

A blue-tinted photograph of a metal shopping cart in a warehouse or storage area. The cart is empty and has a wire mesh body. It is positioned in the center of the frame, with its handle and front legs visible. The background shows a concrete floor, some wooden planks, and a cardboard box with the word "SANTO" on it. The overall lighting is dim, and the blue tint gives it a cold, industrial feel.

## PART 3: SITE DEVELOPMENT PLAN & RECOMMENDATIONS

# Site Development Plan & Recommendations

## Table of Contents

Executive Summary.....	3
Introduction .....	4
Summary of Findings: Market Analysis and Site Evaluation .....	4
Feasibility of Food Retail Options at the Target Site .....	6
Target Site Challenges .....	7
Recommendation 1: Reuse of 25 New Market Street .....	9
Recommendation 2: Public-Private Partnership Grocery Store .....	10
Recommendation 3: Supermarket Shuttle.....	11
Other Types of Food Establishments .....	11
Development and Recommendations.....	15
Reuse of 25 New Market Street as a Workforce Development Hub.....	15
Establishment of a Public-Private Partnership Grocery Store.....	20
Establishment of a Supermarket Shuttle Program.....	29
Environmental Considerations.....	35
Conclusions .....	36
Acknowledgements.....	37
Appendix: Full-size Maps .....	39



## Executive Summary

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The City of Salem, New Jersey, with support from the NJ Economic Development Authority, conducted a Food Security Planning Study to identify strategies that improve access to healthy food and promote economic revitalization. Central to this effort is the transformation of a city-owned site at 25 New Market Street into a community-serving space.

### Key Findings

The Market Analysis revealed Salem's significant food access challenges:

- No full-service grocery store since 2017.
- Almost 30% of households lack vehicle access.
- Salem is a USDA- and NJEDA-designated food desert.
- High SNAP/WIC reliance and growing demand for groceries.

The Site Evaluation identified:

- The site includes a large, deteriorated industrial building and adjacent lots.
- Renovation costs and structural integrity are unknown.
- Environmental risks, limited truck access, and parking constraints present barriers.

This final part of the study presents the following recommendations:

### 1. Reuse of 25 New Market Street as a Workforce Development Hub

If the building is structurally sound and funding is available, repurposing it into a workforce development and training facility is the long-term priority. This hub would address employment needs, provide training aligned with regional job markets (e.g., green energy, healthcare), and revitalize downtown Salem.

### 2. Establishment of a Public-Private Partnership Grocery Store

Establish a smaller-scale grocery store in an alternative city-owned building (e.g., 17 New Market or 152 Yorke Street), leased at low or no cost to a qualified operator. The store must accept SNAP and WIC and will ideally partner with local farmers and producers.

### 3. Establishment of a Supermarket Shuttle (Short-Term Solution)

Launch a fixed-route shuttle service to a nearby full-service supermarket to immediately improve food access for residents without transportation. This solution could be implemented quickly while longer-term options are developed.

Other strategies for addressing gaps in food access include:

- Farmers Market or CSA program with tiered pricing
- Free grocery store (free choice pantry) to serve extremely low-income households
- Community food buying club for group grocery purchasing

The City of Salem, in partnership with planning consultants and with funding support from the New Jersey Economic Development Authority (NJEDA), has undertaken a comprehensive Food Security Planning Study aimed at addressing persistent challenges related to food access and economic revitalization. This report, the *Site Development Plan and Recommendations*, represents the final phase of that study, building on extensive market research, site evaluation, and community engagement.

Salem, a small city in Salem County, faces serious food insecurity due to the absence of a full-service grocery store, limited public transportation options, and a high proportion of residents without access to private vehicles. Designated a “food desert” by both the US Department of Agriculture (USDA) and NJEDA, Salem’s food landscape is dominated by convenience stores and dollar stores that offer limited nutritious options at high prices. These conditions contribute to poor health outcomes, economic stagnation, and disinvestment in the community.



The city owns a centrally located property at 25 New Market Street, which includes a vacant industrial building and two adjacent lots. This underutilized site offers a unique opportunity to both improve local food access and catalyze broader downtown revitalization. However, the site presents numerous challenges – including potential environmental contamination, building deterioration, zoning limitations, and infrastructure constraints – that must be addressed thoughtfully.

This report presents three primary recommendations to address food insecurity and stimulate inclusive development. In addition to these core strategies, the report explores supplementary food access models and identifies funding opportunities, partnership strategies, and next steps for implementation. Together, these recommendations provide a roadmap for leveraging city-owned assets to improve quality of life, increase food equity, and strengthen the local economy.

## Summary of Findings: Market Analysis and Site Evaluation

This study was funded by an NJEDA grant with the goal of exploring the feasibility of transforming an underutilized city-owned site into a food retail outlet in order to improve access to healthy food and stimulate local economic development. The two previous parts of the study – the market analysis and the physical site evaluation – provided the basis for this *Site Development Plan and Recommendations* and are summarized below.

## Part 1: Market Analysis – Key Findings

### Community Snapshot

- Salem population: 5,285 (2022)
- 28% of households lack vehicle access
- City designated a USDA & NJEDA food desert
- No full-service grocery store since 2017

### Current Food Environment

- Only limited retailers (convenience stores, dollar stores)
- Most residents travel 20-40+ minutes for full grocery selection
- Local stores have higher prices and very limited healthy options

### Demand & Spending Forecast

- Strong and growing demand for groceries
- Spending expected to grow 14-15% over five years
- High reliance on SNAP/WIC benefits

### Retail Models Analyzed

1. Large Grocery Store
  - About 6 jobs supported, \$716,000 total economic impact
2. Supermarket
  - About 43 jobs supported, \$5 million total economic impact
3. Farmers Market
  - Approximately \$500K in sales; lower overhead, high community engagement

### Alternative Solutions

- Supermarket shuttle
- Grant-funded grocery store
- Grocery store that is a partnership between the public and private sectors
- Non-profit or free grocery store
- Healthy corner store initiative
- Food co-op
- Mobile grocer
- Alternative farmers market model
- Community food buying club

## Part 2: Physical Site Evaluation – Key Findings

### Target Site

- Located at 21 & 25 New Market Street + adjacent paved lot
- Includes a vacant industrial building (14,280 SF) and adjacent vacant grassy lot
- Zoned for C-1 Retail Commercial use
- Close to schools, government buildings, and downtown area

### Challenges

- Significant renovations needed (building is deteriorated) – at unknown expense
- Environmental assessments pending (site approved for EPA environmental assessment)

- Flooding risks nearby, but site itself currently outside main flood zone
- Truck access & delivery space limited
- Parking requirement: Approximately 96 spaces for a grocery store the size of 25 New Market

#### **Transportation Constraints**

- Limited public transportation options
- Difficult for residents who do not own a car to access grocery stores

#### **Environmental/Sustainability Considerations**

- EPA-approved for brownfield assessment funding
- Part of a broader region vulnerable to flooding, heatwaves, and climate change
- Long-term disinvestment has led to housing and infrastructure degradation

#### **Legal & Regulatory Highlights**

- Grocery use assumed permissible under “retail store” zoning
- Existing structure is nonconforming under current zoning (lot coverage, setbacks, etc.)
- Redevelopment must meet zoning for parking, access, stormwater, and landscaping/setbacks

### **Conclusions from Parts 1 & 2 and Next Steps**

#### **Why This Matters**

- Salem residents – especially those without transportation or sufficient income – face severe food access barriers
- A new food retail development could:
  - Improve health outcomes
  - Create local jobs
  - Act as a catalyst for downtown revitalization

#### **What’s Needed for Success**

- Strong community engagement and buy-in
- A food retail model that is:
  - Affordable
  - Accessible
  - Sustainable
- Careful site planning to address physical constraints
- Commitment to resilient, inclusive development

## **Feasibility of Food Retail Options at the Target Site**

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While the need to improve food access in Salem is clear, the target site presents challenges. In addition, Salem’s small population, low median income, and relatively low consumer spending on groceries – compared to the county overall and to other many other nearby communities – are a large part of the reason the city has not attracted a private grocery operator since 2017. This section of the study discusses challenges and potentially feasible food retail options for Salem, given information learned in Parts 1 and 2 of this study as well as community feedback.

## Target Site Challenges

The interior size of the existing building at 25 New Market Street (approximately 14,280 SF in its current configuration) is sufficient for a medium-sized grocery store, and the city-owned paved lot across the street could theoretically serve as a store parking lot.

However, the site has both challenges and unknowns at this time.

### **Structural Soundness**

The structural soundness of the building at 25 New Market St. is currently unknown. The building is 125 years old and has stood vacant for decades, and although city's records show that building was used in the past as a car dealership – with the elevator and upper floor able to support the weight of cars and machinery – a recent site visit revealed clear deterioration. For example, the building is largely open to the elements, and it is unknown if water damage has affected the building's soundness. An engineering assessment has not yet taken place, although City Council approved a resolution in April 2025 to move forward with this assessment.

### **Feasibility of Interior Remodeling**

Major renovations would be necessary to transform 25 New Market Street into a grocery store. At a minimum, the building would need plumbing, electrical wiring, an HVAC system, refrigerated storage, restrooms, an elevator, and a delivery bay/loading dock. These modifications would remove an unknown amount of interior sales space and reduce ceiling height, and it is currently unknown whether all new electrical and plumbing systems are required, or if only upgrading is necessary.

### **Accessibility for Delivery of Inventory**

The building at 25 New Market St. is nearly flush to the curbs of New Market and Carpenter streets. Although there is a narrow driveway apron and garage door on the building's Carpenter Street side, the street is too narrow to allow a delivery truck to back

*Figure 1: Second floor of 25 New Market St.*



*Photos: BRS site visit 18 December 2024*

*Figure 2: Target site – aerial image*



*Source: Google Earth aerial image*



up to the garage door. In addition, immediately across Carpenter Street from the building is Salem Middle School, and it could be problematic to have truck deliveries taking place in such close proximity to children coming to and leaving school. Finally, the absence of a raised loading dock could complicate store deliveries. The parking lot to the west of 25 New Market St. is privately owned and therefore unavailable, but there is the possibility that the parcel at 21 New Market St. could be used as a delivery entrance. This would necessitate building reconfiguration and would have to be done in accordance with Salem city code.

