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PART 1:
MARKET ANALYSIS

PART 2:
PHYSICAL SITE EVALUATION

PART 3:
SITE DEVELOPMENT PLAN & RECOMMENDATIONS

City of Salem, NJ

FOOD SECURITY PLANNING STUDY

NJEDA
ECONOMIC DEVELOPMENT AUTHORITY

PREPARED BY

BRS inc

PART 1: MARKET ANALYSIS

Market Analysis

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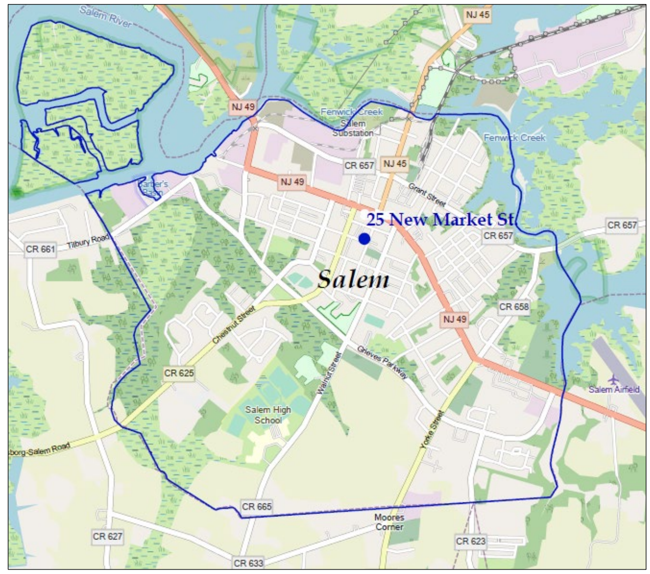
The City of Salem is a densely populated urban area of approximately 2.34 square miles, located in Salem County – the most rural county in New Jersey. In 2022, Salem had 5,285 residents living in 2,172 households. Unlike the surrounding area or the county overall, Salem's population is expected to grow over the coming five years. The population is also significantly younger than that of the surrounding area and the county, with a much higher proportion of children. Salem's comparatively high proportion of residents aged 15 to 24 also suggests a potentially expanding workforce in coming years.



The city currently has a high unemployment rate, particularly among the youngest members of the labor force. The largest proportion of Salem households have an annual income of less than $15,000, and about a third receive Supplemental Nutrition Assistance Program (SNAP) benefits. The largest number of employed Salem residents work in the healthcare & social assistance sector, and the manufacturing and accommodation & food services sectors make up the second and third categories. In the county overall, farming – including both crop cultivation and livestock – is an important economic sector, generating over $185 million in products and ranking third in terms of total number of people employed.

Within Salem's trade area of a 15-minute driving radius, there are about 22 food and grocery stores, including convenience stores, gas station mini-marts, and delis. However, the vast majority of these options are small stores (less than 5,000 square feet) with limited or specialized food offerings, and there are only six food stores over 10,000 SF in size, and none in Salem itself. For the 10,701 households (26,565 people as of the 2022 US Census) living in this area, the number of stores that sell a wide variety of fresh, nutritious food in the area is clearly inadequate.

Low incomes, limited access to vehicles, and a lack of adequate public transportation options all present challenges to accessing sources of healthy and affordable food in and around Salem. Given that almost 30% of Salem households do not have access to a vehicle, a significant proportion of the population uses alternative means to travel outside the city to food stores that offer a full selection of fresh, nutritious foods and accept SNAP and WIC benefits.

The city has been identified by the New Jersey Economic Development Authority (NJEDA) as a "food desert," meaning that residents of the area have limited access to nutritious foods. Salem also qualifies as a food desert under the US Department of Agriculture (USDA) definition for urban areas: over 33% of the population is greater than a mile from the nearest supermarket, supercenter, or large grocery store that offers a wide selection of produce, fresh meat and poultry, dairy, dry and packaged foods, and frozen foods. Salem has the additional challenge of relatively low vehicle access: 28% of households did not have access to a car in 2021. This limits the means of transportation to a food retailer for a significant portion of the population to walking, biking, or public transportation; the USDA considers that for low-vehicle-access communities, the boundary limitation for a “reasonable” distance to a grocery store or supermarket is reduced to one-quarter mile. The potential customer base for a new food retailer is geographically wider than would be the case for a more densely populated county: although Salem is a small city, it is situated in a primarily rural county and serves as a commercial and government center for surrounding communities.

The City of Salem received an NJEDA-funded Food Security Planning Grant to carry out a market analysis and development plan that will enable the city to transform underutilized land, improve food access, and promote economic development. A target site to be the object of this study was identified at 25 New Market Street, which is a city-owned 14,280-square-foot vacant building, as well as the city-owned lot at 21 New Market Street and the parking lot across the street. This target site is located in the heart of the city.

Despite Salem’s challenges related to low incomes – including limited household expenditures – this market analysis highlights strong and rising consumer demand in the surrounding trade area. Specifically, demand for food consumed at home – i.e., groceries – is expected to increase by 14% to 15.3% in the coming five years. However, the existing food stores in the area are too few and too small to meet this demand, and particularly to meet the needs of Salem residents. The impact is not only inconvenience for households but also detrimental effects on the health and wellbeing of residents who are not easily able to access fresh, nutritious food.

In accordance with the objectives of the NJEDA grant, this Market Analysis reviews three possible means of addressing food insecurity in the vicinity of the target site: a large grocery store, a supermarket, and a farmers market. The economic impact of each is analyzed in detail, with a focus on how each one would support local businesses. However, given the large body of evidence suggesting that a creative approach with deep community involvement is often most successful in addressing food insecurity in low-income urban communities, we reviewed a variety of ways communities similar to Salem – small cities with low- and moderate-income residents – have improved access to healthy food while promoting local economic development. Because of its location in a rural county where the value of agricultural products sold is over $138 million and where 66% of farms are less than 50 acres[1], several of the non-traditional food retailers chosen for this analysis not only increase access to nutritious food but also support local farmers’ and healthy food entrepreneurs’ expansion and sustainability.

[1] 2022 Census of Agriculture, County Profile. USDA National Agricultural Statistics Service.

Introduction

The overall goal of this New Jersey Economic Development Authority-funded Food Security Planning Grant project is to carry out a market analysis and development plan that will enable the City of Salem to transform an underutilized building and surrounding land, improve food access, and promote economic development.

There are four components to this project:

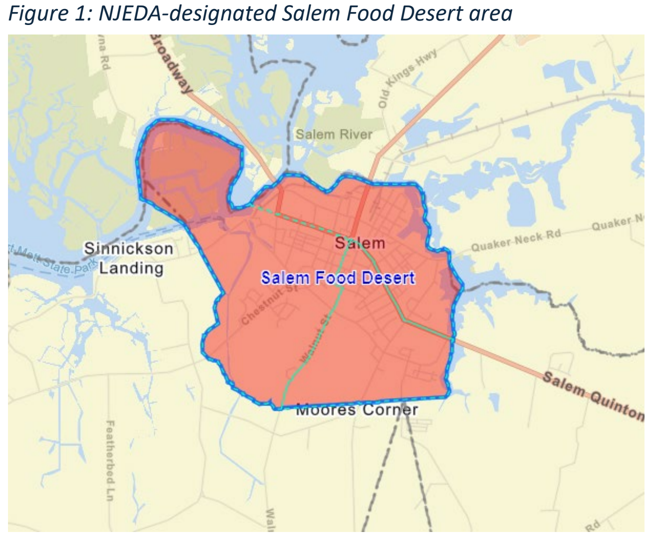
- Market analysis
- Physical site evaluation
- Community engagement
- Site development plan and recommendations

The objective of this first component – the Market Analysis – is to assess the need for food retailer such as a supermarket, grocery store, or farmers market within the trade area in as much detail as possible. In order to do this, we will review the area's socioeconomic profile and household consumption patterns; provide an overview of the area's existing grocery-related businesses; detail the economic impact of various food retail businesses on the area; and finally, briefly review examples of strategies for mitigating food insecurity that have been successful in other small urban, low-income communities.

Food desert analysis

The New Jersey Economic Development Authority (NJEDA) identifies the entirety of the City of Salem as a food desert – one of 50 identified Food Desert Communities in New Jersey – due to residents' limited access to nutritious foods in the area. Among the 50 communities NJEDA designated as food deserts in 2022 – ranked from #1, which has the highest Food Desert Factor Scores – the Salem Food Desert ranks ninth. Determinations are made by the NJEDA on a census block group basis. These designations are based on a wide variety of variables, including not only geographic proximity to an array of food retailers but also factors affecting the ability to access and afford a variety of fresh, nutritious foods.[2]

Figure 1: NJEDA-designated Salem Food Desert area



Source: NJEDA Food Desert Relief Communities Map

Food retailers in NJEDA's designation include conventional supermarkets, limited assortment stores, natural/gourmet food stores, warehouse stores, and wholesale clubs, as well as superstores (such as Walmart) that offer a wide variety of groceries.[3] Block groups containing or adjacent to major supermarkets of at least 20,000 square feet are not designated as food deserts, even if other types of

[2] For details on NJEDA's food desert designations, see New Jersey Food Desert Community Designation Methodology.

[3] *Measuring Supermarket Access* from New Jersey Food Desert Community Designation Methodology.

variables indicate challenges in food access – such as the ability for low-income residents to afford food. Additional factors include demographic, economic, health, and community variables:

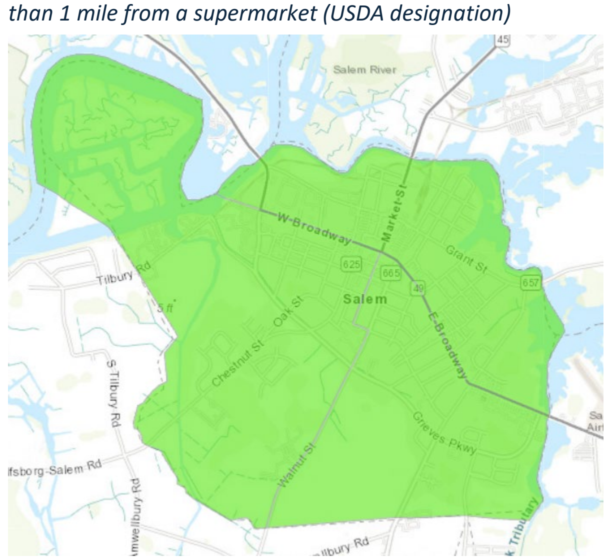
Figure 2: NJEDA Food Desert Factor Components

Demographics	Economic Factors	Health Factors	Community Factors
% of households with a single-mother head	Unemployment rate	% of adults that are obese	% of households with internet access
% non-Hispanic White	Poverty rate	% of adults rating health as poor or fair	% of non-seasonally adjusted vacant housing
% African American	Per capita income		% of households with no vehicle
% Hispanic	% of households receiving public assistance		NJ Department of Community Affairs Walkability Score
% of adults with a high school diploma	% of households receiving SNAP benefits		% of households that are housing-cost burdened
	WIC participation rate		Municipal violent crime rate, 2016-18
	Cost of living difference score		

Source: New Jersey Food Desert Community Designation Methodology

The US Department of Agriculture's (USDA) Food Access Research Atlas looks at food access and food deserts in a slightly different way. *Low access to healthy food* is defined as living far from a supermarket, supercenter, or large grocery store that offers a wide variety of healthy food options. Determinations are made by the USDA on a census tract basis, with a census tract considered to have low access if a significant number (or share) of individuals in the tract lives more than one mile from one of these food retailers (10 miles, in the case of rural census tracts). Moreover, USDA specifies that food desert communities also face income challenges. Food desert communities are both low-income and low-access census tracts. More specifically, a *food desert* can be defined as low-income census tracts where a significant number (at least 500 people) or share (at least 33%) of the population lives is greater than one mile from the nearest supermarket, supercenter, or large grocery store.[4]

Figure 3: Low income and low access census tracts more than 1 mile from a supermarket (USDA designation)



Source: USDA Food Access Research Atlas, 2019 data (most recent available)

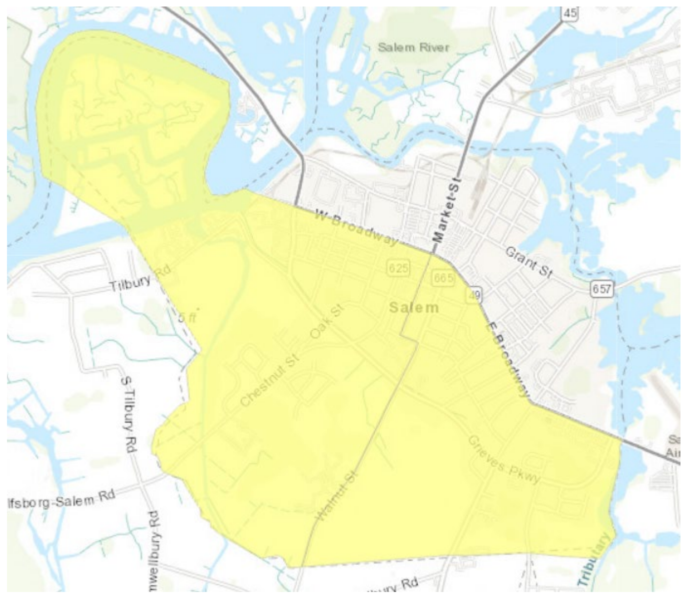
Stores meet the USDA definition of a supermarket or large grocery store if they report at least $2 million in annual sales and contain all the major food departments found in a traditional supermarket, including

[4] USDA definition for urban areas. See https://www.ers.usda.gov/data-products/food-access-research-atlas/documentation/

produce, fresh meat and poultry, dairy, dry and packaged foods, and frozen foods.[5] According to a recent USDA study[6], the total number of grocery stores in the US increased between 2015 and 2019. However, in 2019 40% of the US population lived more than one mile from a food store, with both senior citizens and low-income individuals of all ages tending to live at a greater distance from a food store.

Vehicle access is another factor in food access. Given that low-income populations are less likely to have access to a vehicle than middle- or high-income populations, the USDA considers that for low-vehicle-access communities, the boundary limitation for the "reasonable" distance of one mile from a supermarket can be reduced to one-quarter mile walking distance. It is important to note that the USDA Food Access Research Atlas specifies that access to supermarkets means supermarkets authorized to accept SNAP (Supplemental Nutrition Assistance Program, formerly known as food stamps) or WIC (Special Supplemental Nutrition Program for Women, Infants, and Children) benefits.

Figure 4: Census tract population with low access to vehicles



Source: USDA Food Access Research Atlas, 2019 data (most recent available)

According to the USDA's [Food Access Research Atlas], all of the City of Salem is a low-income and low-food-access area, and in fact 100% of the population lives more than a mile from a supermarket. In addition to being a low-income, low-access food desert, the majority of Salem is also an area of low vehicle access, further increasing food insecurity for residents.

In larger cities, a ½- or ¼-mile area surrounding a target site might make sense for analysis of a potential customer base, but because of Salem's geographical size and small population, this study analyzes the entire area of Salem. It also covers the area of a 15-minute drive-time radius surrounding the target site – the standard trade area for market studies on a local scale. This is reasonable given that Salem is a commercial center in a largely rural county (particularly the area of the county south of Salem), and a new food store or farmers market would be likely to attract customers from outlying areas. Residents of this trade area are the customer base for a new food retailer in Salem.

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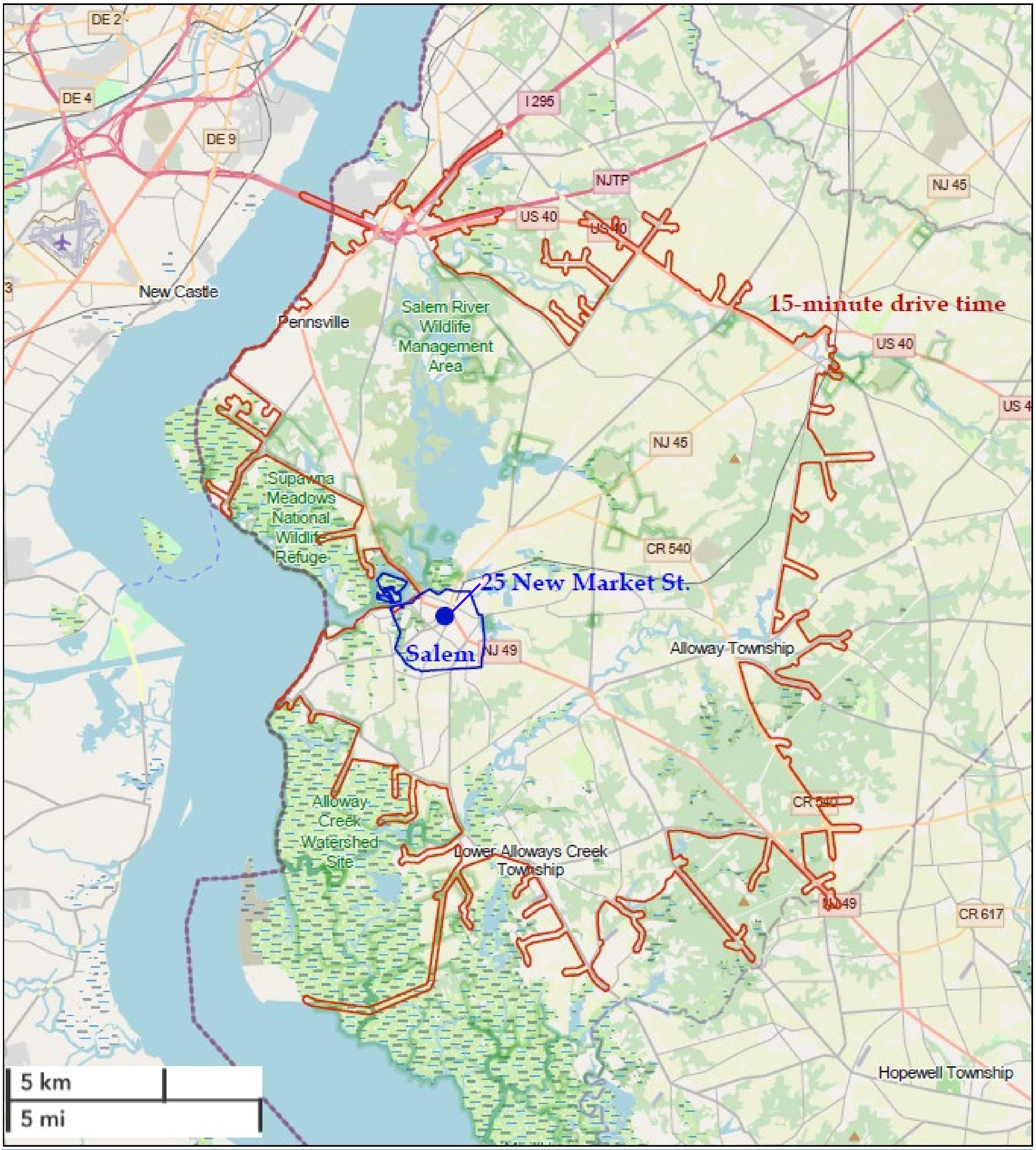
[5] USDA indicator definitions: https://ers.usda.gov/sites/default/files/_laserfiche/DataFiles/80526/archived_documentation_February2014.pdf?v=98623

[6] Rhone, A., Williams, R., and Dicken, C. (2022). Low-Income and Low-Foodstore-Access Census Tracts, 2015–19. USDA Economic Research Service. Note that this study only included supercenters, supermarkets, and large grocery stores. It did not include club stores (such as Costco or Sam's Club), because they are only available to those who pay annual membership fees, or convenience stores, since their offerings vary so widely and because USDA Food and Nutrition Service estimates that 84% of SNAP redemptions were at supermarkets, supercenters, and large grocery stores in 2019.

Figure 5: 15-minute drive-time radius from 25 New Market Street (red outline)



Source: ESRI Business Analyst

Target site

The target site is located at 25 New Market Street. It comprises a vacant two-story building (approximately 14,280 SF in size), a grassy, unbuilt area, and a vacant paved lot across the street. This is Block 57.01, Lots 11 and 12, and Block 63, Lot 1.01. The site's total land area is 0.98 acres. The building has been vacant for many years and is set to undergo an EPA-funded environmental assessment in 2025.

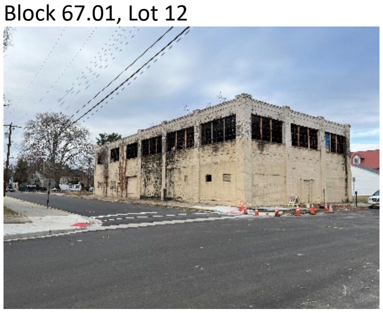
Currently, the paved lot across the street is the site of the St. John's Pentecostal Outreach Church's community food pantry, which feeds hundreds of people every month and receives support from the Food Bank of South Jersey.

Figure 6: Target site (outlined in blue)

Source: NJ Map Parcel Explorer; Rowan University School of Earth and Environment

Figure 7: Target site photos

Block 67.01, Lot 12



Block 67.01, Lot 11

Block 63, Lot 1.01

Photos: BRS site visit 18 December 2024

Methodology

Demographic and socioeconomic information for the community profile was derived from sources such as the U.S. Census Bureau, U.S. Bureau of Labor Statistics, and U.S. Bureau of Economic Analysis. In order to analyze data on a neighborhood level, we used ESRI's Community Analyst program, which is a web-based tool that combines mapping capabilities with socioeconomic information from a variety of government sources and enables analysis on a hyper-local level. We used another ESRI web-based tool – Business Analyst – to analyze consumption habits, household demand, and existing food retailers in Salem and the trade area. Both of these ESRI applications provide five-year forecasts, as well. ArcGIS was used to create maps of the neighborhood and public transportation network.

In order to assess and compare the economic impact of the establishment of a new grocery store, supermarket, and farmers market, an economic input-output software platform called IMPLAN was used. IMPLAN combines an extensive set of databases, economic factors, multipliers, and demographic statistics with an input-output modeling system to generate insights into an industry's contributions on a regional scale, examine the effects of a new or existing business, model the impacts of expected growth or changes, and quantify any other event specific to the economy of a particular region and how it will be impacted. Economic "Input-Output" (I-O) models are estimates of average economic impacts as they affect broad geographic areas, typically on the state or county level. This is useful when it is important to understand impact at the local level. The government data pulled into the analysis is regularly updated, along with economic multipliers to simulate the action of the local economy of the geographic area under study and deflators to account for differences due to inflation between the year the data was generated and the year of the analysis.

Other important resources were the USDA's Economic Research Service and Food Access Research Atlas and annual US BLS Consumer Expenditure Surveys.

Community profile

Demographic profile

The City of Salem is a densely populated urban area of approximately 2.34 square miles, located in Salem County – the most rural county in New Jersey. It is traversed by the Salem River, with residential, commercial, and industrial areas of the city all located southeast of the river, and marshland throughout the river north of downtown Salem. In 2022, the total population of Salem was 5,285 – and growing. There were 2,172 households, and the median household income was $35,143.[7]

There are significant demographic variations between the City of Salem and the trade area of a 15-minute drive-time radius from 25 New Market Street. Within Salem, much more of the population is made up of people of color, and a slightly higher percentage is of Hispanic ethnicity. Population density is far higher than in the surrounding area, and both per capita and median household income are just over half the levels of the trade area.

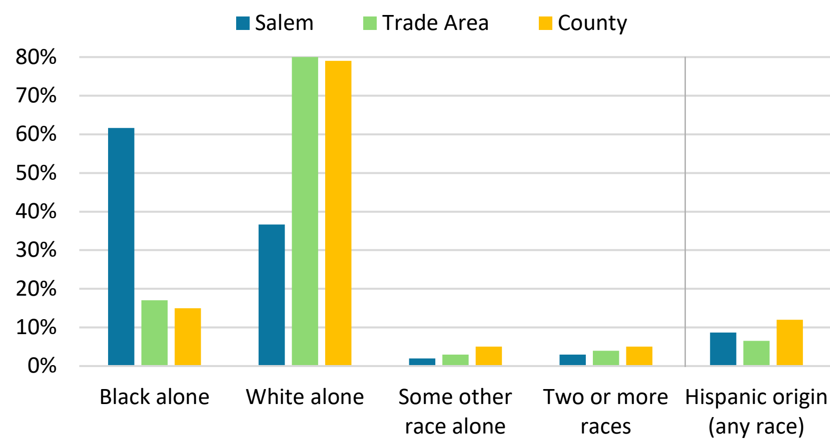
[7] US Census ACS 2022 5-year estimates

Table 1: Selected indicators, 2022

	Salem	Trade Area	Salem County	New Jersey
Percent non-White	70%	26%	29%	48%
Percent Hispanic ethnicity (any race)	9%	7%	12%	23%
Average size of household	2.39	2.37	2.55	2.61
Median age	33.4	42.4	42.3	40.5
Population density (people/sq. mile)	2,259	1,771	195	1,263
Median household income	$35,143	$67,131	$73,378	$97,126
Per capita income	$21,330	$41,314	$37,904	$50,995

Source: US Census ACS 2022; ESRI Community Analyst

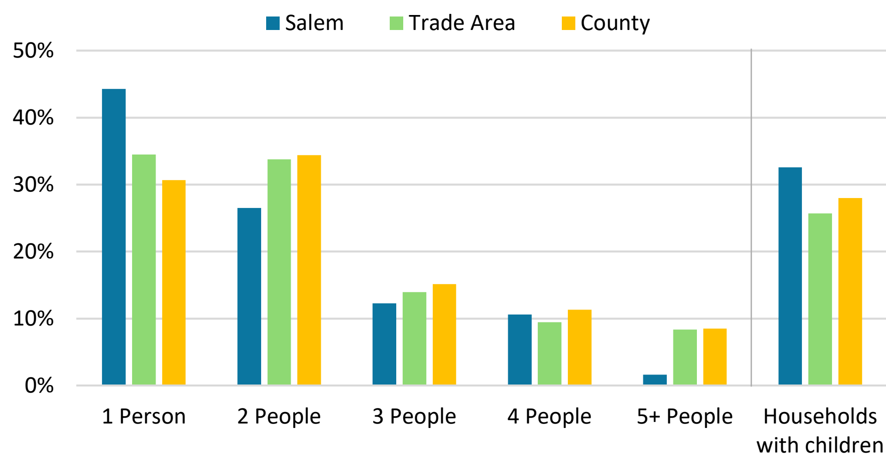
Figure 8: Population by race, 2022



Source: ESRI Community Analyst

Salem's average household is smaller than those in the surrounding area, but at the same time, a greater proportion of households have children. Over half of all households in Salem are headed by single women – far more than in trade area and the county overall – and of those households, a much higher proportion have children.

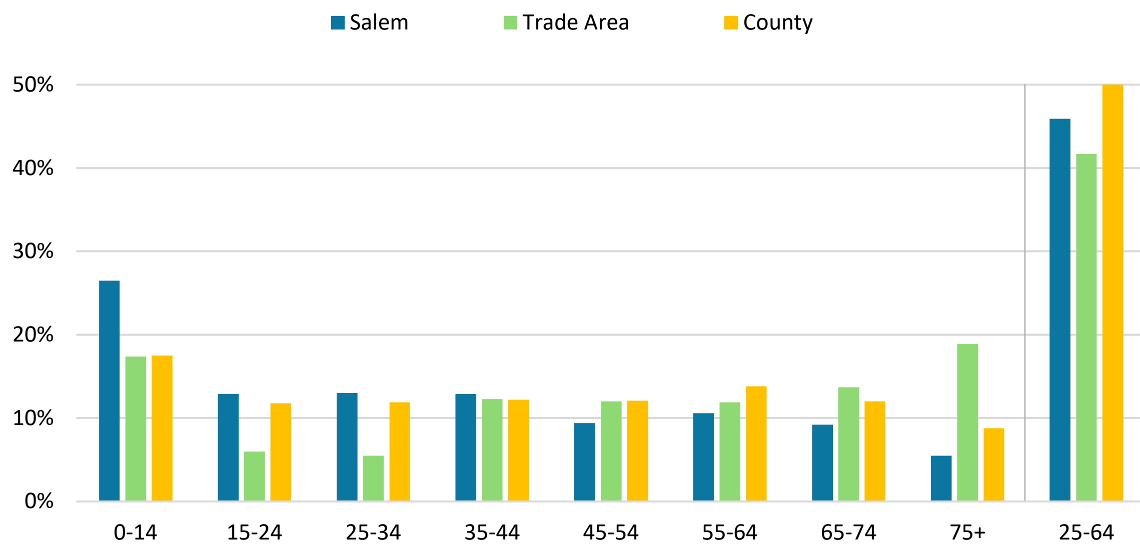
Figure 9: Households by size, 2022



Source: ESRI Community Analyst

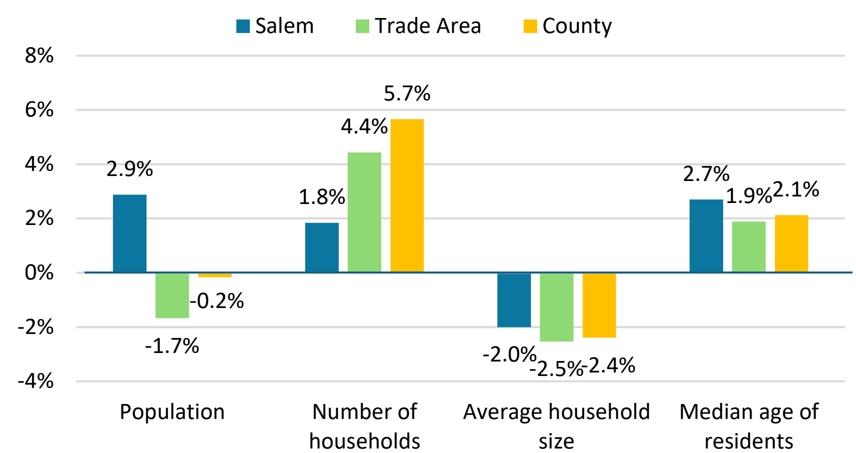
The median age in Salem – 33.4 years – is significantly lower than the surrounding area, and Figure 10 below shows a dramatically higher proportion of children under 14 and much lower proportion of adults over 65 in Salem. In the trade area, the proportions are reversed, with a particularly large segment of the population over 75. Salem's comparatively high proportion of residents aged 15 to 24 also suggests a potentially expanding workforce as these young people age into the prime employment age bracket of 25-64.

