimated to have funding gaps of \$214,063 and \$1.76 million for spaces A1 and A2, respectively.

Several models exist that could feasibly support operations. For example, Daily Table is a nonprofit market that operates 5 stores in the Boston area and is focused on serving the local community with affordable, fresh, healthy foods. In FY23, Grants and Contributions accounted for approximately 30% of the nonprofit's revenue, with the remaining 70% coming from retail sales. Other options, such as grants to cover renovation and equipment, could alleviate significant financial burden and free up cash flow for operations.

Total net cash flow is expected to turn positive following debt payoff. Without the cost of debt financing, both concepts are expected to turn a marginal profit of 4.7% and 1.0%, respectively, reducing the need for grants, subsidies, or additional financial support. However, while the Total Net Cash Flow across all four spaces is expected to be positive starting year 6, not all use types in Concept 2 are expected to have positive Total Net Cash; the Food Court and Café Food Service are expected to continue to have negative Total Net Cash Flow even after meeting debt obligations, which is mitigated by expected profits in the Market and Test Kitchen. In this case, some grants, subsidies, or other financial support may be necessary to provide a greater financial cushion to the operator and ensure the long-term stability of the operation.

SUMMARY OF CASH FLOW

	Concept 1	Concept 2
Revenue from Operations	\$2,667,000	\$3,281,000
Cost of Goods, Sold	(\$1,749,552)	(\$1,722,000)
ANNUAL OPERATING COSTS	(\$792,160)	(\$1,524,731)
Net Annuals Operating Cash Flow	\$125,288	\$34,269
Debt Service	(\$339,351)	(\$1,794,925)
YEAR 1-5 ANNUAL NET CASH FLOW	(\$214,063)	(\$1,760,656)
YEAR 6 ANNUAL NET CASH FLOW	\$125,288	\$34,269
Year 1-5 Annual Operating Subsidy for Break-even	\$214,063	\$1,760,656
Year 1-5 Annual Operating Subsidy % of Revenue	8%	54%
Year 6 Annual Operating Subsidy for Break-even	\$0	\$0
Year 6 Annual Operating Subsidy % of Revenue	n/a	n/a



CASE STUDY

ROCHESTER PUBLIC MARKET

ROCHESTER, NEW YORK

73

Overview

The Rochester Public Market, located at 280 North Union Street, has been a cornerstone of the community since 1905. Operating year-round on Tuesdays, Thursdays, and Saturdays, it attracts over 1.5 million visitors annually. The market offers a wide variety of products, including fresh produce, meats, seafood, dairy products, baked goods, ethnic foods, and specialty items. In addition to market days, the Rochester Public Market hosts numerous special events and programs that contribute to its vibrant atmosphere and community engagement.

How does it relate?

