

Physical Site Evaluation

FIRST WARD, CITY OF PATERSON, NJ

BRS, INC

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Located in Passaic County, the City of Paterson in New Jersey is home to 158,000 people. Paterson is divided into six wards. The First Ward, located in the northwestern part of the city, has approximately 28,500 residents, and its northern border serves as a boundary between the City of Paterson and neighboring Haledon Borough and Prospect Park Borough. To help Passaic County understand whether the proposed target site is suitable for the development of a traditional grocery store, supermarket, or farmers market, BRS analyzed the property to identify constraints and impediments to development. This analysis provides a general physical evaluation of the site, location and accessibility, sustainability and environmental impact, legal and regulatory considerations, and a transportation analysis.

Passaic County and its project partners received a New Jersey Economic Development Authority-funded Food Security Planning Grant to carry out a market analysis, physical site evaluation report, and development plan that will enable the City of Paterson and the County to transform underutilized land, improve food access, and promote economic development in the First Ward. A target site to be the object of this study was identified on Haledon Avenue between N. Main Street and N. 1st Street, including the vacant lots located between 144 and 158 N. Main Street. This *Physical Site Evaluation* report follows the *Market Analysis* and considers the physical aspects of the site.

This report discusses the challenges and constraints that must be addressed if development of a grocery store, supermarket, farmers market, or other food retailer is determined to be desirable. One of the site's greatest challenges is its location four blocks from the Passaic River: as became clear in the particularly wet spring of 2024, flooding at the site is a serious concern that must be taken into account.¹ Because the target site is located in two flood zones, any development at the site will also require additional permitting, and buildings and mechanical installations at the site will likely need to be developed to a higher threshold to withstand potential flooding.

Whether the target site is a practical location for redevelopment is still to be determined. There are challenges: the site's small size, flood risk, potential environmental contamination, insufficient public transportation, and the fact that it currently functions as an active parking lot, among several. These constraints must inform realistic plans for improving food access in the area surrounding the target site. Research on food deserts indicates that there is no magic formula or panacea; however, the data suggests that a solution must have community buy-in and support to be successful. Many communities have designed a variety of creative and successful solutions that are tailored to support their specific needs and desires while making allowances for site constraints and challenges.

¹ The Mount Holly Weather Forecast Office of the National Weather Service recorded 17.61 inches of rain between January 1 and March 31. Approximately 10 inches is anticipated in a normal year.

The purpose of the New Jersey Economic Development Authority Food Security Planning grant is to carry out a market analysis and development plan that will allow the City of Paterson and Passaic County to transform underutilized property in the First Ward, with the intent of improving food access and supporting economic development. The target site that is the focus of this study is on Haledon Avenue between N. Main Street and N. 1st Street, including vacant lots located between 144 and 158 N. Main Street.

There are four components to this project:

- Market analysis
- Physical site evaluation
- Site development plan and recommendations
- Community engagement

The objective of this second component – the *Physical Site Evaluation* report – is to analyze and evaluate whether the target site is an appropriate location for a supermarket, grocery store, farmers market, or other retailer selling food for consumption at home. This physical evaluation focuses on identifying the challenges, constraints, and impediments to development of the target site and providing recommendations for addressing those deficiencies. Specifically, this report will consider a physical evaluation of the site, including its location, proximity, and accessibility to target customers; a risk analysis that addresses seasonal issues; sustainability and environmental concerns that focus on flooding and the potential need for environmental investigation and/or remediation; zoning and permitting issues; and a brief transportation analysis that examines access routes, constraints, and potential improvements.

Terminology

Since this report references technical jargon utilized by the food retail industry, this section provides industry-standard definitions for the terminology used throughout the report.

The **food retail industry** includes all types of grocery stores, supermarkets, and other retailers that sell food for consumption (and often preparation) at home.² The focus of this study is on food retailers that provide a general line of food products for consumption at home, such as fresh fruits and vegetables, fresh and prepared meats, fish and poultry, and canned and frozen foods.

The Food Industry Association defines a **grocery store** as “a retail store that sells a variety of food products, including some perishable items and general merchandise.”³ Stores meet the US Department of Agriculture (USDA) definition of a supermarket or large grocery store if they report at least \$2 million in annual sales and contain all the major food departments found in a traditional supermarket, including produce, fresh meat and poultry, dairy, dry and packaged foods, and frozen foods. No specific square footage is noted in this definition.⁴

² It also includes all types of restaurants, which are not considered in this study because they sell prepared foods for consumption outside the home.

³ <https://www.fmi.org/our-research/food-industry-glossary/'g'-supermarket-terms#39;-supermarket-terms>

⁴ <https://www.ers.usda.gov/data-products/food-environment-atlas/documentation/>

A **supermarket** is defined as a “conventional store, but not a warehouse club or mass merchant, with annual sales of two million or more per store.”⁵ The USDA defines supermarkets as having an average size of 45,000 square feet and annual total sales of \$14 million.^{6, 7}

A **club store** (or wholesale club store) is “a large retail store (100,000 SF or more) that sells only to members who pay an annual membership fee” in return for discounted pricing. Stores like BJ’s, Costco, and Sam’s Club fit into this category.

A **convenience store** is a “small, easy-access food store with a limited assortment. Many convenience stores also sell fast food and gasoline.”⁸

A **greengrocer** is a retailer that only sells fruits and vegetables.

While we often use these terms interchangeably to refer to the location we purchase groceries, it is important to understand that the terms have specific meanings attached to them. A convenience store and a grocery store are not the same, which may help explain why the price points differ – sometimes substantially. Some stores are also differentiated by their size, footprint, and the types of products they sell. These nuances are important, especially in the context of a market analysis and physical site evaluation of a specific property in the First Ward, where the intention is to study how best to address the food access challenges and consider creative and custom-tailored solutions that have the potential to have a positive impact despite the constraints.

A **farmers market** is “a public and recurring assembly of farmers or their representatives selling the food that they produced directly to consumers.”⁹ Many markets have a broad range of offerings that include not only farm-grown fruits and vegetables but also meats, cheeses, baked goods, and homemade products. The key differences between a food retailer such as a grocery store or supermarket and a farmers market are that the producers in a farmers market are the sellers and set their own margins, generally transport their own products to the market of their choice, and rent a stall or area within the communal market to sell products of their choosing.

Online or digital grocery shopping refers to the numerous digital platforms consumers use to purchase groceries online, whether for delivery or for pickup.¹⁰

⁵ <https://www.fmi.org/our-research/food-industry-glossary/'s'-supermarket-terms#39;-supermarket-terms>

⁶ <https://www.ers.usda.gov/data-products/food-environment-atlas/documentation/>

⁷ A supermarket differs from the definition for a **conventional supermarket**, which is a large, self-service retail store (up to 30,000 SF), with moderate pricing and selection, and annual sales in the \$2-\$8 million range. Selections usually include meat, produce, dairy, and grocery departments.⁷ <https://www.fmi.org/our-research/food-industry-glossary/'c'-supermarket-terms#39;-supermarket-terms>

⁸ <https://www.fmi.org/our-research/food-industry-glossary/'c'-supermarket-terms#39;-supermarket-terms>