Figure 10: Population by age, 2024 estimates



Source: ESRI Community Analyst

Figure 11: Population trends 2024-2029 (forecasted % change)



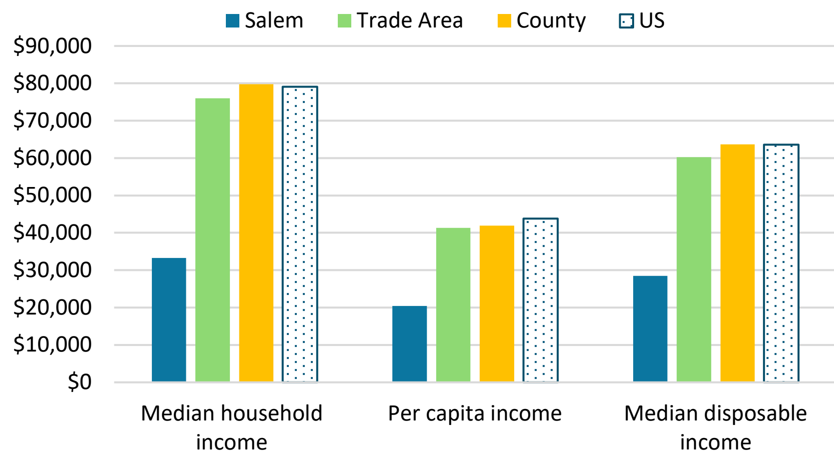
In the US overall, the population is expected to grow by 0.38% between 2024 and 2029.
Source: ESRI Community Analyst

According to ESRI Community Analyst, Salem's population is expected to grow quickly over the coming five years – compared to the state and national rates – while that of the surrounding area will decline. However, the total number of households will increase by a smaller percentage (1.8%) and the average household size will decline. These seemingly contradictory trends are unlikely to be attributable to a higher birth rate and instead possibly suggest an increase in single-person households as young people move to Salem and/or as people in the oldest age brackets live longer. The population is expected to remain a young one, with the median age rising from 33.4 to 34.3 years by 2029. The population of the trade area (and the county overall), on the other hand, is expected to decline slightly in the coming five years, while the number of households will rise and the size of those households will decline.

Socioeconomic profile

While both per capita and median household income are low in Salem compared to the surrounding area, incomes in the trade area are roughly the same as the county and national averages. Salem's low level of disposable income (i.e., after-tax income) – which includes income to be spent on food – is relevant to the feasibility of a grocery store or supermarket in the city, but median disposable income in the relatively small trade area that includes Alloway Township, for example, is similar to the national level and could support the establishment of a food retailer in this rural county.

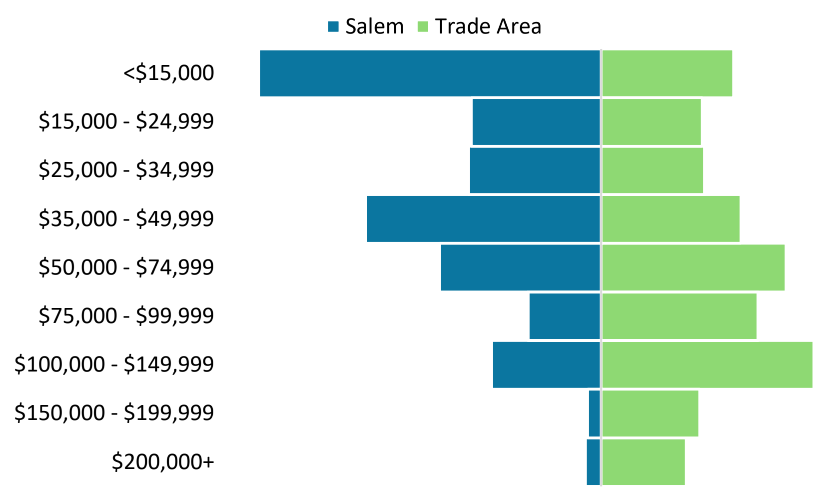
Figure 12: Income indicators



Source: ESRI Community Analyst 2024 estimates

The largest proportion of Salem households have an annual income of less than $15,000, making the chart to the right heavily skewed toward the lowest income bracket. About a third of households receive Supplemental Nutrition Assistance Program (SNAP) benefits, and a slightly lower percentage had household incomes below the poverty level in 2022. In the trade area, on the other hand, only about 13% of households were below the poverty level, and about the same proportion received SNAP benefits.[8]

Figure 13: Household income, 2022



Source: US Census ACS 5-year estimates, 2018-2022

[8] US Census ACS 5-year estimates, 2018-2022

Salem has a labor force[9] of almost 2,000 people and an unemployment rate of 11.6%, according to the US Census American Community Survey's five-year estimates for 2022. About 51% of Salem's population aged 16 and over was in the labor force in 2022 – lower than the US average of 64%. In the trade area, the percentage of the population 16 and over in the labor force is about 58%. Adults between 25 and 54 make up the largest part of the labor force in Salem and throughout the trade area; however, women make up a larger proportion of the labor force in Salem than in the surrounding area and county. And workers over 55 years of age make up a significantly smaller proportion of Salem's labor force than is the case in the trade area and county. However, the most notable difference between Salem and the surrounding area is the city's much higher unemployment rate for all age groups. This is particularly marked for the youngest segment of the workforce – those aged 16-24. This group has a higher unemployment rate than the general population in the trade area, but in Salem, the unemployment rate for young people is almost 40%. This may be related to a lack of employment opportunities or to a lack of relevant training opportunities (or both), but it could be a trend that results in young people leaving the community, leading to a demographic shift.

Table 2: Workforce summary, 2022

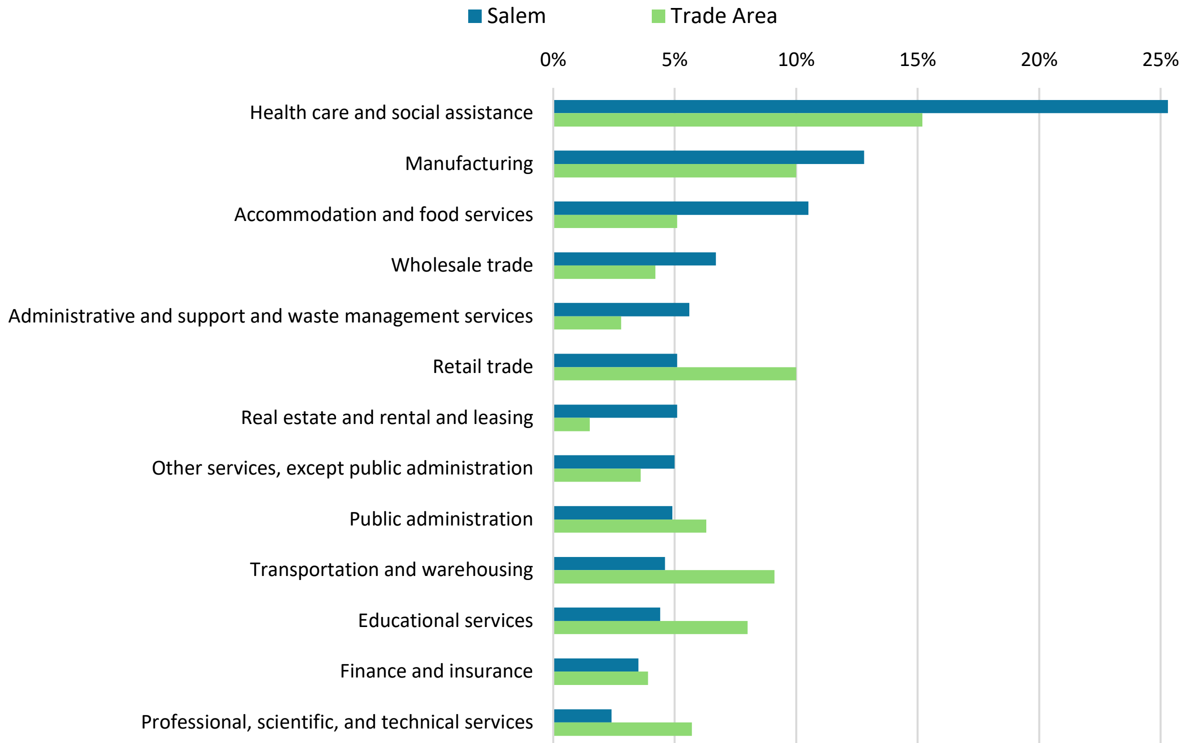
	Salem			**Trade Area**		
	Employed	Labor force participation (%)	Unemploy-ment (%)	Employed	Labor force participation (%)	Unemploy-ment (%)
16+	1,736	51%	11.6%	11,471	58%	7.5%
16-24	187	50%	39.5%	1,312	60%	18.8%
25-54	1,210	69%	7.5%	7,017	79%	6.8%
55-64	229	42%	3.4%	2,193	64%	4.5%
65+	110	14%	0.0%	949	17%	1.6%
Male Age 16+	801	56%	14.9%	5,893	60%	6.5%
Female Age 16+	935	47%	8.6%	5,578	56%	8.6%

Source: US Census ACS 5-year estimates; ESRI Community Analyst

By far the largest proportion of Salem residents work in the healthcare & social assistance sector (25%), and the manufacturing and accommodation & food services sectors make up the second and third categories. Healthcare & social assistance and manufacturing are the top sectors of employment in the trade area, as well, but retail trade is the third. In the trade area, 10% of the workforce is employed in the retail sector, but in Salem, only half that proportion works in retail. Transportation and educational services are also important employment sectors in the trade area, but they employ a much smaller proportion of the population in Salem. Overall, the trade area's workforce is more balanced among many sectors of employment than Salem's is.

[9] The labor force is those in the civilian noninstitutional population, age 16 years or older, who are employed <u>or</u> who are currently unemployed but are actively seeking employment.

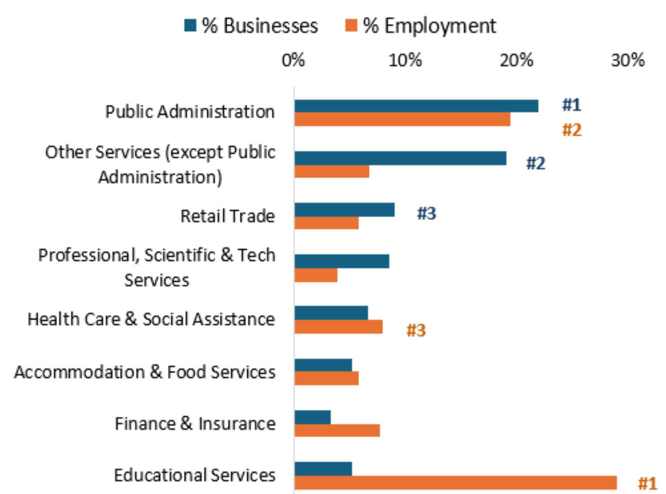
Figure 14: Percentage of residents employed per industry sector



Data for top economic sectors by percentage of labor force employed.
Source: ESRI Business Analyst 2023

There are an estimated 207 businesses located in Salem, employing 1,863 people. The top sectors in terms of number of business establishments are public administration, other services (not including public administration), and retail trade. However, retail trade businesses employ only 7% of all workers. The Salem businesses that employ the most people are in the educational services, public administration, and healthcare & social assistance sectors.

Figure 15: Salem's top sectors in terms of businesses and employment



Source: ESRI Business Analyst 2024 estimates

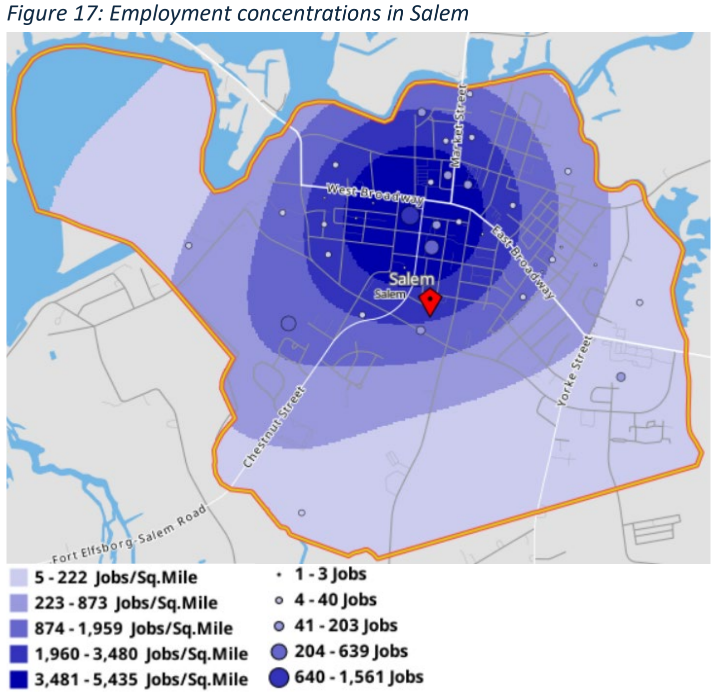
In the trade area, there are 889 businesses employing 8,706 people. The sectors with the greatest number of business establishments are the same sectors that employ the greatest number of people. These are other services (not including public administration), retail trade, and health care & social assistance.

Figure 16: Trade area's top sectors in terms of businesses and employment

Source: ESRI Business Analyst 2024 estimates

The US Census Bureau estimates that in 2022, the majority (56%) of all public- and private-sector jobs in Salem were held by people aged 30-54, 34% by people 55 and older, and less than 10% by people younger than 30. (Given Salem's extremely high unemployment rate for young people, this is not surprising.) The vast majority (85%) of these jobs within Salem pay over $3,333 per month. As is shown in Figure 17, there is a much higher concentration of jobs in the center of Salem – centered at the intersection of West Broadway and Chestnut St., in close proximity to the target site.

Figure 17: Employment concentrations in Salem



Source: *US Census OnTheMap*, 2022 data

Just over half (55%) of the employed labor force in the City of Salem works within Salem County, but over a third work in another county in New Jersey. About 10% work in another state – generally in Pennsylvania or Delaware. For employed residents of the trade area, the proportions are very similar, although a greater percentage of workers commute outside the county for their jobs.[10] Only a very small percentage of Salem residents work in the city itself, and while over 2,200 Salem residents work outside the City, an even greater number commute from outside of the city to work in Salem.

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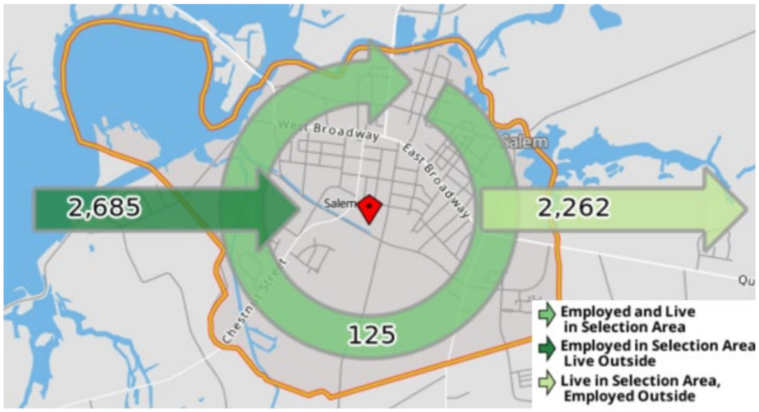
[10] US Census ACS 5-year estimates, 2018-2022

Figure 18: Worker inflow and outflow in Salem



Source: US Census OnTheMap, 2022 data

Employed Salem residents have an average commute of about 27 minutes – similar to the average commute time for workers living in Salem County. This is not surprising, given the percentage of workers who are employed outside the city – and the fact that it is a primarily rural county.

In the county overall, farming – including both crop cultivation and livestock – is an important economic sector, ranking third in terms of total number of people employed. Within the sector, cultivation of vegetables and melons is the largest category for employment. In terms of total labor income generated, the sector comes 10th, in part because of relatively moderate wages. In terms of total output, it is sixth.[11]

Table 3: Top 12 industries in Salem County (ranked by number of people employed)

	Employment	Labor Income	Output	Average Employee Compensation*
Warehousing and storage	3,630	$224,199,204	$360,231,900	$62,069
Employment and payroll of local govt, Education	2,066	$166,762,321	$191,131,621	$80,718
Farming	1,418	$48,617,304	$185,652,317	$56,492
Electric power generation - Nuclear	1,176	$375,454,632	$1,635,417,445	$207,667
Employment and payroll of local govt, Other services	1,066	$87,675,097	$100,757,215	$82,222
Other real estate	1,008	$4,259,959	$138,184,949	$49,999
Accounting, tax preparation, bookkeeping, & payroll services	876	$71,901,141	$124,881,890	$121,899
Transit and ground passenger transportation	757	$22,208,656	$38,625,939	$39,367
Offices of physicians	578	$89,610,751	$118,659,987	$245,289
Retail - Food and beverage stores	571	$26,486,844	$61,777,118	$41,029
Hospitals	532	$51,816,540	$111,250,877	$97,309
Construction of new single-family residential structures	525	$38,218,143	$90,996,846	$98,213

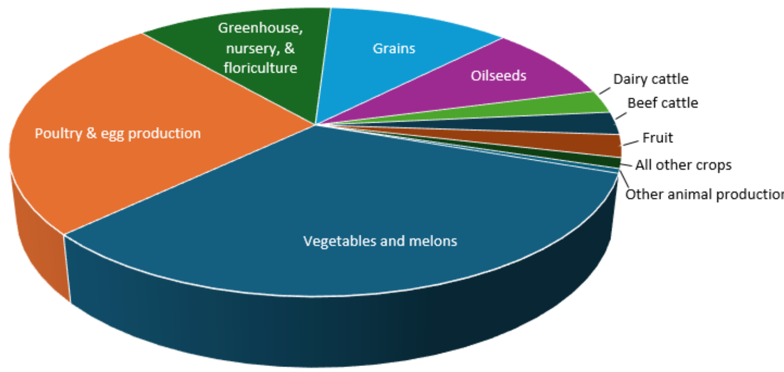
*Per wage and salary employee

Source: IMPLAN data for Salem County, 2023

[11] Output (or total industry output) is the value of production that occurred during the calendar year – in this case, 2023. Data for Salem County in 2023 is from IMPLAN.

USDA reported that there were 779 farms in Salem County in 2022, and two thirds of farms were less than 50 acres in size. The total value of agricultural products sold was over $138 million, and the per-farm average was $177,253. Of total sales of agricultural products, 88% was for cultivated crops and 12% was for livestock and poultry products, including milk and eggs. The vast majority (81%) of the county's 97,465 acres of agricultural land – which made up 20% of Salem County's total land area – was used for cropland in 2022.[12] In 2023, the top farming sub-sectors in terms of value of production were vegetables & melons; poultry & egg production; greenhouse, nursery & floriculture (which includes flowers); grains; and oilseeds (such as soybeans).

Figure 19: Farming sub-sectors by value of total production



Source: IMPLAN data for Salem County, 2023

Household demand and consumption

Average household expenditures in Salem are significantly lower than in the surrounding trade area, but the top categories of expenditure are the same throughout the area. About 12% of household expenditures go toward the purchase of food in Salem (11% in the trade area), and the total average amount of $5,566 per year is expected to increase by just over 14% in the coming five years. In the trade area, food expenditure is expected to increase by over 15%.

Households in the trade area spend an average of $4,911 per year at grocery and specialty food stores and $3,683 at restaurants and

Table 4: Average annual household budget expenditures, 2024

	Salem	Trade Area
Housing & utilities ***(#1)***	$15,297	$28,380
Food ***(#3)***	$5,566	$9,967
Household operations	$1,284	$2,491
Housekeeping supplies	$451	$821
Household furnishings and equipment	$1,491	$2,848
Apparel and services	$1,290	$2,143
Transportation ***(#2)***	$5,710	$10,261
Travel	$1,261	$2,614
Health care	$3,763	$7,429
Entertainment and recreation	$1,845	$3,677
Personal care products & services	$461	$853
Education	$756	$1,505
Smoking products	$338	$499
Alcoholic beverages	$307	$571
Shopping club membership fees	$41	$73
Pensions and Social Security	$4,454	$9,227
Other expenditures	$2,280	$4,808
Total average household expenditures	**$46,593**	**$88,167**

Source: ESRI Business Analyst 2024 estimates

[12] USDA 2022 Census of Agriculture: County Profile, Salem County, NJ.

other eating places.[13] In addition, households spend about $3,658 per year at warehouse clubs and supercenters (e.g., Walmart Supercenter) that carry grocery items, although there is no specific breakdown available on how much of this total is spent on groceries. As would be expected with lower incomes and a greater distance to such retailers, Salem residents spend significantly less at each per year.

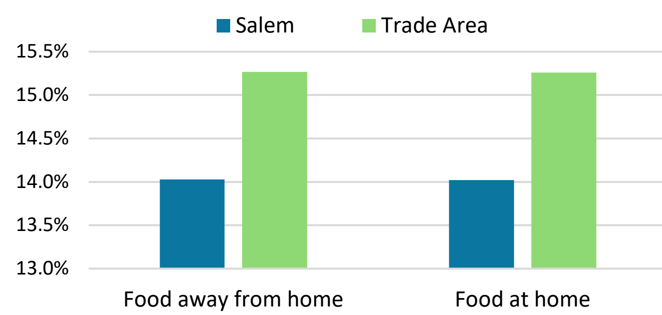
Table 5: Household retail demand: Average amount spent per year by location

	Salem	Trade Area
Grocery stores	$2,689	$4,754
Specialty food stores	$89	$157
General merchandise stores, incl. warehouse clubs, supercenters	$2,042	$3,658
Restaurants and other eating places	$1,987	$3,683

Source: ESRI Business Analyst 2024 estimates

The general category “food at home” is an estimate of the total amount of food purchased from all types of stores for home consumption – as opposed to food consumed at restaurants. Food consumed at home was almost double the value of food consumed outside of the home in 2024 in Salem and in the trade area, despite the lack of food stores in the area. In the coming five years, the increase in food consumed at home – that is, food generally purchased from grocery stores and markets – is forecast to increase by just over 14% in Salem and over 15% in the trade area. For context, this is slightly lower than the increase expected in the county overall.

Figure 20: Forecast consumer demand growth 2024-2029 (% change)



Source: ESRI Business Analyst 2024 estimates and 2029 forecasts

Within the category of food consumed at home, the largest proportion for both Salem and the trade area falls into the general category of “snacks and other food at home,” although it is worth noting that this classification includes items such as baby food, non-alcoholic beverages, and certain prepared foods and salads.[14] Meat, poultry, fish, & eggs is the second-largest category, and fruits & vegetables the third. For each category individually, Salem households spend just over half of what trade area residents spend per year.

[13] Expenditures at grocery and specialty food stores do not include purchases at beer, wine, and liquor stores, which averaged $166 per household in 2024. Expenditures at restaurants and other eating places do not include purchases at drinking places (i.e., bars), which averaged $93 in 2024. Source: ESRI 2023 Consumer Spending databases are derived for 2024 from the 2021 and 2022 Consumer Expenditure Surveys.

[14] Snacks and Other Food at Home includes candy, chewing gum, sugar, artificial sweeteners, jam, jelly, preserves, margarine, fats and oils, salad dressing, nondairy cream and milk, peanut butter, frozen prepared food, potato chips and other snacks, nuts, salt, spices, seasonings, olives, pickles, relishes, sauces, gravy, other condiments, soup, prepared salad, prepared dessert, baby food, miscellaneous prepared food, and nonalcoholic beverages.

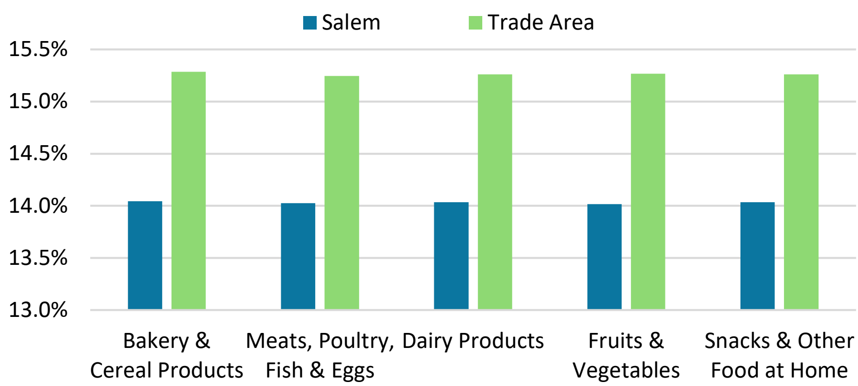
Table 6: Average totals spent by type of food consumed at home

	Salem	Trade Area
Bakery and cereal products	$475	$852
Meat, poultry, fish, and eggs	$824	$1,411
Dairy products	$337	$620
Fruits and vegetables	$703	$1,265
Snacks and other food at home	$1,374	$2,422

Source: ESRI Business Analyst 2024 estimates

Expected growth in expenditures on these foods is expected to be in line with growth for the overall category of food at home in the coming five years – 14% for Salem and 15.3% for the trade area.

Figure 21: Forecast demand growth for food consumed at home by category, 2024-2029



Source: ESRI Business Analyst 2024 estimates and 2029 forecasts

Households in Salem are about as likely to consume poultry, fish or seafood, and fresh milk as the US average. They are generally less likely to consume fresh fruit and vegetables and much less likely to buy organic food, but more likely to consume bread. Table 7 shows how likely Salem residents are to purchase certain categories of food. This probability is expressed as a Market Potential Index (MPI), which measures the relative likelihood of households in a specified area to exhibit certain consumer behavior or purchasing patterns compared to the US average. In Table 7 (Salem) and Table 8 (the entire trade area), the flat yellow line indicates that residents are about as likely as the US average to purchase a particular type of food. The green arrow signifies that residents are more likely to purchase the item, and the red arrow means that they are less likely.

Table 7: Product/Consumer behavior: Households in Salem

In the past 6 months, have you used the following?

	Yes		
	# households	% households	MPI
Bread	2,016	94%	100
Chicken (Fresh or Frozen)	1,564	73%	95
Turkey (Fresh or Frozen)	435	20%	98
Fish or Seafood (Fresh or Frozen)	1,232	58%	98
Fresh Fruit or Vegetables	1,769	83%	93
Fresh Milk	1,716	80%	98
Organic Food	397	19%	73

Source: ESRI Business Analyst

Within the trade area (Table 8), food use categories differ. Households are more likely to use poultry and milk, as well as bread, and about as likely to use fish or seafood and fresh fruit or vegetables as the US average. Like Salem residents, they are much less likely to use organic foods than the average US household.

Table 8: Product/Consumer behavior: Households in the trade area

In the past 6 months, have you used the following?

	Yes		
	# households	% households	MPI
Bread	10,411	95% ▲	101
Chicken (Fresh or Frozen)	8,451	77% ▲	100
Turkey (Fresh or Frozen)	2,399	22% ▲	106
Fish or Seafood (Fresh or Frozen)	6,314	58% ▬	98
Fresh Fruit or Vegetables	9,576	87% ▬	98
Fresh Milk	9,256	84% ▲	103
Organic Food	2,252	21% ▼	80

Source: ESRI Business Analyst

It is important to note that "likelihood" does not mean preference; particularly in lower- and middle-income communities, relatively pricey fresh fruit, vegetables, and organic food may be used less often simply because they do not fit into households' grocery budgets.

The next section explores existing options for purchasing food in the area – and how well those options fit residents' consumption habits and demand.

Relevant business summary

Options for fresh food in the trade area and suitability for demand

According to the most recent USDA data available, Salem County had 16 grocery stores (0.25 stores per 1,000 residents), 11 specialized food stores, 24 convenience stores, two farmers markets, and no supercenters and/or club stores in 2016. Of all these food stores, nearly all (50 of 51) accepted SNAP, but only eight accepted WIC, and no information was available on whether the farmers markets accepted SNAP and/or WIC.[15]

Within the trade area, there are about 22 food and grocery stores, including convenience stores, independent corner stores, and delis (see Figure 22). However, the vast majority of these options are small stores (less than 5,000 square feet) with limited or specialized food offerings, and several are gas station minimarts. In fact, there are only 13 food stores that are larger than 5,000 square feet in the trade area, and several of these (including the only one in the City of Salem) are Family Dollar and Dollar General stores, which sell a wide variety of household goods and only a few basic groceries such as milk and eggs. There are only six food stores over 10,000 SF in size – which is still smaller than the USDA definition of a supermarket – in the trade area, and none are in Salem (see Figure 23).