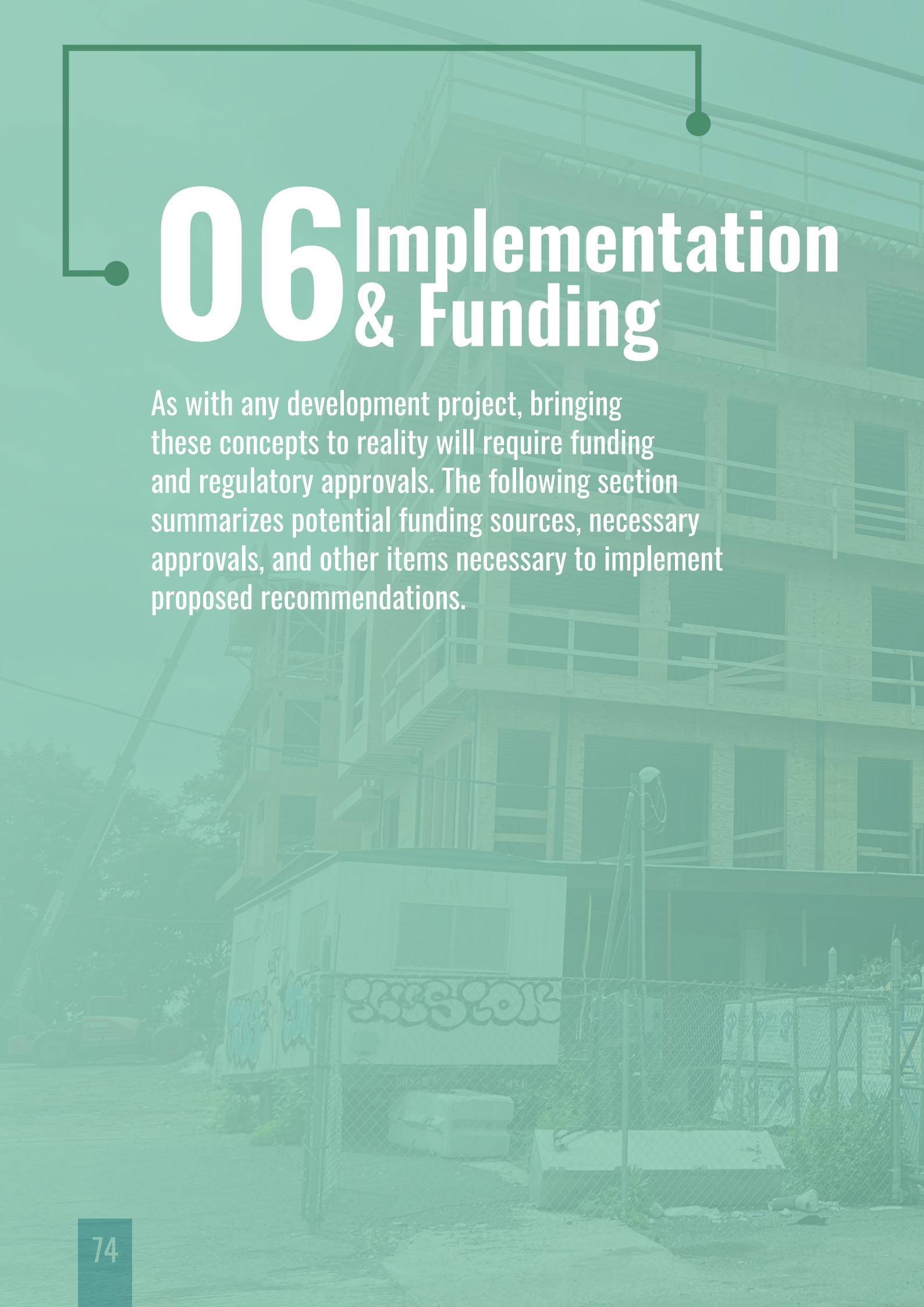
The Rochester Public Market's economic model, centered around affordability, community engagement, and diverse revenue streams, offers a successful framework that can be applied to the 220 Passaic Street project.

- **Affordable Vendor Access:** Offering affordable stall rentals can encourage participation from local farmers, artisans, and food producers. By lowering the financial barriers to entry, the market can attract a diverse range of vendors, ensuring a vibrant and varied marketplace. This inclusivity will not only support small businesses but also provide residents with access to a wide array of fresh, locally-sourced products.
- **Diverse Revenue Streams:** Generating revenue through multiple channels, including stall rentals, special events, and community partnerships. By hosting events such as food festivals, cooking demonstrations, and cultural celebrations, the market can draw in additional visitors, increasing sales opportunities for vendors. Partnerships with local organizations can also provide additional funding and resources, further enhancing the market's financial sustainability.
- **Community Engagement and Foot Traffic:** One of the keys to the Rochester Public Market's success is its ability to serve as a community hub, drawing regular foot traffic through its events and programs. By offering a range of community-focused activities that engage residents and create a sense of ownership and pride in the marketplace. This increased foot traffic will directly benefit vendors, creating a positive feedback loop that drives economic activity and supports the market's long-term viability.

WHY IT WORKS

- **Historical and Cultural Significance:** As one of the oldest continuously operating public markets in the U.S., the Market has deep-rooted significance and serves as a cultural hub, offering a vibrant space for community events.
- **Diverse Offerings and Support for Local Businesses:** With 300+ vendors, the market offers a wide variety of products, from fresh produce to ethnic foods.
- **Accessibility and Inclusion:** Centrally located and easily accessible..
- **Sustainability and Community Engagement:** Committed to sustainability through initiatives like Flower City Pickers.





06 Implementation & Funding

As with any development project, bringing these concepts to reality will require funding and regulatory approvals. The following section summarizes potential funding sources, necessary approvals, and other items necessary to implement proposed recommendations.



IMPLEMENTATION

OVERVIEW

The successful execution of any development project requires a thorough understanding of the applicable zoning requirements, permitting processes, and potential funding opportunities. This section provides resources designed to guide through these critical stages.

Farmer's Market Ordinance

If a year-round farmers' market at the selected site is proposed, this may require an amendment to the City code, which does not permit such use. It is not clear if the proposed concepts would technically apply, however, as the proposed uses are more in line with that of a small-scale grocery store, than a traditional farmer's market.

In the event that the City feels that such a use will constitute a "farmers market," then it may be necessary to revisit the City's ordinance. High-level considerations for this amendment include evaluating the impact on traffic and parking, ensuring the market's compatibility with surrounding land uses, and addressing potential concerns related to noise, waste management, and food safety.