### ***Potential Environmental Contamination***

Given 25 New Market St.'s past uses as a factory and a car dealership, it is unknown whether there is environmental contamination that could preclude the development of a grocery store – or necessitate costly remediation. EPA has approved use of funds from Salem's Brownfields Multipurpose grant for environmental investigation, and the City of Salem has engaged an environmental consultant. 21 New Market St. was a bowling alley in the past, but little else is known about its past uses or possible environmental conditions, and an assessment is likely necessary prior to development. The city-owned lot across Market St. (Block 63, Lot 1.01) has already been paved over; no past environmental assessment is known. Note that if either of these latter parcels is used as a parking lot, in-depth assessments may not be necessary, but at least a Phase I investigation of past uses is recommended.

### ***Parking Requirements***

According to Schedule G of Salem's parking regulations, a retail establishment with sales space equal to the interior dimensions of 25 New Market St. (14,280 SF – notwithstanding renovations that potentially reduce that space) would require about 96 parking spaces. The city-owned lot across Market St. (Block 63, Lot 1.01) may be large enough, but it is unclear at this point. In addition, there is the possibility of a variance from the Salem

Planning Board to reduce required parking spaces to a more reasonable number for a medium-sized store. Another option is for additional parking to be offered on the lot at 21 New Market St., if necessary.

*Figure 3: Paved city-owned lot (Block 63, Lot 1.01)*



### ***Customer Accessibility and Convenience***

While the target site's location is central in downtown Salem, it has accessibility challenges. One is that siting a grocery store in a two-story building presents challenges and additional costs. A freight elevator and an elevator for customer use (or a combined-use elevator) would be necessary, as would a stairwell and a fire escape. Another challenge related to customer convenience and accessibility is a store parking lot potentially being located at the city-owned parcel across the street. Customers would be required to cross New Market Street and then cross Carpenter Street to reach the store, and to do the same with shopping carts after completing their purchases.



### **Cost of Building Rehabilitation and Renovations**

Even if the building at 25 New Market St. is structurally sound and requires no significant environmental remediation, costs for major repair work are currently unknown but can be assumed to be in the millions of dollars. In addition, renovations to make the building “retail ready” will depend on design documents that do not exist yet, but which could also present significant costs. Potential sources of funding for renovation of historic buildings and for construction costs for a new food store will be discussed in detail later in this report, but it is important to note that preparing the building for reuse could be a years-long project.

### **Safety and Security**

Conversations with community members and local stakeholders made clear that security measures are necessary for any retail business in Salem. Measures could include an electronic surveillance system (e.g., CCTV) inside the store and in the parking lot, hired security guards, anti-theft devices, and electronic wheel clamps on grocery carts.<sup>1</sup> In addition, pedestrian safety measures such as stop signs and crosswalks with clear signage at the intersection of New Market and Carpenter streets will be essential. These pedestrian safety measures would be helpful for Salem Middle School as well.

*Figure 4: A clearly marked crosswalk for improved pedestrian safety*



Source: [Public service announcement, West Orange, NJ](#)

### **Recommendation 1: Reuse of 25 New Market Street**

While there are challenges and many unknowns associated with the building at 25 New Market St., if it is deemed structurally sound, the building should be renovated for reuse. However, because of the length of time it is likely to take to secure funding and complete the work – and because of the urgency of improving food access for Salem residents – this study recommends a different long-term use for the three city-owned parcels that make up the target site. Given the pressing need for new employment and training opportunities in Salem, the target site should be used for a workforce development hub.

If the building at 25 New Market St. is *not* deemed structurally sound, and demolition and new construction are preferable to an extremely expensive renovation, this study recommends sources of funding for construction of a new workforce development hub at the target site. If the current building at 25 New Market is removed, new construction could take place on the larger footprint of both 21 and 25 New Market St. The paved lot across the street could be suitable as a parking lot that serves the new hub.

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<sup>1</sup> As was noted in Part 1: Market Analysis, grocery cart theft is generally less about a desire to steal carts and more often an indication of a transportation problem for customers.

An effective workforce development and training facility requires significant investment and strong leadership, as well as good partnerships with educational institutions, state and county workforce programs, and employers. There is considerable opportunity to focus training efforts as appropriate for local residents: for example, the facility could include a commercial kitchen that provides classes or that can be utilized by food entrepreneurs to grow their businesses. A more general example is classes and certifications that are geared toward the fastest growing industry sectors in the county or state. Many workforce development hubs also include employment services to help connect trainees and other residents with job opportunities that fit the skills they have acquired. A well-run workforce development and training hub can both support employment for Salem residents and revitalize the downtown area around the target site.

## Recommendation 2: Public-Private Partnership Grocery Store

This study's second recommendation is a small or medium-sized grocery store owned and managed by a private operator and sited in a city-owned building. Given Salem's small size and relatively low average monthly expenditures on groceries, this type of partnership may be the incentive needed to attract an investor. The main advantage of this model is that a low- or no-cost lease on a city building can reduce operating costs, making the prospect more attractive to a store operator and allowing food prices to remain lower than they are in a standard grocery store or supermarket.

Because it is assumed that renovation of the building at 25 New Market St. will be a yearslong project, this study recommends identifying another city-owned building for the grocery store – at least in the short term. Development recommendations in a section below describe the appropriate type of structure, amenities needed, and accessibility requirements.

The city-owned building at 17 New Market St. is one interesting option because of its central location, size (4,524 SF), and relatively good current condition. The building was constructed on this 0.2-acre lot (Block 57.01, Lot 10) in 1940 and housed municipal offices until 2023, but it has been vacant since then. Another option is 152 Yorke St. (Block 75, Lots 9 and 10), which comprises two parcels for a total of just over one acre. There is a building on the site of approximately 5,000 SF, constructed in 1960. The First United Methodist Church in Salem transferred the property to the city in December of 2023.<sup>2</sup> While this site is not in downtown Salem, it is close to two residential hubs.

The other key component of a successful grocery store using this model is identifying a suitable grocery operator partner. Details below on this recommendation will give examples of partnership structures and potential local partners.

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<sup>2</sup> Salem County Office of the County Clerk. Book 4694 / Page 803. Transferred for \$1 on 7 December 2023 and recorded 25 April 2024. <http://50.217.226.100/publicsearch/>. See Property Cards for [Lot 9](#) and [Lot 10](#).

### Recommendation 3: Supermarket Shuttle

This study's third recommendation focuses on a short-term, quickly implementable way to improve food access by removing transportation barriers. Supermarket shuttles generally operate on a fixed schedule, transporting local residents to a full-service supermarket in another town or community. It is essential that the store chosen accepts both SNAP and WIC. There is the potential for partnership with a supermarket that supports the shuttle financially, since transporting customers to the store will increase store sales. An alternative is a funding partnership with a local healthcare institution or insurance company. While this is not a long-term solution, it could address needs in the short term for the significant proportion of Salem households that do not own a car.

### Other Types of Food Establishments

There are other means of improving access to healthy food in Salem that, while not this study's main recommendations, could help fill significant gaps. These are a farmers market (potentially with an accompanying tiered Community Supported Agriculture, or CSA, program), a free grocery store, and a community food buying club.

#### *Farmers Market and/or Tiered CSA Program*

Farmers markets can provide communities with an important source of fresh produce and other foods while supporting local farms and other producers. Particularly successful farmers markets (including in low-income communities) tend to incorporate community services and placemaking efforts, as well. For example, offering cooking demonstrations, health checks, lunches for children, and games or music can draw customers and indirectly support surrounding businesses through increased foot traffic. It is important to note that such placemaking efforts require grant funding or partnership with private or philanthropic institutions, or both.

Figure 5: Greenwood Ave. Farmers Market, Trenton



Photo: [Capital Area YMCA](#)

Nutrition incentive programs such as SNAP, the WIC

Farmers Market Nutrition Program (FMNP), and Senior Farmers Market Nutrition Program (SFMNP) are essential to a market sited in Salem, and it would be ideal to partner with a New Jersey institution (such as City Green) to offer Good Food Bucks as an additional incentive program that helps low-income customers stretch their dollars. It is more efficient for a market (as opposed to individual vendors) to accept SNAP and other benefit programs on behalf of all vendors. A market currency system – such as tokens – is one good way for a farmers market to facilitate use of benefits, but it does require detailed bookkeeping by market management.



The lot at 21 New Market Street is a potential location for a new farmers market, and often environmental investigation is not required for this type of transient use. There may be other suitable locations that are centrally located, but the availability of parking at the city-owned paved lot across the street is one of 21 New Market Street's advantages.

A different type of partnership with local farms that could increase the availability of fresh produce – and perhaps of fresh meat, as well – is a Community Supported Agriculture (CSA) program. Members sign up for share in a farm's products at a set point in the year – usually ahead of the growing season – and receive regular distributions of those products during the harvest season. A CSA program in Salem could support county farmers financially by paying for a share of the farm's production ahead of each growing season. This type of program allows farmers to purchase necessary capital inputs and pay for labor when these financial demands are often highest, rather than waiting until harvest season. An added advantage for local growers is that a CSA program provides a reliable market for their products. Successful CSAs build long-term relationships between farms and their customers.

Key to a successful CSA program in Salem is striking a balance between affordability for customers and sufficient profits for farmers. One solution is a tiered CSA model. Norwescap is piloting a farm share program in Phillipsburg, NJ, providing a sliding-scale system for three membership levels: SNAP households, limited resource households, and higher-income households. Individuals and companies can also purchase a "Justice Share" that enables a lower-income household or employee to purchase a share at a lower rate. Norwescap incorporated technology to increase efficiency and customer



convenience, with an app that allows CSA members to browse shares, get recipes, and view upcoming CSA items. Shares of six to eight types of local produce are distributed every two weeks from July through mid-November.<sup>3</sup>

The main reason neither a farmers market nor a CSA program is one of this study's main recommendations is that community members have been clear that they want a year-round solution that offers a full range of groceries.

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<sup>3</sup> <https://norwescap.org/fresh-stop-market/>

### *Free Grocery Store*

Although median incomes in Salem are increasing, 30% of households are living below the poverty level. The establishment of a new grocery store that accepts SNAP and WIC benefits will not be able to address these households' food insecurity fully, and emergency food distribution remains critical. Salem has several active food pantries supported by the Food Bank of South Jersey, as well as by local donors, religious institutions, and nearby supermarkets. The establishment of an indoor free grocery store (or free choice pantry) that combines the resources of several food pantries under one roof would improve efficiency and offer very low-income residents better product selection and the opportunity to "shop" with more dignity.