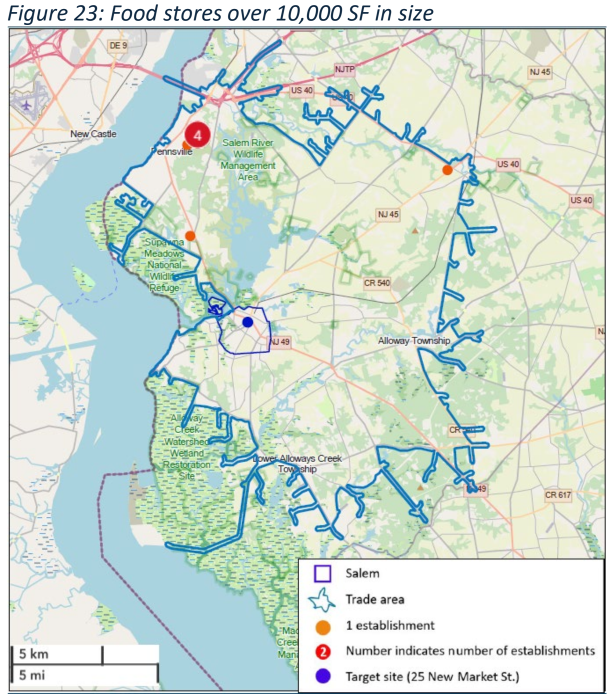
[15] USDA data from the Economic Research Service's (ERS) Food Environment Atlas. Data for all types of stores and SNAP and WIC is from 2016-2017, and data for farmers markets is from 2018.

For the 10,701 households (26,565 people as of the 2022 US Census) living in the trade area of a 15-minute drive-time radius from the target site, food stores in the area are clearly inadequate. This is particularly true for residents of Salem and areas south and east of Salem, including Alloway Township. While limited food options are available in small (less than 5,000 square feet) stores in the area, household demand does not align well with these existing options. The second largest category of purchases for area households is meat, poultry, fish, & eggs, and the third largest category is fruits & vegetables.[16] Demand for poultry is higher in the trade area than the national average, and these are not items widely offered in convenience stores and minimarts. With demand for food for home consumption forecast to increase by 14-15% and Salem's population expected to increase by about 3% in the coming five years, food stores that are inadequate now will become even more so.

Figure 22: All food stores in the trade area

Source: ESRI Business Analyst, December 2024

Figure 23: Food stores over 10,000 SF in size



Source: ESRI Business Analyst, December 2024

Smaller stores in Salem – mainly gas station minimarts and corner or convenience stores –offer convenience to residents, particularly those who don't own cars. However, this convenience often comes at the expense of food variety, quality, and affordability. Location and convenience are important to local residents, but a community survey carried out in February 2025 showed that food quality and price are the most important factors for residents.[17] Residents noted that while they might stop at a corner store to purchase snacks, very few (8%) shop for groceries in these establishments. More survey respondents (50%) at least occasionally shopped for food at local stores such as Family Dollar or Dollar General, which are larger than corner stores and have a wider variety of canned and boxed products with a long shelf life, but these have few options for produce, dairy, and meat – and healthy, fresh food in general.

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[16] ESRI Business Analyst and Bureau of Labor Statistics' Consumer Expenditure Surveys from 2021, 2022. Note that categories are by expenditure, not volume.

[17] The full results of the Community Survey are included as Appendix 2. This survey was conducted by BRS, Inc. in February 2025 in order to solicit community input for this study.

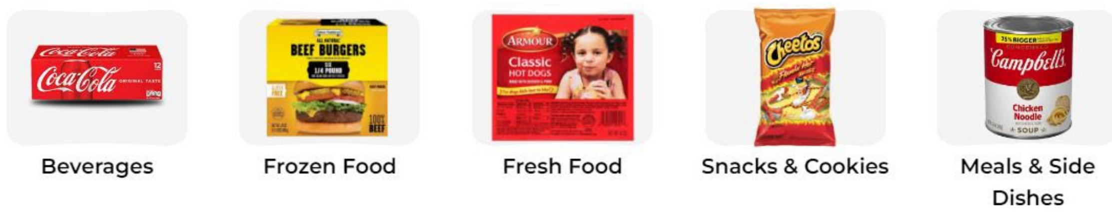
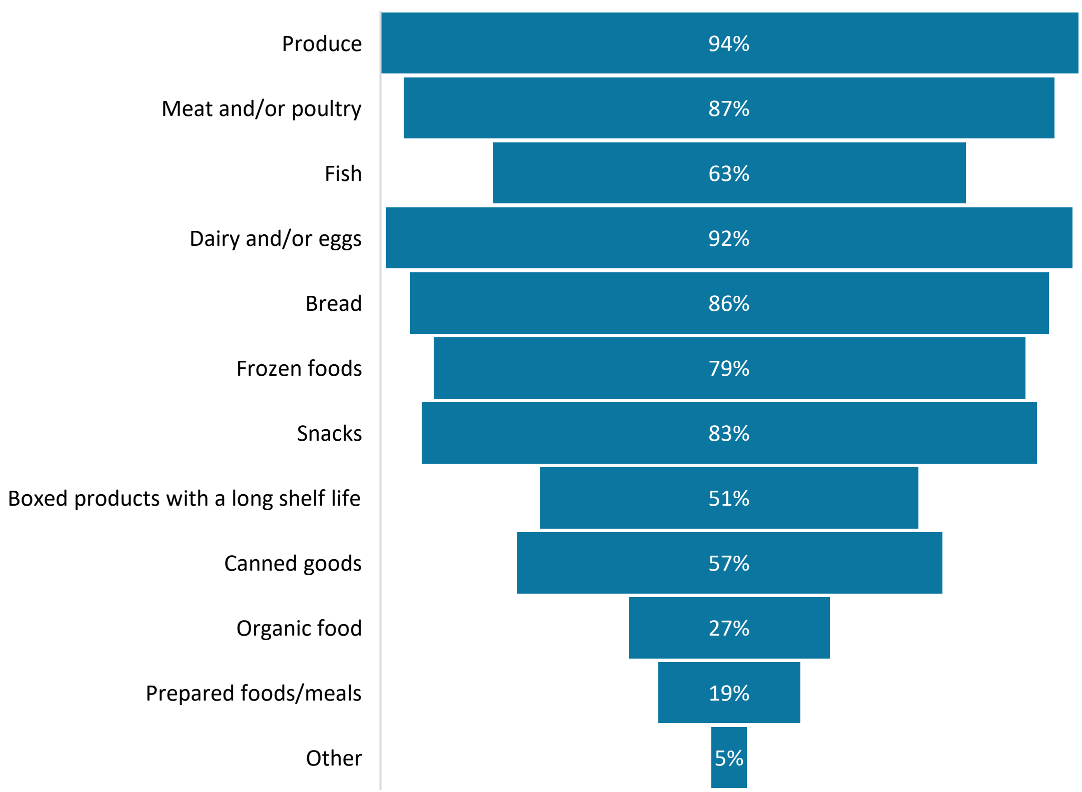


Photo: Dollar General weekly advertisement for Salem store, Dec. 27, 2024

The *Household Demand and Consumption* section noted that Salem residents tend to purchase bread, poultry, dairy, and fish or seafood when they shop, and the Community Survey provides more detail on preferences (see Figure 24). Produce, dairy, eggs, and fresh meat or poultry are the top food purchases among respondents, and finding these grocery items at corner stores or small local grocery stores is a challenge – and in some cases not possible at all. When asked which foods they felt were hardest to find in Salem, residents most frequently mentioned produce and fresh meat, but the third-most common answer was "all groceries."

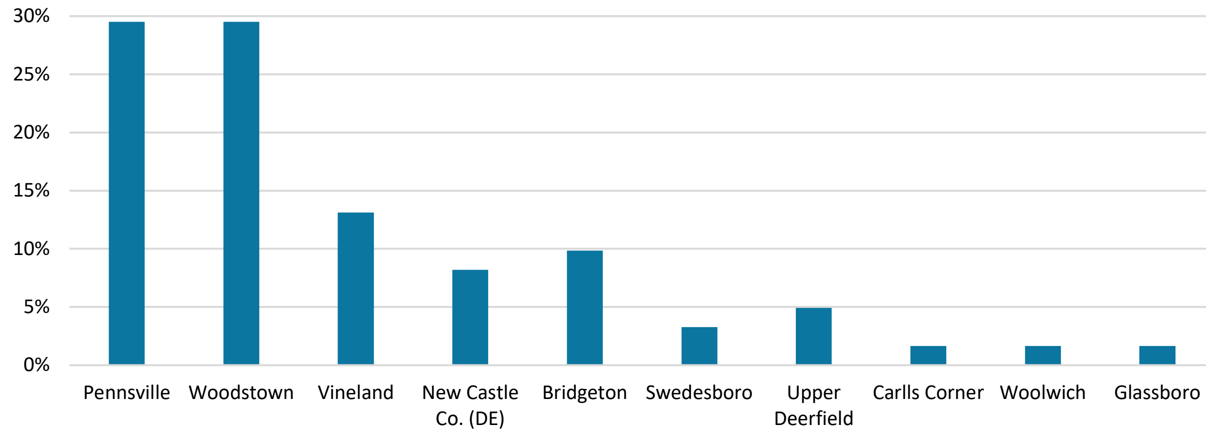
Figure 24: What food items do you purchase regularly?



Source: Community Survey, February 2025

It is notable that residents tended to list the same items as both what they purchase regularly and what they have difficulty finding in Salem. It is therefore not surprising that 45% of respondents travel between 20 and 40 minutes one-way to supermarkets outside of Salem, with Pennsville stores and Woodstown's Acme the most popular.

Figure 25: Where do you typically go to purchase groceries?



The largest proportion of those surveyed prepare meals at home every day (36.5%), and almost 70% prepare meals at home at least five days a week. 48% of those surveyed live in households of three or more people, and 37% live in households with children (37%). The highest percentage of people surveyed (40%) stated that they shop for groceries once a week, and 29% shop more frequently. The vast majority of survey respondents (79%) answered the question “Do current grocery shopping options in Salem meet your needs?” with “Not at all.”

Figure 26: How often do you prepare meals at home?

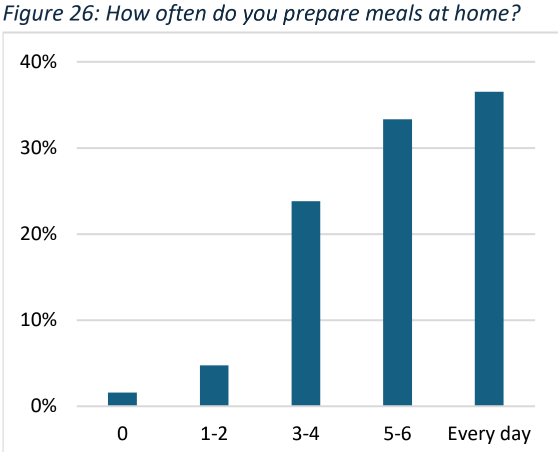
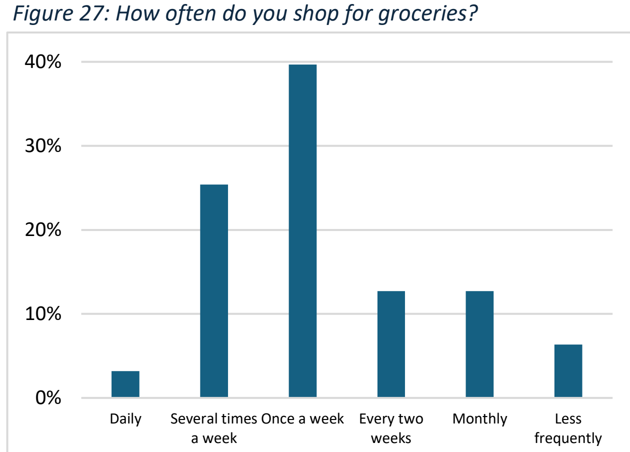


Figure 27: How often do you shop for groceries?



When asked what the most significant challenges in food shopping were, the top answers were travel distance to the grocery store and the cost of food. About 22% of those surveyed use SNAP or WIC benefits when they buy food,[18] and 46% supplement the groceries they buy with food from a food pantry, church, or religious group.

Accessibility

Low incomes, limited access to vehicles, and lack of adequate public transportation options all present challenges to accessing sources of healthy and affordable food in and around Salem. The reality is that

[18] This is 11.7 percentage points lower than the US Census estimate for the percentage of Salem residents who had SNAP benefits in 2022 (no Census Bureau estimate was available for WIC benefits). This suggests that lower-income residents may be underrepresented in Community Survey responses.

low-income individuals and households are less likely to own cars, but they are also less likely to live within walking distance of a grocery store and more likely to need a car to access one[19] – particularly a store that offers a full selection of products and accepts SNAP and WIC.

Although only 9% of households in the trade area do not have access to a vehicle, in Salem the proportion is 28%. As a result, a significant number of residents rely on public transportation, taxis, rideshares, carpooling, or borrowed vehicles for transportation – or travel by foot or bicycle. In Salem, 26% of employed people made their way to work in one of these ways, with a far larger proportion carpooling (14%) than using public transportation (5%).[20, 21]

Figure 28: Where do you usually shop for groceries?

Source: Community Survey, February 2025. Note that respondents were asked to list all the places they shop regularly.

When asked to list all the places they currently buy groceries, Salem Community Survey respondents said they shop at local grocery stores such as Family Dollar and Dollar General (49.2%), supermarkets (97%), and farmers markets (35%), as well as online retailers, convenience stores, and local farms and butchers. Over half said that they regularly travel at least 20 minutes one-way to shop. Generally, they use their own vehicle to travel to the places they shop, although some do use public transportation. As is clear from the map in Figure 29, there are very few options for public transport in Salem and the trade area, making it difficult for households to depend on city buses to travel to and from food stores.

There are two NJ Transit bus lines that run through Salem:

- Line 401 travels between Salem and Philadelphia. Although it passes the Woodstown Acme on Route 45 and Highway 40 (Harding Highway), it does not have a stop there.
- Line 468 (Carneys Point) has 62 stops departing from Woodstown Acme, and after running through Salem, goes north to Pennsville with stops at Walmart (Pennsville Marketplace) and near Save-A-Lot. However, the bus's frequency on weekdays is every 45 minutes to every one hour and 10 minutes, and on Saturdays, there is a bus only every one hour and 15 minutes. There is no bus service on Sundays.

Even though bus line 468 does connect Salem residents to two full-size grocery stores and a Walmart that has some food items, this is unlikely to be a realistic solution to the transportation component of food access for many Salem residents. Bus frequency alone presents challenges, particularly on weekends, which might be working people's only opportunity to shop.

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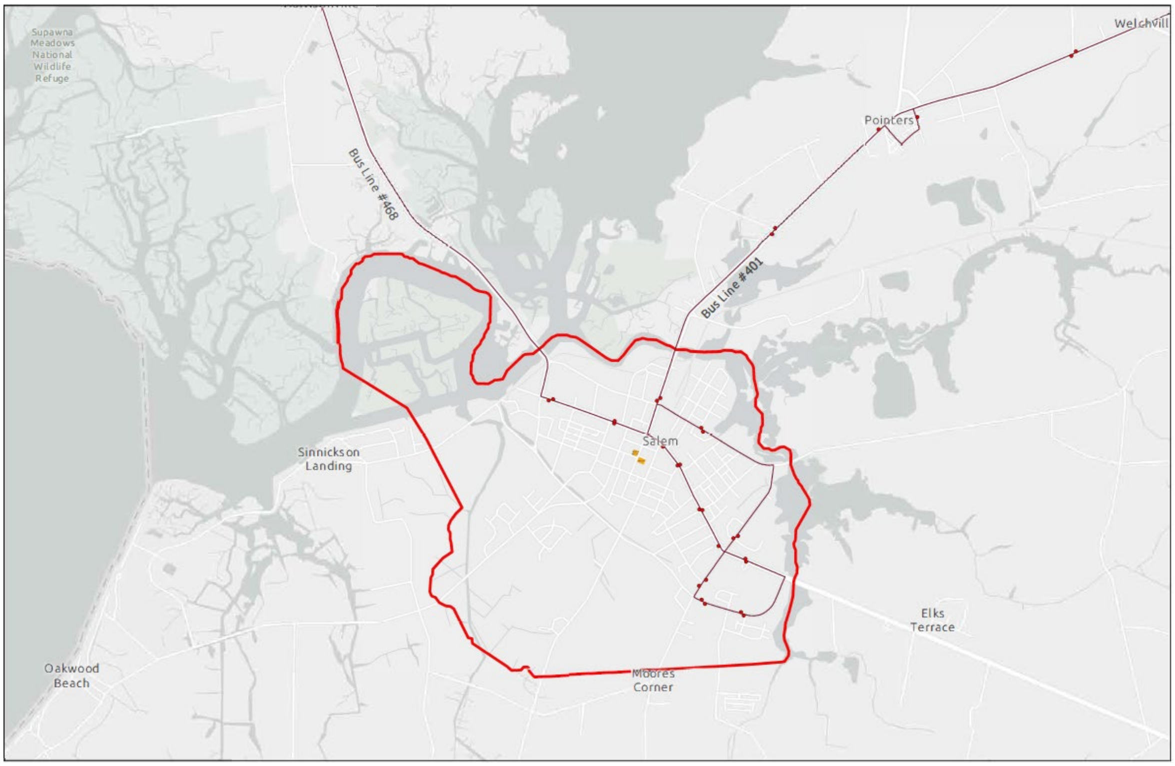
[19] *Food Stamp Participants' Access to Food Retailers: Summary of Findings.* USDA Food and Nutrition Services, 1999.

[20] Note that lack of reliable transportation is in itself a barrier to finding and keeping work.

[21] 92% Community Survey respondents said they generally drive their own vehicles to the store where they shop, with only a small percentage (8%) borrowing a car, using public transportation, or going by foot. This does not suggest that US Census data is wrong but that that low-income households were underrepresented in survey responses.

Figure 29: Bus routes and bus stops in Salem and surrounding area



Source: BRS, Inc. (ArcGIS)

According to information collected by USDA through a national survey, over 50% of low-income people and families across the US who received SNAP ("food stamp") benefits tended to shop for groceries far less frequently than those with higher incomes, making it difficult to transport purchases on public transportation (or a combination of public transportation and walking in the case of Salem residents with access to only one relevant bus line).[22] As a result, only a small percentage of SNAP recipients surveyed by USDA (4%) used public transportation. Even fewer people who were over 65 used the bus, as using public transport to access a grocery store presents additional challenges for elderly residents and individuals with mobility issues, as well as for parents who do not have childcare. According to the USDA survey, nearly one third of respondents got a ride to the grocery store with family or friends, and 14% traveled by foot. In comparison, nearly 90% of people who were just above the income threshold for SNAP drove to the grocery store.[23] A lack of viable transportation options could itself limit residents' ability to shop more frequently *and* to purchase in bulk, which in turn often means paying higher per-item prices.[24]

Understanding vehicle access and how (as well as where) people travel to work and other necessities can help to create a fuller picture of how residents of Salem and the trade area access food stores. The fact that very few people both live and work in Salem means that a significant number of working Salem residents may have better options for grocery shopping near their places of employment than near

[22] *Food Stamp Participants' Access to Food Retailers: Summary of Findings.* USDA Food and Nutrition Services, 1999.

[23] Note that this survey took place before rideshare services such as Uber and Lyft had been established.

[24] McCann, B. *Community Design for Healthy Eating: How land use and transportation solutions can help.* Robert Wood Johnson Foundation, 2006.

where they live. Part 2 of this study, the Physical Site Evaluation, will discuss public transportation and public road infrastructure in more detail.

Grocery store/supermarket structure & requirements

While food retailers come in all sizes, there are certain common elements of grocery store and supermarket operations. In this section we look briefly at what a grocery store or supermarket needs to survive, with an overview of size, sales & profits, and supply chain dynamics.

Size

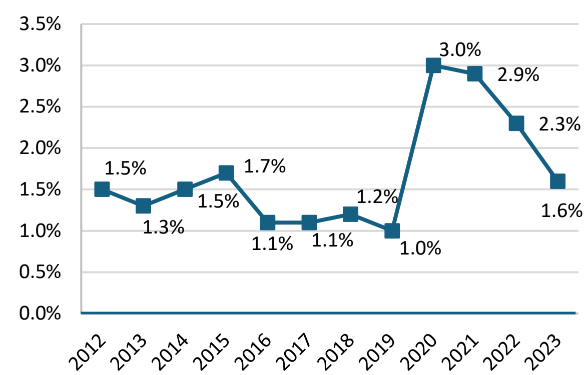
Grocery stores and supermarkets have been generally increasing in physical size since 1994, when the average was 35,000 square feet (SF). The average size of a US grocery store was 48,575 SF in 2023 – down slightly from the all-time high of 51,500 SF in 2021.[25] This includes only interior sales space, and additional space is necessary for storage, administration/offices, loading docks, and parking. Multi-floor retailers also need space for elevator bays and stairwells.

The average supermarket carried approximately 31,704 items in 2023, up slightly from the 2022 number.[26]

Sales and profits

According to the Food Industry Association (FIA), in 2023 average weekly sales per store in the US were $623,188, and weekly sales per square foot of US retail area were $17.32 – down significantly from $19.32 in 2022. The FIA's most recent US Grocery Shopper Trends report showed that average weekly grocery spending per household was $165 in 2024. Although data is not available for independent stores, food retailer chains had a net profit after taxes of just 1.6% in 2023, which was higher than 2012 levels (1.5%) but down from the all-time high of 3.0% in 2020. This profit data includes all types of food retailers, but it is important to note that the average size of those food retailers in 2010 was not much smaller than it was in 2022 (2010: 46,000 SF; 2023: 48,575 SF).[27] Part of the reason for the increase in profits through 2020 was growth in online sales for brick-and-mortar retailers, which helped grocery stores and some other types of food stores weather the pandemic and other recessions (more easily than, for example, convenience stores). However, profits have declined since 2021 toward pre-pandemic levels.

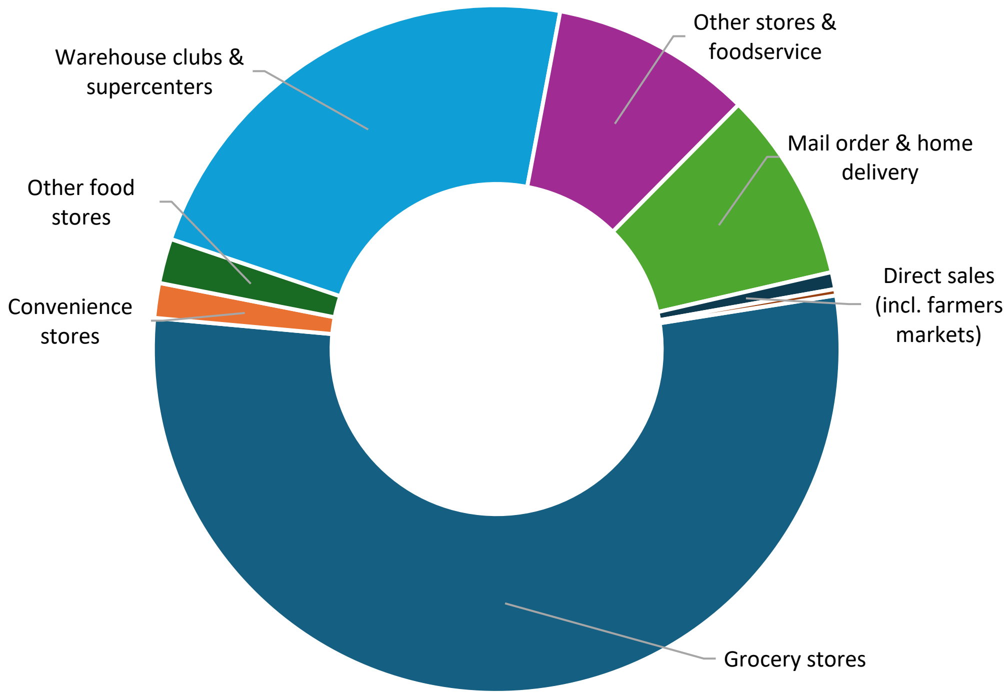
Figure 30: Net profit after taxes for grocery stores



Source: Food Industry Association data for 2012-2023

[25] Food Industry Association data (https://www.fmi.org)
[26] Food Industry Association data (https://www.fmi.org/our-research/food-industry-facts)
[27] Food Industry Association data (https://www.fmi.org/our-research/food-industry-facts)

Figure 31: US expenditures on food consumed at home by type of store (2023)



Notes: Nominal expenditures (not accounting for inflation). "Other food stores" include establishments such as health food and specialty stores, and "Direct selling by farmers, manufacturers, and wholesalers" includes but is not limited to farmers markets.
Source: USDA ERS

Between 2010 and 2023, the proportion of expenditures made at grocery stores and at other food stores such as health food and specialty stores declined, while the proportion of mail order and home delivery expenditures increased.[28] Slim profit margins for grocery stores therefore took place against a backdrop of sales that were increasing in dollar terms but decreasing as a percentage of total food sales. In 2023, food purchased for consumption at home (i.e., groceries) made up 41.5% of total food sales. This is a decrease from 2010 levels, when expenditures were split almost evenly between food consumed at home and food consumed outside the home (e.g., in restaurants).[29]

It is important to note that for grocery stores (like all retailers), sales and profits are dramatically different numbers. While the average overall markup for individual products at the grocery store is 34.8%, the share for the retailer for each dollar of sales for domestically produced goods is only 14.7 cents. The remainder goes to paying for industry costs such as operations, processing, packaging, and transportation, among other cost categories, as shown in the USDA Economic Research Service diagram below.[30]

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[28] USDA ERS data on nominal food expenditures, 2010-2023

[29] Total sales by all purchasers at grocery stores, convenience stores, other food stores, warehouse clubs & supercenters, other stores & food service, mail order/home delivery, direct selling by farmers, manufacturers, & wholesalers, and home production & donations. USDA Economic Research Service, Food Expenditure Series 2010 and 2022.

[30] USDA ERS Food Dollar Series, 2022. https://www.ers.usda.gov/data-products/food-dollar-series/

Figure 32: Industry costs per food dollar, 2023

Note: "Other" category comprises agribusiness and legal & accounting costs.
Source: USDA ERS [Food Dollar Series, 2023]

Supply chain

No matter the size of a grocery store or supermarket, the structure of the store's relationships with suppliers is key to pricing and profitability – and therefore to sustainability. In 2018 the Food Industry Management Program of the Charles H. Dyson School of Applied Economics and Management at Cornell University reviewed case studies of 11 food retailers and their supply chains in low-income urban and rural areas of the US Northeast.[31] Ten of the 11 were supermarkets according to the US Census definition (business establishments "primarily engaged in retailing a general line of food, such as canned and frozen foods; fresh fruits and vegetables; and fresh and prepared meats, fish, and poultry"[32]), and one was a large convenience store that carried produce, fresh meats, dairy products, and frozen foods. The supermarkets ranged from limited-assortment retailers to discount grocers offering food on "closeout" to standard supermarkets. Ten of the 11 stores were smaller than the average American supermarket in terms of total square feet. All 11 of the stores were independently owned.

These smaller, independently owned stores actually did better than the average US supermarket in weekly sales per square foot and weekly sales per full-time employee, and this combination of store characteristics made findings from the case study interesting and relevant to this project. Being small and independently owned has both advantages and disadvantages for a food retailer in a low-income community:

Advantages

- Most of the stores studied were able to tailor their product offerings to their consumer base, sourcing supplies from smaller distributors that offered specialty, diet-specific, ethnic, or culturally relevant foods.
- Sourcing directly from local farms and producers was also technically possible, although only one store studied did so. This was rare because of the economics of the supply side, which dictate that transportation costs are either divided among multiple stores in one area (cheaper for shoppers but requiring collaboration) or that those costs are passed directly on to consumers (simpler for the store but more expensive for shoppers).

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[31] Park, K., Gómez, M., Clancy, K. (2018). *Case Studies of Supermarkets and Food Supply Chains in Low-Income Areas of the Northeast: A Cross Case Comparison of 11 Case Studies*. https://agsci.psu.edu/research/food-security/publications/supply-chain-case-studies/cross-case-comparison-of-11-case-studies

[32] US Census Bureau. Industry Statistics Portal. NAICS definition. Both grocery stores and supermarkets fit this definition, with supermarkets generally being understood to be the larger of these food retailers.

Disadvantages

- Independently owned stores do not often have the means to own their own distribution centers and must therefore rely on large grocery wholesalers. Two of the stores reviewed were licensed under contracts with large chain store companies and therefore had very little choice in products or suppliers. In these cases, the parent company also dictated store layout and operations, further limiting proprietors' ability to tailor the retailer to local consumer preferences. However, other stores found ways to customize offerings without increasing costs: one joined a retail cooperative of independent stores that buys directly from food manufacturers, and another purchased deeply discounted products such as overstock and almost-expired foods.
- The small sizes of these stores (compared to the national average, and certainly compared to supercenters and club stores) affect operations costs such as food transportation to the store. Delivery of a smaller volume of goods from a wholesaler results in higher per-unit costs. Two stores opted to keep temperature-controlled storage/warehousing space (either onsite or nearby) that allowed them to purchase in greater quantities and less frequently – and at lower unit costs – from a variety of wholesalers and "distribute" to their own store(s) over time. (Note that the case study examined cost savings with this strategy but not how product freshness was impacted.) The convenience store proprietor had a longstanding relationship with a local farmer who delivered fresh produce along an established route that included several area retailers, thus reducing transportation costs for each individual store.

The study noted that the distance each type of food travels to reach a retailer impacts pricing for consumers, with milk traveling the shortest distance and fresh produce the longest.