⁹ <https://farmersmarketcoalition.org/education/qanda/>

¹⁰ <https://www.emarketer.com/insights/digital-grocery-industry/>

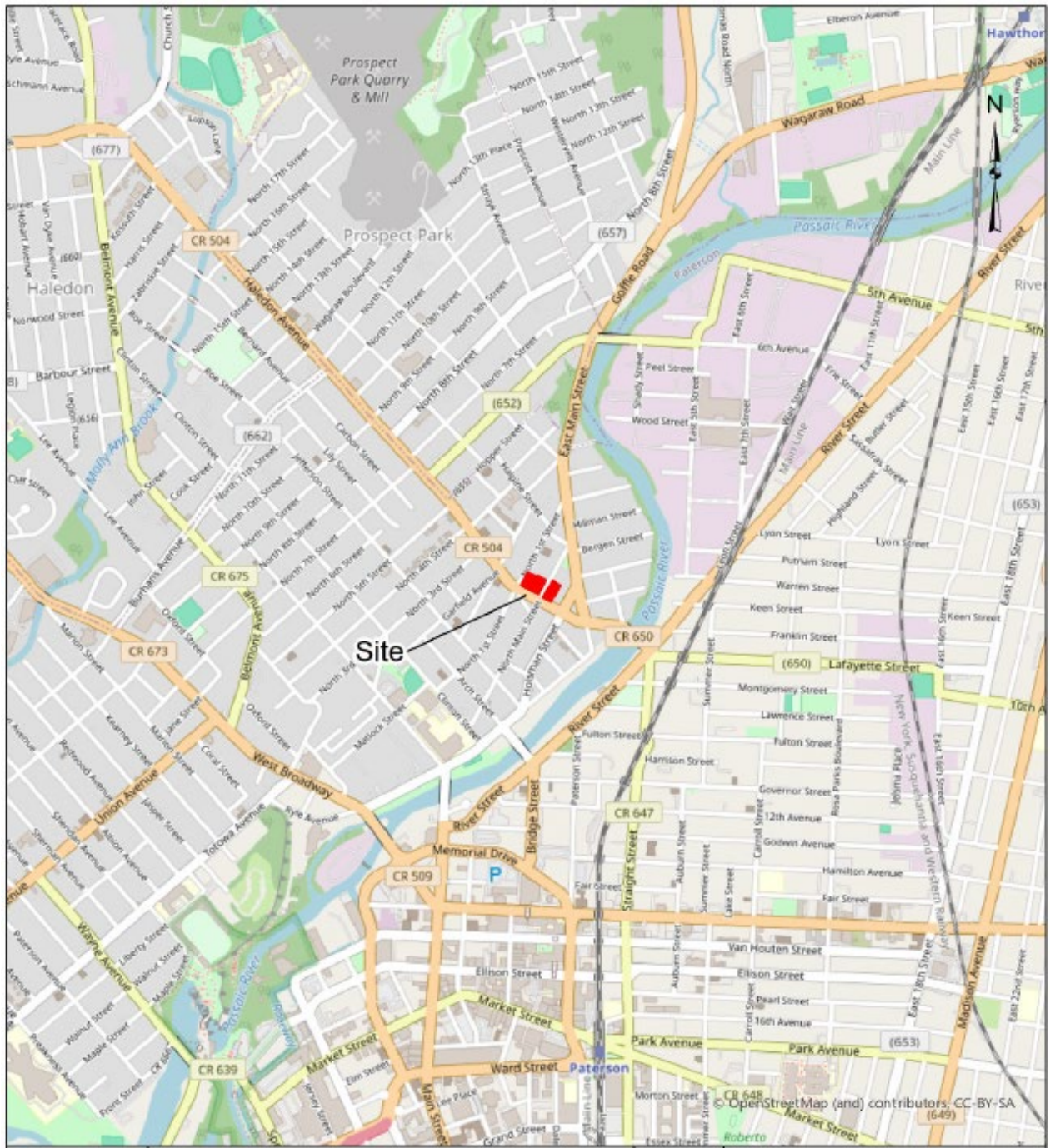


Figure 1: Map of target site within the neighborhood of the First Ward

Site Assessment

The target site shown in Figure 1 is the focus of this assessment. The site is on Haledon Avenue between N. Main Street and N. 1st Street, including the vacant lots located between 144 and 158 N. Main Street. More commonly known as the parking lot for Grace Chapel Baptist Church and two vacant lots on N. Main Street, these lots collectively are the target site. These properties are in the Northside

neighborhood of the First Ward and are identified as Block 112, Lots 13-17 and Block 113, Lots 13-16.

The total land area of the target site is 1.16 acres, or 50,529 square feet. The main church building and sanctuary for Grace Chapel Baptist Church are located one block to the west of the site on Haledon Avenue, between N. 1st Street and Reenstra Ct.

Haledon Avenue, also known as County Route (CR) 504, is a primary arterial street with a double yellow line down the middle that allows for two-way travel in a

generally north-south direction.¹¹ On-street parking is available in each direction, broken up by bus stops. Approximately four blocks to the east, Haledon Avenue intersects with N. Bridge Street and then crosses a bridge over the Passaic River. On the bridge, CR 504 becomes CR 650. Between the Passaic River and N. Main Street, which borders the eastern edge of the church parking lot, Haledon Avenue is striped with a parking lane, a bike lane, and a vehicular travel lane in each direction. West of N. Main Street on Haledon Avenue, the striping for the bike lane disappears. This roughly coincides with the municipal border between the city of Paterson and Prospect Park Borough.

The First Ward Redevelopment Plan, dated November 2017, discusses the proposed green streets initiative project that Passaic County is spearheading, which would install



Figure 2: View of the target site from Haledon Avenue, looking towards N. 1st Street

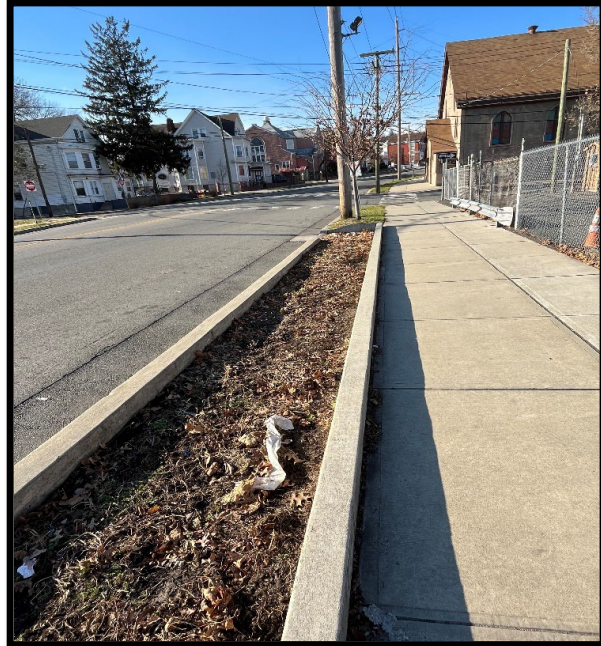


Figure 3: Sidewalk improvements along N. Haledon Avenue in front of the target site

¹¹ Map of Passaic County prepared by the New Jersey Department of Transportation: <https://www.nj.gov/transportation/refdata/gis/maps/passaic.pdf>.

to jut out and a portion of a chain link fence sits atop it, suggesting that at one time there may have been two separate lots. There is no grass or vegetation in the parking lot. Toward the rear of the lot, where it abuts residential houses, is a trailer perched on a semi-permanent base. Next to the trailer is a metal container akin to a Connex container, a church bus, and some motor vehicles in the rear. Additionally, there is a plow attachment being stored in the rear of the lot. Toward the front of the lot, along Haledon Avenue where it meets N. 1st Street, at the intersection there is a small wooden structure with power lines that connect to a nearby utility pole; this appears to be a parking attendant booth. Closer to N. Main Street (and somewhat oddly situated within the parking lot) is a utility pole that appears to have stadium lights and a solar panel, presumably in place to light the parking lot at night. Debris litters the streets outside of the parking lot.

At the time of the site visit on November 29, 2023 (a Wednesday afternoon), the site was not in use and the gates were locked. Generally, the church's parking lot is full all day on Sundays, when weekly services are held, and during the warmer months of the year, Sunday church services are frequently held in the parking lot. There are Bible study and Christian doctrine classes two evenings a week. Grace Chapel Baptist Church also frequently offers parishioners from nearby churches overflow parking in the lot on Sundays. Events such as funerals also bring congregants on other days of the week. That said, there are days of the week when the lot is not in use, and church leadership has expressed its willingness to support neighborhood access to fresh, nutritious foods by offering use of its parking lot for a regularly scheduled temporary or transient retailer such as a farmers market or mobile grocer. This specific regular schedule is yet to be determined.

[144 and 158 N Main Street](#)

The vacant lots located at 144 and 158 N. Main Street shown in Figure 5 below are also surrounded by a chain-link fence with a gate at the driveway and signage noting that unauthorized vehicles will be towed. The lot known as 158 N. Main Street (Block 113, Lot 16) is owned by the church and is currently used to store approximately a dozen vehicles, some of which appear to be missing license plates, generally indicative of a vehicle no longer in use. The lot is paved with uneven asphalt with cracks that have weeds and grass growing in the crevices and gaps. A basketball pole lies on its side and appears to be abandoned. Debris and trash are evident at the site and on the nearby sidewalk, as is overgrown vegetation.

The lot known as 144 N. Main Street (Block 113, Lot 13) is a corner lot and has frontage on both N. Main Street and Haledon Avenue. According to the City of Paterson, this parcel is owned by Marin Realty LLC. This lot is also gated with a chain link fence. There is no asphalt on this lot; instead, it has worn grass and dirt. Where there is grass, it is overgrown and covered with debris and large rocks. A car that appears to be abandoned is also present on the lot. At the public outreach meeting, residents referred to this lot colloquially as "the pile of dirt" and "the former chicken place."



Figure 5: Left: A view of the parking lot at 158 N. Main Street. Right: a view of the sidewalk on N. Main Street in front of the lot

On N. Main Street, utility poles carrying overhead wires dot the sidewalk, interspersed with some street trees that are spaced too far apart to provide significant shade cover. Trees dot N. 1st Street, and small street trees are planted in a small grassy buffer strip that separates the sidewalk from the off-street parking lane at the curb. The properties are connected to sewer and water lines.