Figure 6: Greater Goods, a free grocery store in Kensington (Philadelphia)



Photo: [Sunday Love Project website](http://www.sundayloveproject.org/)

An ideal free grocery store in Salem would offer clients the opportunity to select meat, poultry, dairy, shelf-stable items, household items, feminine hygiene products, and diapers. If partnerships with local farmers can be established, the store could offer produce – perhaps from farms' "imperfect" inventory that cannot be sold to their regular wholesale distributors. The focus should be on providing fresh food in what looks as similar as possible to a small grocery store, and providing opening hours several times a week, with no need for appointments. After household registration during an initial visit to the store, no form of identification or client tracking would be required.

Salem food pantries' existing relationships with partner organizations (such as the Food Bank of South Jersey) and donor supermarkets and local institutions can be leveraged to help build a sufficient funding stream and reliable food inventory for a new free grocery store. That said, the project would require ongoing fundraising and relationship building, and it would be necessary for a community leader or local group to manage both funding and operation. Identifying a suitable location for the store would be one of the initial challenges, and funding would be needed to purchase shelving and refrigerated storage.

### *Community Food Buying Club*

A third idea is a community food buying club. There are a variety of ways of executing this model, from a group of neighbors that regularly combines resources for grocery purchases in bulk to a more organized collective that collaborates to purchase a particular type of product(s) at a discount from a wholesale supplier. The club's structure may be formal or informal, and it could include home delivery or grocery pickup at a central local point. The main objective is to make affordable food more accessible while easing transportation burdens on the group as a whole.

Food buying clubs vary in size, organizational structure, and products purchased. However, nearly all operate on a pre-order, pre-pay system. The simplest type of club consists of a small group of community members that pools their grocery lists and funds to shop at a store that offers lower prices for bulk purchases (Costco, Sam's Club, BJ's, etc.). Grocery orders are collected on a regular schedule or ad hoc, members submit their payments to the person making the store run, and that person brings the group's collective purchases to a central point for pickup. The club might offer a limited list of items for purchase or might simply collect a list from each member household. Some clubs have a central organizer who is responsible for collecting lists and money every time the group makes a purchase, and members might contribute toward gas money. Other clubs rotate these responsibilities to share transportation and time burdens.



A more sophisticated model involves a group identifying a specific type of bulk purchase – e.g., produce, household goods, organic foods, fish, or meat – they will make together from a wholesale supplier. This wholesale supplier may even be a local farm, and some clubs focus on purchasing locally sourced food in order to support their local economy. The level of organization and member commitment for this type of buying club is higher than that required for a simpler, less formal model, and a highly successful club can be the precursor to a food co-op with a brick-and-mortar location and expanding consumer/owner membership.

Whether the model chosen is formal or informal, there are several key questions the founding group must answer:

- What items are to be purchased, and where?
- How frequently are products purchased?
- Who is responsible for collecting money from members, and how is the money collected?
- Who is responsible for collecting order items from members, and how is this done?
- Will placing the order and transporting purchases fall to one designated member, or will this be a rotating responsibility? And how will transportation be funded?
- Where will members pick up their purchases?
- Is the club open to additional members, and will there be a limit on the total number of members?

Additional modifications to fit member preferences may develop from this initial list of questions. For large clubs that work with a wholesale supplier, product delivery to a specific drop-off point may be an option. Large clubs may require that someone is responsible for managing distribution of products to members, but generally clubs remain small enough that there is no need for the additional expense of food storage. Other clubs may provide the option of home delivery for an additional fee.



## Development and Recommendations

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This section discusses the three main recommendations of this study, with particular attention given to considerations such as site requirements, organizational structure, costs, partnerships, challenges, and funding opportunities.

### Reuse of 25 New Market Street as a Workforce Development Hub

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**GOAL:** *To grow Salem’s skilled, resilient workforce by aligning education, industry, and community resources, fostering inclusive economic growth and connecting residents with career opportunities that offer living wages.*

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The establishment of a workforce development hub could take a variety of forms. Successful workforce development programs in small cities tend to focus on:

- Increasing workforce participation,
- Upskilling/reskilling local workers for high-demand economic sectors,
- Engaging youth (to prevent “brain drain” and career pessimism),
- Removing barriers to employment for low-income residents, and
- Partnerships with regional employers.

Given Salem’s youth and adult education gaps, it is also important to address educational attainment – especially for those without high school diplomas – and provide linkages to career-track training programs that do not require a post-secondary degree.

#### *Site Requirements*

There is no standard size for a workforce development hub, and the layout depends entirely on what types of support and training are offered. Renovation design similarly depends on the type of assistance provided and could include a caterer’s kitchen, a classroom, a computer lab, or an entirely different component. A renovated version of 25 New Market Street would require the standard amenities and accessibility measures of any building accessible to the public – plumbing, HVAC, an elevator, updated electrical wiring, etc. – with the additional

Figure 7: Dr. Larry D. Davis Workforce Training Center, Morrilton, AR



Photo: [UA Community College, Morrilton](#)

requirement of reliable broadband internet service. Off-street parking is also essential.

While an assessment of the type of workforce training components that would be most useful to Salem residents is outside the scope of this study, findings from *Part 1: Market Analysis* and a recent study by the Chamber of Commerce - Southern New Jersey<sup>4</sup> suggest the following potential areas of focus:

- **Green Energy & Infrastructure:** Leverage state and federal funding for clean energy while tapping into the market for in-demand occupations.
- **Healthcare Pathways:** Train certified nursing assistants, licensed practical nurses, and medical assistants for regional hospital networks, and home health aides for an aging county population.
- **Agriculture & Food Processing:** Modernize farming and food industry skills.
- **Logistics & Transportation/ Commercial Driver's License (CDL) Training:** Proximity to major highways and ports could create job pathways.
- **Construction & Skilled Trades:** New Jersey's construction sector continues to grow, as do many of the related skilled trades.
- **Soft Skills Development:** Communication, teamwork, leadership, etc., are essential skills for both those new to the workforce and residents looking to retrain. Courses to build these skills are an important part of many re-entry programs for previously incarcerated residents and justice-impacted individuals.

In the best possible scenario, a workforce development hub would offer additional services such as benefit enrollment, assistance finding affordable housing, mental health support, childcare, and transportation support (ideally in the form of a shuttle service). Because Salem's public transportation is so limited, a workforce development hub can play a key role in improving access to training centers, continuing education, and job sites.

### *Organizational Structure and Management*

The city might maintain building ownership, but it would likely lease the building to a contracted organization that specializes in workforce development. Alternatively, the city could sell the building as-is for redevelopment. Identification of a qualified organization or partner institution to operate the hub – as well as any partners to provide other services – would be essential before moving forward with building renovation. The main reason is that financing renovations would rely heavily on funding sources that support workforce development rather than building rehabilitation or adaptive reuse.

It is notable that local non-profit Stand Up for Salem currently runs a successful workforce development and training program. So while there is precedent in Salem, more of this type of service is needed. The [Ideal Institute of Technology](#) in Atlantic County prepares residents for the workforce by focusing on training for in-demand careers in administration, accounting, business, and technology. The institution's

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<sup>4</sup> "Long Story Short: South Jersey. A Busy Policymaker's Guide to Understanding a Misunderstood Region." Chamber of Commerce Southern New Jersey. <https://chamberofcommercesouthernnewjerseyvccsnj.growthzoneapp.com/ap/CloudFile/Download/PKmdvoor>

“earn while you learn” model lightens financial burdens and provides additional motivation for skill-building and vocational and technical training.

### *Partnerships*

Forging partnerships is crucial to the effectiveness of a workforce development hub. Some examples are:

- Salem County Community College – GED courses and tests, vocational training, stackable credentials, and dual enrollment for students at Salem High School
- Salem High School – partnership for Career & Technical Education (CTE)
- Salem County Board of Social Services – particularly if wraparound services are offered at the hub
- Salem County One-Stop Career Center – strengthen the hub’s role as a connector for training, reskilling, and job placement
- Salem County Chamber of Commerce – coordinate efforts and align goals
- Chamber of Commerce Southern New Jersey – collaborate to build effective public-private partnerships
- Salem County Economic Development and the New Jersey Economic Development Authority – explore the possibility of tax incentives for employers who invest in training or hire local workers
- Local and regional employers – launch apprenticeship programs and work-based learning (job shadowing, paid on-the-job training, etc.)
- Rowan University and Cumberland County College – consider cross-county collaborations and align curriculums with local industry needs.
- Non-profits like Stand Up for Salem, Gateway Community Action Partners, Ranch Hope, etc.

In addition, some workforce development facilities contract or partner with organizations that offer job placement services to help match workers with open positions.

### *Costs*

It is difficult to provide even a general estimate of costs to renovate the building as a workforce development hub without knowing the model that would fit Salem, and given current unknowns on structural soundness, the types of repairs needed, and potential environmental contamination from the building’s past uses. Certainly, costs would be in the millions of dollars.

### *Funding*

Two main types of funding would be necessary for project implementation: the first would help fund renovations of 25 New Market St., and the second would subsidize workforce development and training programs. The main sources for both would likely be grants and financing from state and federal sources.

#### *1. Funding for site renovation:*

##### *NJ Economic Development Authority’s (NJEDA) Real Estate Gap Financing Grant Program*

- Grant amount: \$500,000 - \$5,000,000



- Purpose: To support real estate new construction or substantial rehabilitation/reconstruction projects located within distressed municipalities.
- Eligibility: City, state, and county entities are not eligible to apply. Only non-profit or for-profit entities may apply, which means that this source of funding would only be relevant if Salem sells the building to an organization or company for redevelopment. Applicants must agree to a five-year deed restriction ensuring no change in the proposed project use for five years, which ensures that the building's use is mission-aligned for at least that period of time.
- Limitations: Asbestos hazard abatement and lead hazard abatement costs are not eligible for grant funding.

#### NJEDA Small Business Improvement Grant Program

- Grant amount: 50% of eligible total project costs up to \$50,000
- Purpose: To reimburse costs associated with completed building improvements or purchased new furniture, fixtures, and equipment.
- Eligibility: Non-profits or for-profits that rent or own and operate from a facility and meet SBA definition of a small business.

#### US Department of Housing and Urban Development Community Development Block Grant (CDBG) Program

- Grant amount: Depends on municipality and county
- Purpose: (in addition to providing decent housing) To expand economic opportunities, primarily for low- and moderate-income individuals.
- Eligibility: States, cities, and counties.
- Limitations: Cost share required.