IMPLAN analysis

Economic impact

This brief analysis of the economic impact of a supermarket, grocery store, and farmers market uses IMPLAN, an "input-output" modeling program. As such, IMPLAN requires that at least one impact (or known quantity) be input into the model to generate output estimations. For this analysis, the impact entered was industry output for the category "Retail – Food and Beverage Stores." All types of grocery stores (including supermarkets) as well as farmers markets fall into this category,[33] and this presents a challenge: while it is possible to distinguish the impact of a large grocery store from that of a supermarket based on their average annual sales because they are the same type of business in two distinct sizes, IMPLAN does not distinguish between a grocery store (of any size) and a farmers market. They all fall into the category "Retail – Food and Beverage Stores." The problem is that farmers markets are a very different type of business and therefore impact the local economy differently. For example, there would be much more impact expected for local farmers from a farmers market, and it is also possible that a variety of local artisans would benefit, depending on the types of businesses that rent stalls. Standard analysis of the industry "Retail – Food and Beverage Stores" assumes smaller impact to local businesses in general than would be accurate for a farmers market, and employment estimates

[33] IMPLAN consolidates the 21,855 individual six-digit (i.e., level of highest specificity) 2022 NAICS codes for all types of business into 528 more generalized categories for the purpose of analysis. This is the reason that grocery stores, supermarkets, and farmers markets are all considered the same type of business.

would also be inaccurate based on the very different types of independent sellers at a market compared to employees of a standard grocery store. Lastly, farmers markets generally only operate one or two days a week, and often only seasonally. This last difference, however, can be addressed effectively in IMPLAN by assigning accurate total sales and industry output values.

Because of these issues, this market analysis will consider IMPLAN results for farmers markets in less detail than for grocery stores and supermarkets, noting additional potential impacts drawn from other research.

Table 9: Assumptions for IMPLAN analysis for Salem

Type of business	Total sales	Markup %	Retail margin	Wholesale purchases	Industry output
Large grocery store[34]	$2,000,000	28.8%	$576,000	$1,424,000	$716,554
Supermarket[35]	$14,000,000	28.8%	$4,032,000	$9,968,000	$5,015,878
Farmers market[36]	$500,000	50%	$250,000	$0	N/A

Note that the markup includes not only profits but also transportation and building lease costs – or in the case of a farmers market, costs to lease the land on market days plus the costs businesses pay to rent a stall. In reality, there is a lot more variation in the markups charged at farmers markets than at grocery stores, with stalls charging anything between 15% and 100% (or more) as markup for their products.[37] However, liability costs (e.g., insurance) that are part of the markup for grocery stores are not necessarily part of farmers markets' costs.

The results of an input-output analysis are broken down into direct, indirect, and induced effects. **Direct effects** refer to the initial change to the local economy in this analysis. IMPLAN then generates additional effects that occur because of this initial change. **Indirect effects** refer to the business-to-business purchases in the supply chain and depend on the industry selected (in this case, "Retail – Food and Beverage Stores"). Some examples for this industry are wholesalers, truck transportation, real estate, and legal services. **Induced effects** stem from household spending of labor income. A simple example would be when employees of a grocery store buy lunch at a deli near their place of work, pay for daycare, use the bank, or pay their rent. When enough workers continue to spend their money (i.e., their labor income) at businesses near the work site, those businesses in turn might decide to hire more workers. This would be induced employment that is hired in non-food-retailer industries.

Large grocery store: Economic impact

IMPLAN analysis shows that a new grocery store with $2 million in sales at 25 New Market Street (or anywhere in Salem) would support about five new jobs related to the store itself (direct impact) and a small portion of jobs in warehousing, real estate related to a building lease, accounting, and building maintenance (indirect impact). The very small induced employment impact (less than a hundredth of a

34 Based on the USDA definition of annual sales of $2 million. No specific square footage is noted in this definition.

35 Average size of 45,000 square feet and total annual sales of $14 million (USDA definition).

36 Although average annual sales of farmers markets nationally are closer to $1 million [Farmers' Markets America and Barney & Worth, Inc. 2008. "Characteristics of Successful Farmers Markets: Portland Farmers Markets/Direct-Market Economic Analysis."], we set a much lower assumption for this study based on the small size of Salem's population and its location in a primarily rural county.

37 A. Pinto, A. Torres. 2017. "What You Need to Know about Selling in Farmers Markets. Part 2: Pricing." Purdue Extension, Horticulture Business.

job) is related to non-restaurant food and drinking places such as cafeterias and food trucks – perhaps meals purchased by grocery store employees during their shifts.

Annual direct labor income of $246,959 refers to both employee compensation ($198,239) and store proprietor income ($48,720). Indirect labor income of $24,699 accrues to employees and proprietors of warehousing, accounting, and truck transportation companies and the postal service, as well as a variety of local businesses supplying services such as landscaping and building maintenance. Induced labor income of $19,261 goes to employees and proprietors of businesses such as hospitals, medical offices, and restaurants.

While output is equal to the gross retail margin for a store, value added is a measure of the value of the services the store provides. It does not include the value of the items purchased to stock the store. In this case, the value the grocery store adds is to offer items for sale, organized on shelves in a store that is convenient to customers.[38] This added value is then used to pay for employee compensation, proprietor income, and taxes, with some remainder for profit. Value added is similar to an industry's contribution to gross domestic product (GDP). A large grocery store in Salem would generate an estimated $505,642 in total value added for the economy of Salem County.[39]

Table 10: Economic impact summary for a large grocery store

	Employment	Labor income	Value added	Output
Direct impact	5.25	$246,959	$428,148	$576,000
Indirect impact	0.55	$24,699	$35,584	$75,971
Induced impact	0.36	$19,261	$41,910	$64,583
Total impact	**6.16**	**$290,919**	**$505,642**	**$716,554**

Note: All amounts are annual totals.
Source: IMPLAN analysis

Establishment of a large grocery store in Salem would be most likely to benefit the local economy by increasing output in the industries listed below. Aside from the first category – which shows the most significant new output because it includes the grocery store itself – the increases are fairly small. However, they do not take into account less easily quantifiable economic benefits such as the value of redeveloping a vacant and distressed site into a productive community asset, which can in turn increase surrounding property values and attract more businesses to the area.

Table 11: New output generated from establishment of a large grocery store (top 10 industries in terms of impact output)

Industry	**Industry total output (Salem Co.)**	**Impact output (Salem Co.)**
Retail - Food & beverage stores	$61,777,118	$577,945
Other real estate *(non-residential building leases)*	$138,184,949	$20,307
Owner-occupied housing	$444,939,397	$16,296
Warehousing & storage	$360,231,900	$15,756
Truck transportation	$88,534,259	$4,809
Accounting, tax preparation, bookkeeping, & payroll services	$124,881,890	$4,311
Offices of physicians	$118,659,987	$4,051

[38] Value added does not include intermediate inputs such as rent, electricity, or heating costs.
[39] While IMPLAN makes it possible to analyze impact on an area as specific as a particular zip code, this degree of specificity is not necessarily ideal. In IMPLAN, economic impact can only benefit businesses that currently exist in an area of analysis, and a more thorough analysis is therefore possible in a broader area such as a county.

Hospitals	$111,250,877	$3,983
Other state government enterprises	$136,906,448	$3,718
Monetary authorities & depository credit intermediation	$57,011,209	$2,558
Total for Salem County	**$7,176,768,971**	**$716,554**

Note: All amounts are annual totals for Salem County. The values listed for Owner-occupied Dwellings refer to wealth created by homeownership (not to mortgage payments).
Source: IMPLAN analysis

One last component of economic impact is the taxes paid as a result of the establishment of a new business. Like employment and output, this impact is made up of direct, indirect, and induced amounts. Sub-County General Taxes and Sub-County Special District taxes may be of particular interest to Salem. Special district taxes are for limited purposes and in general provide services residents desire. Examples are departments such as fire, water, sewer, waste disposal, parks, and other utility districts.

Table 12: Tax impacts

Impact	Sub County General	Sub County Special Districts	County	State	Federal	**Total**
Direct	$8,344	$15,226	$9,624	$22,903	$58,427	$114,523
Indirect	$503	$918	$580	$1,487	$5,426	$8,914
Induced	$852	$1,554	$982	$2,331	$4,888	$10,607
Total	**$9,699**	**$17,698**	**$11,186**	**$26,720**	**$68,741**	**$134,044**

Note: All amounts are estimates of annual totals.
Source: IMPLAN analysis

Supermarket: Economic Impact

Because a supermarket is by definition much bigger than a large grocery store and has much higher sales, the economic impact will also be greater, though it will follow a very similar pattern in terms of where in the local economy that impact will be felt.

The establishment of a new supermarket would support 36 jobs at the store itself (direct employment). Indirect employment is once again in the warehousing industry (one job) and in the real estate industry (one job) related to a lease for a non-residential building, and portions of jobs in the accounting, truck transportation, and building maintenance industries. Induced employment – two and a half jobs – is likely to take place in local medical offices, hospitals, various types of restaurants, and businesses offering personal care services.

Direct labor income includes $1,387,675 in employee compensation and $341,038 in store proprietor income. Indirect labor income of $172,893 accrues to employees and proprietors of warehousing and storage facilities, accounting businesses, and a variety of local businesses supplying services such as truck transportation, non-residential real estate, building services, and maintenance and repair. Induced labor income of $134,828 is likely to go to employees and proprietors of medical offices, hospitals, retail establishments, restaurants, and a variety of personal services.

A supermarket in Salem would generate an estimated $3,539,492 in total new value added (or county GDP) through its operation.

Table 13: Economic impact summary

	Employment	Labor income	Value added	Output
Direct impact	36.74	$1,728,714	$2,997,037	$4,032,000

Indirect impact	3.87	$172,893	$249,087	$531,794
Induced impact	2.52	$134,828	$293,369	$452,084
Total impact	**43.13**	**$2,036,435**	**$3,539,492**	**$5,015,878**

Note: All amounts are annual totals.
Source: IMPLAN analysis

The establishment of a supermarket in Salem would be most likely to benefit the local economy by increasing output in the industries listed below. Aside from the first category (which includes the supermarket itself) the highest output increases accrue to local non-residential real estate, warehousing & storage, truck transportation, and accounting services businesses. As in the case of a new grocery store, there would be local impacts that the analysis does not reveal: wherever in Salem a new supermarket is sited would tend to stimulate the local economy, making the immediate surroundings a significantly more attractive place for other types of businesses to locate.

Table 14: New output generated from establishment of a supermarket (top 10 industries in terms of impact output)

	Industry total output (Salem Co.)	Impact output (Salem Co.)
Retail - Food and beverage stores	$61,777,118	$4,045,616
Other real estate	$138,184,949	$142,151
Owner-occupied housing	$444,939,397	$114,073
Warehousing and storage	$360,231,900	$110,293
Truck transportation	$88,534,259	$33,666
Accounting, tax prep., bookkeeping, & payroll services	$124,881,890	$30,174
Offices of physicians	$118,659,987	$28,360
Hospitals	$111,250,877	$27,878
Other state government enterprises	$136,906,448	$26,025
Monetary authorities & depository credit intermediation	$57,011,209	$17,906

Note: All amounts are annual totals for Salem County. The values listed for Owner-occupied Dwellings refer to wealth created by homeownership (not to mortgage payments).
Source: IMPLAN analysis

Finally, the estimated tax impacts are the following:

Table 15: Tax results

	Sub County General	Sub County Special Districts	County	State	Federal	**Total**
Direct	$58,407	$106,580	$67,365	$160,319	$408,991	**$801,662**
Indirect	$5,962	$10,880	$6,877	$16,315	$34,216	**$74,250**
Induced	$3,522	$6,426	$4,062	$10,409	$37,979	**$62,397**
Total	**$67,891**	**$123,886**	**$78,304**	**$187,043**	**$481,186**	**$938,310**

Note: All amounts are annual totals.
Source: IMPLAN analysis

Farmers Market: Economic impact

Because of the challenges in analyzing the economic impact of farmers markets in IMPLAN noted above, this section approaches measurement differently, and impact is discussed in broader strokes and with a more nuanced interpretation than was the case for a grocery store or supermarket. Supermarkets are just large grocery stores, but farmers markets are not just outdoor grocery stores, because they have an entirely different business model and have to be approached differently in terms of economic impact.[40]

A farmers market is almost by definition related to local production and would have a more significant impact on local producers than would a grocery store or supermarket. The impact detailed below assumes a small percentage of sales will be of food produced hyper-locally – i.e., in Salem – but a much greater percentage will be produced by individuals and on farms in the wider area of Salem County. Perhaps not 100% of products will be grown in the county, but a certain percentage can be assumed to be. The analysis below is intended to serve as a general desktop analysis; more precise estimations would require a full farmers market feasibility analysis.

Lastly, note that the economic impact of a farmers market *cannot* be directly compared with that of a grocery store or supermarket because these analyses cover impact in different regions. The analysis for the grocery store and supermarket was designed to measure impact within Salem County, but because an unknown quantity of the food was produced in the county, there was a notable lack of impact to farms and food producers. There was some impact to food wholesalers, since this type of company does exist in Salem County, and there was notable impact to local warehousing & storage companies. The objective of the economic impact analysis in that case was to understand how siting this type of food retailer at the target site would impact a) the employees and proprietor of the store directly, and b) surrounding households and businesses indirectly.

Table 16: Farmers market mix of products and locally sourced percentages and sales (Salem)

	% of farmers market products	Sales at farmers market	Percent sourced in County	County product sales
Vegetables & melons	25%	$125,000	90%	$112,500
Fruit	20%	$100,000	70%	$70,000
Greenhouse, nursery, & floriculture products	15%	$75,000	90%	$67,500
Poultry and eggs	10%	$50,000	90%	$45,000
Beef	0.1%	$500	80%	$400
Other animal products	2%	$10,000	80%	$8,000
Fish	2%	$10,000	10%	$1,000
Cheese	2%	$10,000	0%	$0
Bread and bakery products	12%	$60,000	90%	$54,000
Other snack foods	12%	$59,500	90%	$53,550
		$500,000		**$411,950**

A seasonal farmers market open two days a week between June 1 and November 30 and sited on land totaling just over one acre is assumed to accrue gross annual sales of approximately $500,000.[41] This

[40] For the purpose of IMPLAN analysis, the output of a farmers market assigned as the "input value" is based on producer prices rather than purchaser prices (the latter is the basis of output for grocery stores).

[41] Number of market days per week and seasonal months based on New Jersey farmers market averages. Total sales estimates based on: Farmers' Markets America and Barney & Worth, Inc. 2008. "Characteristics of Successful Farmers Markets: Portland Farmers Markets/Direct-Market Economic Analysis." And: H. Petersen. 2022. "Farmers Markets of Minneapolis: 2021 Metrics." Dept of Applied Economics, U of M-Twin Cities. The first source was chosen because it provided specific sales figures for markets across the US, and the second was chosen because it focused on a city with a large proportion of low-income and minority households, and most of the local farmers markets reviewed accept SNAP and have an additional government-sponsored "Market Bucks" program to support low-income families' purchases of fresh produce.

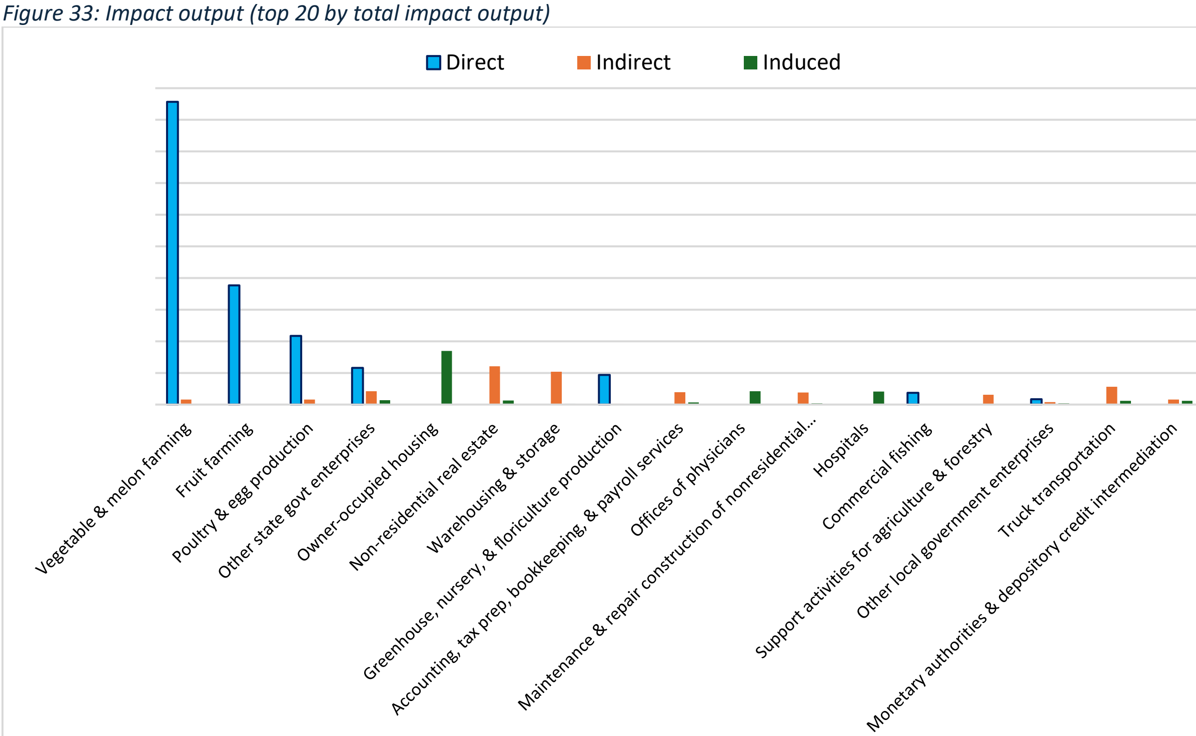
estimated sales number is on the very low end on a national scale and depends on the number of vendors and product mix. Most farmers markets build success over a period of several years, so year-one sales would likely be significantly lower.

The IMPLAN analysis highlighted below takes into account several important differences between food sales in a store and food sales at a farmers market. The primary difference is that there is no wholesale activity involved: vendors produce the food themselves rather than purchasing food from a third party. In addition, the product mix offered at a farmers market tends to be mainly fresh, locally produced fruit, vegetables, meats/poultry, eggs, and baked goods, rather than the processed and pre-packaged foods sold in stores. Again, a full feasibility analysis would be necessary to produce definitive estimates, but for the purpose of this study, the mix of products produced and sold that was specified in the IMPLAN analysis is shown in Table 16. Because no exact amounts of each product type sold at the farmers market are known, this distribution is based on the overall sales figure of the individual products from current output levels for Salem County, as well as current household demand.

There are other important differences between the business model of a grocery store or supermarket and that of a farmers market. The food sold at farmers markets is also generally produced, processed, and transported within the same region, which may limit variety but also results in more money remaining in the local economy. Real estate fees are far lower: there are fees for use of the market site to be paid by the market proprietor or management (costs which are in turn passed on to vendors), but these are far lower than the building lease a store would pay. Transportation costs are borne by individual vendors, so there is generally very little economic impact to trucking transportation companies. Warehousing and storage costs are not generally applicable, either.

IMPLAN estimates the following shares of direct, indirect, and induced impact:

Figure 33: Impact output (top 20 by total impact output)



Source: IMPLAN analysis

All of the direct impact to output is in the sectors that produced the items being sold at the famers market, while indirect and induced impacts are mainly related to market management and the top sectors where food producers would be expected to spend their earnings, such as transportation, housing, accounting, and banks. New direct, indirect, and induced jobs created would fall into similar categories.

What IMPLAN might not be capturing particularly well is the extent to which farmers markets bring business to neighboring stores and communities where a market is located, or the fact that money spent at markets specializing in local products tends to remain within the local community, preserving and creating local jobs. In addition, farmers markets provide opportunities for small farmers and vendors to sell their products and grow new businesses without the added costs of shipping, storage, or inventory control. And IMPLAN does not capture any of the income generated by non-commercial items such as vegetables from community gardens, if there are any sold at the market.

No tax analysis is included here, because although the proprietors of farmers markets do pay taxes on behalf of the organization (based on vendor payments, for example, but not on food sales), the bulk of relevant taxes are paid by individual vendors based on their own sales.[42]

Studies on means of mitigating food deserts

Often a creative, multifaceted approach is necessary to address access to nutritious food in low-income, under-resourced communities, particularly if no investment dollars are available for a new supermarket. Start-up costs are high, land that is attractive to investors may be scarce, and the profit margins of grocery stores tend to be very low. These challenges are magnified in low-income urban neighborhoods. Over the past decade, many urban areas have seen a decline in the number of medium-sized to large grocery stores, while the number of supercenters and club stores in suburban areas has increased. These “mega- stores” have the advantage of customer volume and (non-food) product offerings with higher margins, which makes them better able to make a profit.

A recent study on transportation and grocery supply chains in rural areas points out that this shift toward a greater concentration of food retailers in suburban and higher-income areas both undermines competition (to the detriment of consumers) and harms independent grocers’ wholesale buying power. Historically, it has tended to be small, independent grocers that serve rural communities, and as buying power becomes more concentrated in the hands of supercenters and supermarket chains, these local businesses struggle to maintain product supply and competitive pricing. In low-income urban areas and small rural towns, a variety of chain dollar discount stores have proliferated, crowding out grocery stores that offer a full range of healthy options while at the same time not necessarily offering high-quality, nutritious food themselves.[43] In the face of these trends, non-traditional models to improve food access have been the solution for some low-income communities in the US.

[42] In addition, an individual vendor generally sells at more than one farmers market (or other outlet), and taxes paid per farmers market are not calculated separately from the total.
[43] “Transportation Issues Affecting Fresh Food Distribution: A Comparison Study of Rural vs. Urban America.” 2023. Center for Integrated Agricultural Systems at the University of Wisconsin-Madison, in collaboration with USDA Agricultural Marketing Service, Transportation Services Division.

Below we discuss a variety of models for improving access to healthy food and promoting equitable community development – while in some cases at the same time supporting local farmers' and healthy food entrepreneurs' expansion and sustainability.

Transportation solutions for existing food retailers

According to Centers for Disease Control (CDC) research, lack of transportation infrastructure is the most significant barrier to accessing food in many rural communities. If a grocery store, supermarket, or farmers market exists within a reasonable driving distance – such as within a 15-minute drive – establishing a shuttle service or other means of demand-responsive transit (DRT) can help address transportation issues. In the absence of public transportation systems (or inadequate systems), there are private and quasi-public transit services ranging from individual rideshares to buses or vans without fixed routes or timetables.[44]

Establishment of a DRT such as a dedicated shuttle service to a grocery store has the advantage of being more quickly implementable than development of a new food retailer. This is essentially the inverse of a mobile grocer and addresses the same issue of lack of access to both food and transportation: instead of bringing the store to the people as a mobile grocer does, a shuttle brings people to the store on a regular schedule.

CapMetro Pickup in Austin, TX is one example. This public transport shuttle was initiated by the Austin-Travis County Food Policy Board in collaboration with community leaders and grocery stores to help low-income residents access essential goods and services. It is available on demand for transportation to "bus stops, appointments, grocery or drugstores and anywhere within a few miles." The fare is $1.25/trip (the same as a single-ride fare on the city bus system), and kids ride free. There are 11 service zones, and residents within those zones use an app to arrange a ride in advance. In recent years this highly successful service has been incorporated into the city's public transportation system.[45]

Photo: Cap Metro Pickup

A slightly different model that focuses on providing transportation solutions to existing food retailers is a free or reduced-price transportation voucher program. In locations where adequate public transportation exists, this might be bus passes; where it does not, the program could cover private rideshare (such as Uber or Lyft) trips. The Walsh Center for Rural Health Analysis has highlighted the efficacy of providing vouchers or coupons for rides from a participating transportation provider to certain eligible residents, as determined by the municipality or county. Eligibility might be based on age, disability, income, geographic location, or another factor.[46] A program like this could receive funding support from local grocery stores, as customer transportation would generate additional sales. In addition, some grocery stores have supported shuttle services as a way to combat the removal of

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[44] Dumas, B., Harris, M., McMahon, J., Daymude, T., Warnock, A., Moore, L., Onufrak, S. *Prevalence of Municipal-Level Policies Dedicated to Transportation That Consider Food Access.* Centers for Disease Control, 2021.

[45] https://www.capmetro.org/pickup

[46] *Rural Evaluation Brief: Promising Practices for Increasing Access to Transportation in Rural Communities.* The Walsh Center for Rural Health Analysis, NORC at the University of Chicago, 2018.

shopping carts – generally an indication of a transportation problem for shoppers.[47] Other sources of funding for a supermarket shuttle or ride vouchers could be a local healthcare provider or a health insurance agency covering local residents, as a way to support improved health through better access to a full selection of food.

There are disadvantages to these various types of supermarket transportation programs. For instance, they may work best for small or single-person households that require infrequent, relatively low-volume trips to the grocery store, but not be well suited to family households. That transportation is either on-demand but in advance or according to a regular schedule also reduces flexibility and requires advance planning. And there is the obvious disadvantage that such a solution does nothing for local economic development or for reactivation of a vacant community building.

Non-traditional grocery store models

There are a variety of non-traditional models that have been successful in low-income, under-resourced communities – from independent stores accessing grants and tax incentives to public-private ventures. Because grocery stores tend to have very low profit margins, often a traditional financing model for a store in a low-income community does not succeed.

Grant-funded and alternative ownership store models

Vicente's Tropical Supermarket in Brockton, MA is an example of an independent operator accessing grant funding through the state-funded Massachusetts Food Trust Program (MFTP). Vicente's offers nutritious, affordable, and culturally appropriate ethnic food that is a direct response to local residents' stated food preferences. Public engagement to achieve this fit has been largely informal, because the proprietors are part of the large immigrant population they serve. The store also offers healthy prepared foods, and customers who spend more than $100 are eligible for free Uber and Lyft rides. Grant funding and a low-interest loan from MFTP allowed Vicente's to renovate their original store and expand the fresh produce sections. The store's approach to its local clientele – along with the MFTP-funded upgrade – has been so successful that Vicente's has opened a second location in the same town, another in a nearby town, and a new store in Rhode Island. These stores have created local living-wage jobs and stimulated economic development in the surrounding neighborhoods.[48]

MFTP has established other programs that complement its financing support for improving access to healthy food by establishing a hydroponic greenhouse and a Farm and Community Collaborative. The Wellspring Harvest greenhouse – built on a reclaimed brownfield site – creates jobs for low-income residents and provides fresh, healthy food to local grocery stores, schools, and hospitals. Organized as a worker cooperative, Wellspring employees share in company profits. MFTP has

Photo: Wellspring Harvest greenhouse

[47] Gottlieb, R., Fisher, A., Dohan, M., O'Connor, L., & Parks, V. (1996). *Homeward Bound: Food-Related Transportation Strategies in Low Income and Transit Dependent Communities*. UC Berkeley: University of California Transportation Center. Retrieved from https://escholarship.org/uc/item/85n1j2bb

[48] https://massfoodtrustprogram.org/funded-projects/2019/6/3/vicentes-tropical-grocery

supported Wellspring through a $15,000 loan and a $15,000 grant and is the largest urban greenhouse in Massachusetts. The Farm and Community Collaborative provides linkages between local farms and youth, offering paid apprenticeships for urban youth to learn about sustainable agriculture and the local food system. The focus is on understanding how small local farms can help mitigate urban food insecurity and lack of access to nutritious food, while at the same time supporting agricultural entrepreneurship. The Collaborative was awarded a $20,000 grant from MFTP to support their work.[49]

There is also federal funding and public-private support available to retailers prioritizing access to healthy food in both urban and rural areas. With investments through the Healthy Food Financing Initiative (HFFI), USDA partners with the Reinvestment Fund to support the establishment and expansion of grocery stores and other healthy food retailers to underserved urban, rural, and tribal communities. In eligible communities (shown in purple on the map in Figure 34), grants, loans, and technical assistance are available 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." In addition to improving access to healthy food, this funding aims to help create good jobs and revitalize low-income communities. To be eligible, a project must:

- Be designed to expand or preserve the availability of staple and perishable foods in underserved areas with low and moderate-income populations (identified in the HFFI map of eligible communities); and
- Accept SNAP for any projects involving retail sales.[50]

Figure 34: Healthy Food Financing Initiative Eligibility (2024)

Source: *America's Healthy Food Financing Initiative*

HFFI has awarded over $25 million in funding to 162 food retail and food retail supply chain projects across the US through their Targeted Small Grants Program. In Flint, Michigan, residents' options for food were limited to dollar store offerings or fast food – particularly for the substantial number of households without access to a car. The North Flint Reinvestment Corporation (CDC - a community development group) began planning for establishment of a co-op food store, with the joint objectives of improving access to healthy food, creating jobs, and establishing ownership and decision-making power over the store where residents shopped. After extensive community engagement and planning, the group identified a store co-op manager, completed a business plan, and began seeking funding sources. With assistance from the local land bank, the North Flint Reinvestment Corporation purchased land that included a 19,000 SF vacant building and space for a parking lot in 2020. A $200,000 grant from HFFI allowed construction to begin and served as leverage to enable the CDC to secure New Markets Tax Credits and other funding. As is often the case with co-ops, a great deal of work, community engagement, and time was needed before the market opened in 2024, but it had exceeded its goal of

[49] https://massfoodtrustprogram.org/funded-projects/2019/6/3/farm-and-community-collaborative

[50] America's Healthy Food Financing Initiative

1,000 co-op members by opening day. It serves the community with a full range of groceries, and through a partnership with Michigan State University, the co-op aims to source at least 10% of its produce from local farmers in the first year of operation – to be increased over time. In the longer term, the CDC hopes to continue community development efforts around the co-op's vicinity to establish a "health and wellness corridor" that provides additional resources to residents.[51]

Another alternative model is the grocery store based in a public-private partnership – some of which also have grant or loan funding to support operations. The Michigan Good Food Fund, the Pennsylvania Fresh Food Financing Initiative, and the Kansas Healthy Food Initiative have lending programs that offer support for the establishment (and retention) of nutritious food retailers in underserved areas.[52] Many of these programs offer coordination with nutrition incentive programs such as SNAP Incentives and a variety of supplemental support for produce purchases.