Constraints and Impediments

Approximately four blocks to the east of the target site, Haledon Avenue intersects with N. Bridge Street and then crosses a bridge over the Passaic River. Being this close to the river has been both an asset and a challenge for development in the area. Historically, the water served to power the local mills, and many commercial, manufacturing, and industrial establishments were situated on the river as a result. However, proximity to the river also brings risks: according to Federal Emergency Management Agency (FEMA) maps, a portion of the target site is in flood zone AE, as depicted on Figure 6. An AE flood zone designation indicates a 1% annual chance of flooding. More informally, this is often referred to as the 100-year flood zone. The balance of the site is located in an area with a 0.2% annual chance of flooding, also known as the 500-year flood plain. The lines marking the transition from a 100-year flood zone to a 500-year flood zone are inexact and can fluctuate based on the intensity of a storm, wave action, wind, and other external factors.

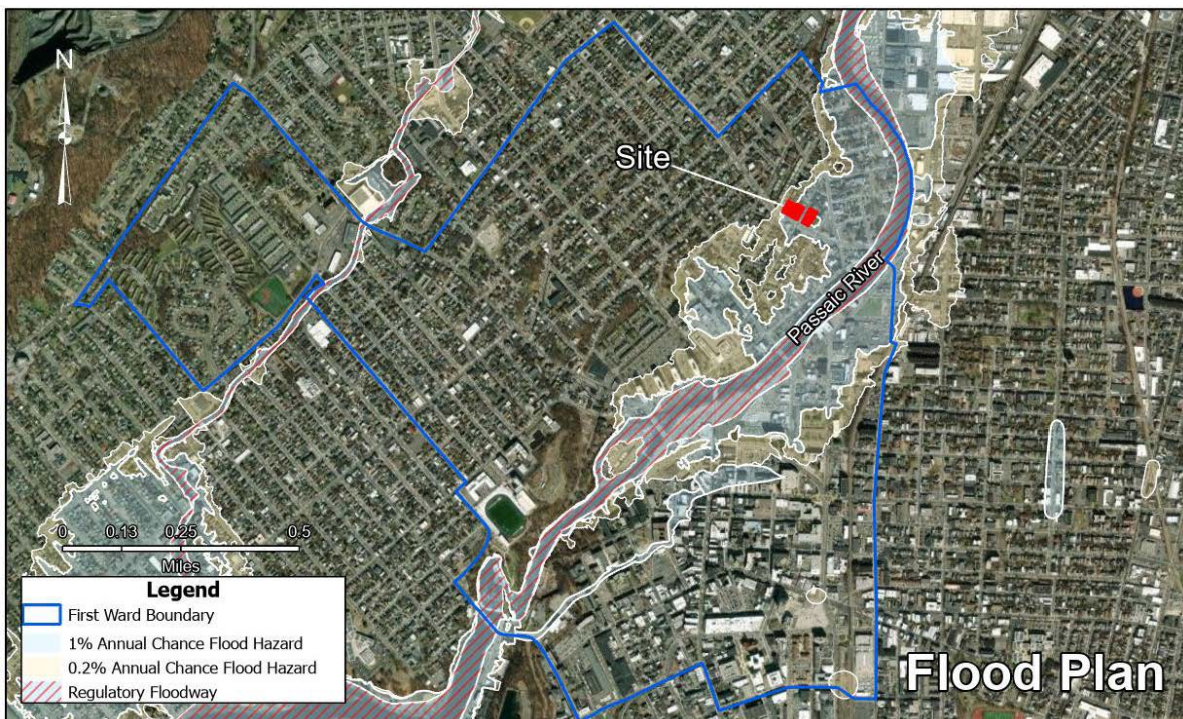


Figure 6: FEMA Flood Map showing the target site and the border of the First Ward

Further constraining potential development of the site is the recent Inland Flood Protection legislation enacted in New Jersey on July 17, 2023. The goal of the legislation is to update existing flood hazard and stormwater regulations by replacing current precipitation estimates with more recent data that attempts to account for observed and anticipated increases in rainfall. Additionally, this new law requires both landlords and sellers of commercial or residential property to disclose whether a property is in a Special Flood Hazard Area (100-year floodplain) or a Moderated Hazard Risk Area (500-year floodplain). The legislation also requires sellers to disclose the flood insurance and flood damage history of a property.

There has been flooding in the area recently, including during Hurricane Irene and other major storms and weather events that have caused flooding on the Passaic River. In particular, the properties located to the east of East Main Street have experienced flooding during extreme precipitation events. While the

target site has not experienced any recent flooding during extreme weather events, it is approximately a block away from the area that has suffered from repeated flooding. Because of the location of the target site in the 100-year flood plain, the construction of new buildings, additions, substantial improvements to buildings, construction of roads and bridges, the placement of fill, grading and excavating, and other activities will require floodplain development permits. New Jersey Department of Environmental Protection (NJDEP) permits may also be required.

The size of the target site – at 1.16 acres, or approximately 50,500 SF – presents another constraint. According to the Food Industry Association, the average size of a grocery store was 35,100 SF in 1994 and 48,415 SF in 2022.¹² The entire area of the target site is approximately 2,114 SF larger than the interior dimensions of an average grocery store, but this does not factor in parking, walkways, or loading docks that would be required for the functioning of a store – or the fact that the 50,500 SF is divided into two parts by N. Main Street, one of 0.73 acres (31,799 SF) and the other of only 0.47 acres (20,473 SF). This means that the potentially buildable areas of the target site are both significantly undersized for the development of a modern grocery store.



Figure 7: Target site Block 112, Lots 13-17 and Block 113, Lots 13-16. Source: [New Jersey Parcel Explorer](#), Rowan University School of Earth and Environment

Another barrier to the development of a grocery store or supermarket at the target site is the amount of money area residents within ½ mile (likely the main customer base) spend on food shopping annually. According to the Food Industry Association, in June 2023 average weekly grocery spending per household was \$155. Annually, that would equate to \$8,060. As detailed in the Market Analysis, although 12% of annual household budget expenditures go toward the purchase of food, that number equates to just \$6,805 per year, or an average of \$130.87 per week. Grocery stores operate under tight margins, with just 2.3% net profit after taxes, on average,¹³ and considering these already slim margins, the \$24.13 difference in average weekly spending for the area within ½ mile from the target site may bring profits below the point of viability. Tax incentives and/or subsidies would likely be required to close this gap.

Although the site may not be the ideal location for a permanent traditional brick and mortar store, there could be other opportunities for creative and customized solutions that help address the food desert in the First Ward.

¹² <https://www.fmi.org/our-research/food-industry-facts/average-total-store-size---square-feet>

¹³ <https://www.fmi.org/our-research/food-industry-facts>

Location/Accessibility and Transportation Analysis

According to the most recent USDA data available, Passaic County overall has 243 grocery stores (0.48 stores per 1,000 residents), two supercenters and/or club stores, 65 specialized food stores, 111 convenience stores, and six farmers markets. There are approximately 40 food stores – mainly convenience stores (such as 7-Eleven) and bodegas – in the First Ward. All but five of these stores are less than 5,000 SF in size and carry a limited selection of food options. None are located within ½ mile of the target site.¹⁴

In interviews with residents, a hierarchy of store preferences became apparent. Larger grocery stores, supermarkets, and supercenters (such as Walmart) are preferred for shopping trips that can supply a household for a longer period of time. Smaller local grocery stores are the second choice. Residents are most likely to stop in at a local convenience store or bodega for an unexpected need or forgotten item, such as a box of cereal or a loaf of bread, even though the prices may be exorbitant compared to those at a grocery store or supermarket. Residents who own or have access to cars have the luxury of choosing when and where to shop, allowing them to prioritize price, quality, or freshness. Those without cars have more limited choices.

As detailed in the socioeconomic profile in the *Market Analysis*, the population of the First Ward was approximately 28,600 in 2021, with a median household income of just \$38,889. Within ¼ mile of the target site, median household income is slightly lower. With 35% of First Ward residents lacking access to a vehicle, it is critical that healthy, reasonably priced food options are accessible by foot, bicycle, or public transportation.

The First Ward is a compact, densely developed urban area that comprises 1.4 square miles and it is bisected by the Passaic River. There are five main arterial roads that traverse the First Ward: Haledon Avenue (CR 504), East Main Street (which is also CR 504), Presidential Boulevard (CR 509), Union Avenue (CR 646), and West Broadway (CR 675). Haledon Avenue and West Broadway are north/south connector roads. Presidential Boulevard navigates an east-west connector roughly paralleling the Passaic River. East Main Street provides a connection from Presidential Boulevard to the 6th Avenue Bridge. Union Avenue is an important commercial corridor in the City of Paterson.