Additionally, the amendment process should consider the economic benefits of providing a consistent platform for local farmers and vendors, as well as the positive community impact of improving access to fresh, locally-sourced produce year-round. Strategic planning and community outreach will be critical to securing the necessary approvals and ensuring the long-term success of the market.

Permitting Resources

The permit resources available on Page 78, provide an overview of the approvals that may need to be sought to move forward with the redevelopment of 220 Passaic Street. Please note this list is

not exhaustive, but provides a general summary of the necessary steps and departments involved.

- **Zoning Approval (City of Passaic):** The project will need to align with the zoning regulations set forth by the City of Passaic. The Planning, Redevelopment & Economic Development department will play a key role in this process, ensuring that the proposed redevelopment meets all zoning requirements
- **Building Department Approval (City of Passaic):** Approval from the Building Department, which includes Code Enforcement & Zoning, will be required to ensure that the construction and rehabilitation efforts comply with local building codes and standards
- **Fire Department Approval (City of Passaic):** The Passaic Fire Department will need to review and approve the project to ensure that all fire safety regulations are met, including emergency access, fire suppression systems, and overall fire code compliance.
- **Department of Health Approval (Passaic County):** The Passaic County Department of Health Services, specifically the Office of Environmental Health, will need to grant approval, particularly in relation to environmental health standards. This may include assessments of air and water quality, waste management, and other environmental impacts.
- **Business License for Food Establishments (City of Passaic):** A business license will be required from the Health Division of the City of Passaic to operate any food-related establishments within the redeveloped site. This will involve meeting all health and safety requirements for food service operations.

Funding Resources

A summary of potential funding resources is available on Pages 79-80. Please note this list is not exhaustive and is subject to change based on political priorities, and other factors. It is recommended to explore these resources thoroughly and consult with relevant agencies to determine the most appropriate funding avenues for the project.

Next Steps

The property owner and the City may consider issuing a request for proposals or expressions of interest from potential operators for one of the proposed uses to gauge market interest. At this time, it remains uncertain whether there will be interest from the private sector to manage and operate such uses, or if a non-profit organization, the City itself, or other institutional partners (e.g., Passaic County Technical-Vocational Schools or Passaic County Community College) might express interest in the site and location. To further explore these possibilities, the property owner could consider hosting an open house for potential operators to introduce them to the site and its potential for adaptive reuse.

In parallel, leasing agreements between potential tenants/operators and the property owner would need to be negotiated. Additionally, coordination between the property owner and the City will be essential in developing the site. This could include preparing a redeveloper's agreement that might need to address the easement or conveyance of City-owned lots. As the site is within a designated redevelopment area, the City and potential developers also have the ability to negotiate potential tax abatements. If the proposed development does not align with the requirements of the existing Redevelopment Plan, an amendment to the plan may be necessary.

Additionally, the City may need to amend its Farmers Market ordinance, if applicable, to accommodate the proposed use. The property owner would then submit a site plan for review and approval, adhering to the stipulations of the Redevelopment Plan.

The developer will be required to apply for all applicable permits. Depending on the proposed use, the City, developer, or operator may also be eligible for potential grant funding to offset certain operating and/or capital expenditures. Some potential grants are listed in the following sections, but it is important to note that this is not an exhaustive list, and eligibility or availability of funding may change over time.



PERMIT RESOURCES

Department	Agency	Link
Zoning (City of Passaic)	Planning, Redevelopment & Economic Development	https://www.cityofpassaic.com/249/Planning-Redevelopment-Economic-Developm
Building Department (City of Passaic)	Code Enforcement & Zoning	https://www.cityofpassaic.com/247/Code-Enforcement-Zoning
Fire Department (City of Passaic)	Passaic Fire Department	www.cityofpassaic.com/193/Fire
Department of Health (Passaic County)	Passaic County department of Health Services Office of Environmental Health	www.passaiccountynj.org/departments/health/environmental-health-division/registered-environmental-health-division
Business License for Food Establishments (City of Passaic)	Health Division	www.cityofpassaic.com/204/Applications-Requirements