As the name suggests, the Kansas State Rural Grocery Initiative specializes in supporting the establishment and retention of grocery stores (of various kinds) in rural areas. The St. Paul Supermarket (St. Paul, Kansas; population 615) is a city-owned store that was founded in response to lack of access and a dwindling population. Traditional models had failed, and the town was not able to attract a chain or independent operator. After receiving a zero-interest loan from the USDA Rural Economic Development Loan and Grant program in 2007, the town's newly established Community Development Corporation purchased land and began construction and equipment purchases. Town residents voted to have the City guarantee the loan, opening the door for additional funding that made it possible to contract with a cooperative wholesale grocery supplier[53] and hire two store managers who were also responsible for purchasing inventory. When these managers retired in 2013, the city commission bought out the CDC and took on operation of the store, hiring a new management team. Since that time, the store has operated successfully as a municipally owned business, and full-time employees are city employees. Community buy-in has been key to the store's success, and residents were willing to support this model because they considered it to be answering an essential community need. Employing an experienced store manager has also been key, since a city (or other municipal entity) may not have appropriate management experience.[54]

Photo: St. Paul Supermarket Facebook page

Bluestem Mercantile in rural Leon, Kansas (population 520) also received support from the Kansas Healthy Food Initiative. This store is owned by the school district, which serves the surrounding 350 square miles (about 500 students). The town had no grocery store, and the idea of a school district-owned store stemmed from the desire to provide workforce training to high school students interested

[51] Building a Cooperative Food Market in North Flint, Michigan (Reinvestment Fund: Success Stories)

[52] https://migoodfoodfund.org/; https://thefoodtrust.org/what-we-do/hffi/pa/; and https://kansashealthyfood.org/

[53] In small rural communities, finding an affordable food distribution partner is a challenge because individual stores cannot order the kind of volume that allows them to keep prices down. Transportation of food to the store may also be an expensive issue. One solution that has worked for rural stores is group ordering through a cooperative wholesaler, which may also include delivery to a central "hub" store.

[54] Success Story published by Rural Grocery Initiative at Kansas State University, May 2020.

in entrepreneurship and students in the special education program. Serving local children's education while serving the community itself were goals of the school district, and leadership felt the idea was feasible. The school board approved the purchase of the old grocery store building in 2019, with the expectation that store sales would cover operating costs. The Kansas Healthy Food Initiative provided a combination of grants and loans totaling $30,000 to cover minor repairs, purchase of equipment, a point-of-sale system, and the initial inventory. The store functions as a "classroom" for students, who receive school credit for inventory processing and management and day-to-day operations. The project expanded to include agricultural students (e.g., 4H), who supply local meat and eggs, and school district woodworking and craft clubs provide furniture for the store and household items for sale. The store offers grocery essentials and – as is clear from its very active Facebook page – has become a community resource for this small town.[55] Because profit margins are so slim, small grocery stores have found that they are better able to win loyal customers and earn community support by providing other services. Frequently, this means acting as a community hub and gathering place for residents by offering special events and partnering with other local businesses and institutions.

Eggs supplied by agricultural students are sold for a premium next to wholesaler-supplied eggs
Photo: Kansas Healthy Food Initiative

Non-profit grocery stores

One final non-traditional model is a non-profit grocery store. Good Grocer in Minneapolis, MN stocks fresh, zero-waste produce and standard grocery items for a mainly immigrant, low-income customer base, with a price point somewhere between a food pantry and a standard food retailer. Founded by a faith community, Good Grocer is fully staffed by volunteers (who receive a 20% discount for a minimal time commitment), but members of the public can also shop for full price, which – along with donations – enables the store to offer half prices for people experiencing food insecurity.[56]

In Waco, Texas, the non-profit Jubilee Market was founded in 2016 on a model that relied on offering community members the opportunity to invest in shares, which in turn provided important capital to cover start-up costs. These funds were augmented by community donations to help keep prices low at the store, which is owned by a religious mission organization.[57] Another model is the non-profit co-op, where membership fees enable the store to offer discounted pricing to members. In some cases, a tiered membership structure allows lower-income households to pay less in fees (and higher-income households to pay more) while offering the same discounted pricing to all members. Co-op models are discussed in more detail below.

Greater Goods in Philadelphia's Kensington neighborhood is another example of a non-profit entity addressing food insecurity. This entirely free grocery store receives philanthropic funding and support from Acme Markets (as well as public donations) to provide a food pantry that offers community members the opportunity to browse aisles in what looks very much like a small grocery store. Open 15 hours per week to low-income residents, the organization endeavors to provide food to those who need

[55] Success Story published by the Kansas State Kansas Healthy Food Initiative, March 2021.
[56] https://www.goodgrocer.org/
[57] https://missionwaco.org/about-us/history/

it in a dignified setting.[58] This non-profit model is different from others discussed here in that it is essentially a food pantry.

Healthy bodega/corner store initiatives

In communities with independently owned bodegas and corner stores, there is a legitimate concern that establishment of a grocery store or supermarket would drive these small businesses out. Corner stores and bodegas offer convenience to residents (particularly those who do not own cars) but very often do not offer fresh or nutritious foods. Programs that support corner stores' ability to expand their offerings of fresh fruit and vegetables (and sometimes nutritious prepared foods) at affordable prices can benefit both local consumers and store proprietors – and even local farmers if produce is sourced nearby. Funding is often used to subsidize stores' purchase of food and of refrigeration or other storage, and some programs also offer technical assistance and support a public education component that provides information to customers about nutrition and food choices.

The Los Angeles Food Policy Council's Healthy Neighborhood Market Network (HNMN) works with small markets and corner stores – independently owned by low- to middle-income families who are often immigrants and people of color – to stay in business *and* increase fresh produce offerings. Each year, HNMN offers 20-30 corner store owners intensive business and leadership training, mentorship, and technical assistance to help them transform their stores into healthy food businesses. Technical assistance includes marketing, branding, store design and merchandising, pricing and profitability, and sourcing options. And the program has been successful: a large majority of store proprietors surveyed said they had seen an increase in healthy food sales after participating in the program. The support does not end there, either. HNMN offers a network of resource providers to provide customized services to store owners – from connections to local farms, to healthcare professionals who carry out medical screenings in-store, to nutrition workshops and cooking demonstrations on-site to drive demand for new healthful products.[59]

One potential hurdle can be connecting these small stores to SNAP and WIC programs, and HNMN provides support through neighborhood-based organizations to address this challenge. In the area where HNMN works, the USDA launched a pilot fruit and vegetable voucher program for SNAP participants to use at one corner store. The USDA-funded program provided $15-$50 extra dollars each month to SNAP customers to purchase fruits and vegetables from that store, which is a neighborhood market that (in collaboration with HNMN) had broadened its offerings from primarily beer and tobacco products to include fresh produce in an upgraded setting. The pilot was a success, with residents benefiting from increased neighborhood access to nutritious food, and the store experiencing an expanded customer base. By the sixth month of the program, produce had become the second highest-grossing product category at the store.[60]

The New York City Department of Health and Mental Hygiene's Healthy Bodegas Initiative also sought to preserve these small businesses in low-income minority neighborhoods in Harlem, South Bronx, and

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[58] https://sundaylove.org/services

[59] Los Angeles Food Policy Council. 2017. "Case Study: Increasing Equitable Food Access through the Healthy Neighborhood Market Network."

[60] Fox, Hayley. "After Three Decades, This Westlake Corner Store Continues to Reinvent Itself." *LA Weekly*, 1 November 2017. And Los Angeles Food Policy Council. 2017. "Case Study: Increasing Equitable Food Access through the Healthy Neighborhood Market Network."

Central Brooklyn with a two-pronged approach: its program staff worked with neighborhood corner stores and bodegas to increase the availability of healthier foods, and also with community organizations and residents to increase demand for these foods. The program's goal was to increase the availability, variety, and quality of fresh, healthy foods in the local bodegas that were convenient to residents and to educate and empower communities to demand healthier food options in their local retail settings. Starting with two campaigns, "Moooove to 1% Milk" and "Move to Fruits and Vegetables," the program incentivized local corner bodegas to push 1% milk in lieu of whole milk, and to encourage purchase of fruits and vegetables. Incentives were passed on to customers as discounts in the initial phases of the program, and bi-lingual educational flyers informed shoppers about the program's objectives. The program was successful, with many bodegas stocking products they had not before – and seeing increasing demand for them.[61] It is noteworthy that the choice to encourage bodegas to stock milk, vegetables, and fruit was a result of community outreach and surveys on resident demand, and similar efforts in other communities might point toward other food options such as fish, nutritious prepared foods, or locally produced bread.

In "Bringing Incentives to Corner Stores" (2022), Philadelphia-based non-profit The Food Trust – which partners with stores in New Jersey, Pennsylvania, and several other states – provides several examples of nutrition incentive programs that are designed to benefit the health of community members while supporting sales in small neighborhood stores. For example, "buy one get one free" produce coupons or discounts to shoppers using SNAP benefits, earned at the point of purchase, can be supported by grant funding to store proprietors, and have the advantage of focusing health benefits on low-income households. "Produce Prescriptions" is another type of program funded through partnerships with local medical institutions. Healthcare professionals write fruit and vegetable "prescriptions" to eligible patients who are either experiencing food insecurity or have dietary illnesses such as Type 2 diabetes, and these prescriptions function as vouchers that can be redeemed at participating local bodegas and corner stores.[62]

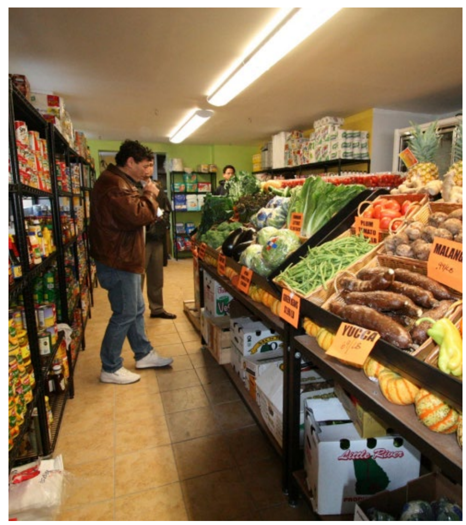

Photo: The Food Trust[61] Healthy Corner Store Initiative

While Salem only has a limited number of corner stores, there are also gas station mini-marts that stock some groceries and could benefit from a healthy corner store initiative. Outreach and research on the viability of a healthy corner store initiative would require extensive engagement with local store owners and managers to determine the level of interest as well as the resources that would be needed to support such a program.

[61] "New York City Healthy Bodegas Initiative: 2010 Report." New York City Department of Health & Mental Hygiene, Center for Economic Opportunity.
[62] The Food Trust and Nutrition Incentive Hub. (2022). *Bringing Incentives to Corner Stores: A Comprehensive Guide.*

Food co-ops

There are many examples of successful cooperatively run food stores, a model that has been in existence since the 18th century. Modern food co-ops are generally community owned and community centered, and unlike corporate grocery chains, they are independent and owned by the customers who shop there. Membership is open to all, and most profits are usually reinvested into the store. Members (or a board elected by members) choose which products the store stocks and which suppliers to use. Often this means stronger relationships with local farms and producers, which helps to concentrate economic benefits in the local area.

There are recent studies that point to the strength and sustainability it gives a food retailer to be community centered and customer owned (or, in some cases, worker owned). In 2019, researchers looked at all supermarkets that had plans to open in food deserts since 2000, and what happened. There were 71 supermarkets that met the criteria, of which 21 were driven by government efforts, 18 by community leaders, 12 by non-profits, 12 by a collaboration between government and communities, and eight by commercial interests. As of 2019, a third of the stores developed by government entities had closed their doors (or never had gotten past the planning stage), and half of the commercial stores had gone out of business. Of the government-community collaborative projects, almost half had also closed or never made it off the ground. However, of the 30 community and non-profit driven stores, 21 still remained open. What most interested the researchers was that 16 of the 18 community-driven stores were structured as co-ops. There are several common reasons this model succeeds in many food desert communities: residents may be wary of outside developers or concerned about the gentrification a new commercial grocery store can bring, and a chain grocery store is unlikely to rely on community engagement to decide which products will be offered, resulting in a mismatch between supply and demand.[63]

Mandela Grocery is a worker-owned cooperative food store in West Oakland, CA that is structured as a partnership with a non-profit organization. It sources its products from local farms and vendors – particularly those owned and run by people of color – in order to keep as much money as possible within the local economy. There is an emphasis on organic produce and "clean" foods, including nutritious packaged foods. The co-op was founded in 2009 and has continued to be successful, recently adding online shopping and home delivery to its offerings, and in 2019 began organizing a sister market in East Oakland in collaboration with an urban farming nonprofit.[64]

The Detroit People's Food Co-op is a Black-led and community-owned grocery cooperative founded by the Detroit Black Community Food Security Network. It began as a community organization working to establish community gardens and mitigate food insecurity through a buying club centered around the produce from those gardens. It received assistance from the City of Detroit to obtain a site and a grant from a non-profit for technical assistance with community outreach and membership development. The co-op's objectives are not only to improve access to healthy

Photo: [*Detroit People's Food Co-op*]

[63] Brinkley, C., Glennie, C., Chrisinger, B., and Flores, J. 2019. '"If you Build it with them, they will come": What makes a supermarket intervention successful in a food desert?' *Journal of Public Affairs*, Volume 19, Issue 3.
[64] https://www.mandelagrocery.coop/

food in the low- to moderate-income area where it is sited but also to educate the community about nutrition and food sustainability. The co-op prioritizes local growers and Detroit-based suppliers in order to maximize local economic development. The Detroit Black Community Food Sovereignty Network and Develop Detroit Inc. collaborated to finance the project through a combination of donations, grants, loans, and New Markets Tax Credits.[65]

The New Orleans Food Co-op opened in 2011 with funding support from the city, and it has not only been successful in addressing access to nutritious food but has also become involved in community workforce development. With support from Goodwill, this consumer-owned co-op runs an internship-to-employment program for local youth. It has also partnered with a local college to offer cooking and nutrition classes onsite, meal plans, and healthy recipes. The co-op prioritizes stocking foods produced with economically and environmentally sustainable practices – particularly those produced within the region. A significant proportion of the 3,700 co-op members are on the limited-income membership plan; others take part in a working-member program to receive discounts.[66]

Photo: *New Orleans Food Coop*

Local Roots Market & Café is located in the small city of Wooster, Ohio, which is in a rural agricultural county dominated by small farms. Local Roots was founded in 2009 by a group of community members who volunteered their time to build a producer-consumer co-op that would not only be a source of nutritious food but would also support local entrepreneurs and farmers. That the co-op is owned by both consumers *and* producers makes it unique; Local Roots prioritizes small farmers by offering them shelf space without requiring contracts, allowing producers to set their own prices, production plans, and delivery schedules. There were 3,000 consumer household members at most recent count. The market sells produce, eggs, dairy, fresh meat, baked goods, prepared foods, and non-food gifts, all sourced from a network of over 200 Ohio producers. Additional income is generated by catering services, as well as rental of a shared commercial kitchen. Local Roots has received grants to continue growing and improving their physical assets, and has raised money from local donors and foundations to move into a larger space. They also supply their local Boys & Girls Club with meals four days a week through an additional grant-funded program.[67]

Co-ops that prioritize sourcing products from local farmers and producers not only tend to offer fresher food, they also support the local economy by increasing the percentage local producers receive out of the price that consumers pay for that food. For example, a tomato farmer who receives 14.7 cents for every dollar of his or her tomatoes sold to a grocery wholesaler might receive far more by selling directly to a co-op. While producers and farmers still have some transportation costs, supplying a co-op can eliminate other costs associated with wholesaling, distribution, storage, and retailing that are standard

[65] https://www.detroitfoodpc.org
[66] http://www.nolafood.coop/
[67] https://www.localrootswooster.com/market

when selling to traditional grocery store chains or more distant markets. More of the local producer profits, in turn, tend to be recycled through the local economy.[68]

Modern food co-ops are generally community centered, and unlike corporate grocery chains, they are independent and owned by the customers who shop there. Membership is open to all, and profits are usually reinvested into the store. Members choose which products the store stocks and which suppliers to use, and often this means stronger relationships to local farms and producers, which helps to concentrate economic benefits in the local area. One of the main hurdles in the establishment and maintenance of a successful food co-op, however, is that significant time and effort on the part of local community members is required. This is not a model that is feasible in all communities. Another challenge is accessing food at wholesale prices, which would likely mean establishing a relationship with a supermarket or consortium of other independent stores.

Mobile grocers

A mobile grocer is an innovative solution to food access challenges in a variety of different communities – rural areas, densely populated urban areas, or neighborhoods where no land is available for development. Sometimes the issue is a lack of available space; in other instances, very large food deserts spanning multiple communities are best served by a mobile grocer that visits each once or twice a week.

AtlantiCare Community Mobile Market (L); Twin Cities Mobile Market (R)

The Works, Inc. Mobile Grocer

One such example is the Memphis Mobile Grocer established by non-profit organization The Works, Inc. Through community outreach efforts in South Memphis neighborhoods over a period of two years, it became clear that access to fresh, nutritious food was a community priority, and the organization founded a seasonal farmers market in 2010, which eventually led to the establishment of a year-round grocery store on a site nearby. In 2022 they added an 18-wheeler mobile unit that makes recurring stops throughout underserved communities in inner-city Memphis, which has been called "America's Hunger Capital." The Works, originally founded to address a lack of affordable housing, saw in the course of 25 years of community work that the problem was not only food insecurity but also a severe lack of access to transportation – not only low vehicle access, but also extremely limited public transportation for the sprawling city. The Mobile Grocer makes 2-hour stops in communities four days a week, with a regular schedule that residents can rely on. According to The Works, the customers who rely most on the Mobile Grocer are low-income seniors, for whom food access is a particularly difficult problem.[69]

Mobile groceries of varying sizes have proliferated in cities throughout the US along a wide variety of business models. Chattanooga Mobile Market (Tennessee) is run in a similar way to the Memphis Mobile Grocer, while Santa Fe's MoGro Mobile Grocery brings fresh food to tribal communities. There

[68] LaClaire, B. 2016. *From Farm to Table: A Kansas Guide to Community Food System Assessment.*
[69] https://theworkscdc.org/mobile-grocer/

are also mobile farmers markets that bring fresh fruits and vegetables to different communities each day of the week, mobile units that partner with brick-and-mortar stores, and combination food truck-mobile grocers.[70] It is clearly a business model that is growing and developing and offers opportunities for tailoring to fit an individual community's needs.

Alternative farmers market models

Farmers markets are familiar to most city-dwellers, having proliferated – particularly in wealthy areas – over the past 20 years. However, there have been some interesting recent efforts to site these sources of fresh local produce in low- and moderate-income communities. Creative solutions such as pop-up markets in transit hubs in Dayton, OH and Atlanta, GA have been successful because they work around busy schedules and transportation limitations while giving vendors access to a large customer base.[71]

Photo: City Green 2022 Impact Report

Clifton City Green (in Clifton, NJ) runs a variety of programs to support its mission to foster equitable access to local food and green spaces, in support of sustainable, healthy communities. With its farming, farmers market, farm stand, and mobile market programs, the organization works to supply top-quality produce to communities that might not otherwise have access. Carrying out this mission in low-income, low-access food deserts – amid a constant need to explore funding options and seek grant money – has required creativity and strong local and statewide relationships. Yet City Green has expanded its reach, adding a Veggie Van to the existing Veggie Mobile program to bring fresh produce to more neighborhoods to meet increasing demand from northern New Jersey communities for fresh, healthy food.[72]

City Green generally looks for locations where people are already congregating or passing through – such as community facilities, senior living apartments, or public spaces – as most promising for customer turnout. Once stops have been selected, the organization engages in significant marketing in communities, going door to door, handing out flyers, working with local organizations, and posting information. Community need and desire for access to City Green's produce has not always translated to a customer base for the Veggie Mobile, and the organization has had to rethink its route periodically.

The Veggie Mobile functions as a "pop-up" farmers market, with staff setting up a tent and table and unloading food for sale on designated market days. All vegetables sold are grown organically on one of City Green's farms in and near the city of Clifton. Some other products sold by the Veggie Mobile (and now, the Veggie Van) – fruit, eggs, and honey – are sourced from other organic farms. City Green finds mixed audiences at their mobile farmers markets. At stops where a large proportion of customers are recent immigrants who are accustomed to shopping in open-air markets and eager to buy fresh produce, offerings sell out very quickly. At others, where local residents have been living in food desert or food swamp areas for generations, with extremely limited access to fresh produce, many products are "reintroduced" by staff. City Green does not provide formal nutrition education, but they do give customers information on the benefits of vegetables and how to prepare them.

70 https://www.healthyfoodaccess.org/mobile-markets
71 https://www.politico.com/news/magazine/2020/01/23/atlanta-pop-up-markets-health-food-policy-100525
72 *City Green 2022 Impact Report* and https://www.citygreenonline.org/veggie-mobile.

As at all of City Green's farmers markets, the Veggie Mobile and Veggie Van accept SNAP/EBT, FMNP, and SFMNP. City Green also has a USDA Gus Schumacher Nutrition Incentive Program grant for their Double Bucks program, which enables them to double federal food benefits through Good Food Buck fruit and vegetable coupons, or a 50% Good Food Bucks discount every time customers use their EBT cards to buy fresh produce at either mobile unit. City Green's Good Food Bucks program is New Jersey's only statewide SNAP Nutrition Incentive Program. City Green implements the Good Food Bucks program at over 40 different locations (mainly farmers markets but also a few supermarkets), training and funding food retailers in 13 counties. In addition, the organization was awarded a Farmers Market Promotion Program grant from USDA that not only funds some of their own marketing but also enables them to provide marketing stipends for other New Jersey farmers markets.

Photo: Passaic City Hall stop, City Green

USDA offers a National Farmers Market Directory and technical support programs to help vendors at all farmers markets navigate the process of accepting SNAP and WIC.[73] The Milwaukee Market Match program provides matching funds that allow people who spend $1 in SNAP/EBT benefits to purchase produce to receive $1 in free produce, effectively enabling participants to buy twice as many fruits and vegetables at participating farmers markets. Milwaukee Market Match was used by 793 households to purchase nearly $20,000 worth of produce from five different farmers markets across the county during its first 10-week pilot program in 2020.[74]

Community food buying clubs

Some communities have formed buying clubs to purchase food in bulk together as a way to reduce individual households' costs – and sometimes to address transportation and mobility challenges – in food desert areas. Generally, these clubs do not require dues or membership fees; an organizer (or organizers) collect member orders from a list of products, purchase the items, and transport them to a central location. Often these clubs have volunteers to assist with distribution to members at that central location. Frequency of ordering varies, depending on types of foods offered, purchase locations, and club preferences.

The Eastern North neighborhood of Philadelphia – which is a predominantly low-income neighborhood in which a majority of residents are African American or Latino – was served primarily by corner stores in the absence of grocery stores or supermarkets. When it was possible to find fresh produce, it was prohibitively expensive. Collaboration between the Asociación Puertorriqueños en Marcha (APM, a community development agency) and AmeriCorps led to the creation of the APM Food Buying Club for purchase of fresh produce. Within a few months, the club had over 400 member households, with 125 participating on a bi-weekly basis. The club collects orders and money in advance for a list of about 30

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[73] https://www.fns.usda.gov/farmersmarket

[74] https://county.milwaukee.gov/EN/County-Executive/News/Press-Releases/County-Executive-Praises-Passage-of-1.1M-in-ARPA-Funding-for-Milwaukee-Market-Match-Food-Program

items, and a core group of three from APM and AmeriCorps make purchases at Philadelphia’s wholesale produce market. Member and APM volunteers sort and distribute purchases at a prearranged central pickup location in the neighborhood. Not only have club members saved thousands, they have also gained access to far higher quality produce than they would have been able to individually.[75]

There are no rules about what type of products a food buying club can offer; purchasing meat at a wholesaler or a wider variety of foods at a warehouse club could be a better fit for some communities. Other adjustments could also make sense – for example, in a community with a high proportion of elderly or homebound residents, a club could charge an additional fee (or seek grant funding) to hire a delivery driver to take purchases to directly to members’ homes.

One great advantage of this solution is that it can be implemented very quickly – far more so than development of any type of new local food retailer. It is possible to offer community members both choice and variety according to the group’s preferences with this model. It is generally not necessary to seek outside funding for a basic model that does not include delivery; however, it does require a committed organizer (or organizing group) and usually community volunteers to help with food distribution.

Community Input

As noted earlier, research suggests that the best solutions often are custom-tailored to the community, as opposed to a one-size-fits-all answer. For any improvement to food access to be successful, ongoing community input and buy-in will be necessary.

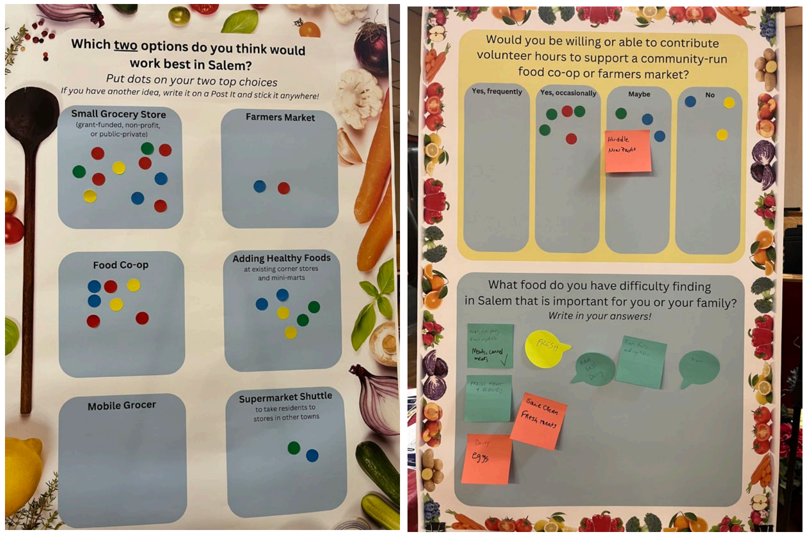
Photos: Public meeting 13 February 2025

In order to better understand resident needs and preferences, a 22-question Community Survey took place in February of 2025. The bilingual survey was advertised on flyers (with a QR code for easy smartphone access) in English and Spanish, on a public meeting flyer, by email “blast” from the City, and on Facebook. The results of the survey referenced in sections above are presented in full in Appendix 2.

On February 13, 2025, a public meeting was held to discuss this study’s scope and objectives. Because there was no need to explain to residents what it means to live in a food desert, the presentation and discussion instead focused on ways other communities have improved food access when no supermarket chain had stepped in to invest.

[75] “Welcome to the Food Buying Club,” David Ferris & Jeurys Grullón. October 2015.

Among the community-supported solutions that had been successful in other towns were non-traditional grocery stores (grant-funded, public-private partnership, etc.), food co-ops, farmers markets, healthy corner store initiative, mobile grocer, and supermarket shuttle. Meeting participants were unequivocal in their response: they want to see a grocery store in Salem that carries a full line of products so that trips to supermarkets outside of town can be avoided, or at least reduced dramatically. However, opinions differed on the ideal type of food retailer. Participants recognized that Salem's size makes it unlikely that a full-size supermarket will locate there, and that a small or medium-sized grocery store might need to follow a non-traditional model to be viable. The idea of adding healthy foods to existing corner stores did have some appeal, but mainly as a stop-gap measure or partial solution. Similarly, residents appreciated the value a farmers market brings to a community during the summer months but noted that they need a year-round solution that carries a wider variety of products. There was also dissension on whether 25 New Market Street would be a suitable location for a new retailer, or if another site would be better; the most common alternative mentioned was the former Incollingo's store, which already has a grocery store layout and ample off-street parking but is privately owned.
Meeting participants expressed interest in the food co-op model, but relatively few of those present felt that they were able (and/or interested in) contributing volunteer hours to support its setup.



Photos: Community input boards, public meeting 13 February 2025

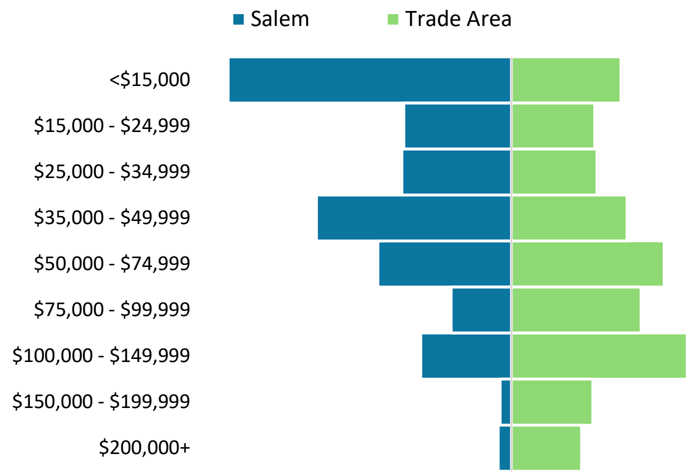
The public meeting was hosted by St. John's Pentecostal Outreach Church, which runs a food pantry in the community in collaboration with the Food Bank of South Jersey. Meeting participants acknowledged the importance of this and other local food pantries for low-income residents and discussed the option of expanding pantry options into a free grocery store.

Conclusions

For the 10,701 households living in Salem's trade area, existing food stores are clearly inadequate. This is particularly true for residents of Salem and areas to the south and east of Salem. While limited food options are available in small stores in the city, household demand does not align well with these existing options. According to Salem residents, the food items they regularly purchase when they shop are difficult or impossible to find in local stores, and for this reason, they travel to supermarkets in communities as distant as 40+ minutes away. With demand for groceries forecast to increase by 14-15% – and Salem's population expected to increase by about 3% – in the coming five years, food stores that are inadequate now will become even more so.