Public transportation – by bus or train – walking, biking, and rideshares such as Lyft and Uber are common means that residents utilize to get around the First Ward, as well as to employment or recreation destinations. There are three bus routes that pass through the First Ward: routes 744, 703, and 748. All three bus routes are operated by NJ Transit. While the bus routes pass through the First Ward, the routes do not generally crisscross the Ward, making travel in the east-west direction difficult. And although there are bus stops near the target site, many bus routes (as shown in Figure 8, which is provided as a full-size map in the Appendix) travel through the First Ward enroute to destinations outside the Ward, and it is not easy for residents who live to the northeast or southwest of Haledon Avenue to travel to the target site by public transportation. Bus route 744 has multiple stops near the target site on Haledon Avenue on a route that runs from the Preakness Shopping Center near the Wayne Hills Mall to Market St. at City Hall in downtown Paterson. There are transfers to other bus lines at key stops along the route in Paterson as the bus travels between Wayne and Passaic. This bus route runs Monday through Saturday from 5:30am until 6:30pm, with a frequency of approximately every 30-35

¹⁴ See *Relevant Business Summary* in the Market Analysis for a discussion of existing food retailers in the First Ward.

minutes Monday through Friday. On Saturday, the bus runs with a frequency of every hour. The bus does not operate on Sundays.



Figure 8: Bus map depicting the routes that travel through the First Ward

Residents can access multiple routes at the Broadway Bus Terminal, which is approximately 0.8 mile away and a 19-minute walk from the target site (or a 9-minute bus ride). For residents who travel by train, New Jersey Transit’s Paterson Station is located at Market and Ward Streets and is approximately one mile away from the target site. The train station is used by many for commuting and travel outside of Paterson, but for most First Ward residents who live on the north bank of the Passaic River, the train station is not a feasible option. The First Ward is outside the Transit-Oriented Development (TOD) boundaries for the station.

It should be noted that Super Supermarket is located on the south bank of the Passaic River, just across the Main Street bridge and 0.6 miles from the target site. It is approximately a 13-minute walk or bus ride. This supermarket appears to be easily accessible to the target population, yet conversations with residents revealed that locals did not necessarily patronize this particular grocery store. Reasons given were high prices and unreliable product freshness and quality. Others noted that the store was good “in a pinch” for a quick stop to pick up a few items, but it was not a first choice. In addition, it is far more than ¼ mile from the target site, which is the distance at which the USDA considers a grocery store accessible for a population with low vehicle access.

Interviews with community members confirmed that few people use public transportation to travel from those parts of the First Ward north of the river to shop for groceries, although there are shuttle services available for senior citizens that offer transportation to a variety of food stores such as Super Supermarket at Main Street and Memorial Drive south of the river. Other community members pointed out that it is difficult for families to rely on public transportation to purchase groceries that will last a

household for more than a day or two at a time. It is far more common for residents who do not have access to a vehicle to borrow one or to use a rideshare app such as Uber or Lyft.¹⁵

This brief transportation analysis provides a bird's eye view of the public transit choices available to residents in the First Ward for accessing the target site. None of the public transit options provide an easy, direct way, but a full transportation analysis would be necessary to determine how First Ward residents would access the site – and if the food retailer developed is designed to attract a larger consumer base, how people from outside the Ward could most easily reach it.

Risk Analysis

This report has noted that the church parking lot on Haledon Avenue and undeveloped parcels on N. Main Street sit partially in the 100-year and 500-year floodplains. Considering the slim profit margins of a traditional grocery store and the other limitations of the site, locating in a flood zone may not be a risk a potential developer wants to take. In addition, start-up costs for such a venture will require hiring specialized professionals to draft plans that meet specified thresholds for development in the 100-year and 500-year flood plains, including additional permits from local and state agencies. These additional requirements mean additional costs.

Another factor that may be relevant to set-up of a farmers market in particular is that the site is almost completely covered with an asphalt impervious surface devoid of trees and vegetation, rendering the site without shade or protection from the cold, wind, rain, or snow.

Currently, the site is being used for church parking when needed and as a long-term storage place for unlicensed (possibly abandoned) vehicles, and there is a significant amount of trash and other debris. The risk is that cars can leak petroleum and/or oil if the vehicles sit so long that the metal begins to disintegrate. Before this site could be redeveloped, it would be necessary to assess the site and determine whether any contamination is present and, if so, if any mitigation is required. It is unclear at this point whether there are contamination issues that would prevent the site from being redeveloped as a food store or farmers market without prior remedial steps. To make such a determination, it would be necessary to review the historical uses of the property and of neighboring properties. Initially, a Phase 1 environmental report may need to be prepared.

¹⁵ Interviews with community members, April 1-10, 2024.

Legal and Regulatory Considerations

In May of 2003, the First Ward Redevelopment Area (shown in Figure 9) was designated as “an area in need of redevelopment.” In April of 2014, the City of Paterson adopted a new master plan and noted two salient points: first, that Haledon Avenue is a gateway to the city, and second, that there is a need to plan for future flood events. In the First Ward, the most prevalent land use is residential, with a mix of single- and two-family homes as well as larger multi-family residences. Haledon Avenue is considered a retail/commercial corridor for the neighborhood, and much of the area along Haledon Avenue has been designated as an Urban Enterprise Zone (UEZ). The UEZ is a state program aimed at stimulating economic

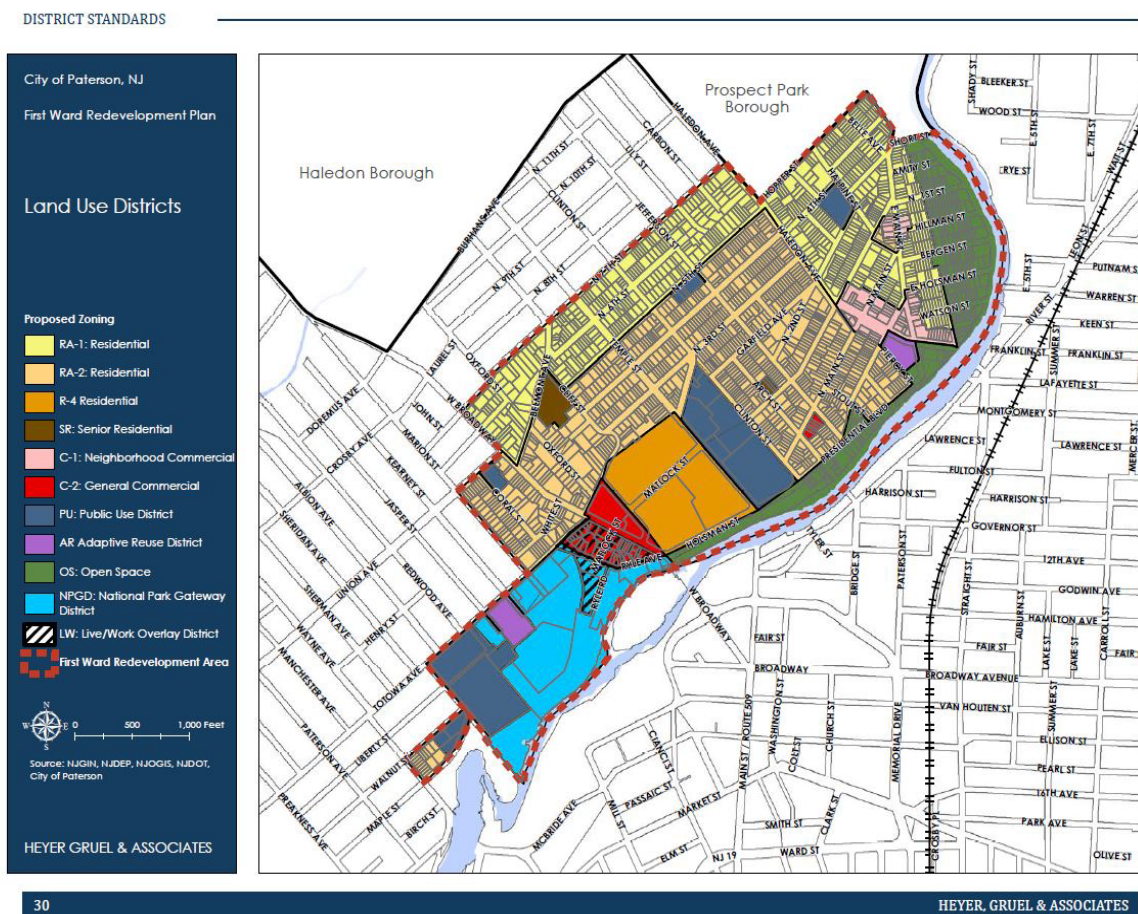


Figure 9: Proposed zoning in the First Ward Redevelopment Area.

development in specific urban areas through incentives such as subsidizing unemployment insurance and reductions to sales taxes. In November 2017 the First Ward Redevelopment Plan was completed, and early in 2018 it was adopted. As shown on the Zoning Map in Figure 10, a large swath of the First Ward was zoned as a Redevelopment District. Many sections of the First Ward Redevelopment Area are in a flood zone due to their proximity to the Passaic River and have experienced flooding during major storm events such as Hurricane Irene, or even during more common precipitation events. This persistent flooding limits the uses that should be considered for the target site.