### 2. Funding for workforce development program

#### NJEDA Direct Loans Program

- Loan amount: Up to \$2,000,000 for fixed assets or up to \$750,000 to be used for fixed assets or working capital.
- Purpose: Provides direct loans when conventional financing is not available if a business commits to job creation or retention.
- Eligibility: Businesses must commit to creating or maintaining one job for every \$65,000 of assistance (note that these are jobs at the workforce development hub itself).

#### NJ Department of Labor & Workforce Development Pace Apprenticeship in Career Education

- Grant amount: Up to \$8,000 per participant for costs associated with pre-apprentice training and stipends.
- Purpose: Aligning secondary, post-secondary, adult education, and occupational training to meet labor demands unique to New Jersey and develop career pathways leading to economically sustainable wages.

- Eligibility: Entities developing new, or building upon existing, Registered Apprenticeship programs.

#### NJ Department of Labor & Workforce Development Apprenticeship Tax Credit Program

- Tax credit amount: \$5,000 (\$10,000 for businesses in manufacturing, construction, healthcare, logistics, pharmaceuticals, transportation, tourism, or renewable energy).
- Purpose: To offset approved startup expenses in the first year of apprenticeship program.
- Eligibility: Businesses registered in NJ and in the first year of running a new apprenticeship program.

In addition, non-financial sources of support include local non-profits and non-governmental organizations, which can often fill gaps in training, support services, or fundraising. Community leaders can serve as important project champions to advocate for and drive the workforce development initiative forward.

#### Challenges

In addition to covering the unknown (but certainly high) cost of renovating 25 New Market St. for use as a workforce development hub, there is the separate challenge of securing grant, loan, and/or sponsorship funding for the workforce training and any other assistance programs housed at the hub. There is currently no Salem-based organization or institution that has expressed interest in operating a new workforce development and training facility, and finding a suitable non-profit or private-sector entity may present another challenge. Given these unknowns and the scale of the effort required to set up a new workforce development hub, it would likely take several years to establish a fully functioning facility.

#### Recommendations

Although a detailed assessment of this type of project is outside the scope of this study, it is possible to make some basic recommendations:

- Key year 1 objectives are to:
  - Conduct a thorough workforce needs assessment
  - Complete a structural engineering assessment and environmental investigation for 25 New Market St.
  - Identify a non-profit or private sector operator with a proven track record in workforce development programming
  - Complete construction design documents for 25 New Market St.
  - Begin building local and regional partnerships
  - Draft a detailed business plan and secure funding
- Through partnerships and targeted training, focus on training and apprenticeship programs for youth and young adults
- Establish programs (and partnerships – e.g., with SCCC) focused on reskilling programs for adults

- Identify other supportive services that could be provided at the hub, such as benefit enrollment and transportation assistance

## Establishment of a Public-Private Partnership Grocery Store

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**GOAL:** *To establish a professionally operated medium-sized grocery store that provides a full selection of food, including fresh, nutritious fare. The city will offer a low- or no-cost lease to the grocery operator for use of a suitable municipally owned building. The store will accept SNAP and WIC benefits and – ideally – will partner with local farms and food entrepreneurs that supply the store with fresh meat, produce, and a selection of prepared foods.*

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### *Site Requirements*

The site used for this model must be owned by the city or another public entity – there are examples of site ownership by counties, municipal redevelopment agencies, and even school districts. At least 5,000-8,000 SF of space is needed for a medium-sized store that serves Salem’s 2,172 households, as well as the potential market of over 2,000 people who commute to Salem to work, and a small portion of the 10,701 households in the trade area. While a store is unlikely to draw customers from the areas north and northeast of Salem, there are several communities to the south and southeast of the city that also lack grocery stores and could present a secondary customer base.

Interior setup for this store model is the same as any grocery store, although if the available space is smaller than ideal (less than 6,000 SF), some creative organization and interior design may be necessary. The store building must be accessible for customers of all physical abilities and must have convenient parking. Providing easy access for food delivery is essential, and while a medium-sized store might only receive supplies once or twice a week if using a consolidated wholesale supplier, off-street truck parking and a delivery entrance are important. For a store this size, a raised loading dock might not be necessary, and depending on frequency of food delivery, it might not be necessary to have refrigerated storage onsite.

If 17 New Market became available as a site for the new store, its size of 4,254 SF is on the small side, and its two-story layout presents some challenges to accessibility and customer convenience. It would be important to have an elevator and probably necessary to build a covered grocery cart bay beside the building (on city-owned lots 9 or 11, behind the building on Lot 10, or just to the right of the building on lot 10). Parking and truck delivery present more difficult challenges. The paved lot at Block 63, Lot 1.01 is large enough for store parking, but it is not particularly convenient. There is a narrow driveway and access lane from New Market Street to the back of 17 New Market St. that could be widened to accommodate entry to the area behind the building. However, 17 New Market has the advantage of being situated at the center of a series of city-owned lots in Block 57.01, and customer parking and delivery areas could be built on Lot 11 or the portion of Lots 6-9 not currently used as a community



garden. Utilizing Lot 11 is a particularly interesting alternative, because it would allow for better access to and use of the paved area behind 17 New Market.

17 New Market St. is currently zoned for C-1 Retail Commercial use – the same zoning as 25 New Market St. The City of Salem acquired the property from Salemcare, Inc., a New Jersey non-profit corporation. Salemcare, formerly known as Visiting Homemaker Home Health Aide Service of Salem County, Inc., acquired the property through multiple deeds dating back to 1986. Prior to that date, the building was owned by Farmers Mutual Fire Insurance Company. These uses do not suggest that environmental contamination is present, although there is no known environmental assessment or investigation of potential underground storage tanks for heating oil, for example.

*Figure 8: Street views of 17 New Market St.*



*Photos: BRS site visit 29 April 2025*

*Figure 9: Aerial view of 17 New Market St. (parcel shown outlined in blue) and surrounding lots*



*Source: Rowan University [Parcel Explorer](#)*

*Figure 10: Street view of 17 New Market St.*



*Photo: BRS site visit 29 April 2025*

If a store on this site is successful over several years, there is possibility of moving into the larger building at 25 New Market St. if it has been renovated and is not in use.

152 Yorke St. (Block 75, Lots 9 and 10) is another city-owned option. This one-acre site has a vacant building (approximately 5,000 SF) and ample space for a parking lot and truck deliveries. Formerly church-owned, it was built in 1960 and transferred to the City of Salem in 2023, and it has stood vacant since then.<sup>5</sup> It is directly adjacent to Salem Manor Apartments and less than half a mile driving distance from Harvest Point Apartments.

Figure 11: Aerial views of 152 Yorke St. (parcels shown outlined in blue)



Source: Rowan University [Parcel Explorer](#)

152 Yorke St. is currently zoned R-1 Residence. The Use Regulations for the R-1 Residence District are outlined in section 130-48. Permitted uses include single-family dwellings and municipal buildings, and historically, prior to the city's ownership, this building has been used for institutional/religious purposes. In 130-48 (B) the code spells out the types of accessory uses permitted in this district and notes that "the term 'accessory use' shall not include a business." It then delineates four permitted accessory uses: a private garage, professional offices, certain signs, and the renting of a room. The code further specifies the types of professional offices that are permitted as an accessory use and then notes that "no goods shall be publicly displayed on the premises." If the city maintains ownership, an argument could be made that a store of this model is still a municipal use housed in a municipal building, but confirmation from the planning board is necessary.<sup>6</sup>

<sup>5</sup> The City of Salem acquired the property from the Greater New Jersey Annual Conference of the United Methodist Church (successor to First United Methodist Church of Salem, Inc.) for \$1.00 in 2023. The property was conveyed from Elyon Bible Church, Inc. to First United Methodist Church of Salem, Inc. in 2014. Before that, it was owned by Salem Congregation of Jehovah's Witnesses, Inc., which acquired it in the 1960s from private landowners.

<sup>6</sup> City of Salem Land Use code, Part 3: Zoning; Article IX R-1 Residence Districts. [ecode360.com/12294581](https://ecode360.com/12294581)



Figure 12: Street views of 152 Yorke St.



Photos: BRS site visit 29 April 2025

### *Ownership and Management Structure*

In this model, the public entity continues to own the building and provides the private sector grocery operator with a low- or no-cost lease that reduces monthly operating costs significantly. This is key to both attracting an operator and maintaining low grocery prices. The agreement can be executed as a multi-year lease or a one-year lease with an option to extend.

The grocery operator is responsible for all store management, financing, supply, and operation decisions. In general, the public entity does not have a say in how the store is run, though of course it could choose not to renew a lease agreement if the overall agreement is not being met (e.g., if a store sells too many non-food items or does not accept SNAP). Whether the public entity or the grocery operator is responsible for insurance, building maintenance, and utilities depends on the lease agreement.

### *Costs*

Once a site for the grocery store has been chosen, a full assessment of the selected publicly owned building is a necessary first step to determine initial costs. Depending on findings, renovations may be needed. It may be necessary to complete these repairs in order to attract an operator, which leaves the public entity responsible for items such as upgrades to the HVAC, electrical, and plumbing systems. Accessibility upgrades such as elevator installation or repairs may also be needed before an operator is found.

Responsibility for additional improvements – making the building “grocery-store ready” with shelving, payment lanes/kiosks, a grocery cart bay, freezers and refrigerators, and (possibly) refrigerated storage space – must be decided upon between the operator and the public entity. It is not recommended that either entity make these improvements before a lease or partnership agreement is in place. It is the responsibility of the operator to purchase cash registers, a security system, grocery carts, and other retail components.