However, Salem's small size and low income levels present significant challenges. The fact that residents spend less on groceries per year than residents of other communities in the county has made it difficult to attract a new grocery store or supermarket. And while the population is too small to support a full-size supermarket, Salem does present advantages for a new food retailer. The city's comparatively high proportion of residents aged 15 to 24 suggests a potentially expanding workforce in coming years and an increasing number of families. That consumer demand in the surrounding trade area is strong and rising could support a new store – if trade area residents can be persuaded to come to Salem to shop for groceries. As the county seat, Salem is the workplace of a significant number of county and state employees who live elsewhere, which could present an additional potential customer base for a new store. And the city's location in one of the most agricultural counties in New Jersey presents interesting opportunities for supply chain partnerships.

Figure 35: Household incomes in Salem and the trade area



Source: US Census ACS 5-year estimates, 2018-2022

It has become clear in this Market Analysis and through community input that there will not be one solution that is ideal for all of Salem's population. There is a substantial proportion of households with extremely low incomes (less than $15,000 – see Figure 35) that will continue to need access to food pantries, and there are existing pantries in Salem that could improve and streamline their services with additional funding and/or facilities. The middle-income segment of Salem's population, meanwhile, would be the primary customer base for a new grocery store, and that store must accept SNAP and WIC benefits to serve the community.

Support for the local economy is one benefit of a new store, but in reality, the gains in jobs, wages, output, and local tax receipts are quite small – even for a supermarket, as was shown in the IMPLAN Analysis section. However, no matter what type of new store (or even farmers market) is created, redevelopment of a vacant building and land helps to revitalize an area, which has additional benefits that are not easily quantified but can have a wide impact on a small city.

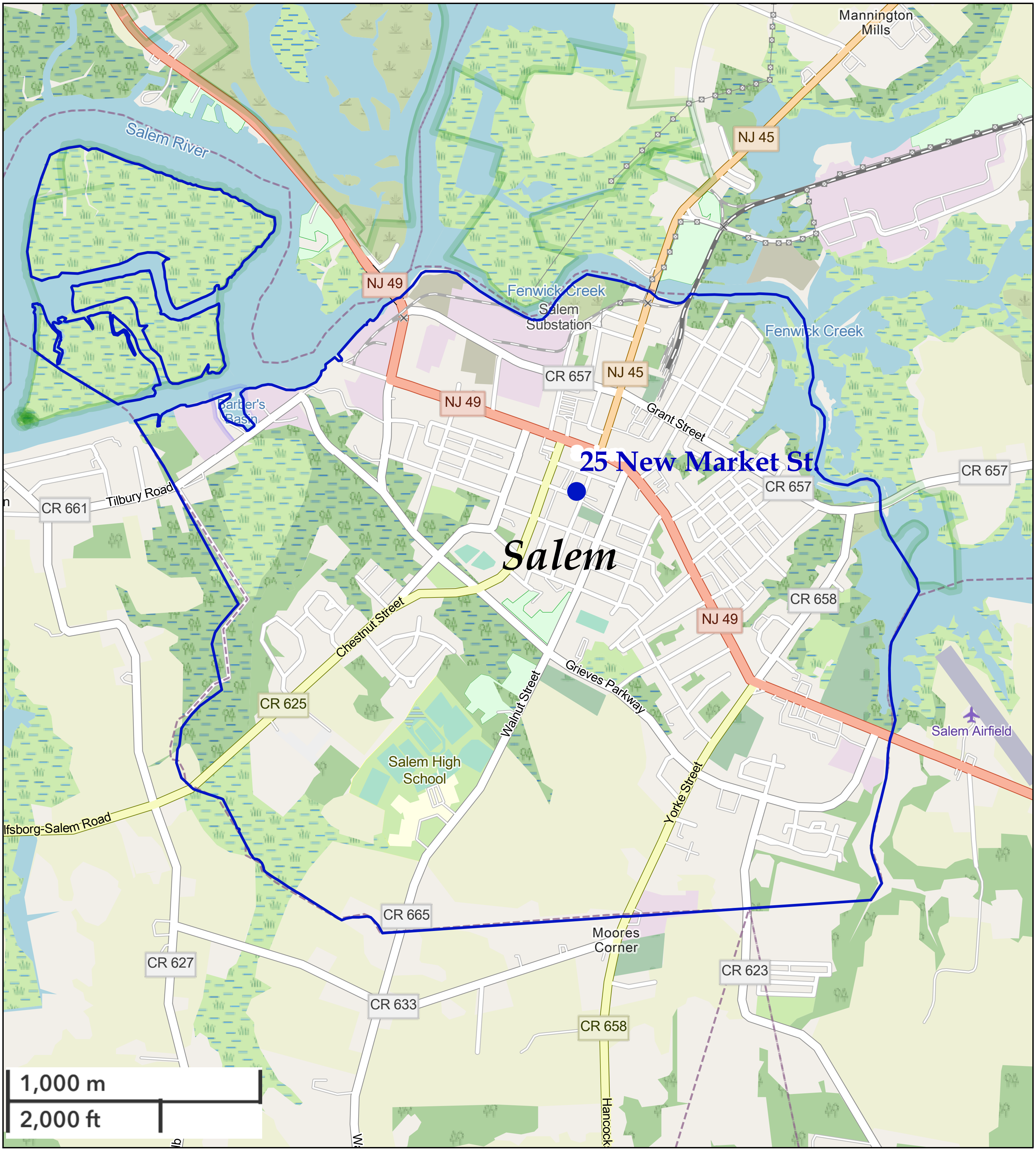
Part Three of this study – the Site Development Plan and Recommendations – will present recommendations for both the supermarket substitute that middle-income residents want and the emergency food supply that low-income residents need. It will identify the type of store best suited to Salem, its size and ownership/management structure, and potential sources of funding. No matter the size and structure of the store, its relationships with suppliers are key to pricing and profitability – and therefore to sustainability. Studies have shown that independently owned stores tend to fare better than the average US supermarket in weekly sales per square foot and weekly sales per full-time employee, and this combination of store characteristics made findings from the case studies reviewed here interesting and relevant to this project. Strong community support is another characteristic of successful stores, and a supply chain that includes local farmers and producers can help concentrate economic benefits in the local area.

Part Two of this study – the Physical Site Evaluation – follows this Market Analysis. It will look at the target site and its surrounding area to determine its suitability for redevelopment as a new food retailer, taking into account site constraints, environmental considerations, structural requirements for a store, accessibility, legal and regulatory considerations, and potential competition.

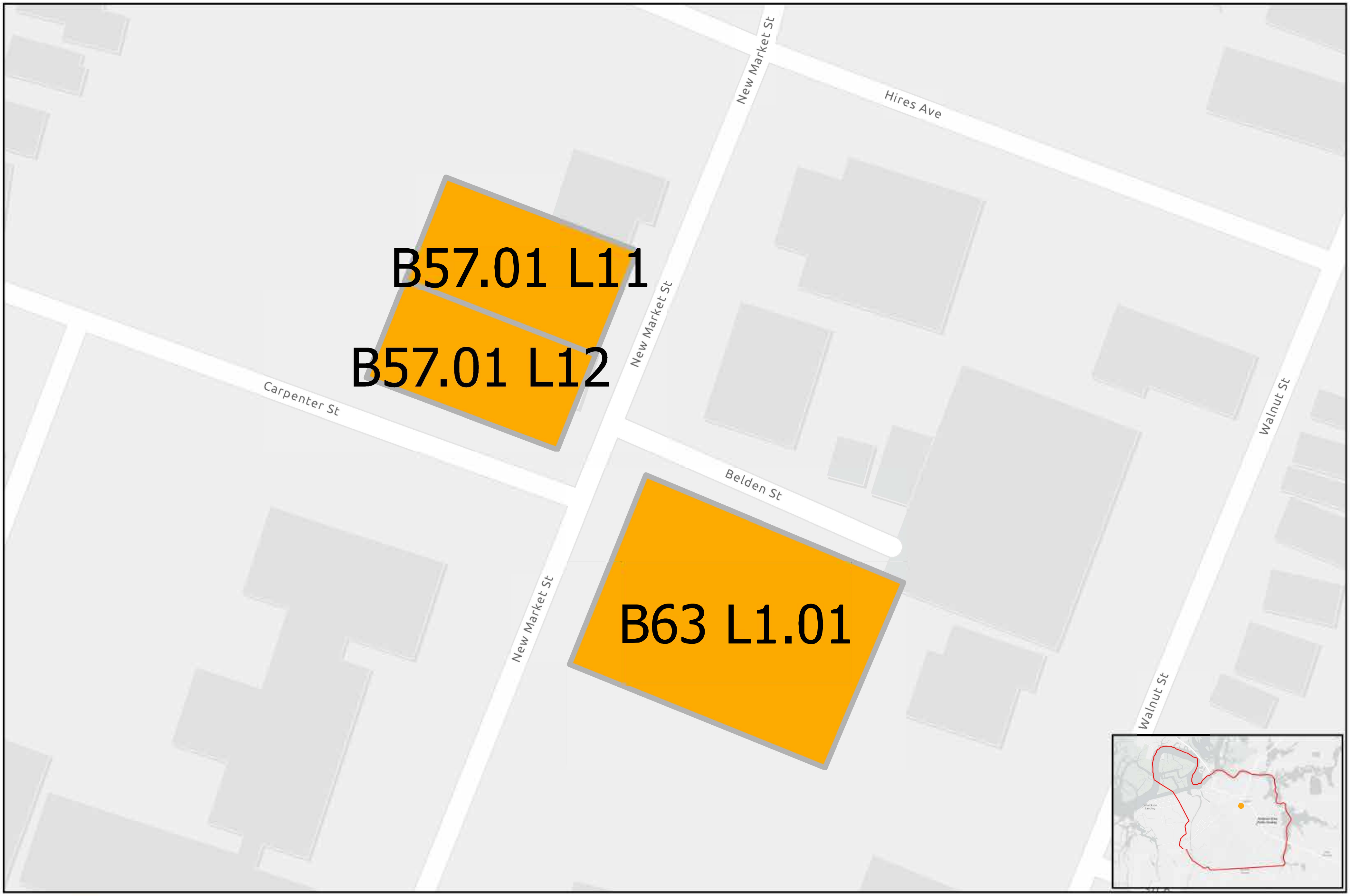
Appendix 1: Full-size maps

THE SCIENCE OF WHERE®

Salem and 25 New Market St.



December 09, 2024



0 37.5 75 150 Feet

N

Legend

Salem City Boundary

Target Site

Salem Food Security Planning Study

Target Site Location

BROWNFIELD REDEVELOPMENT SOLUTIONS, INC
CITY OF SALEM, SALEM COUNTY, NEW JERSEY

Salem and 15-min. drive-time radius from 25 New Market

December 09, 2024

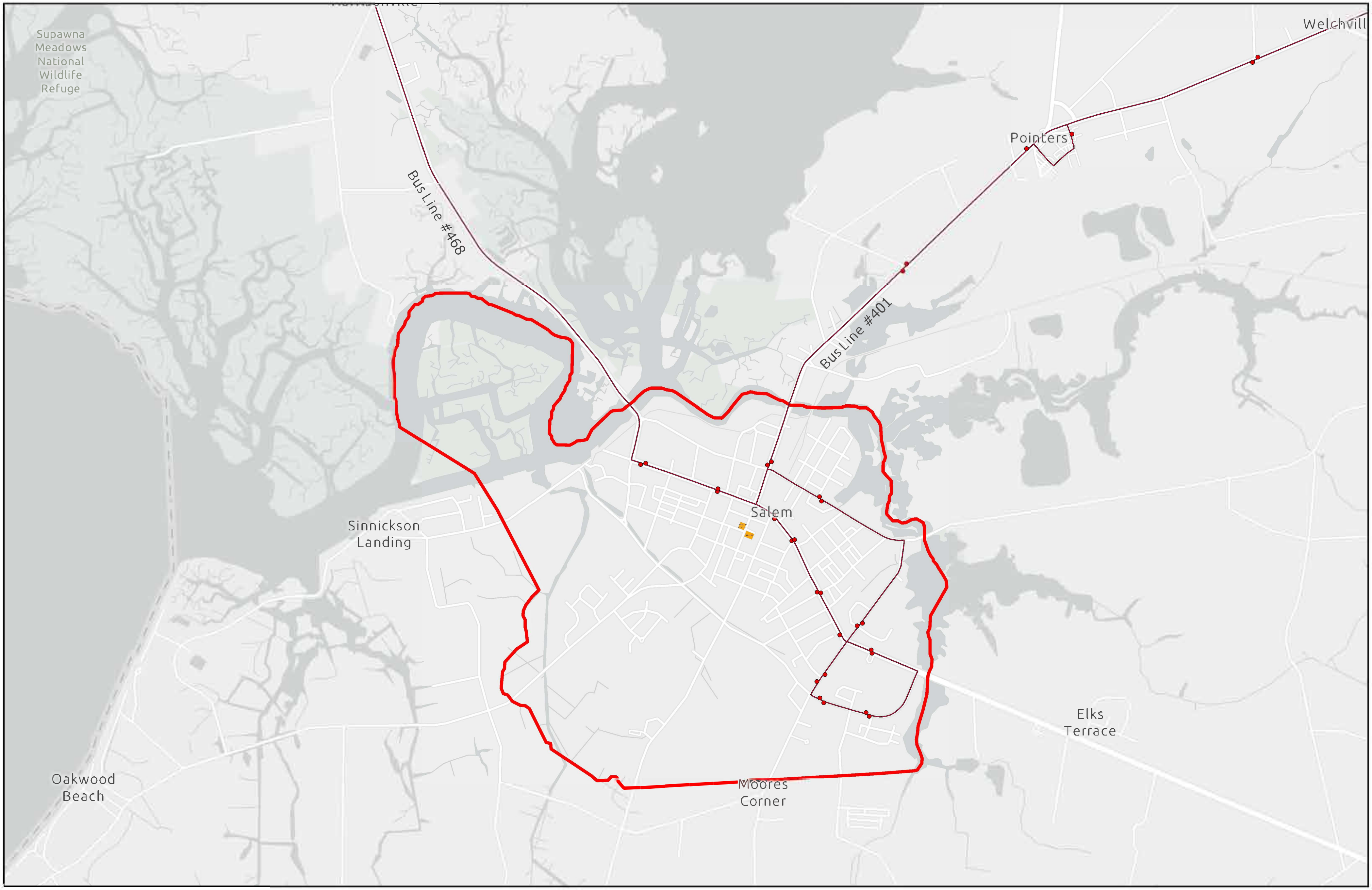
All Food Stores in the Trade Area

Including convenience stores and gas station stores

December 26, 2024

Food Stores 10,000 SF+ in the Trade Area

December 26, 2024



BRS inc

Legend

Salem City Boundary

Target Site

Bus Line

Bus Stops

N

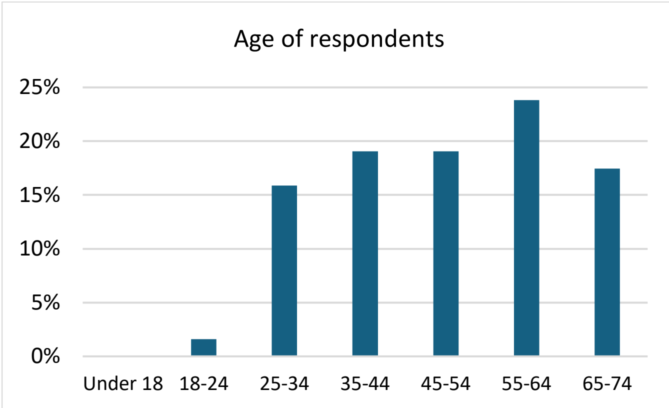
0 0.25 0.5 1 Miles

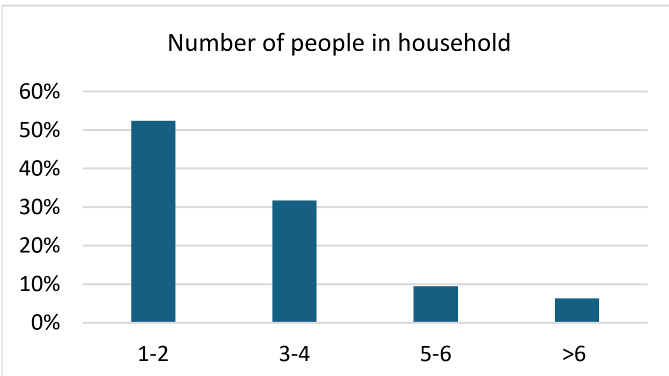
Salem Food Security Planning Study

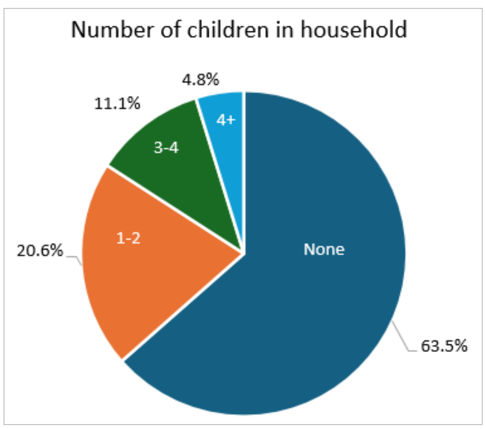
Bus Lines and Target Site

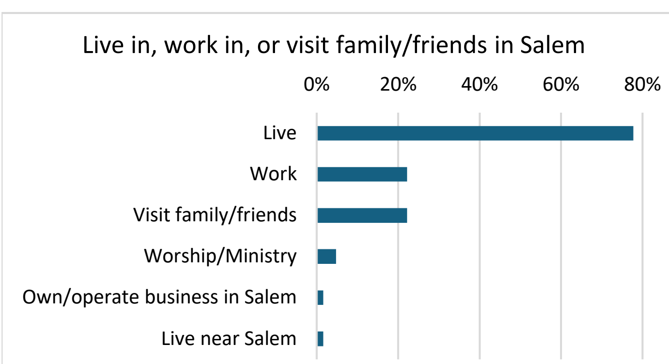
BROWNFIELD REDEVELOPMENT SOLUTIONS, INC CITY OF SALEM, SALEM COUNTY, NEW JERSEY

Appendix 2: Community survey results









Total survey responses	**63**
English	61
Spanish	2

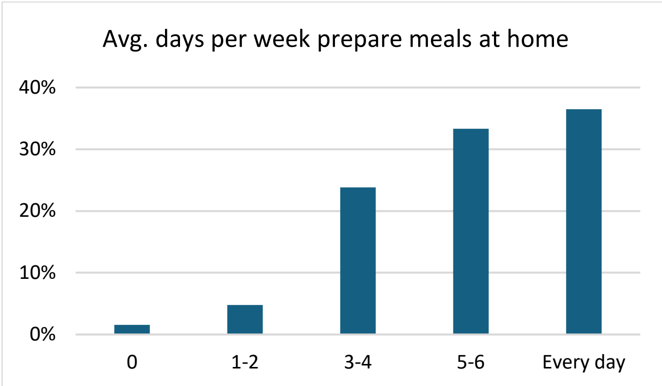
	Percent	**Number**
Gender		
Female	74.6%	47
Male	23.8%	15
Other/not specified	1.6%	1

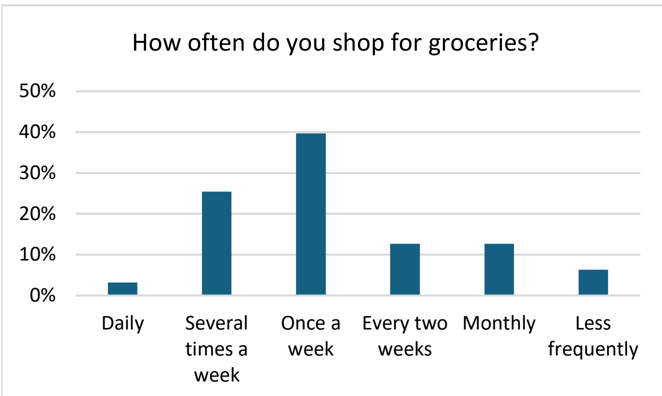
Age		
Under 18	0.0%	0
18-24	1.6%	1
25-34	15.9%	10
35-44	19.0%	12
45-54	19.0%	12
55-64	23.8%	15
65-74	17.5%	11
75+	3.2%	2

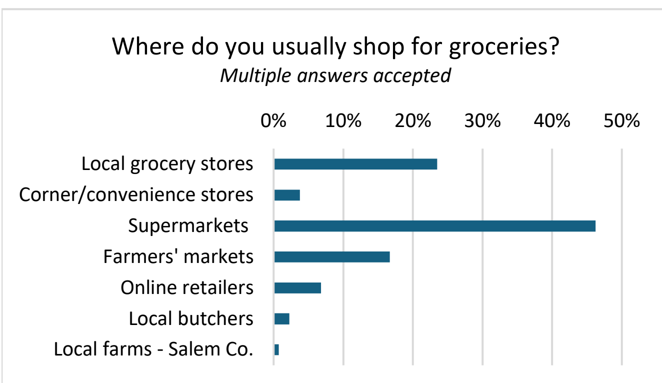
Number of people in household		
1-2	52.4%	33
3-4	31.7%	20
5-6	9.5%	6
>6	6.3%	4

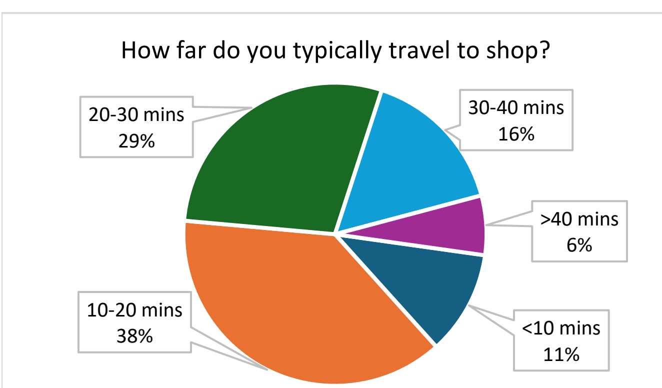
Number of children in household		
None	63.5%	40
1-2	20.6%	13
3-4	11.1%	7
>4	4.8%	3

Live, work, or visit friends/family in Salem		
Live	77.8%	49
Work	22.2%	14
Visit family/friends	22.2%	14
Other:		
Worship/Ministry	4.8%	3
Own/operate business	1.6%	1
Live near Salem	1.6%	1







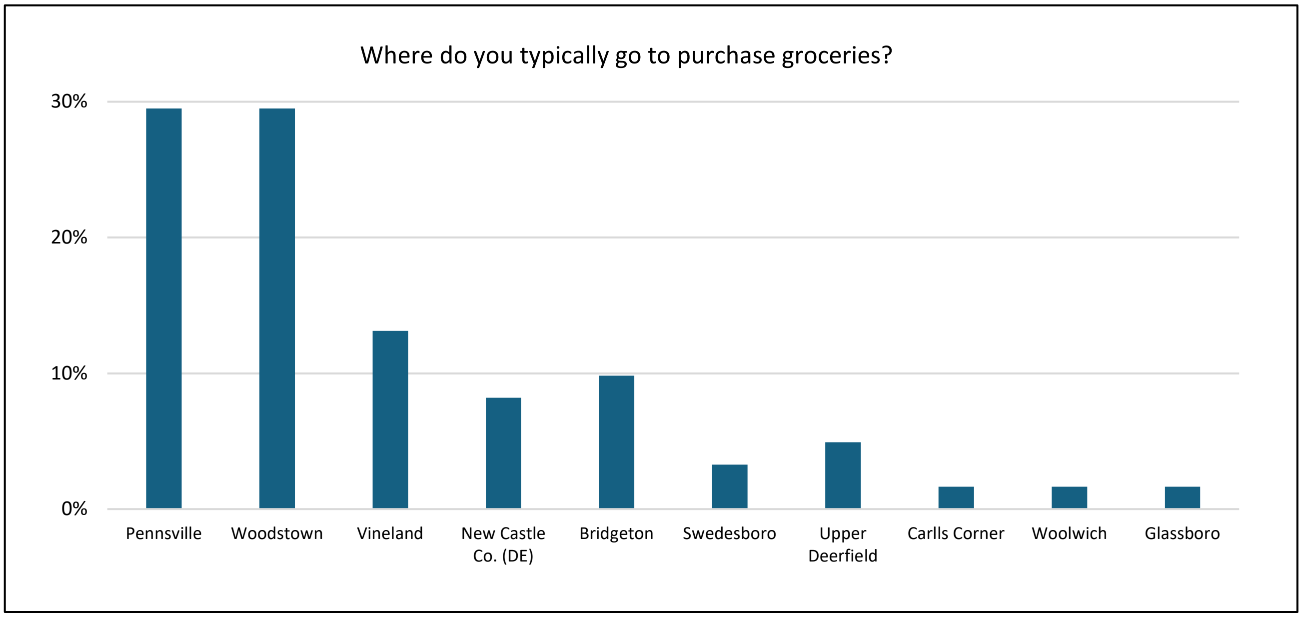


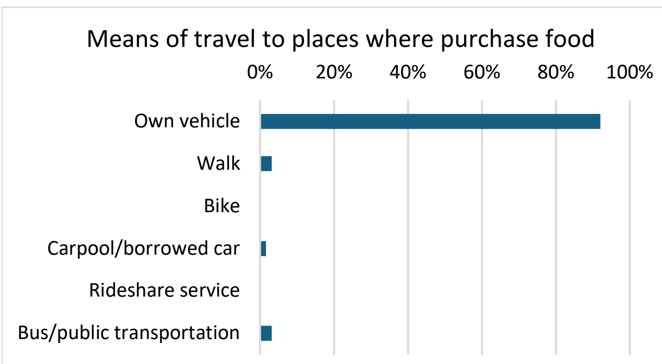
Avg. days per week prepare meals at home?	Percent	Number
0	1.6%	1
1-2	4.8%	3
3-4	23.8%	15
5-6	33.3%	21
Every day	36.5%	23

How often do you shop for groceries?		
Daily	3.2%	2
Several times a week	25.4%	16
Once a week	39.7%	25
Every two weeks	12.7%	8
Monthly	12.7%	8
Less frequently	6.3%	4

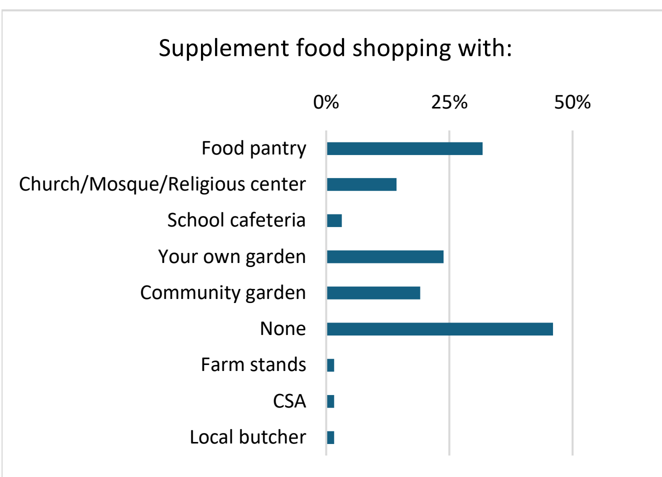
Where do you usually shop for groceries? *Multiple answers accepted*		
Local grocery stores	49.2%	31
Corner/convenience stores	7.9%	5
Supermarkets	96.8%	61
Farmers markets	34.9%	22
Online retailers	14.3%	9
Other:		
Local butchers	4.8%	3
Local farms – Salem Co.	1.6%	1

How long does it typically take to travel to the place where you shop for groceries?		
Less than 10 minutes	11.1%	7
10-20 minutes	38.1%	24
20-30 minutes	28.6%	18
30-40 minutes	15.9%	10
> 40 minutes	6.3%	4