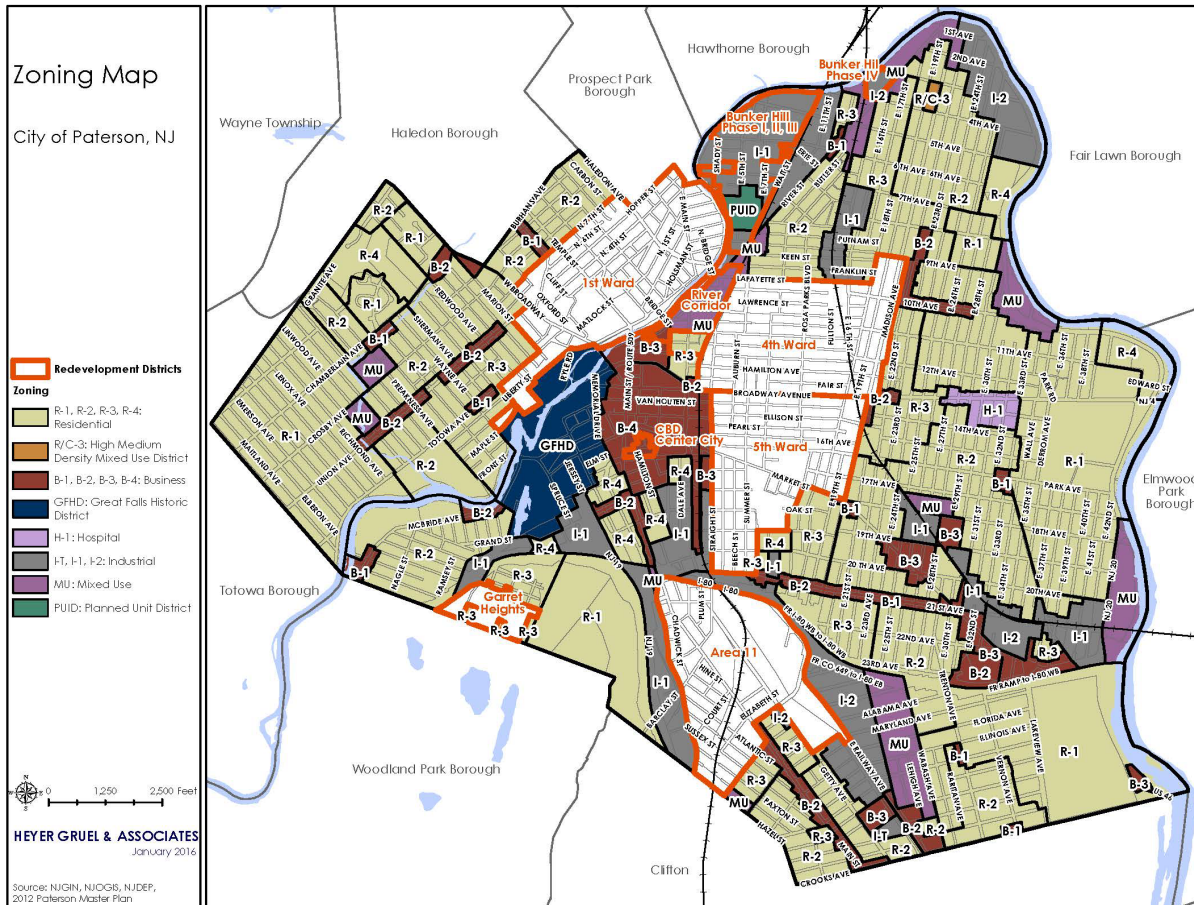


Figure 10: Zoning Map of Paterson, with the First Ward Redevelopment Area highlighted

One of the most important goals of the redevelopment plan is to bring economic development to the First Ward and improve the quality of life for its residents. The Redevelopment Plan noted that most development in the First Ward will be infill; however, if it were possible to combine smaller parcels into a larger lot, there is an opportunity for a more ambitious project. Providing access to community facilities is mentioned in the plan, and while the example provided is reopening the First Ward branch of the Paterson public library, improved food access is clearly a critical community need. While a grocery store, supermarket, farmers market, or other creative alternative food access mechanism is not technically a community facility, it is an important and much-needed resource in the community.

The proposed zoning for the target site in the 2017 Redevelopment Plan was C1 Neighborhood Commercial and is depicted on the map in Figure 9. The goal of the C1 Neighborhood Commercial zone is to allow for everyday retail and personal service needs of area residents. Permitted uses in this district include retail stores and shops (excluding liquor), personal services, restaurants, banks, dry cleaners, and childcare centers. It should be noted that the C1 district does allow for mixed use developments that include residential uses and neighborhood commercial uses; however, there is one caveat: residential uses are only permitted above the ground floor of a building. The district bulk standards are noted below. In addition to the bulk requirements embedded in the zoning, the Redevelopment Plan created Design Guidelines to establish a simple aesthetic for the First Ward and to ensure that all new

construction meets a basic design quality level. Renovations of existing structures, new construction, and infill construction are all required to follow the Design Guidelines.

Figure 11: C1 Neighborhood District Bulk Commercial Standards

Minimum Lot Area	2,000 SF
Minimum Lot Width	25 FT
Minimum Front Yard	None
Minimum Front Yard	5 FT
Minimum Side Yard (each)	None
Minimum Rear Yard	20 FT
Maximum Building Height	40 FT / 3 stories
Maximum Building Coverage	80%
Maximum Impervious Coverage	100%

Parking standards for the uses in this district are regulated in the Redevelopment Plan when development occurs on a lot that exceeds 50 feet in width. Retail stores such as grocery stores require one parking space per 600 square feet (SF). As noted earlier, the average size of a grocery store in 2022 was 48,415 SF, which would translate into 81 required parking spaces. Considering the site is 50,500 SF in size, it would not be large enough for a grocery store, the requisite parking, walkways, loading docks, bike racks, or any other amenity on the site to allow for the efficient functioning of the store. Through a physical analysis of the site, it has become evident that development of a brick-and-mortar grocery store or supermarket is not the best fit for the site, and that temporary or transient alternatives should be evaluated.

Figure 12: Parking Requirements for the C-1 District as spelled out in the First Ward Redevelopment Plan

Use	Parking Required
Retail stores, personal service businesses, dry cleaning	One space per 600 SF
Financial Institutions	One space per 600 SF
Restaurants	One space per four seats
Business and Professional office	One space per 1,000 SF
Travel agencies and real estate offices	One space per 1,000 SF
Child Care Centers	One space per employee on maximum shift
Residential apartments in mixed use buildings	One Space per dwelling unit

Online/Digital Grocery

A brief overview of online (or digital) grocery shopping is warranted because it presents an alternative for First Ward residents who do not live within ½ mile of a brick-and-mortar grocery store or supermarket. Store proximity becomes less important in this model, and delivery eliminates transportation challenges for households. However, the tradeoff is generally higher prices – taking into account not only delivery fees but also the often higher prices of the products purchased online compared to in-store.

According to RetailWire, online grocery shopping is predicted to grow over the next five years, outpacing in-store sales.¹⁶ The Covid pandemic helped fuel online sales growth; however, recent data shows that purchasing groceries via a digital platform was not a temporary trend. Consumers are still purchasing essential groceries online. Online grocery sales are projected to reach nearly \$120 billion by the end of 2028, accounting for nearly 12.7% of US grocery sales.¹⁷

Consumers use a variety of digital grocery applications to purchase groceries; however, there are two basic business models. Businesses use either a delivery model or a “click and collect” model. In the delivery model, either the store operates and manages its own digital platform, or the store uses a third-party platform such as Instacart. Revenues in the online grocery delivery market have been increasing steadily since 2017.¹⁸, and Statista reports that e-commerce revenue from the grocery delivery sector is anticipated to exceed \$257 billion in 2024.¹⁹ The “click and collect” models have multiple variations, but generally the consumer purchases products online and then picks them up at a designated place – at a pickup point inside a store, curbside at a store, or at a warehouse.

In the first quarter of 2024, online grocery sales reached \$31.4 billion. While the numbers indicate year-over-year increases in dollars spent and quantity of items purchased, grocers had ongoing concerns about profitability because of the costs associated with staff time to select items from shelves to fulfill orders and the expense and logistics of delivery.²⁰ Nonetheless, the convenience of online grocery shopping appeals to many consumers, including those without access to a vehicle. In addition, many stores accept SNAP/EBT for online orders just as they do credit and debit cards.

According to the US Department of Agriculture (USDA), in 2022 nearly 20% of shoppers bought groceries online.²¹ Time constraints are the most frequently cited reason shoppers make online grocery purchases. On the other hand, the main reason people choose to shop in a brick-and-mortar store is their preference for examining and selecting products first-hand before purchase. This mirrors comments we heard from residents in the First Ward who expressed a desire to select their own produce, meat, and fish at a physical store where they could assess product quality. That said, parents with children are twice as likely as other shoppers to shop online;²² the convenience of online purchasing is a huge draw particularly for working parents balancing complicated schedules.