### *Benefit and Incentive Program Compatibility*

It is essential that the store be able to accept SNAP and WIC in order to serve Salem residents, and in order to have the customer base requisite for success. 34% of Salem households rely on SNAP benefits, making these residents an important part of the store's customer base. Currently SNAP (and WIC) beneficiaries must travel at least 4.4 miles to purchase groceries with their benefits – and 7.3 miles if they want to purchase fresh produce using benefits.<sup>7</sup>

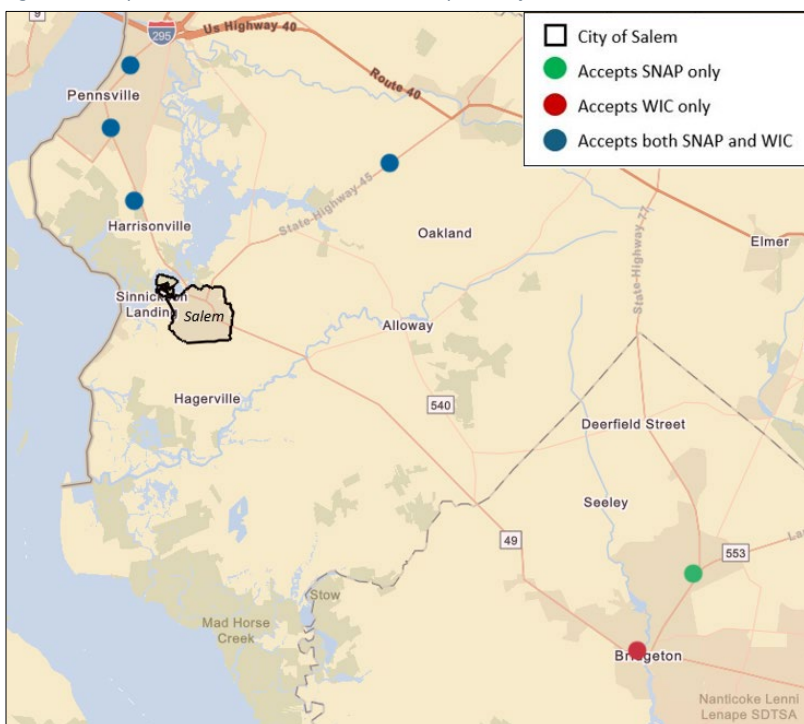
The store would accept SNAP and WIC benefits the same way a traditional grocery store or supermarket does, which would also mean stocking benefit-eligible items. Items eligible for SNAP are:

- Fruits and vegetables;
- Meat, poultry, and fish;
- Dairy products;
- Breads and cereals;
- Other foods such as snack foods and non-alcoholic beverages; and
- Seeds and plants, which produce food for the household to eat.<sup>8</sup>

Regulations for WIC purchases are complex. Certain categories of the following are eligible in New Jersey:

- Dairy;
- Fruits and vegetables;
- Juices;
- Whole grains and whole grain products;
- Cereals;
- Tofu;
- Eggs;
- Legumes;
- Canned fish; and
- Infant formula and baby food.<sup>9</sup>

Figure 13: Supermarkets near Salem that accept benefits



Source: Data from USDA & NJ Dept of Health; map created by BRS in ESRI

### *Sourcing Food Inventory*

The operator is solely responsible for selecting and purchasing inventory. The public entity would not be involved in product selection or establishing supply and distribution networks; these tasks fall to the

<sup>7</sup> The closest store with SNAP- and WIC-eligible food is Walmart in Pennsville, which is classified by USDA as a super store but does not carry fresh produce. The closest store that carries produce is Save-A-Lot in Pennsville. See Figure 13.

<sup>8</sup> USDA (<https://www.fns.usda.gov/snap/eligible-food-items>)

<sup>9</sup> <https://newjersey.wicresources.org/>



operator as the expert in grocery store management. Ideally, the operator chosen will already have a supply network for the foods the store will stock. As was discussed in Part 1: Market Analysis, many highly successful independent neighborhood grocery stores survey or engage directly with customers to ensure that their inventory aligns with customer preferences.

Provided prices can be kept affordable, stocking locally sourced produce and meat could help build a loyal customer base for the new store – if sold in combination with brand names that residents currently travel to more distant supermarkets to buy. Partnerships with local farms and butchers would serve the local economy and give these entrepreneurs another reliable market for their products. Sourcing some store items from local entrepreneurs (prepared meals, bakery items, or personal care products) would also support the economy on a hyper-local level. However, it is up to the professional grocery operator whether pursuing these supply relationships is advantageous.

### *Funding*

Funding needs cannot be determined until a building has been chosen and a full assessment completed, but some potential sources of funding for building renovation are listed below. It will also be necessary for the city and the grocery operator to come to an agreement on responsibility for renovations that prepare the building for use as a store. Note that the city would not need to fund the grocery model itself, as obtaining necessary financing for capital investment and inventory is the responsibility of the grocery operator. That said, there is some assistance available for private grocers operating in food desert communities.

#### *1. Funding for building renovation*

##### **NJ Economic Development Authority's (NJEDA) Real Estate Gap Financing Grant Program**

- Grant amount: \$500,000 - \$5,000,000
- Purpose: To support real estate new construction or substantial rehabilitation/reconstruction projects located within distressed municipalities.
- Eligibility: City, state, and county entities are not eligible to apply, so the grocery operator would have to be the applicant. Applicants must agree to a five-year deed restriction ensuring no change in the proposed project use for five years, which ensures that the building's use is mission-aligned for at least that period of time.
- Limitations: Asbestos hazard abatement and lead hazard abatement costs are not eligible for grant funding.

##### **NJEDA Small Business Improvement Grant Program**

- Grant amount: 50% of eligible total project costs up to \$50,000
- Purpose: To reimburse costs associated with completed building improvements or purchased new furniture, fixtures, and equipment.
- Eligibility: Non-profits or for-profits that rent or own and operate from a facility and meet SBA definition of a small business. The grocery operator would have to be the applicant.

## *2. Funding to support grocery store startup in a food desert community*

### **NJEDA Food Retail Innovation in Delivery Grant (FRIDG) Program**

- Grant amount: Between 30% and 50% of the total project cost (inclusive of locker purchase, delivery, and installation) up to \$250,000.
- Purpose: Purchase self-contained, temperature-controlled lockers for food storage.
- Eligibility: Food retailers that accept SNAP and are located in NJEDA-designated food desert communities.

### **NJEDA Food Equity and Economic Development in New Jersey**

- Grant amount (in 2025): \$50,000 to \$500,000
- Purpose: To expand operational and employment capacities for local businesses and nonprofits enabling food access and food security. Funding supports a wide variety of projects.
- Eligibility: Applicants must be for-profit or nonprofit entities that have been in existence for at least two years at the time of application. Projects must primarily serve residents of one or more of the 14 NJEDA-designated Primary Focus Food Desert Communities (which include Salem).
- Limitations: This grant was offered in 2025, but it is not yet clear if it will be offered again in the future.

### **NJEDA Food Desert Relief Program**

- Tax credits: Developers can receive up to 40% of the total project cost for the first approved supermarket/grocery store in a food desert community, and up to 20% for the second approved supermarket/grocery store, capped at the project financing gap. Owners/operators of supermarkets and grocery stores will be eligible to receive three years of tax credits up to 100% of initial operating costs for the first approved supermarket/grocery store in a food desert community and up to 50% of initial operating costs for the second, capped at the initial operating shortfall.
- Grants and loans: TBD. NJEDA may sell all or a portion of the tax credits made available in a fiscal year and dedicate the proceeds to provide grants and loans to qualified supermarkets, grocery stores, and small (less than 2,500 SF) and mid-sized (2,500 to 16,000 SF) food retailers in food desert communities for equipment, technology costs, and initiatives to ensure food security of residents.
- Purpose: To incentivize businesses to establish and retain new supermarkets and grocery stores in food desert communities; offer technical assistance on best practices for increasing the accessibility of nutritious foods; and provide grants and loans for food retailers of all sizes to fund equipment costs associated with providing fresh food, technology costs associated with supporting SNAP and WIC payments, and initiatives to ensure food security.
- Eligibility: Grocery stores and supermarkets
- Limitations: This funding is for development or rehabilitation of a built structure of at least 16,000 SF. In addition, 80% of retail space must be occupied by food and related products. The retailer must operate on a full-time basis, which is defined as at least 60 hours per week every week of the year. The proposed project must be the first or second new supermarket or grocery

store in a designated food desert community to be approved under this program. The store must also commit to accepting SNAP and WIC benefits, at a minimum.

#### USDA Community Food Projects Competitive Grants

- Grant amount: \$35,000 to \$400,000
- Purpose: To meet the food needs of low-income individuals by improving access to food, increasing the self-reliance of communities in providing for the food needs of their people, and promoting comprehensive responses to local food access, farm, and nutrition issues. Both planning projects and community food projects are awarded.
- Eligibility: Non-profits and Public Food service providers.
- Limitations: A 1:1 match is required.

#### USDA Healthy Food Financing Initiative (HFFI)

HFFI is a public-private partnership administered by the Reinvestment Fund on behalf of USDA Rural Development. HFFI was created to improve access to healthy foods in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities. HFFI provides financial and technical assistance, either directly or through other partners and intermediaries, to eligible fresh, healthy food retailers and food retail supply chain enterprises to overcome the higher costs and initial barriers to entry in underserved areas.

##### *NJ Program Model:*

The Reinvestment Fund partnered with the NJEDA in 2009 to create the New Jersey Food Access Initiative (NJFAI). In 2012, the Robert Wood Johnson Foundation invested \$12 million into the initiative. NJFAI makes subgrants and loans available to support supermarket developers and operators, food hubs, and other formats of fresh food retail that will increase access to fresh, healthy foods in underserved areas across the state.

Eligible projects must: Plan to expand or preserve the availability of staple and perishable foods in underserved areas with low and moderate-income populations; and accept SNAP benefits.

Limitations: NJFAI primarily focuses efforts on serving the following ten cities: Atlantic City, Camden, East Orange, Elizabeth, Jersey City, Newark, New Brunswick, Paterson, Trenton, and Vineland.

#### New Jersey Department of Agriculture Specialty Crop Block Grants (funding from USDA)

- Grant amount: Up to \$40,000
- Purpose: To enhance the competitiveness of specialty crops (including fruits and vegetables) through research, promotion, marketing, nutrition, trade enhancement, food safety, food security, plant health programs, education, “buy local” programs, increased consumption, increased innovation, improved efficiency and reduced costs of distribution systems, or environmental concerns/ conservation.
- Eligibility: Organizations, institutions, private sector, private individuals.
- Limitations: NJDA encourages applications that benefit smaller farms and new beginning farmers, underserved producers, veteran producers, and/or underserved communities.