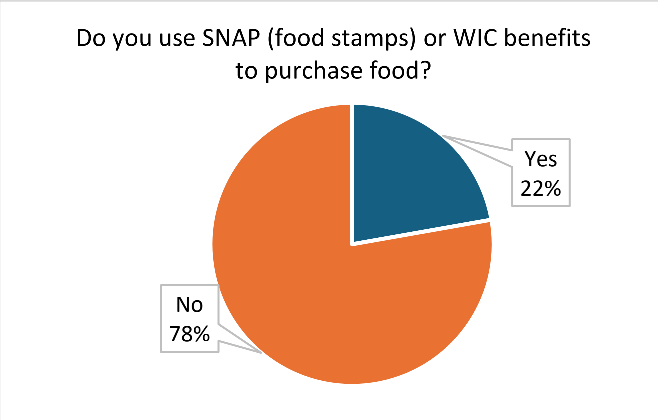


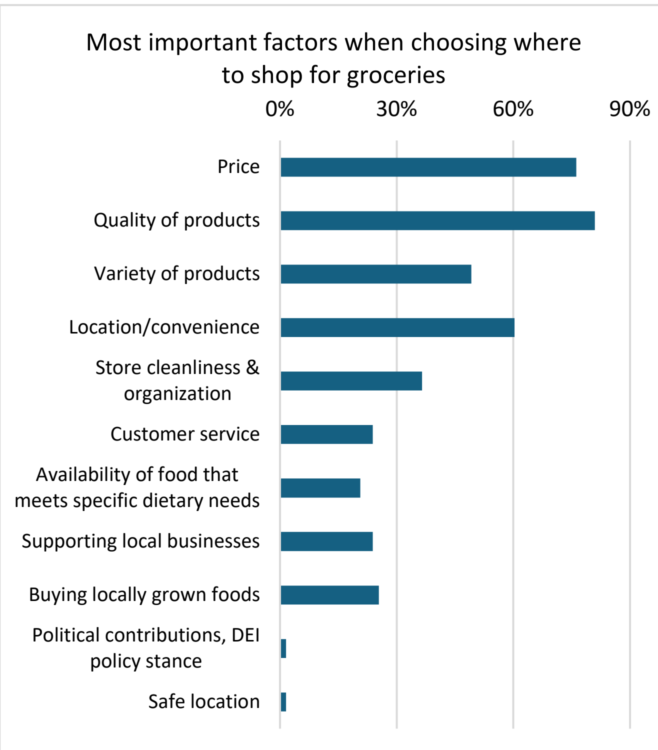


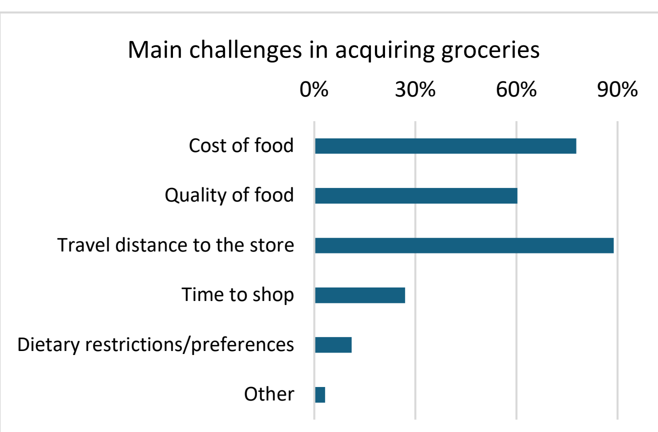
	Percent	Number
How do you travel to the places where you purchase food?		
Own vehicle	92.1%	58
Walk	3.2%	2
Bike	0.0%	0
Carpool/borrowed car	1.6%	1
Rideshare service (Uber, Lyft, etc.)	0.0%	0
Bus/public transportation	3.2%	2



Do you supplement food shopping with any of the following?		
Food pantry	31.7%	20
Church/Religious center	14.3%	9
Senior Meal Site	0.0%	0
School cafeteria	3.2%	2
Your own garden	23.8%	15
Community garden	19.0%	12
None	46.0%	29
Other:		
Farm stands	1.6%	1
CSA	1.6%	1
Local butcher	1.6%	1



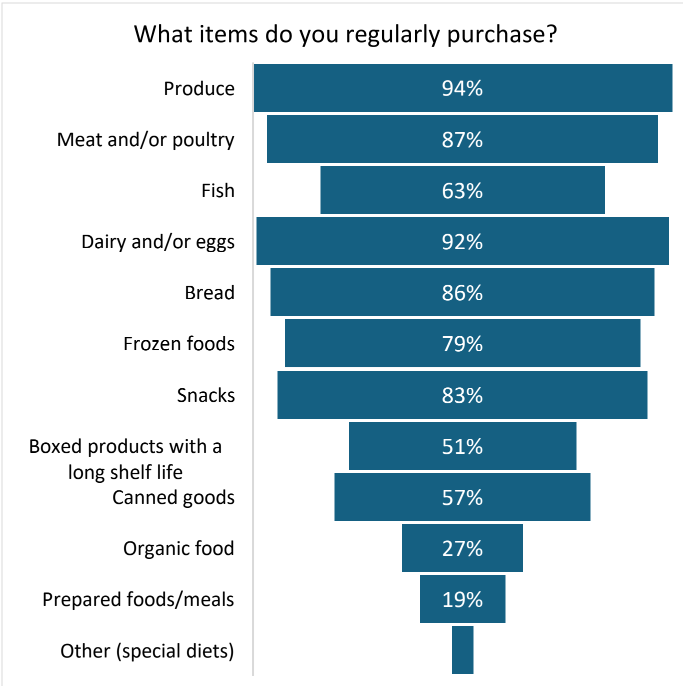




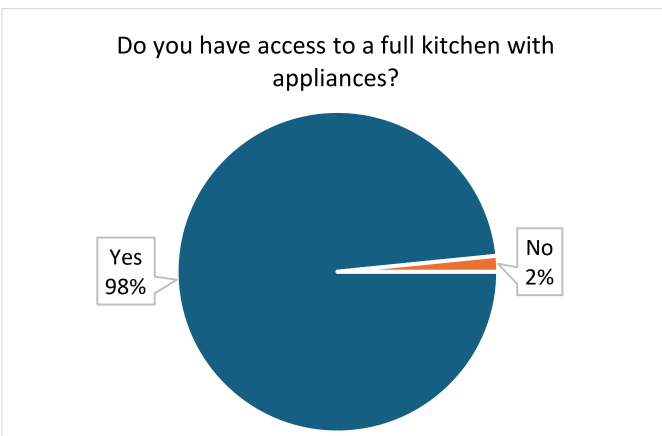
	Percent	Number
Do you use SNAP/WIC benefits to purchase food?		
Yes	22.2%	14
No	77.8%	49

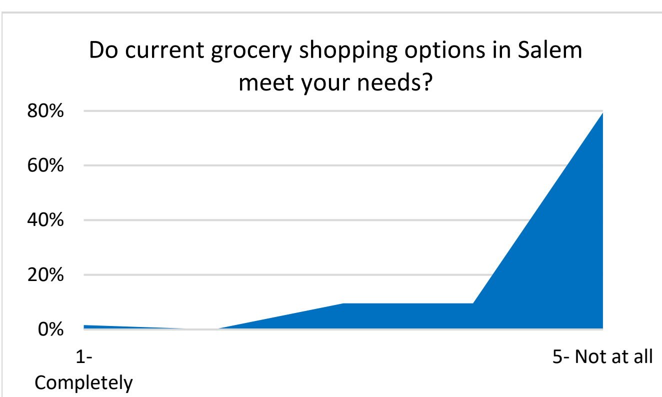
Most important factors when choosing where to shop for groceries (multiple answers accepted)		
Price	76.2%	48
Quality of products	81.0%	51
Variety of products	49.2%	31
Location/convenience	60.3%	38
Store cleanliness and organization	36.5%	23
Customer service	23.8%	15
Availability of food that meets specific dietary needs (organic, vegan, lactose free, allergies, halal, kosher, gluten free)	20.6%	13
Other:		
Supporting local businesses	23.8%	15
Buying locally grown foods	25.4%	16
Political and DEI stance	1.6%	1
Safe location	1.6%	1

3 main challenges in acquiring groceries for your family (multiple answers accepted)		
Cost of food	77.8%	49
Quality of food	60.3%	38
Travel distance to the store	88.9%	56
Time to shop	27.0%	17
Dietary restrictions/preferences	11.1%	7
Other:		
Political alignment / support for DEI	1.6%	1
Safety / security of store surroundings	1.6%	1



What grocery items do you regularly purchase?	Percent	Number
Fruit, vegetables (produce)	93.7%	59
Meat and/or poultry	87.3%	55
Fish	63.5%	40
Dairy and/or eggs	92.1%	58
Bread	85.7%	54
Frozen foods	79.4%	50
Snacks	82.5%	52
Boxed products with a long shelf life	50.8%	32
Canned goods	57.1%	36
Organic food	27.0%	17
Prepared foods/meals	19.0%	12
Other:		
Gluten free products	1.6%	1
Dry goods	1.6%	1
Vegan options	1.6%	1





Do you have access to a full kitchen with appliances? (oven, stove, refrigerator, freezer, microwave, etc.)	Percent	Number
Yes	98.4%	62
No	1.6%	1
If no, what do you not you have?		
Microwave		1

Do current grocery shopping options in Salem meet your needs? (rank 1-5)		
1 - Completely	1.6%	1
2 – (Mostly)	0.0%	0
3 – (Somewhat)	9.5%	6
4 – (To a small extent)	9.5%	6
5 - Not at all	79.4%	50

If current shopping options do not meet your needs, what is missing in Salem? **(open answer)**	**Number**
Grocery store / supermarket	36
Variety of healthy choices, fresh fruit and veggies, fish, meats	2
Fresh vegetables and fruits	4
Fresh meats, produce, dairy, eggs	6
Store where can buy everything we need in one trip	1
Store that sells regular grocery items at reasonable prices	1
Produce stand	2
Discount supermarket	1
Variety and fair pricing in addition to location	1
Healthy food options	3
Everything	2
More shopping options	2
diverse grocery stores with fresh items	1
I've been to all of the corner shops, Niblock's, and Dollar General, and even collectively, it's not enough.	1
Organic foods	1
Seafood	1
Until you make Salem safe, there never will be anything here.	1
Actual food stores. Dollar general is great if you need something quick but it's hit or miss if they have it, same for Walmart but neither of these are grocery stores. The food selection is limited and mostly processed crap.	1
Bulk products	1
A store with a variety of Latino products	1
No response	8

Are there any products or specific foods that are challenging to find in Salem? **(open answer)**	
Meat - fresh, high quality, affordable	21
Produce - fresh fruits and vegetables	23
Fish, seafood	5
Healthy options	1
Specialty items	1
Dairy, eggs	5
Baby food	1
All food / groceries	12
Too many to be able to list in a small space	1
Organic products	3
Vegan options	1
I don't grocery shop in Salem	1
Gluten-free items	2
Real food not boxed crap	1
Herbs	1
Fresh items	1
Locally grown food	1

Everything. Not even a grocery store, and now no pharmacy. Can we really call it a town?	1
Nothing	1
All food types except snacks, pastries, coffee and takeout	1
Latino food items	1
No response	14

Additional Comments: Is there anything else we should know about how you decide where to shop for food/groceries? (open answer)

There are limited options with the only place to shop is dollar general that has a very limited amount of vegetables, no healthy options or fresh meats or fish. Only available choices are processed packaged unhealthy frozen food and the shelves are usually empty
A place that is well maintained with quality selection. I want to be able to trust that what's on the shelves is fresh and properly priced.
Sometimes, I get ShopRite to deliver.
My family would grocery shop in Salem if a store were to open.
The need for a supermarket is obvious. Specially for the senior citizens in this town. Do we really need a survey to determine the needs of this town?
If you mean Salem city, I think we need to get grocery where grocery was - in Incollingos. All surrounding communities would be able to shop there, off street parking is available, and the city could commit to Class 2 officers to prevent and prosecute shoplifting
If u open a store you need security
There needs to be a competitive market
Salem NEEDS some type of grocery store that is easily accessible for people w/o transportation, offers fresh fruits, fresh vegetables, meat, poultry, pork, fish that is affordable. There are several ascending towns: Elsinboro, Hancock's Bridge, LAC, Quinton, Mannington and Alloway that potential stores need to factor into "population" as these towns would shop here too. Quality needs to be middle to middle/upper quality. Middle for less fortunate. Mid/upper for ascending towns as these employment and income levels are substantially higher. I think a smaller inventory (not 4 brands) of canned and paper, especially. Possibly the most basic generic and the most common name brand. Salad dressings limited to 7, not 20 different kinds. I guess what I'm saying is make the shopping experience more focused and tighter on choices. Learn from there where changes can be made. This is also a health epidemic concern. When people only have access to fast food, prepackaged meals and canned goods, there are significant health concerns (I am a nurse). While the "old" grocery store was at the end of Broadway, I believe one needs to be more centrally located on Broadway. This allows for equal accessibility to the City. I could go on however I think you get may vision. Feel free to reach out for more information. THIS IS A NEED, NEED, NEED, not a want! Grants, property price/rent MUST be tentatively in place. I believe the City needs to build a package to sell to someone. Not wait/hope a buyer comes along. [I am a] 35-year business owner in City in addition to nursing. I live in Elsinboro. I've been here roughly 50 years, in Elsinboro.
Need a local (closer) supermarket.
Location. I'm not going into Salem at a crazy location to grocery shop.
Would love to see a grocery store that promotes healthful eating in Salem focusing on whole, minimally processed foods from all food groups.
I have reached out to Aldi, Grocery Outlet, and SaveALot. Aldi didn't respond, but Grocery Outlet and SaveALot were both responsive.
I shop where there are stores. Where it's safe. [response shortened for language and to keep focus on food]
An Acme would be amazing
Love shopping
Please turn Walmart into super Walmart
Even IF a grocery store opened in Salem, I'd not likely use it. There aren't too many places in Salem that would be safe. Maybe parts of 49 or Market St by the courthouse, but anywhere else, that's a no for me. New Market St is not safe. And loom at where the old IGA and Rite Aid were located. Even there people did not feel safe and rightfully so. Until you fix that, well, good luck, but I will keep driving to Pennsville or Woodstown.

The food we can get in town consists of mainly "fast food", we have pizza shops, wing spots, diners and so on but no actual grocery stores. Walmart does what they can with the limited space but it's not enough. You can't get fresh fruit in town or at Walmart you have to go elsewhere which doesn't help our local economy.
I order online once per month and use DG. "Dollar General stores sell general merchandise, while Dollar General Market stores also sell fresh food, dairy, and frozen items." Salem NEEDS to be UPGRADED to a Dollar General MARKET Store (there is one in Elmer, NJ that was upgraded to a market store in SUMMER 2023) MORE PRODUCE DAIRY & MEAT ITEMS ARE FOUND IN MARKETS!
(No response – 43)

PART 2: PHYSICAL SITE EVALUATION

PART 2:
PHYSICAL SITE EVALUATION

Physical Site Evaluation

Table of Contents

Executive Summary

Source: City of Salem website

Salem, New Jersey has a population of 5,285 and is the county seat of Salem County, the least populated of the 21 counties in New Jersey. This compact, historic city built on a coastal plain has a long history of shipping and industrial glass manufacturing. The decline of these industries led to rising unemployment and a steady decrease in population over several decades, and the city's retail sector has struggled to remain viable. In 2017, the city's only grocery store closed, leaving residents with inadequate options for fresh, nutritious food. Salem is the second-most distressed community in New Jersey, and its many challenges – including food access and food security – are complicated by the city's small size and location in a rural county.

The City of Salem and its project partners received a Food Security Planning Grant funded by the New Jersey Economic Development Authority (NJEDA) to carry out a market analysis, physical site evaluation, and development plan that will enable the city to potentially transform underutilized, city-owned land in an effort to improve food access and promote local economic development. The target site identified for this study comprises the lots at 21 and 25 New Market Street and a vacant, surface parking lot across the street. *Part 2: Physical Site Evaluation* follows *Part 1: Market Analysis* and considers the physical aspects of the site, its location and accessibility, sustainability and environmental impact factors, legal and regulatory considerations, and a brief transportation analysis.

The target site's location in the center of Salem and existing parking lot are clearly advantages, and redevelopment of this vacant property would undoubtedly benefit the city's downtown. This report discusses target site challenges and constraints that must be addressed if the development of a grocery store, supermarket, farmers market, co-op, or other food retailer is determined to be desirable. The existing two-story building at 25 New Market Street is significantly smaller than the average US supermarket, but it is of adequate size for a small or medium-sized grocery store. Given the building's state of repair, however, the renovations necessary to transform the building into a store would be significant and expensive. This does not include environmental assessment and remediation of potential environmental contamination that would need to be completed before renovations begin. Accessibility presents another challenge – not only for truck delivery but also for customers who rely on public transportation. This report also outlines zoning-mandated requirements for commercial uses.

The constraints of the site help to inform site planning and retail design and are important considerations in formulating realistic plans for improving food access. Research on food deserts indicates there is no magic formula; however, the evidence suggests that a solution must have community buy-in and support to be successful. Many communities have designed a variety of creative and successful solutions that are customized and tailored to support and address their communities' specific needs and desires. Salem has selected a target site and wants to capitalize on the opportunities afforded by the site, while making allowances for site constraints and challenges.

Introduction

The purpose of the NJEDA Food Security Planning grant is to carry out a market analysis, physical site evaluation, and development plan with recommendations that will allow the City of Salem to transform this vacant property, with the intent of improving food access and supporting economic development. The target site that is the focus of this study is located at 25 New Market Street.

Figure 1: 21 and 25 New Market St.

Photo: BRS site visit 29 April 2025

There are four components to this project:

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

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

Terminology

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

The **food retail industry** includes all types of grocery stores, supermarkets, and other retailers that sell food for consumption (and often preparation) at home.[1] This study focuses on retailers that provide a general line of food such as fresh fruits and vegetables, and fresh and prepared meats, fish and poultry, and canned and frozen foods.

The Food Industry Association defines a **grocery store** as "a retail store that sells a variety of food products, including some perishable items and general merchandise."[2] Stores meet the US Department of Agriculture (USDA) definition of a grocery store if they report at least $2 million in annual sales and contain all the major food departments found in a traditional supermarket, including produce, fresh

[1] It also includes all types of restaurants, which are not considered in this study because they generally sell prepared foods for consumption outside the home.
[2] https://www.fmi.org/our-research/food-industry-glossary

meat and poultry, dairy, dry and packaged foods, and frozen foods. No specific square footage is noted in this definition.[3]

The USDA defines a **supermarket** as having an average size of 45,000 square feet (SF) and annual total sales of at least $14 million.[3] This is generally understood to be a conventional food store but not a warehouse club or wholesale club.

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

A convenience store is a "small, easy-access food store with a limited assortment. Many convenience stores also sell fast food and gasoline."[4]

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

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

A **farmers market** is "a public and recurring assembly of farmers or their representatives selling the food that they produced directly to consumers."[5] Many markets have a broad range of offerings that include not only farm-grown fruits and vegetables but also meats, cheeses, baked goods, and homemade products. The key differences between a food retailer such as a grocery store or supermarket and a farmers market are that the producers in a farmers market are the sellers and set their own margins, they generally transport their own products to the market of their choice, and they rent a stall or area within the communal market to sell products of their choosing.

A **cooperative (co-op)** is a business "owned and democratically controlled by the people who use its services and whose benefits are derived and distributed equitably on the basis of use."[6] It may be consumer-owned, worker-owned, or producer-owned, but the goal is for benefits to accrue to members rather than to outside investors. Generally, co-ops have a board and hire professional management, and co-op members have a say either directly or indirectly (through an elected board) in a variety of decisions about how the store will be run – products carried, membership fees and structure, design and marketing, etc.

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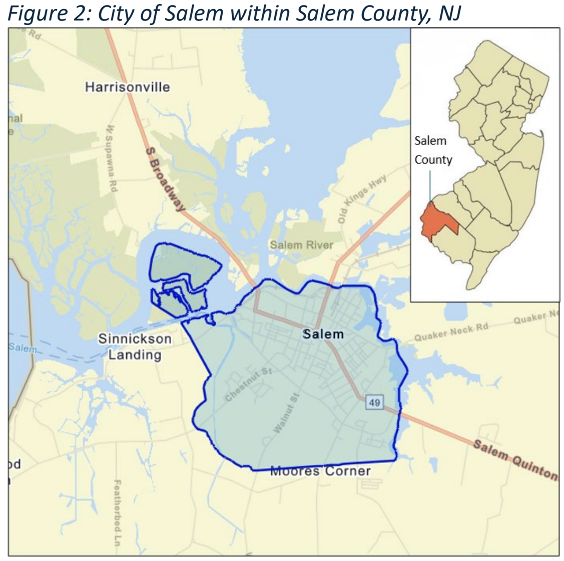
[3] https://www.ers.usda.gov/data-products/food-environment-atlas/documentation/
[4] https://www.fmi.org/our-research/food-industry-glossary
[5] https://farmersmarketcoalition.org/education/qanda/
[6] USDA definition from "Co-ops 101: An Introduction to Cooperatives." USDA Cooperative Information Report 55. April 1997, revised November 2012. https://www.rd.usda.gov/files/cir55.pdf

Online or digital grocery shopping refers to the numerous digital platforms consumers use to purchase groceries online, whether for delivery or for pickup.[7]

Site Assessment

Historical Background

Figure 2: City of Salem within Salem County, NJ



Source: ESRI map created by BRS, Inc.

Salem is 2.34 square miles in size and has a population of 5,285.[8] It is the county seat of Salem County, the southernmost and least populated of the state's 21 counties (the county's population was 68,840 in 2022).[9] Bordered by Gloucester County to the north and Cumberland County to the east, it is bounded by Delaware Bay and the state of Delaware to the west. This compact, historic city built on a relatively flat coastal plain is surrounded by farms and wetlands and has a long history of shipping and industrial glass manufacturing. The decline of these industries led to rising unemployment and a steady decrease in population over several decades, and today Salem holds the unfortunate distinction of being designated as the second most distressed community in New Jersey.[10]

Figure 3: Old Courthouse

Photo: BRS site visit 29 April 2025

Founded in 1675 by John Fenwick, a Quaker, Salem is one of the oldest cities in New Jersey and is rich in historic landmarks and sites that date back centuries. Its founding established the first Quaker colony in North America, predating the founding of the Quaker colony in Philadelphia.[11] The Quakers were influential in communities along the shores of the Delaware River in the 17th century, and notably, were instrumental in the founding of Salem, Penns Neck, and Greenwich.[12] Salem boasts many historic buildings, including the oldest active courthouse in New Jersey, which is also the second-oldest courthouse in continuous use in the country.

During the 17th and 18th centuries, Salem was an important port city whose residents were primarily employed in the shipbuilding industry and in trade. Later, its economy transitioned to heavy commercial and industrial enterprises related to

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[7] https://www.emarketer.com/insights/digital-grocery-industry/
[8] US Census Bureau American Community Survey, 2022.
[9] nj.gov/labor/labormarketinformation/assets/PDFs/dmograph/est/copest23.htm and New Jersey Counties by Population (2025). https://www.newjersey-demographics.com/counties_by_population
[10] New Jersey Department of Community Affairs. *Municipal Revitalization Index.* 2023. Salem's score is -26.02.
[11] https://njheartland.org/
[12] 13. Facts and Figures: Salem County Cultural & Heritage Commission. https://culture.salemcountynj.gov/project/facts-and-figures/

the port and railroad, such as glassworks, chemical manufacturing, and bulk fuel storage. As with many port cities across the country, Salem experienced a precipitous decline in industrial and manufacturing operations, leading to the deterioration of this once thriving community. The decline in the city's industrial and commercial port operations – and the related loss of jobs – led to a significant decline in population over the past 50 years. During the same period, poverty and the challenges associated with it increased.

Figure 4: East Broadway, 1905

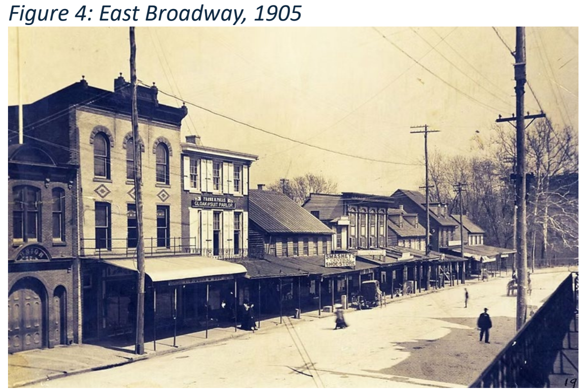
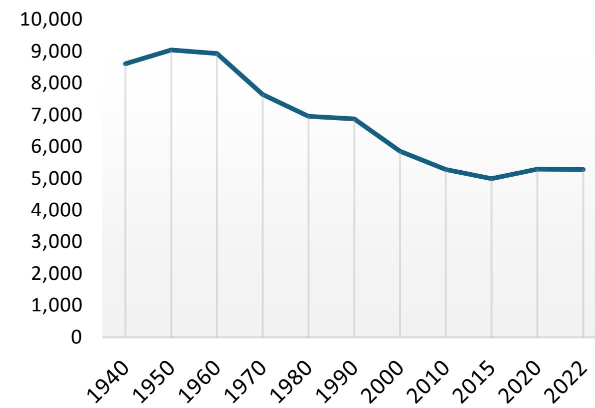


Photo: "Salem City Rewind," Stand Up for Salem

The New Jersey Department of Community Affairs employs a Municipal Revitalization Index (MRI) that is used for the allocation and distribution of need-based funding in the state and serves as the State's official measure and ranking of municipal distress. Utilizing eight distinct indicators, the MRI measures social, economic, physical, and fiscal conditions in each New Jersey municipality and then ranks them according to the results. Salem has been ranked the second-most distressed community in New Jersey according to this index, after Camden. The challenges the city faces include the high percentage of individuals living in poverty, which at 31.6% is triple the New Jersey rate (9.7%). The city's median household income is approximately one-third of the state's level, and unemployment (11.6%) is nearly double the county average and almost triple the state average.[13]

Figure 5: City of Salem population, 1940-2022



Source: NJ State Data Center 2000 Census Publication: New Jersey Population Trends 1790-2000; and US Census ACS 2010-2022

The decline in industry has left the residents of Salem with limited employment options and long-term disinvestment in housing and infrastructure. Moreover, Salem has an older housing stock: 47.9% of housing was built in 1939 or earlier, and the mean year housing was built in the community was 1943. A high proportion of housing structures are not well maintained (a natural consequence of declining population and rising poverty), and blighted and abandoned buildings are common. All of these factors, combined with low educational attainment and a continued shortage of employment opportunities, suggest that the ideal solution to food access challenges will also address some of the other factors that contribute to the problem.

Today Salem is a small but dense urban community within a rural county in which agriculture is a main economic driver. It is noteworthy that Salem's population has begun to grow over the past ten years, and the forecast for the coming five years is for population growth of 3% – compared to a slight decline for the county overall. The city's population is young, with a median age almost 10 years younger than that

[13] US Census Bureau American Community Survey 5-year estimates, 2018-2022.

of the county. This means a growing need for jobs, housing, and retail options, and if these demands are not met, Salem may see its population decline once again.

Aside from its wealth of history and current challenges, one thing that sets Salem apart is its strong sense of community. The city has a tight-knit community of residents who are passionate about preserving Salem's unique character. Throughout the year, there are many events and activities that bring people together, such as the annual Salem Christmas Parade, the Salem Tomato Festival, Movie Nights, and the Salem City Market. These events showcase the city's vibrant culture and foster a sense of pride and community among residents. The city's many churches and other religious institutions also provide gathering places for Salem's residents and attract people from the surrounding area.

Target Site

The target site is three parcels of land owned by the City of Salem, which are located in downtown Salem and bifurcated by New Market Street. The addresses for two of the parcels are 25 New Market Street and 21 New Market Street, and the third parcel is a surface parking lot across the street. 21 and 25 New Market Street abut each other on the west side of New Market Street, and the paved lot is on the east side of the street. 25 New Market Street is situated on a corner lot at the intersection of New Market Street and Carpenter Street. The location of the three parcels is in the heart of downtown Salem, between Salem Middle School and the historic district that runs along Broadway. The target site is zoned C-1 Retail Commercial.

Figure 6: Aerial view of the target site (parcels shown outlined in blue)

Source: Rowan University [Parcel Explorer]

25 New Market, also known as Block 57.01, Lot 12, is 0.21 acres (9,500 SF) and consists of a two-story building that has been vacant for many years.[14] Adjacent to it, 21 New Market is an unimproved grassy area known as Block 57.01, Lot 11 that is 0.22 acres in size (9,583 SF). Across New Market Street is the third lot, known as Block 63, Lot 1.01 (0.53 acres; 23,087 SF). According to the Salem Tax Assessor, all three parcels are owned by the City of Salem. The city also owns Lots 6-10 in Block 57.01.[15] Lots 6-9 are currently being used for a public community garden, and there are two government

[14] APN/Parcel ID: 13-00057-01-00012. https://njparcels.com/property/1713/57.01/12

[15] Tax Assessment Map of the City of Salem in the County of Salem New Jersey, 2020. Page 30. See Figure 4 above.

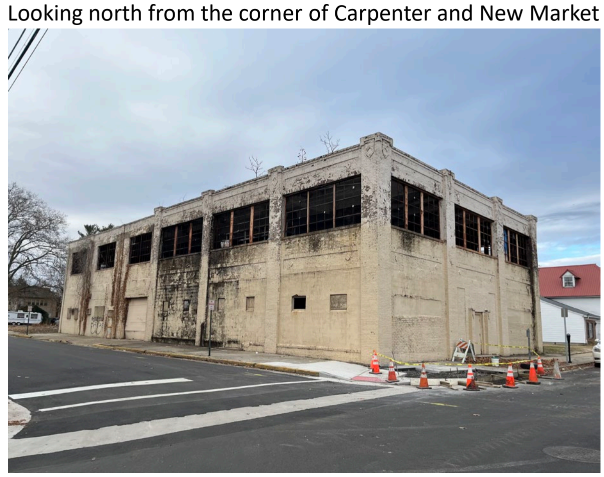
buildings (including the former municipal building) on Lot 10. A 12-foot ingress/egress access easement is noted on the City of Salem Tax Map, Sheet 28, across Block 57.01, Lots 6-12.

25 New Market Street is listed in city documents as a factory[16] and comprises a two-story 14,280 SF painted red brick industrial style building with a ribbon of large windows (many missing their panes or boarded up) on both the first and second floors of the structure. Along the Carpenter Street frontage is a cracked and deteriorated sidewalk. The sidewalk is interrupted on the southwest (Carpenter Street) side by a driveway apron that leads to a damaged garage door that once provided entrance to the building.

Figure 7: Vacant building on Block 57.01, Lot 12 (25 New Market St.)

Looking southwest toward Carpenter St.