¹⁶ <https://retailwire.com/discussion/is-e-grocery-entering-a-new-phase-of-growth/#:~:text=Growth%20averaged%205.6%25%20over%20the,anticipated%20for%20in%2Dstore%20selling.>

¹⁷ <https://retailwire.com/discussion/is-e-grocery-entering-a-new-phase-of-growth/#:~:text=Growth%20averaged%205.6%25%20over%20the,anticipated%20for%20in%2Dstore%20selling.>

¹⁸ <https://www.statista.com/forecasts/891082/online-food-delivery-revenue-by-segment-in-united-states>

¹⁹ <https://www.statista.com/topics/1915/online-grocery-shopping-in-the-united-states/#topicOverview>

²⁰ <https://www.supermarketnews.com/technology/digital-grocery-sales-hit-31b-q1-grocers-still-have-work-do>

²¹ <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=108618>

²² <https://www.grocerydive.com/news/parents-more-likely-to-buy-groceries-online-fmi/691831/>

Locating a grocery store, supermarket, or farmers market on the target site of the Haledon Avenue parking lot and undeveloped parcels on Main St. is not the perfect remedy to food access problems in the First Ward. While the target site is located along a commercial section of Haledon Avenue, the constraints of the selected site pose significant challenges, and a solution is more complicated than simply constructing a brick-and-mortar grocery store or supermarket, or establishment of a farmers market. Located just four blocks from the Passaic River, the site is in two flood zones and is prone to flooding during minor rain events as well as major storms. In addition, Paterson is a dense urban community with a long history of manufacturing and a substantial number of older, abandoned, or dilapidated properties in the First Ward, and it is unknown at this point whether environmental contamination presents an additional challenge at the target site.

Transportation and access to the site are also challenges. With a fairly large proportion of the population who do not have access to cars, it is critical that the surrounding population can reach the site by foot, bike, or public transportation. There is a bus route that travels past the site along Haledon, but there are fewer options for residents traveling from the east or west within the Ward.

Other communities across the United States have encountered similar challenges, and the research suggests that solutions have the greatest chance of success when they are tailored to the specific needs of the community, and when there is buy-in from residents.

One food retail option is a co-op or small, non-traditional grocery store supported through grant funding, subsidies, or a public-private partnership, carrying products that are aligned with hyper-local preferences. A co-op has the advantage of being owned, managed, and/or controlled by the individuals who shop there, which allows for a focus on responding to community desires and potentially supporting local entrepreneurs and farmers. Community input is key to inventory selection, price points, and other important decisions, which provides the critical element of local buy-in that supports a food retailer's success. However, a co-op also requires significant community time and participation, and it is unknown at this point how feasible this option would be for the First Ward. A small, non-traditional grocery store could provide a middle ground, allowing for responsiveness to local preferences and even support for local producers, but without the need for as much community involvement. However, both options fail to address the issues of transportation, flooding, or environmental concerns, and it is uncertain at this point how such a brick-and-mortar structure could coexist with church parking.

A farmers market could also provide fresh produce to area residents and is an alternative with significant community support and little local competition.²³ A weekly farmers market could in theory share space with church parking and present fewer risks associated with flooding (in the event of a flood, the market could simply be canceled for the week). Such a market could increase access to fresh, nutritious food in the First Ward and build connections to local and regional farms. Based on community feedback, there is also interest in the sale of produce from Paterson community gardens at a local farmers market, as well as the sale of homemade baked goods and other artisanal products. It would however be critical that such a market accept SNAP and WIC in order to more fully address area residents' food access

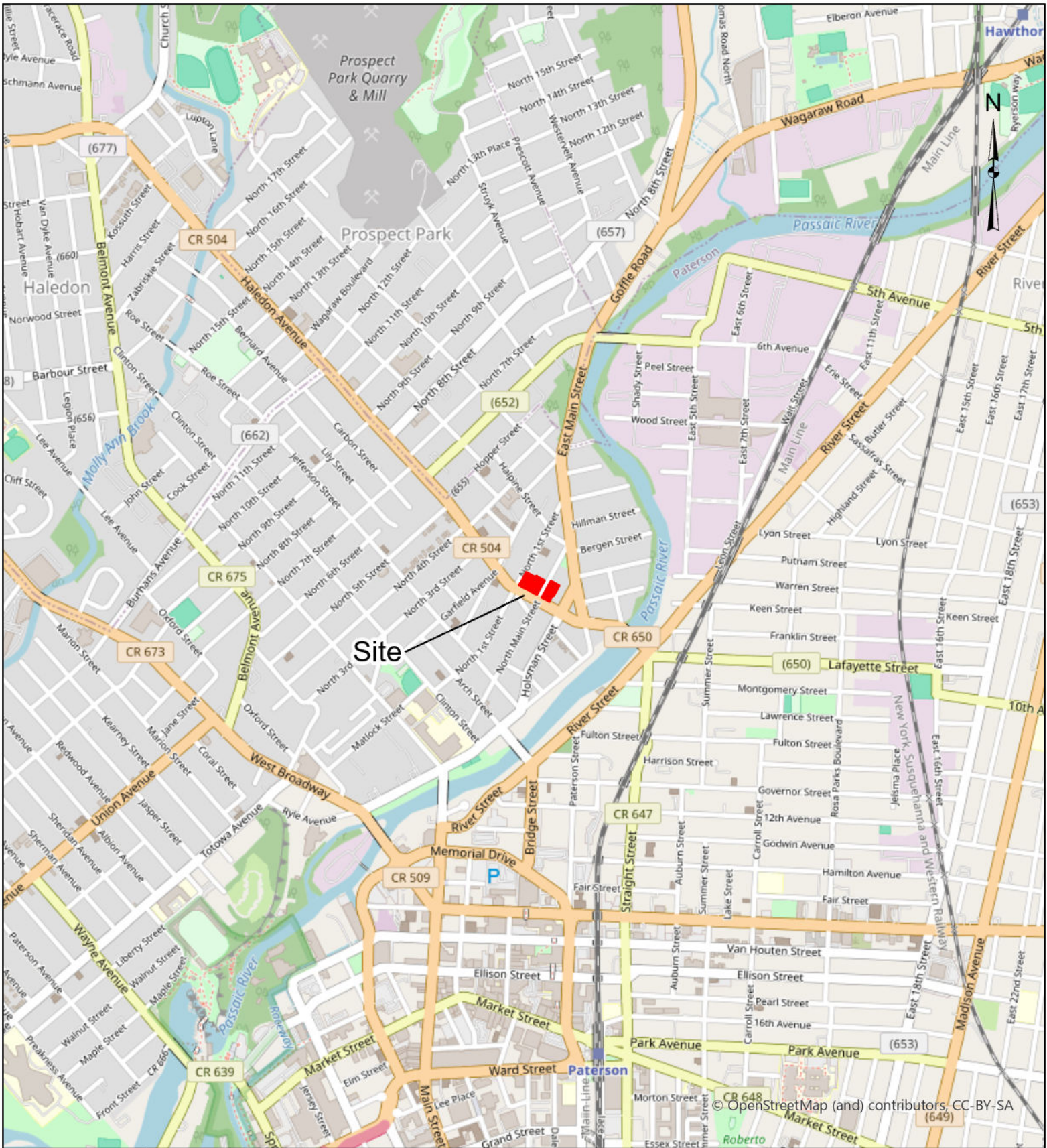
²³ The nearest farmers market, Brothers Produce on Railway Avenue, is neither particularly close nor accessible to residents without cars, and offerings are mainly geared toward a clientele shopping for Mediterranean and Middle Eastern fare.

challenges, and this presents an additional logistical challenge. Two constraints not addressed by this alternative for the target site are potential environmental issues and transportation challenges.

A third – and very different – option is a mobile grocery truck or van, which may have strong potential both at this site and at other similar sites in the First Ward. Mobility means the market or store can be moved in the event of major weather or another event. While the financial costs of a mobile grocer may be significantly lower than those of a grocery store or supermarket, licenses and permits are still required. That said, the customer base may also be larger, and the issue of transportation access would be fully addressed with such a solution. Furthermore, concerns about environmental conditions at the target site (or any site the truck visits) are not relevant in the same way they might be for construction of a brick-and-mortar store. A mobile grocer could both increase sales and address food access issues for residents of multiple areas by parking in different parts of the First Ward (or other wards) on specific days each week. The weekly selection may vary based on local availability of seasonal products (particularly produce), but this model could provide fresh, affordable produce to First Ward residents while sidestepping many of the physical limitations of the target site. There are numerous examples of success for this model, although it is important to consider long-term finances and sustainability carefully, as many such examples rely on significant grant funding.

The next part of this study focuses on recommendations for how the target site may be optimized for investment, as well as how to address issues that could make incorporating these new uses challenging. It will also consider the feasibility of options described in this *Physical Site Evaluation* and in the *Market Analysis* that do not require redevelopment of the target site but still address food access needs in the surrounding area and the First Ward.