### Reinvestment Fund's New Jersey Innovative Healthy Food Retail Initiative

- Grant amount: Up to \$200,000
- Purpose: To support innovative, community-focused healthy food retailers striving to improve access to affordable, fresh, and healthy foods in underserved areas of New Jersey. Projects should seek to implement innovative ideas that are beyond the traditional, full-service grocery store and demonstrate long-term sustainability if awarded.
- Eligibility: For-profit, nonprofit, and cooperatively owned businesses, community health and other anchor institutions, and state and local governments working to improve food access for underserved communities in New Jersey through food retail.

It is worth noting that additional grant funding could also be sought for a store-specific nutrition incentive program in addition to SNAP and WIC (such as through Clifton City Green's Gus Schumacher Nutrition Incentive Program [GusNIP] grant). Whether operating such a program is feasible depends on the grocery operator's capacity for additional management and fundraising – or, alternatively, capacity for partnering with a local non-profit organization working in the food security space.

### Challenges

In addition to identifying a suitable publicly owned building, the greatest challenge will be to identify a grocery operator the city can partner with. One option is to work with an individual grocery operator with the requisite experience and supply network. Another is to partner with a discount grocery company such as Grocery Outlet, which offers individual entrepreneurs the opportunity to operate an independent Grocery Outlet location, similarly to a franchise model. Grocery Outlet identifies its model as “opportunistic buying” in order to stock stores – for example, purchasing excess inventory or manufacturing overruns wholesale at a discount. These lower prices are then passed on to consumers. The limitation of this latter option is that there is less freedom to source products locally or to ensure product alignment with local preferences.

### Recommendations

- The ideal city-owned building will have at least 5,000 - 8,000 SF of interior sales space
- A building assessment (structural and architectural) is needed to determine the building repair renovations are needed. An environmental assessment may also be needed, depending on the site chosen.
- The ideal grocery operator will have previous experience managing a grocery store – including inventory, budget, financing, human resources, and a supply network.
- Discussions between the city administration and the operator should lead to an agreement on “store-ready” renovations needed, lease terms, funding sources, and a general understanding of the store's mission in Salem.
- It is essential that the grocery store accepts both SNAP and WIC benefits.
- The city should provide security support for the store to ensure efficient functioning.



## Establishment of a Supermarket Shuttle Program

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**GOAL:** *To establish a shuttle bus that transports Salem residents to a supermarket in Pennsville or Woodstown that offers a full selection of food and accepts SNAP and WIC benefits.*

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Parts 1 and 2 of this study discussed the very limited public transportation options available to Salem residents, as well as the significant proportion of households without access to a vehicle (28%). A supermarket shuttle is not a long-term solution but could temporarily help address transportation challenges and improve food access for Salem residents. The main advantage is that it is much quicker to implement than development of a new food retailer – and could in fact be a stop gap measure during the process of grocery store development in Salem.

The supermarket selected should carry all food groups, as well as fresh produce, frozen foods, canned goods, products with a long shelf life, prepared foods, and basic hygiene and household items, and it must accept both SNAP and WIC benefits. In Salem's vicinity, the closest options are Save-A-Lot in Pennsville (7.3 miles from Salem), Acme in Pennsville (9.2 miles), and Acme in Woodstown (10.9 miles). Partnership with the selected supermarket can be either formal or informal; simply establishing a shuttle that makes regular trips to a store is relatively straightforward, but a formal partnership may open the possibility of some funding for the shuttle from the supermarket.

### Structure

As a small urban community within a rural county, Salem is well suited to a micro-transit system – defined as form of public transportation that uses on-demand or fixed route shuttles within a defined area. A supermarket shuttle would operate on a fixed route, with a limited number of stops at central locations or residential centers in Salem and just one terminus at a supermarket in a nearby community. The shuttle would make the same stops in Salem on the return trip.

Vehicles in a micro-transit system are often smaller than those used for broader public transportation systems, because only a small subset of the total local population will use the service. Understanding how many residents are likely to use a shuttle to travel to the grocery store is the first step in determining the appropriate vehicle size. Over 600 households in Salem currently use means other than their own vehicle to do their grocery shopping, and even if the majority walk to nearby dollar stores or

Figure 14: Market Street, Salem

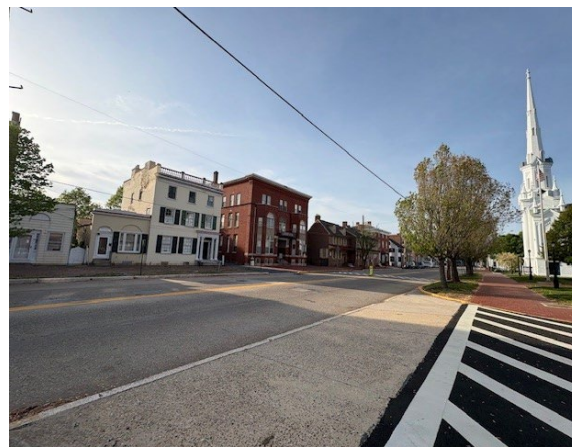


Photo: BRS site visit 29 April 2025

borrow cars to travel to the supermarket, a conservative estimate of at least 100 households might use a shuttle service in any given two-week period.<sup>10</sup> This number is unlikely to include large households but is likely to include a significant number of senior citizens. In a community where 46% of households have at least one person with a disability, it is important that the vehicle chosen be accessible to as many levels of physical ability as possible.<sup>11</sup> Passenger transit vans generally range from 18 feet (10 seats) to 22 feet (15 seats and additional storage) and can be either leased or purchased.

Supermarket shuttles generally operate on a fixed schedule, and in a city the size of Salem, one trip every day or every other day may suffice. It is important that weekend days are included in the schedule to accommodate working residents. Some shuttles require advance booking, while others are first-come-first-served. Advance booking may make it possible to pick shoppers up at their homes, while another method could be simply to make pickup stops at set times at three or four locations in Salem. Low-income housing developments and senior living communities are logical pickup locations. Generally, shuttles travel from the final pickup directly to the supermarket, wait a predetermined amount of time, and then return to the pickup points to drop shoppers off.

This is a model that is being used successfully in East York, PA (population 8,000). A partnership with Giant established a free fixed-route shuttle that makes seven pickup stops before taking East York residents to a Giant supermarket in a neighboring town. The shuttle operates three days a week (Tuesday, Thursday, and Saturday) and allows passengers one hour and fifteen minutes to shop before making the return journey. The shuttle also operates in West York, PA (population 5,000) on Monday, Wednesday, and Friday, making four pickup stops. The shuttle service – which is fully ADA compliant – was established when Giant closed their store location in West York in 2017.<sup>12</sup>

Figure 15: Giant Shuttle, West York, PA



Photo: "Giant drives shoppers hit by West York store closure." 28 January 2017. York Daily Record.

Depending on funding available (see below), the shuttle could either be a free service or require a nominal fee to help cover gasoline costs.

### Costs

Purchase of a vehicle (particularly an accessible one) can be very expensive, although used vehicles are frequently widely available at reduced prices. A lease could be less expensive in the short term and,

<sup>10</sup> 28% of Salem's 2,172 households did not have access to a vehicle as of the 2022 US Census American Community Survey.

<sup>11</sup> US Census American Community Survey 2022. Note that a truly accessible vehicle would be ideal but cost thousands of dollars more than a van with reasonably low floor height.

<sup>12</sup> <https://www.rabbittransit.org/services/york-fixed-route/giant-shuttle/>

given that this is intended as a temporary solution, may be preferable. Other costs include vehicle and passenger insurance, gasoline, and payment for a driver. Some large vans require a driver with a commercial driver's license (CDL), which adds to wage costs.

It may be useful to consult with NJ Transit on developing a micro-transit route and selecting a vehicle for this purpose in Salem. There may be relevant studies on ridership and micro-transit routes that provide helpful information. And although it is unlikely, there is the possibility that NJ Transit has a transit van or small bus available for use or for sale.

### *Benefit and incentive program compatibility*

This model supports use of SNAP and WIC benefits without having any direct impact on whether clients use them. Transporting residents to a major supermarket makes it easier for them to use their benefits.

### *Funding*

The Chamber of Commerce - Southern New Jersey stresses that the lack of public transportation makes it more difficult to address food deserts in the region – particularly in Salem and Penns Grove – and recommends collaboration between the public and private sectors to develop creative solutions.<sup>13</sup>

A limited amount of funding may be available through a partnership with a supermarket in some cases, although it depends to a certain extent on the number of shoppers the shuttle generally transports to the store. Another option is pursuing a partnership with a local healthcare institution or an insurance provider that may see the value in helping to improve resident health through access to a wider variety of foods. Salem County's adult obesity rate of 39% is the highest in the state and has profound impacts on residents' overall health.<sup>14</sup> In communities that suffer from adult obesity, the New Jersey Nutrition, Physical Activity, and Obesity Program within the NJ Department of Health's Office of Nutrition and Fitness coordinates efforts to encourage the increased consumption of fruits and vegetables and decreased consumption of sugar-sweetened beverages and high-energy-dense foods (such as those frequently found on convenience store shelves in Salem). According to the Inspira Health Community Health Implementation Plan (CHIP) 2022-2024, Salem County is ranked number 20 out of 21 counties in health outcomes in New Jersey. Food and Diet is outlined as a priority area of the CHIP, and the stated goal is to "improve health by promoting healthy eating and making nutritious foods available." The objectives include increasing access to healthy foods, and one of the strategies Inspira suggests supporting is "expanding community partnerships to broaden access to nutritious foods and health education."<sup>15</sup> Inspira currently funds a mobile grocer in an effort to improve food security and overall health for low-income residents in Atlantic City, and collaborating with the City of Salem to establish a supermarket shuttle would present another approach to improving access to healthy food in South Jersey.

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<sup>13</sup> "Long Story Short: South Jersey. A Busy Policymaker's Guide to Understanding a Misunderstood Region." Chamber of Commerce Southern New Jersey. <https://chamberofcommercesouthernnewjerseyccsnj.growthzoneapp.com/ap/CloudFile/Download/PKmdvoor>

<sup>14</sup> NJ health rankings by county in 2023; NJSHAD - Summary Health Indicator Report - Obesity Among Adults.

<sup>15</sup> Inspira Health. Community Health Implementation Plan 2022-2024.

If a short-term micro-transit program to transport residents to a supermarket is not a sufficiently compelling funding proposition for a local healthcare institution or insurance provider, proposing a long-term shuttle that transports residents of Salem (and perhaps of surrounding communities) to medical facilities may be. A shuttle service could be used for supermarket transportation once a day, five days of the week, and on demand to take residents to medical appointments at other times. Free on-demand shuttles that take residents (most commonly senior citizens) to medical facilities are increasingly common in New Jersey.