FUNDING SOURCES

Program	Description	Program Source
Brownfields Redevelopment Loan Program	Provides low-interest loans of up to \$5 million to support the cleanup and redevelopment of brownfield sites in New Jersey. Eligible applicants include municipalities, developers, property owners, and nonprofits. The loans can cover environmental assessments, site remediation, demolition, infrastructure improvements, and related redevelopment costs. With competitive interest rates and flexible terms (up to 20 years), the program aims to transform contaminated properties into productive assets, promoting job creation and economic growth. Applications are reviewed on a rolling basis, with a focus on projects that deliver significant community and economic benefits, especially in underserved areas.	NJEDA
Economic Redevelopment & Growth (ERG) Program	Provides state tax credits of up to 30% (or up to 40% in priority areas) to support redevelopment projects in New Jersey. Eligible applicants include developers, businesses, and municipalities undertaking residential, commercial, or mixed-use developments. The program targets projects that create jobs, attract private investment, and revitalize communities. Applicants must demonstrate that their projects would not be feasible without this incentive. The NJEDA reviews applications based on factors like job creation, economic impact, and community benefits.	NJEDA
Urban Enterprise Zone (UEZ) Program	Offers financial incentives to businesses located in designated urban areas to stimulate economic development and job creation. Businesses within a UEZ can benefit from reduced sales tax rates, tax exemptions on certain purchases, and access to low-interest loans. Eligible businesses can use these incentives to reduce operating costs, invest in expansion, and hire more employees. The program aims to revitalize economically distressed areas by encouraging business growth and improving local economies. The NJEDA administers the program, providing support and resources to businesses in UEZs across New Jersey.	NJEDA
City of Passaic Small Business Loan Program	The Passaic Enterprise Zone Development Corporation, in collaboration with Mayor Hector C. Lora and the City of Passaic, will be providing loans to Certified UEZ Businesses for property acquisition, building improvements, equipment and working capital. The Maximum working capital loan will be \$20,000. The maximum for all other categories is \$70,000. Loans will be made on a first come first served basis as long as funds are available. It is anticipated that UCEDC a Community Development Financial Institution (CDFI) will manage the underwriting process and will fund one-half of the loan amount as a separate and distinct loan to the business.	Passaic Enterprise Zone Development Corporation
Community Development Block Grants (CDBG)	A federal program that provides funding to local governments for community development projects. The program's primary goal is to support low- and moderate-income communities by funding projects that improve infrastructure, create affordable housing, and promote economic development. Eligible projects include public facility improvements, housing rehabilitation, and economic development initiatives. Local governments can use CDBG funds to address specific community needs, fostering economic growth and enhancing the quality of life for residents.	U.S. Department of Housing and Urban Development (HUD)

Program	Description	Program Source
New Markets Tax Credit (NMTC)	A federal initiative that encourages private investment in economically distressed communities. The program provides tax credits to investors who fund community development projects, such as real estate developments, businesses, and community facilities. The NMTC helps bridge financing gaps, making projects that create jobs, spur economic growth, and provide essential services in low-income areas more viable. Investors receive a tax credit worth 39% of their investment, spread over seven years, incentivizing substantial private sector investment in underserved communities.	U.S. Department of the Treasury
U.S. Department of Energy (DOE) Grants	Offers financial incentives to businesses located in designated urban areas to stimulate economic development and job creation. Businesses within a UEZ can benefit from reduced sales tax rates, tax exemptions on certain purchases, and access to low-interest loans. Eligible businesses can use these incentives to reduce operating costs, invest in expansion, and hire more employees. The program aims to revitalize economically distressed areas by encouraging business growth and improving local economies. The NJEDA administers the program, providing support and resources to businesses in UEZs across New Jersey.	NJEDA
Environmental Protection Agency (EPA) Grants	Grants support the assessment, cleanup, and redevelopment of brownfield sites. These grants help communities address environmental contamination, turning underutilized properties into valuable assets. The EPA also offers funding for projects that incorporate sustainable practices, promoting environmentally responsible redevelopment. Eligible applicants include local governments, nonprofits, and tribes. These grants help reduce the financial burden of cleanup and encourage the revitalization of contaminated sites, leading to improved public health, economic growth, and sustainable community development.	EPA
U.S. Department of Agriculture (USDA) Farmers Market Promotion Program	Provides grants to support the development, promotion, and expansion of farmers markets and other direct producer-to-consumer opportunities. The program aims to increase access to fresh, locally sourced food, strengthen local economies, and support agricultural producers. Eligible applicants include local governments, nonprofits, and agricultural businesses. Funding can be used for marketing, infrastructure improvements, training, and outreach efforts that enhance farmers markets and direct sales.	USDA
Healthy Food Financing Initiative (HFFI)	A federal program that provides grants and loans to support the development of grocery stores, farmers markets, and other food access points in underserved communities. The goal is to increase access to healthy, affordable food in areas with limited options, often referred to as food deserts. Eligible applicants include nonprofits, businesses, and community development organizations. Funding can be used for construction, equipment, and other costs associated with establishing or expanding food retail.	USDA
Small Business Administration (SBA) 504 Loan Program	Offers long-term, fixed-rate financing to small businesses for major assets like real estate or equipment. The program is designed to promote business growth and job creation by providing affordable financing options. Eligible businesses can use 504 loans to purchase land, buildings, machinery, or to renovate existing facilities. The loans are typically structured with a 50-40-10 split, where a commercial lender provides 50%, an SBA-certified development company (CDC) provides 40%, and the borrower contributes 10%.	

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