Appendix: Full-size Maps



Site



Legend

Site Parcels

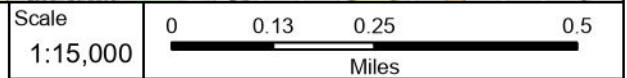


Figure Title **Site Location Map**

Client **County of Passaic**

Figure No. **1**

Project **Market Analysis
Paterson, New Jersey**

Print Date **2/22/2024**



Haledon Avenue
Parking Lot

144 and 158 N. Main St. Lots



Legend

Site Parcels

Scale	0 0.03 0.05 0.1
1:4,000	Miles

Figure Title **Site Location Map**

Client **County of Passaic** Figure No.

Project **Market Analysis
Paterson, New Jersey** **1**

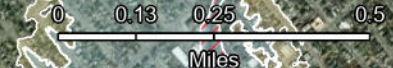
Print Date
4/12/2024



Site

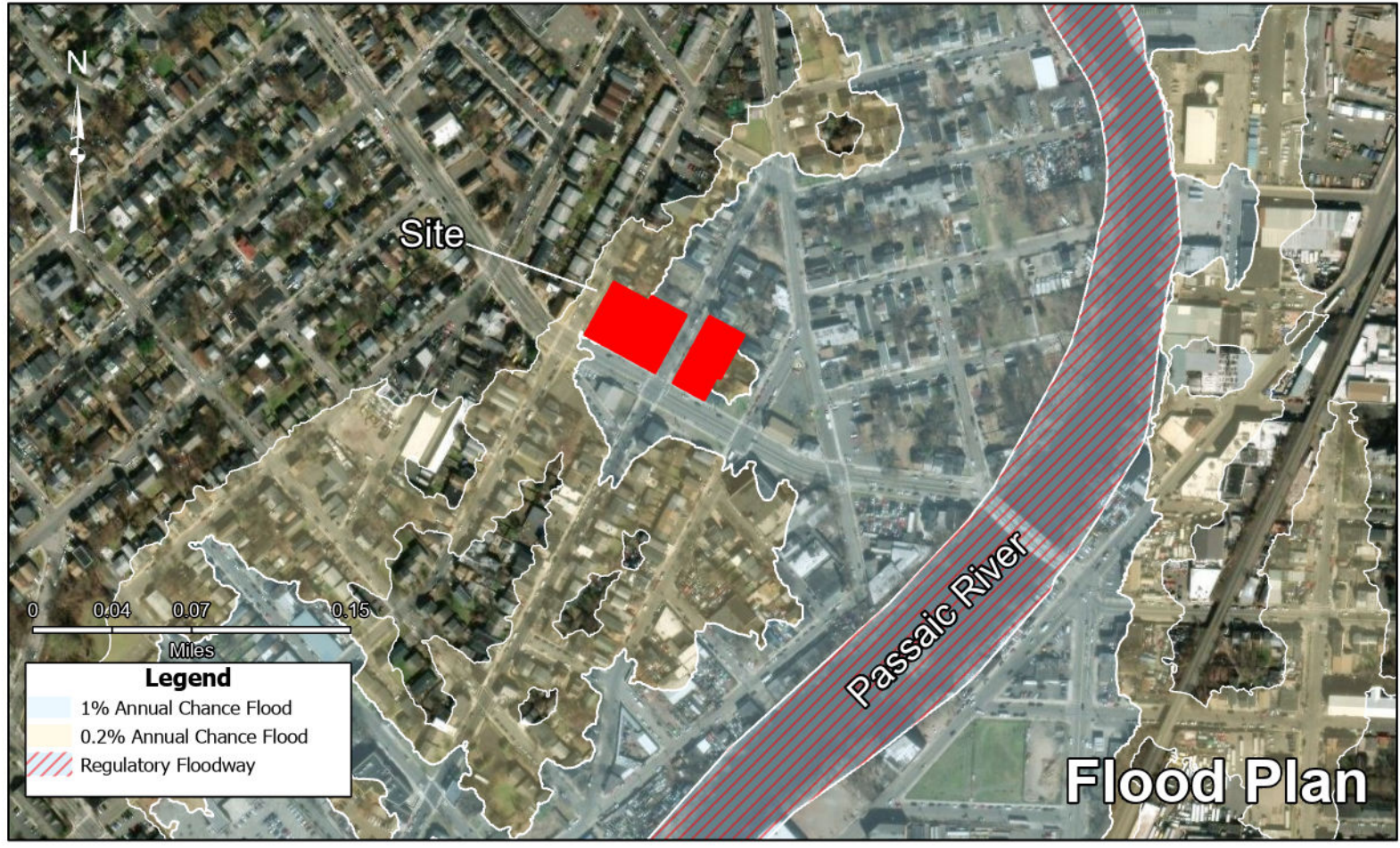
Passaic River

Flood Plan



Legend

- First Ward Boundary
- 1% Annual Chance Flood Hazard
- 0.2% Annual Chance Flood Hazard
- Regulatory Floodway



Site

0 0.04 0.07 0.15

Miles

Legend

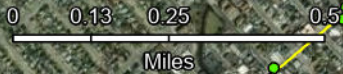
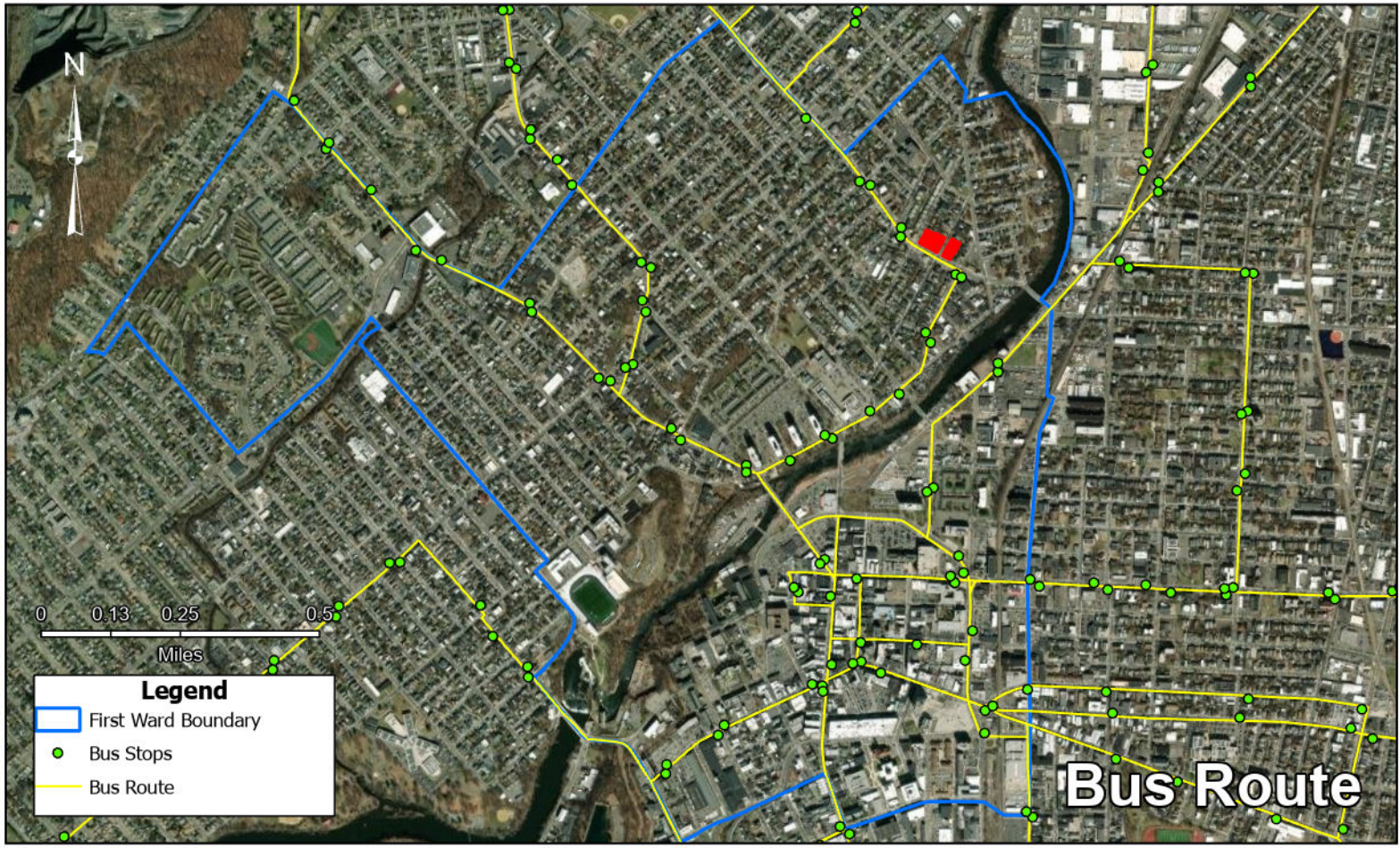
1% Annual Chance Flood