State and federal grant funding may also be available, especially if the shuttle primarily serves low-income households and senior citizens, or if an electric or low-emission vehicle is used.

#### US Federal Transit Administration Enhanced Mobility of Seniors & Individuals with Disabilities

- Grant amount: No current amount known
- Purpose: To improve mobility for older adults and people with disabilities by removing barriers to transportation service and expanding transportation mobility options.
- Eligibility: States and local government authorities, with non-profit and for-profit subrecipients. 20% of program funds for states are set aside for rural areas with less than 50,000 in population.
- Limitations: Generally, 20% cost share required (or 10-15% for ADA-compliant vehicles).

#### US Federal Transit Administration Pilot Program for Transit Oriented Development Planning

- Grant amount: Varies. The FTA awarded \$10.5 million to 11 projects in 10 states in 2024.
- Purpose: This grant provides funds for projects to support community efforts to improve access to public transportation.
- Eligibility: Applicants must be either the sponsor of an eligible transit capital project or an entity with land use planning authority

#### US Federal Transit Administration Rural Area Formula Grants

- Grant amount: Varies
- Purpose: The Formula Grants for Rural Areas program provides capital, planning, and operating assistance to states to support public transportation in rural areas with populations of less than 50,000, where many residents often rely on public transit to reach their destinations.
- Eligibility: State; a regional transportation planning organization; a unit of local government; a tribal government or a consortium of tribal governments; or a multijurisdictional group of entities above. Subrecipients may include state or local government authorities, nonprofit organizations, and operators of public transportation or intercity bus service.
- Limitations: Funds are apportioned to states based on a legislative formula that includes land area, population, revenue vehicle miles, and low-income individuals in rural areas.

#### US Department of Transportation Rural Surface Transportation Program

- Grant amount: Varies



- Purpose: This grant supports projects that improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve quality of life. Eligible projects include ones that develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services.
- Eligibility: State; a regional transportation planning organization; a unit of local government; a tribal government or a consortium of tribal governments; or a multi-jurisdictional group of entities above.
- Limitations: Typically cost share is required.

#### NJ Department of Transportation Local Transportation Projects Fund

- Grant amount: Varies
- Purpose: The grant is subject to funding appropriation, the Local Transportation Projects Fund is established to address specific focused local transportation issues throughout the State.
- Eligibility: Counties and municipalities.
- Limitations: All proposals for funding are approved at the discretion of the Commissioner and the availability of funds.

#### NJEDA Food Equity and Economic Development in New Jersey (NJ FEED)

- Grant amount (in 2025): \$50,000 to \$500,000
- Purpose: To expand operational and employment capacities for local businesses and nonprofits enabling food access and food security. Funding supports a wide variety of projects.
- Eligibility: Applicants must be for-profit or nonprofit entities that have been in existence for at least two years at the time of application. Projects must primarily serve residents of one or more of the 14 NJEDA-designated Primary Focus Food Desert Communities (which include Salem).
- Limitations: This grant was offered in 2025, but it is not yet clear if it will be offered again in the future.

#### NJ Department of Environmental Protection (NJDEP) E-Mobility Grant Program

- Grant amount: Up to \$100,000
- Purpose: The grant provides funding for electric, shared-use transportation solutions that improve the mobility of residents in low- to moderate-income communities disproportionately impacted by air pollution. Successful projects are based on the transportation needs identified by the communities they serve. *Note that only a proposal for an electric shuttle would qualify.*
- Eligibility: Public, private, for-profit, non-profit, and educational institutions, government entities
- Limitations: Projects and the communities they serve must be located in New Jersey. Overburdened communities are prioritized. Shovel-ready projects are prioritized.

It is possible to limit external funding requirements by charging riders a nominal fee to use the shuttle. However, because the primary beneficiaries are intended to be low-income households and senior citizens, soliciting funding for all costs to run the service would be preferable.

### *Challenges*

This type of program has disadvantages – mainly that it would only have community support as a short-term solution; it does not support local economic development; and it is not a feasible solution for most of Salem’s households – and challenges. While it is less costly to implement than most other means of improving food access, a micro-transit solution is complicated to start up and requires a long-term funding source. An even bigger challenge is that it is unclear at this point what entity in Salem would take the lead in planning, fundraising/partnering, and operating a supermarket shuttle.

### *Recommendations*

The following are recommendations for a short-term supermarket shuttle micro-transit program:

- Clearly define the lead organization or entity responsible for shuttle planning, fundraising, and operations
- Establish a fixed-route shuttle from central locations in Salem to a nearby supermarket (Save-A-Lot in Pennsville, Acme in Pennsville, or Acme in Woodstown)
- Include stops at senior living communities and low-income housing developments to maximize accessibility for priority populations
- Ensure the shuttle vehicle is accessible to accommodate as wide a variety of physical abilities as possible
- Select an appropriately sized vehicle based on estimated demand (at least 100 households per two-week period) – e.g., five trips per week for 10 passengers
- Incorporate weekend service to meet the needs of working residents
- Consider leasing a vehicle rather than purchasing, especially as this is a temporary solution
- Decide on an advance booking system or fixed stop schedule depending on ease of implementation and resident preferences, and plan for a consistent round-trip structure, with the shuttle waiting at the supermarket for a set time before returning
- Explore partnerships with supermarkets (formal or informal) and local healthcare institutions or insurers for funding and operational support
- Consult with NJ Transit for micro-transit planning support, potential vehicle availability, or guidance on vehicle selection
- Prioritize full funding through grants or partnerships to keep the shuttle free for users, given the low-income target population
- Evaluate demand and ridership regularly to adjust the route, schedule, or vehicle size if necessary

## Environmental Considerations

Figure 16: 21 and 25 New Market St.



Photo: BRS site visit 29 April 2025

Salem has recently received approval from the EPA to begin the first phase of environmental investigation at 25 New Market St. That process could reveal existing contamination that requires remediation, or it may simply indicate that further investigation and testing is required. At this point there are no plans to assess either of the other two target site parcels for potential contamination. If the city decides to use 21 New Market (Block 57.01, Lot 10) or the paved lot across the street (Block 63, Lot 1.01) for parking, this study recommends a Phase I environmental investigation, which is a basic study to better understand past uses that could indicate that further investigation is recommended. A Phase I of

lots of this size is fairly inexpensive (\$2,500 - \$3,000) and could be covered by Salem's EPA grant if the sites are deemed eligible. In the event that Salem plans more extensive redevelopment of 21 New Market (or more significant ground disturbance than just paving for a parking lot), a Preliminary Assessment would also be recommended. This too could be funded through the existing EPA grant.

### Funding

If environmental investigation of 25 New Market reveals that further investigation or substantial remediation is warranted that cannot be covered by Salem's EPA Multipurpose grant, the city may be able to apply for an EPA Brownfields Cleanup grant that focuses on the site specifically. State sources of funding are also available:

#### NJ Department of Environmental Protection Hazardous Discharge Site Remediation Fund – Investigation

Both grants and loans are available.

- Grant amount: 100% of costs for preliminary assessment, site investigation, and remedial investigation, capped at \$3 million per applicant per year. Public entity must demonstrate a commitment to redevelopment of the site.
- Loan amount: Up to \$2 million in loans for public entities per year.
- Purpose: To fund investigation of contaminated and underutilized sites.
- Eligibility: Municipalities, government entities, private and non-profit entities.
- Limitations: Grant process is non-competitive, but municipalities have limits on the total amount of HDSRF funding they can access each year.

#### NJ Department of Environmental Protection Hazardous Discharge Site Remediation Fund – Remediation

- Grant amount: Up to \$3 million in grants to municipal, county, and redevelopment authorities. Reimburses up to 75% of the costs associated with the cleanup of brownfield sites where the public entity has demonstrated a commitment to redevelopment. Funding is also available for

the remediation and cleanup of underutilized sites to maximize their potential economic value for the local municipality.

- Purpose: To fund remediation and/or cleanup of contaminated and underutilized sites.
- Eligibility: Municipalities, government entities, private and non-profit entities.
- Limitations: Grant process is non-competitive, but individual municipalities have limits on the total amount of HDSRF funding they can access each year. The fact that remediation grants are reimbursement only can also present cash flow challenges for some municipalities.

## Conclusions

The City of Salem stands at a pivotal moment in its efforts to address long-standing food insecurity and catalyze inclusive economic development. This *Site Development Plan and Recommendations* report lays out a roadmap for transforming underutilized city-owned assets into powerful drivers of community wellbeing.

The study confirms both the urgent need for improved food access and the significant challenges of redevelopment at the target site. While structural and environmental uncertainties at 25 New Market Street may delay certain long-term solutions, they also open the door for creative, phased development strategies.



By prioritizing a workforce development hub, pursuing a public-private grocery store partnership, and implementing a supermarket shuttle in the near term, the city can make meaningful progress on multiple fronts – meeting immediate community needs while laying the foundation for long-term revitalization.

Successful implementation will require:

- Strategic partnerships across sectors,
- Robust community engagement,
- Careful planning around site constraints,
- And sustained investment from public and private stakeholders.

With a clear vision, strong leadership, and committed partners, Salem has the opportunity to create a healthier, more resilient, and more equitable future for all residents.



## Acknowledgements

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- Jonathan Cummings, Director of Community Missions – Ranch Hope
- Erica Blair, Program Manager – Rural Grocery Initiative, Kansas Healthy Food Initiative
- Rucha Gadre, Director, Food Security – NJEDA
- Mark Dinglasan, Executive Director – NJ Office of the Food Security Advocate
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- Karyn Moskowitz, Coordinator: Building a Healthy, Equitable Community Initiative (BHEC) – Interfaith Neighbors; *and* Executive Director – New Roots, Inc.
- Omar Navarrete, Distribution Operations Manager – Mighty Writers Atlantic City
- Tom Sykes, Senior Director – Mighty Writers Atlantic City
- Ren Parikh, Founder/ President – Welfare to Work, Inc. *and* Ideal Institute
- Brendan Buttimer, Senior Director, Equitable Food Systems – Reinvestment Fund
- Kahfii King, Program Manager, Equitable Food Systems – Reinvestment Fund
- Emma Freedman, Community Impact Manager – Community Foundation of South Jersey, Camden Food Fund
- Betsy McBride, Executive Director – Stand Up for Salem
- Rose Gaano, Senior Manager, Network Development – Food Bank of South Jersey
- Christopher Luebbe, Senior Manager, Programs and Services – Food Bank of South Jersey
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- Cristina Chillem, Executive Director – Salem County Inter-Agency Council of Human Services
- Heidi D. McDonough, Lead Youth Coordinator – Resources for Independent Living, Inc. - Salem
- Patty Henry – Resources for Independent Living, Inc. - Salem
- Dr. Carol Kelly, Superintendent – Salem City School District
- Dr. Michael Gorman, President – Salem County Community College
- Amy Bennis-Kimball, Student Services Department – Salem County Community College

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BRS also wishes to thank Jonniel Marrero for his wonderful artwork for the final public meeting.



## Appendix: Full-size Maps



## Target Site Aerial Image

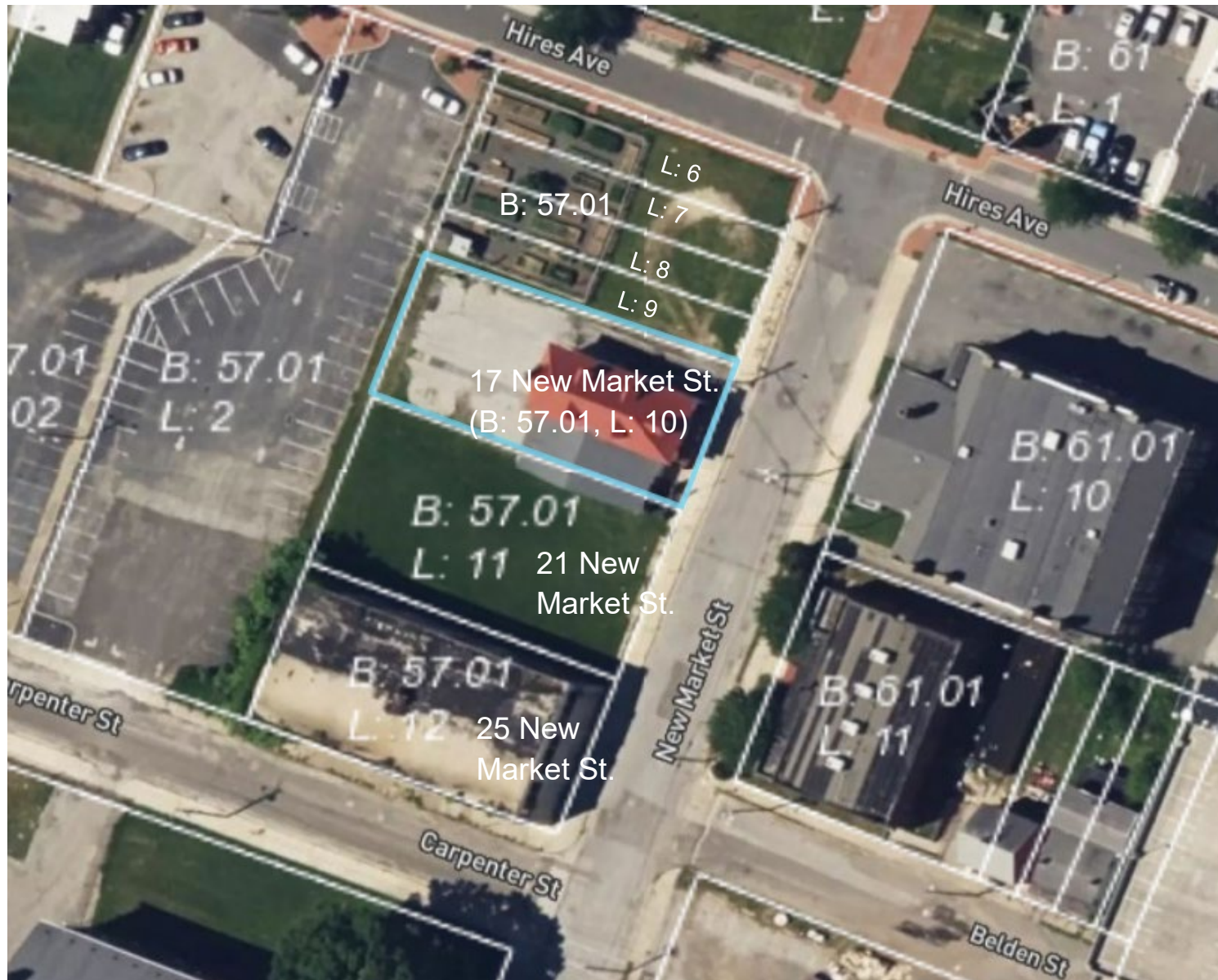


Source: Rowan University Parcel Explorer

[https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.57069154867758&lng=-75.46804905599998&sc=0&show=1&basemap=Mapbox%20Satellite%20\(Labeled\)&layers=&ois=&oms=&po=](https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.57069154867758&lng=-75.46804905599998&sc=0&show=1&basemap=Mapbox%20Satellite%20(Labeled)&layers=&ois=&oms=&po=)



Aerial view of 17 New Market St. (*parcel outlined in blue*) and surrounding lots



Source: Rowan University Parcel Explorer

[https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.57069084996646&lng=-75.46804904937746&sc=0&show=1&basemap=Mapbox%20Satellite%20\(Labeled\)&layers=&ois=&oms=&po=](https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.57069084996646&lng=-75.46804904937746&sc=0&show=1&basemap=Mapbox%20Satellite%20(Labeled)&layers=&ois=&oms=&po=)



152 Yorke St. and surrounding area – aerial view



Source: Rowan University Parcel Explorer

[https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.55708356456421&lng=-75.46417410100001&sc=0&show=1&basemap=Mapbox%20Satellite%20\(Labeled\)&layers=&ois=&oms=&po=](https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.55708356456421&lng=-75.46417410100001&sc=0&show=1&basemap=Mapbox%20Satellite%20(Labeled)&layers=&ois=&oms=&po=)



152 Yorke St. – aerial view (zoom)

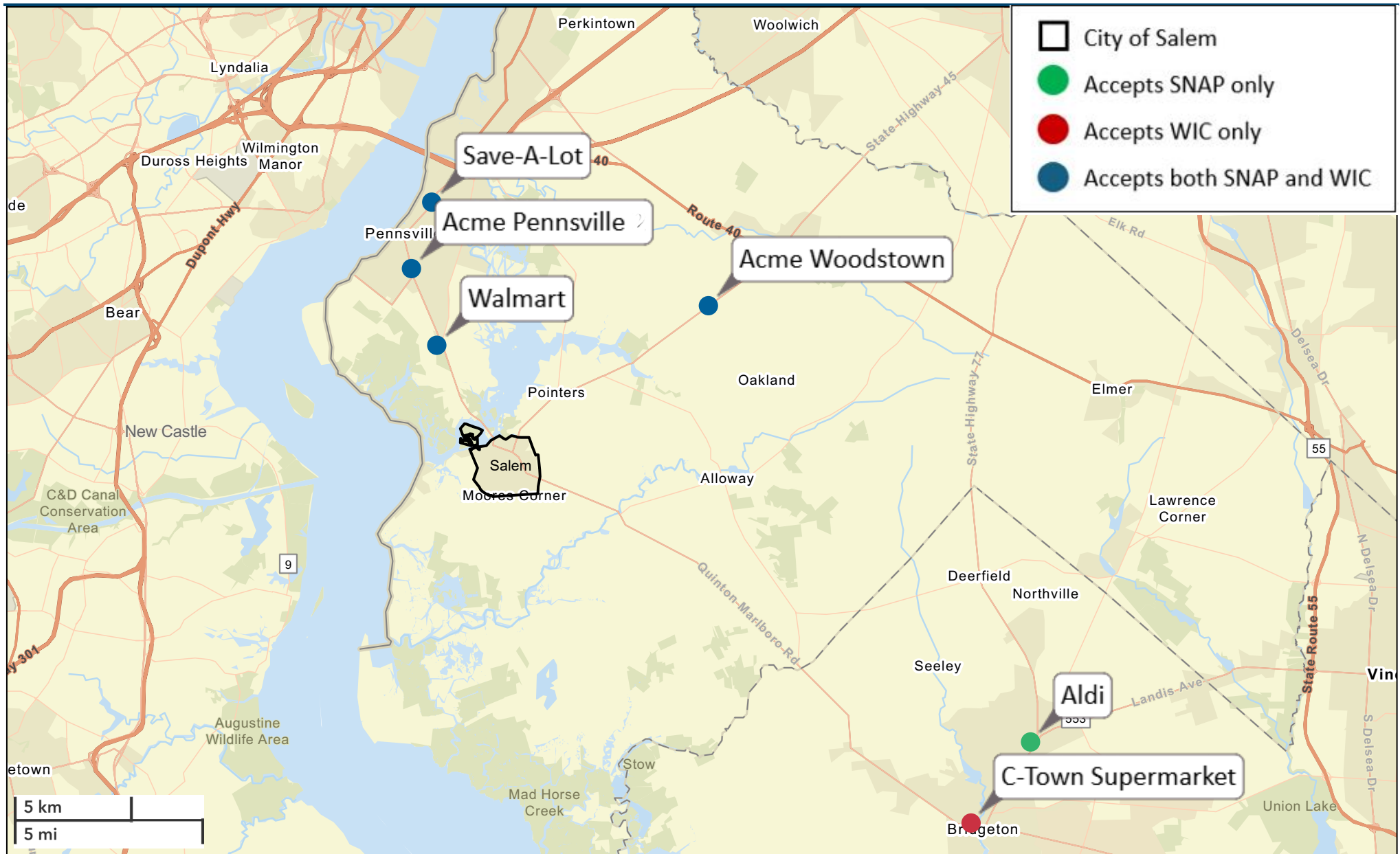


Source: Rowan University Parcel Explorer

[https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.55708356456421&lng=-75.46417410100001&sc=0&show=1&basemap=Mapbox%20Satellite%20\(Labeled\)&layers=&ois=&oms=&po=](https://www.nj-map.com/parcels/parcels/?override=1&zoom=19&lat=39.55708356456421&lng=-75.46417410100001&sc=0&show=1&basemap=Mapbox%20Satellite%20(Labeled)&layers=&ois=&oms=&po=)

## Supermarkets accepting SNAP and/or WIC

Only stores within New Jersey



April 21, 2025