0.2% Annual Chance Flood




Regulatory Floodway

Passaic River

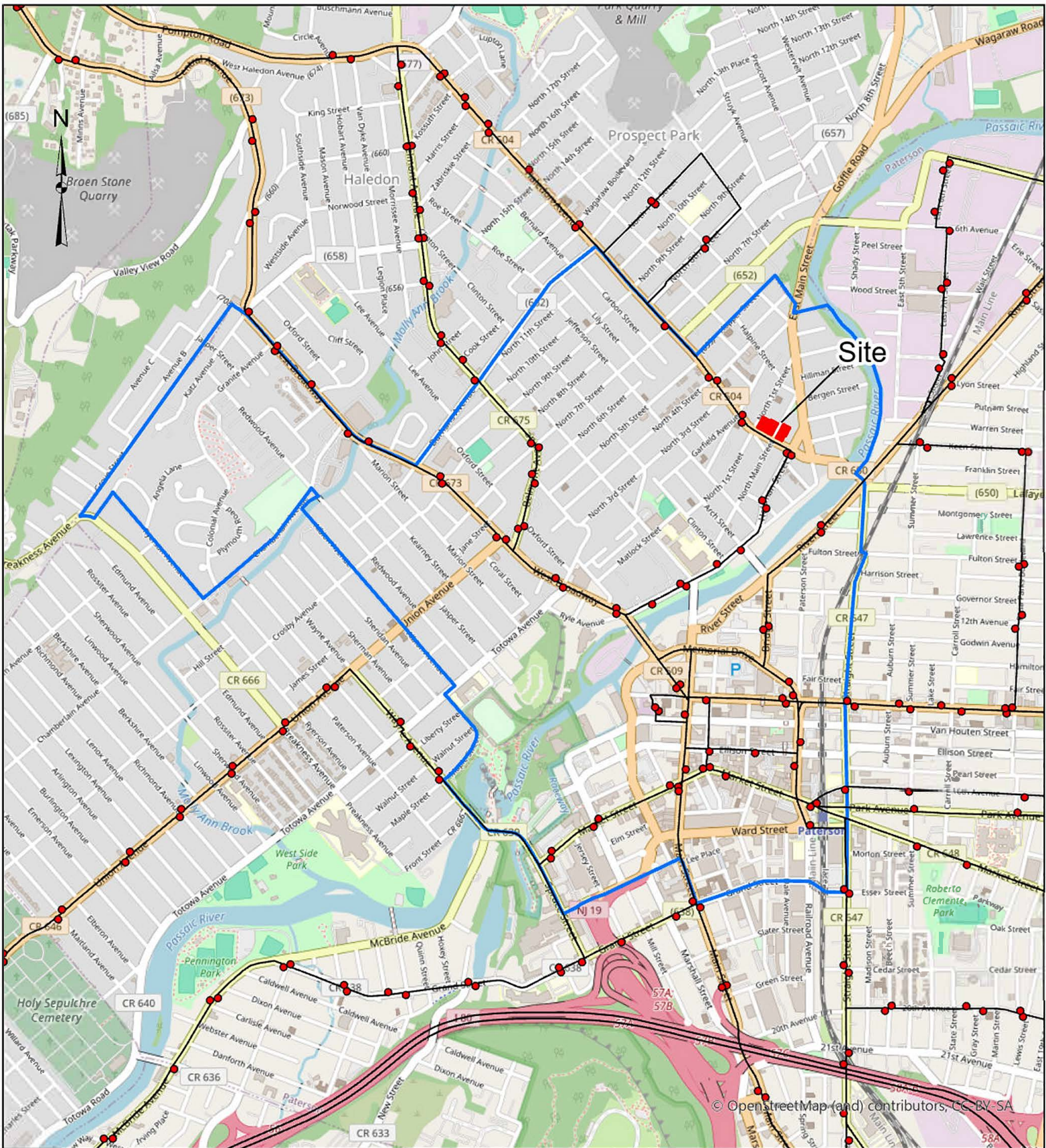
Flood Plan



Legend

-  First Ward Boundary
-  Bus Stops
-  Bus Route

Bus Route



Legend

- Bus Route
- Bus Stops
- First Ward Boundary
- Target Site Parcels

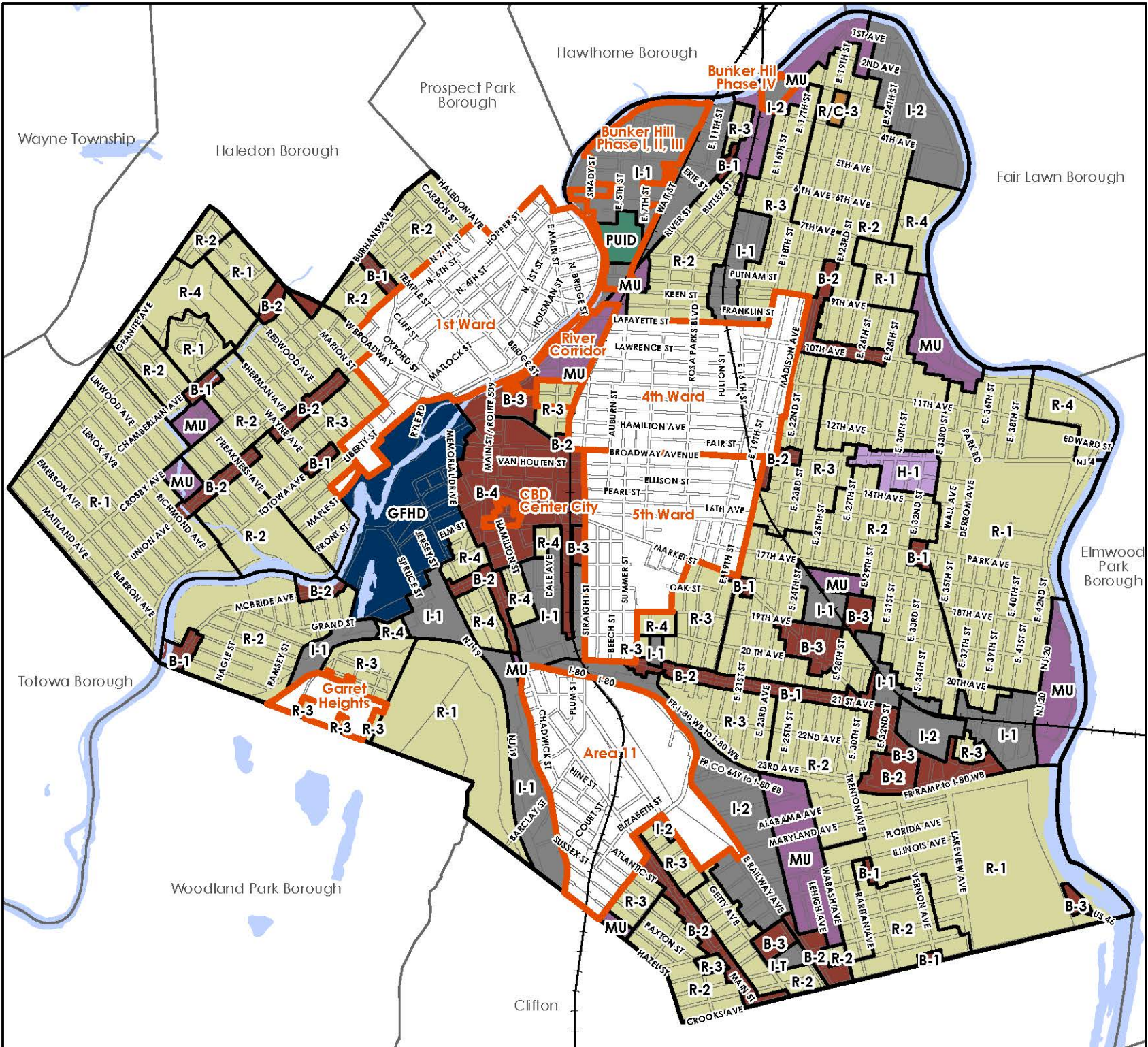
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1:18,000				
	Miles			

Figure Title	Public Transit		
Client	County of Passaic		
Project	Market Analysis Paterson, New Jersey		
Figure No.	2		
Print Date	4/18/2024		

Zoning Map

City of Paterson, NJ

- Redevelopment Districts**
- Zoning**
- R-1, R-2, R-3, R-4: Residential
- R/C-3: High Medium Density Mixed Use District
- B-1, B-2, B-3, B-4: Business
- GFHD: Great Falls Historic District
- H-1: Hospital
- I-1, I-2: Industrial
- MU: Mixed Use
- PUID: Planned Unit District



HEYER GRUEL & ASSOCIATES
January 2016

Source: NJGIn, NJOGIS, NJDEP,
2012 Paterson Master Plan