Looking north from the corner of Carpenter and New Market



Photos: BRS site visit 18 December 2024

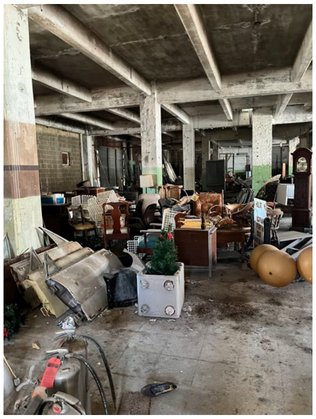
The city has full access to the site, and on the day the consulting team visited, staff were able to open a door leading from Lot 11 and provide entry. [17] The team toured both the first and second floors, accessing the upper floor by means of a deteriorated staircase on the northeast side of the building. The rectangular floorplan is primarily open on both levels and is supported by interior columns. Although the first floor contained a significant amount of debris and trash, it also appeared to be a storage area and held items such as old shopping carts, boxes, furniture, Christmas decorations, and streetlights. A large freight elevator with a pulley system was visible in the center of the northeastern wall of the building. The elevator appears to have been accessible from Lot 11 – at least at some point in the past. On the second story, there is a series of bathroom stalls in the northwest corner. Standing water and moss was visible on the floor of the second story, and the floor is badly damaged in some areas. The building appears to have a red brick exterior that was mostly painted at some point in the past; the exterior now shows scarring of a blackish material, overgrown vines, dirt, bricks clearly in need of repointing, and broken and boarded-up windows. According to a list of City-Owned Properties as of January 30, 2025, posted on the Housing Office page on the City of Salem website, the building's land parcel is 9,500 SF in size.[16]

[16] https://cityofsalemnj.gov/housing-office/

[17] The site visit took place on December 18, 2024. Note that the site visit was not a structural or engineering assessment.

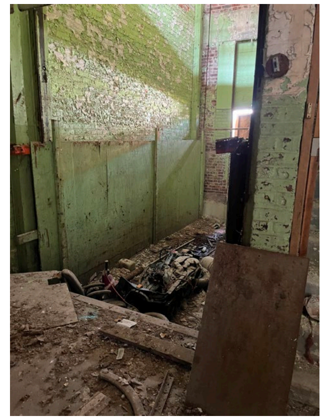
Figure 8: 25 New Market St. building interior – First Floor

Open area (looking northwest)



Open area (looking northeast)

Elevator shaft



Photos: BRS site visit 18 December 2024

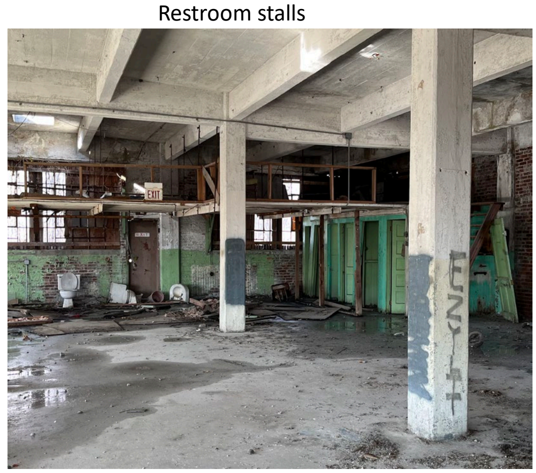
Figure 9: 25 New Market St. building interior – Second Floor

Open area (looking southeast)

Open area (looking southwest)

Elevator shaft

Restroom stalls



Photos: BRS site visit 18 December 2024

Figure 10: 1959 Sanborn map showing the target site, with 25 New Market St. outlined in red

Source: 1959 Sanborn map

Labelled as an orchard on the 1902 Sanborn map, the site was a small portion of a much larger parcel that extended from the rear of the buildings facing West Broadway south to Wesley Street. Carpenter Street did not yet exist on the 1902 Sanborn map. Carpenter Street was constructed sometime between 1909 and 1915, as was Salem High School, which was shown in a smaller footprint on the parcel that is Salem Middle School today. The property immediately adjacent and located to the west of the target site was labeled as C.L. Sinnickson Lumber Yard and continued to be identified as a lumber yard as late as the 1959 Sanborn map. Today this property is a parking lot that extends from Carpenter Street to Hires Avenue and has driveways for ingress and egress on both streets. Records indicate that the building at 25 New Market St. was originally constructed in 1920 as a car dealership, and the freight elevator was used to lift cars to the second-floor showroom. The business owner (the Patrick family) eventually moved to a more conducive site in nearby Mannington. Sometime between 1947 and 1959, the property became the Salem Vocational School. In subsequent years, 25 New Market St. housed multiple short-term uses (including a dress factory) until it was abandoned.[18]

Figure 11: New Market St. (looking northeast)

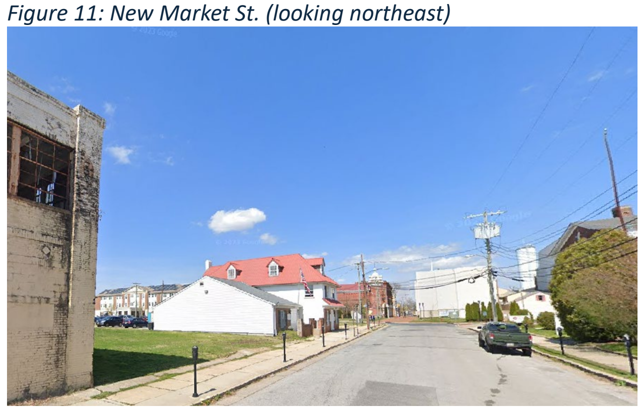


Photo: BRS site visit 29 April 2025

Abutting 25 New Market Street is 21 New Market Street – also known as Block 57.01, Lot 11 – which is a vacant, unimproved lot. The area appears to be flat, level, and on the same elevation as surrounding lots. This grassy area is devoid of trees. Former municipal buildings on Lot 10 border the lot. Looking northeast from Lot 11, buildings on Hires Avenue and a brick walkway running from Hires Avenue to West Broadway are visible, as are the rear facades of several buildings that line West and East Broadway. Abutting both Lots 11 and 12 on the western side is a surface parking lot that is privately owned (Block 57.01, Lots 2 and 2.02). A sidewalk dotted with parking meters can be found along New Market Street; another sidewalk runs along Carpenter Street. The 1947 Sanborn map shows a

[18] City of Salem Sanborn Maps – 1902, 1909, 1915, 1923, 1930, 1947, and 1959. See full-size maps in Appendix.

building identified as a bowling alley at 21 New Market St. An apparent line drawn through the parcel on the 1959 Sanborn map may indicate that the bowling alley was no longer operational at this time.[18]

Figure 12: Block 63, Lot 1.01 (looking southeast)

Photo: BRS site visit 29 April 2025

Block 63, Lot 1.01 is a 0.53-acre vacant, paved lot across the street. It is the site of the St. John's Pentecostal Outreach Church's community food pantry, which receives support from the Food Bank of South Jersey and feeds hundreds of people every month. This lot is paved and in fair condition, albeit with some signs of deterioration. There are faded markings indicating parking spaces, and cracked cement parking stop blocks are visible – some strewn about, and others lined up neatly to border the lot along New Market Street and the dead-end Belden Street to the northeast. The paved parking area is bordered by a cement sidewalk and a narrow strip of grassy area along its frontage with New Market Street. A grassy strip of land serves as a border on the lot's frontage with Belden Street. There are no street trees to provide shade or landscaping. According to the Zoning Map, Belden Street appears to have been a through-street that connected New Market Street and Walnut Street.[19] In an aerial photo from 2006, Belden Street still traverses the entire length of the block between New Market Street and Walnut Street. The seven-story County parking garage first appears in a 2010 aerial of downtown Salem, which shows Belden Street in its current configuration as a dead end.[20]

Along New Market Street, there are two driveway aprons that serve as a means of ingress and egress to the parking lot when it is in use by cars. The southeastern edge of the parking lot is marked by a rusted chain link fence and some landscaping that serves to divide the lot from the cemetery on the other side. At the eastern end of the parking lot is the one-story Union Fire building. Two garage doors open both on the side of Lot 1.01 and on Walnut Street – presumably the latter is the main access for fire department vehicles. Just north of the fire station is a large, seven-story parking structure for Salem County employees that appears to have been constructed across a portion of what was once Belden Street leading to Walnut Street, creating the dead end that exists today. Utility poles with lights can be seen around the edges of the Lot 1.01.

An 1891 Sanborn map shows the R. M. Acton public school in the general location of where the Union Fire building stands today, bordering Lot 1.01 on the east side. Belden Street appears to connect to what is called Walnut Street today, although the street is not identified by any name on the 1891 map. Belden Street was at the time a short street and led to what presumably was open fields, and it was not until the 1923 Sanborn map that Belden Street connected New Market Street to Walnut Street. R. M. Acton School (which on later maps is identified as the Richard M. Acton Public School) was on what is known as

[19] City of Salem Zoning Map. https://cityofsalemnj.gov/wp-content/uploads/2019/08/SalemCity-Zoning-Map-min.pdf

[20] See aerial photos in the Appendix.

Walnut Street today, and behind the school it appears there were a couple of small structures which the 1902 Sanborn map notes were used for beer bottling and brick storage. New Market Street first appears on the 1915 Sanborn map. The Richard M. Acton school appeared to take over the entire parcel at that time, extending from Walnut Street to New Market Street. However, sometime between 1947 and 1959, the school was demolished, and the 1959 Sanborn map indicates a parking lot at the site on the full parcel from New Market Street to Walnut Street. The Union Fire building was eventually constructed on the Walnut Street side of the parcel sometime between 1981 and 1991, according to aerial photos.[21]

Existing Food Retail Options

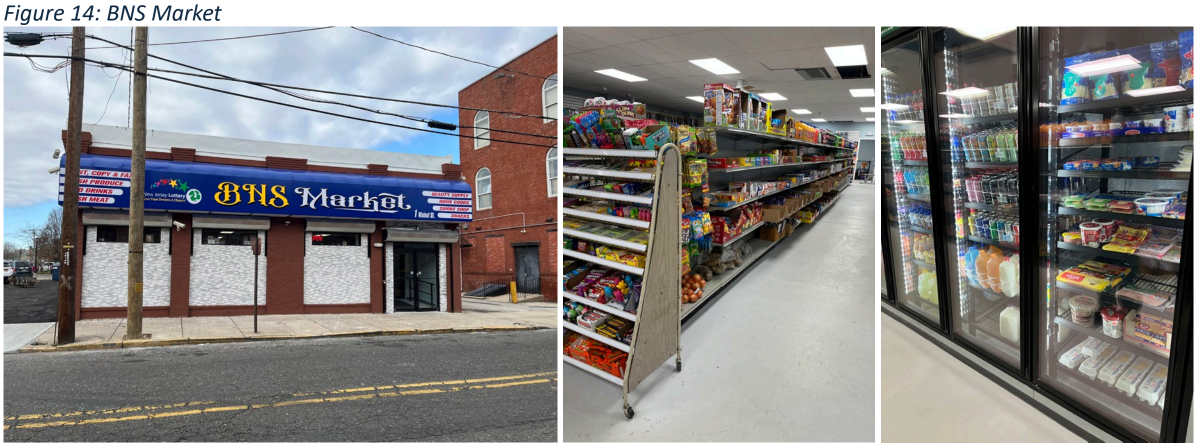
A grocery store called Incollingo's Family-Owned Markets (part of a small independent chain) served Salem and some of the surrounding area until it closed in 2017. Approximately 23,600 SF in size, the store was the anchor for a strip mall at the southwest corner of East Broadway and Grieves Parkway that currently has other vacancies, as well.

Figure 13: Site of former Incollingo's Family-Owned Markets

The Incollingo's closure left the following options for purchase of non-restaurant/café food in Salem:

- **BNS Market** on the corner of Walnut Street and Hires Avenue has a wide variety of non-food items (such as lottery tickets, smoking products, and cleaning products) and sells snacks, soda, and candy. It also offers eggs, some dairy products, bacon, hot dogs, and lunch meat. The store has a small selection of baby products.

Figure 14: BNS Market



Photos: BRS site visit 18 December 2024

[21] City of Salem Sanborn Maps (1902, 1909, 1915, 1923, 1930, 1947, and 1959) and aerial photos. See full-size maps and aerials in Appendix.

- **49 Deli** at the corner of West Broadway and Front Street sells prepared foods, snacks, beverages, smoking products, and a small variety of non-food household items.

- **Sunoco Snack & Go Food Mart** at the intersection of East Broadway and Yorke Street has the standard selection of soda, snacks, candy, and car products of most gas station mini marts, but it also offers milk, chocolate milk, butter, and eggs and a small selection of bread and frozen meals. The frozen meals are kept in a freezer, but the dairy products and eggs are displayed on unrefrigerated shelves.

- **Family Dollar**, in a small shopping center near 5th Street and Griffith Street, mainly carries non-food household items but also has a variety of shelf-stable boxed and canned goods, beverages, snacks, and a few dairy products. It also has a limited selection of baby products.

- **Dollar General** at 500 Salem Quinton Road (technically just outside of city limits) sells eggs, dairy, shelf-stable meats and hot dogs, as well as a limited selection of frozen meals and a wider selection of boxed and canned foods, snacks, soda, and candy. Most of the store's shelf space has non-food household items. Some baby products are available.

Figure 15: 49 Deli

Photo: BRS site visit 18 December 2024

Figure 16: Family Dollar

Photo: BRS site visit 13 February 2025

Digital Grocery

According to RetailWire, online grocery shopping is predicted to grow over the next five years, with year-over-year growth outpacing that of in-store sales. The Covid pandemic initially helped fuel online sales growth, but recent data shows that purchasing groceries via a digital platform was not a temporary trend. Consumers are still purchasing essential groceries online. Online grocery sales are projected to reach nearly $120 billion by the end of 2028, accounting for nearly 12.7% of total US grocery sales.[22]

Consumers use a variety of digital grocery applications to purchase groceries; however, there are two basic business models. Businesses use either a delivery model or a "click and collect" model. In the delivery model, either the store operates and manages its own digital platform, or the store uses a third-party platform such as Uber Eats, Instacart, or Door Dash. The "click and collect" models have multiple

[22] Ryan, Tom. "Is E-Grocery Entering a New Phase of Growth?" RetailWire, 2 May 2024. https://retailwire.com/discussion/is-e-grocery-entering-a-new-phase-of-growth/#:~:text=Growth%20averaged%205.6%25%20over%20the,anticipated%20for%20in%2Dstore%20selling

variations, but ultimately the consumer purchases products online and then picks them up at a designated place – at a pickup point inside a store, curbside at a store, or at a warehouse. Walmart Inc. leads the pack in digital grocery sales and was poised to capture more than 26% of the market in 2024 (the most recent data available), which translates to roughly $58.92 billion in sales. Amazon, Instacart, Kroger, and Target are racing to catch up.[23] Revenues in the US online grocery delivery market have been increasing steadily since 2017,[24] and Statista reports that e-commerce revenue from the grocery delivery sector was anticipated to exceed $257 billion in 2024.[25]

In the first quarter of 2024, US online grocery sales reached $31.4 billion, but many grocers are still looking for ways to increase the profitability of this sector of the market. While the numbers indicate improvements from 2023 in the amount spent and the quantity of items purchased, grocers still had issues with the costs associated with selecting the groceries, fulfilling orders, and the costs and logistics of delivery.[26] Nonetheless, the model is clearly popular with consumers because of the convenience it offers, particularly to those without access to a vehicle.[27] In addition, many stores accept SNAP/EBT just as they do credit and debit cards, which may make online grocery shopping accessible to more consumers – although there is a wide range in pricing, and consumers must take delivery fees into account.

According to the USDA, in 2022 nearly 20% of US shoppers bought groceries online.[28] Time constraints are the most frequently cited reason shoppers make online grocery purchases. Interestingly, parents with children are twice as likely as other shoppers to shop online – the convenience of online purchasing is a huge draw for working parents balancing multiple schedules. On the other hand, one of the principal reasons people choose to shop in a store is a preference for seeing and touching the products they purchase.[29] This mirrors comments we heard from residents in Salem who expressed a desire to select fresh produce and meat at a brick-and-mortar store where they could choose products in person. In addition, delivery fees can be expensive, whether they are store or non-store (Instacart, DoorDash) delivery charges.

Constraints and Impediments

Many of the challenges facing Salem stem from pervasive poverty, which affects almost one third of the population. It is further complicated by the limited number of job opportunities nearby and long-term disinvestment in housing that has led to vacancies, abandonment, and blight. The New Jersey Department of Community Affairs (DCA) has designated Salem City as a “Distressed City” and an “Urban Aid Municipality” because of its deep poverty. According to DCA’s most recent Municipal Revitalization Index (MRI), Salem is the second most distressed municipality in the state, following Camden. Nearby Penns Grove Borough, also located in Salem County, is ranked third.

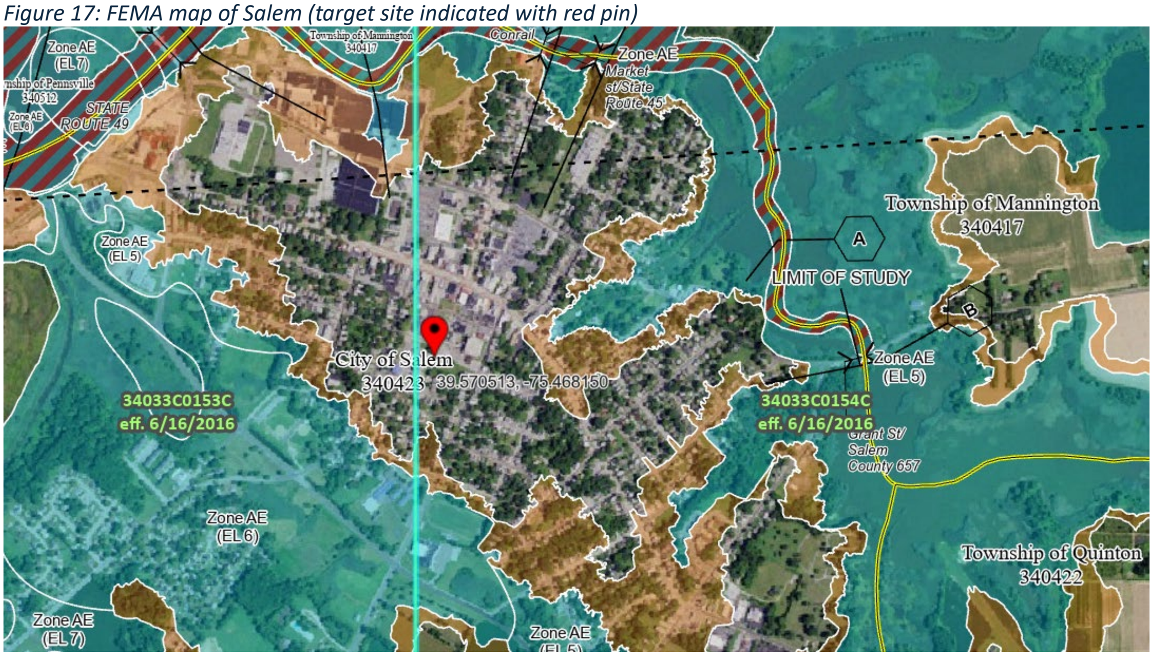
[23] https://www.emarketer.com/insights/digital-grocery-industry/
[24] https://www.statista.com/forecasts/891082/online-food-delivery-revenue-by-segment-in-united-states
[25] https://www.statista.com/topics/1915/online-grocery-shopping-in-the-united-states/#topicOverview
[26] https://www.supermarketnews.com/technology/digital-grocery-sales-hit-31b-q1-grocers-still-have-work-do
[27] Health concerns are another top reason consumers choose online over in-store grocery shopping.
[28] https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=108618
[29] https://www.grocerydive.com/news/parents-more-likely-to-buy-groceries-online-fmi/691831/

While its position at the confluence of the Delaware River and tributary Salem River supported manufacturing and shipping in the past, Salem is susceptible to coastal flooding and sea level rise due to its location on a flat, coastal plain. Flooding from the Salem River and other local waterways also poses a threat. This adds another layer of complexity and increases the importance of building resilience as the community works toward revitalization. Over the past several decades, the city has faced multiple severe weather events, hurricanes, sea level rise, extreme heatwaves, and droughts.

Approximately 54% of the city's total area is within the Federal Emergency Management Agency (FEMA) 1% flood hazard area; 71% is in the Inundation Risk Zone (IRZ), a State determination of the tidal flood hazard area at significant risk for future permanent or daily inundation; and 89% is in the Climate Adjusted Flood Elevation (CAFE) Zone, which is a state calculation whereby the projected five feet of sea level rise is added to the FEMA base flood elevation.

The target site is located just two blocks south of West Broadway and has a one- to two-block buffer from the edge of the 0.2% Annual Chance Flood Hazard Area, also known as the 500-year flood plain. In this area, there is a 0.2% chance of a flood occurring in any given year. However, the site is within about three blocks of a large area of Salem that is in the FEMA 1% Flood Hazard Area (Flood Zone AE), which has a 1% annual chance of flooding – the 100-year flood zone. While this may sound like a small probability, it translates to a 26% chance of flooding over a 30-year period.[30] In reality, "100-year flood" is a misnomer, as floods that meet this threshold can occur more often than once in 100 years.[31]

Figure 17: FEMA map of Salem (target site indicated with red pin)



Source: FEMA Flood Map (see full-size map and legend in Appendix)

[30] Federal Emergency Management Agency (FEMA) and FEMA Flood Map. https://msc.fema.gov/portal/search?AddressQuery=25%20New%20Market%20Street%2C%20Salem%2C%20NJ

[31] A *Recurrence Interval* or *Return Period* in statistics measures the frequency of occurrence of a given event over a specified period of time. Generally, the time period is 10 years or longer for Recurrence Intervals that measure the frequency of floods, earthquakes, or other natural events that are used in risk analysis. Simply put, in any 100-year period analyzed, a 100-year flood event may occur once, twice, 50 times, or never.

The FEMA maps (and the maps in the Resilient Salem Resilience Action Plan completed in December 2023) indicate that the site is free from flooding, but the FEMA 1% Flood Hazard Area encircles the target site. This means that any construction or development proposed must address this potential flood risk. The maps in the Resilient Salem Resilience Action Plan clearly indicate that large swaths of Salem's residential, commercial, and manufacturing districts are under threat from flooding. Open space, critical facilities, cultural and historic resources, ecological resources, employment centers, and residential neighborhoods are all potentially vulnerable to flooding. To minimize any potential future issues from a serious flood event, thought and consideration should be given to how the site is constructed and used. For example, if a grocery store is built at the site, basement storage may not be ideal. Salem's pervasive poverty and vulnerable populations (as well as its older housing stock) mean that any severe weather event can seriously impact the community and limit its ability to recover. Any new development at the target site should address climate resilience to limit or prevent impacts from future climate events.

Another constraint is that the City of Salem has an older housing stock, with nearly half built prior to 1940, 84% built before 1979, and very little new housing constructed since 2000. This complicates planning for resiliency and sustainability and poses serious health risks. It is perhaps not surprising that 4.6% of Salem children under six years of age showed Elevated Blood Lead Levels (EBLL) in their screenings – the highest proportion in New Jersey.[32]

According to the US Census Bureau's American Community Survey (ACS) five-year estimates from 2022, the City of Salem had a total of 2,850 housing units. The majority (66%) of occupied units were renter-occupied (66.2%), with the remainder (33.8%) owner occupied. In 2022, the median home value in the city was $65,100. This is significantly lower than the county's median home value of $208,200 and

HUD CHOICE PROJECT

Westside Court is a public housing complex composed of 76 garden-style apartments and is the focus of the US Department of Housing and Urban Development's Choice Neighborhoods Planning Grant in Salem. The goal is for this severely distressed public housing complex – slated for demolition – to be rebuilt as mixed-income housing enhanced by neighborhood improvements and supportive services that will improve the quality of life and increase opportunities for public housing residents and the surrounding Salem community. One element of the HUD planning grant is monetary support for the implementation of an early action activity targeting small but concrete neighborhood improvements selected by the community. At a public meeting on February 13, 2025, attendees overwhelmingly voted to support improved food access through this early action project. Specifically, the project will involve collaboration with Ranch Hope, a local faith-based community organization that is pursuing an ambitious project in conjunction with the public sector and both non-profit and for-profit entities. The proposal envisions a multi-faceted development in Fenwick Plaza (located in the heart of downtown Salem) that includes a non-profit healthy food store and food pharmacy on the first level; offices for the Cumberland County Workforce Development Board on the second floor; and space for youth programming on the third floor. This initiative is in the planning stages, and Ranch Hope is currently pursuing innovative funding sources and partnerships with local food suppliers and public agencies for the project's implementation. A first phase of this project is anticipated for completion by the end of 2025.

[32] Childhood Lead Exposure in New Jersey Annual Report, State Fiscal Year 2020. New Jersey Department of Health.

far less than the state's median home value of $401,400. According to the 2022 ACS estimates, the median contract rent in Salem City was $980. Because of the age of housing and low home values – along with the high percentage of landlord-owned properties – the housing stock is severely impacted. Residents are not able to afford regular maintenance or capital improvements, and landlords do not have the financial incentive to do so, given low rental returns. Almost a quarter of housing units were vacant in 2022.

In addition to income, health, and housing challenges, Salem faces unemployment that is almost twice as high as the county average and nearly three times the state average. The unemployment rate of 11.6% (2022) likely does not capture the full extent of joblessness and underemployment: the relatively low proportion of Salem residents over 16 years of age who are in the labor force suggests that a significant number have given up actively looking for work.[33]

Even though some of these constraints are not directly related to food access, it is important to note that the challenges Salem faces are complex and interconnected. Low incomes and high unemployment in particular are relevant, because access to food is not only a geographical issue but also an economic one. Health challenges are also relevant. Salem County's incidence of diabetes is almost twice the state average, and obesity rates among adults are also almost twice the state average.[34] These health issues are far more common among individuals living in poverty, and they are exacerbated by lack of access to fresh, nutritious food. Lack of access to a vehicle is also connected to poverty and is relevant to access to food, education, health, and employment opportunities, as well as vulnerability in extreme weather events. In Salem, almost 30% of households do not have access to a car.[35]

Sustainability & Environmental Impact

Salem County contains six rivers and more than 34,000 acres of meadowlands, marsh lands, tidal and freshwater wetlands, numerous lakes, ponds and beaches, an underwater aquifer, and a variety of streams and headwaters. Many of the valuable natural features are among the healthiest and most abundant wildlife habitats in the state.[36] 42.6% of the county's total land is utilized for farming and agriculture. Agriculture has been a way of life in the region since the Lenni-Lenape Indians, who were native to the area, farmed the land prior to the Quakers settling in the area in the 1670s.[37] The region has remained agricultural in nature; however, shipping, chemical and glass manufacturing, and large industries have thrived in Salem over the past centuries.

No environmental analysis has been done on the three parcels that comprise the target site. There are many known brownfield sites in Salem and the surrounding region, and there are sites (not including the target site) that have been addressed with New Jersey Hazardous Discharge Site Remediation Fund

[33] People aged 16+ who are not employed *and* are not actively seeking employment are not considered to be part of the labor force. The labor force is made up of people who are employed and people who are actively seeking work. The unemployment rate only considers people who are actively seeking work, not those who may be underemployed or people who have become discouraged and stopped looking.

[34] Salem County Community Health Profile. New Jersey State Health Assessment Data. New Jersey Department of Health.

[35] US Census Bureau American Community Survey 5-year estimate, 2018-2022.

[36] Government Salem County, NJ: About Salem County. https://www.salemcountynj.gov/about-salem-county/

[37] Salem County Cultural & Heritage Commission: 8. Salem County Economic Development. https://culture.salemcountynj.gov/project/salem-county-economic-development/

grants in the past. In 2021, Salem was awarded an $800,000 US Environmental Protection Agency (EPA) Brownfield Multipurpose grant to investigate and remediate contaminated sites in the city. In February of 2025, the EPA approved use of these funds for 25 New Market Street, and a preliminary environmental assessment for the site – as well as investigation of past uses of surrounding properties – is expected to be completed in spring or summer of 2025.

Once complete, a preliminary assessment will provide crucial information on the condition of the site and potential next steps required for further environmental investigation and remediation prior to redevelopment. Because the EPA has approved 25 New Market Street as eligible for funding through the Multipurpose grant, it may be possible for the city to fund both environmental investigation and at least some of any necessary remediation through this grant.

Figure 18: 2nd floor interior of 25 New Market

Photo: BRS site visit 18 December 2024

An environmental assessment may also be needed for 21 New Market St. (identified as a bowling alley on Sanborn maps dating back to 1947-1959) and the paved lot at Block 63, Lot 1.01, which once was the location of the Richard M. Acton Public School. Given that cars are frequently parked in Lot 1.01, it is possible that leaked petroleum and/or oil is present. Before these portions of the site can be redeveloped, it is necessary to complete a full assessment and remediate any existing contamination in line with the desired new uses.

Location/Accessibility and Transportation Analysis

As noted in the Market Analysis section of this study, the most recent USDA data available indicates that Salem County had 16 grocery stores (0.25 stores per 1,000 residents), 11 specialized food stores, 24 convenience stores, and two farmers markets (but no supercenters and/or club stores) in 2016. Nearly all of the food stores (50 of 51) accepted SNAP, but only eight accepted WIC. No information was available on benefit programs accepted at farmers markets.

In conversations with residents and in Community Survey responses, it became evident that there is a hierarchy of the types of food stores people visit. Larger grocery stores, supermarkets, and supercenters are preferred – even if they require a longer trip – because they offer a full selection of products and offer a "one-stop" option that can supply a household for a longer period of time. About 70% of survey respondents prepare meals at home between five and seven days a week, and over half shop for groceries either once a week or once every two weeks. This suggests that a majority of residents look for a store that can meet all of their grocery needs. In fact, 95% of survey respondents usually shop at large supermarkets, although many supplement a large weekly or biweekly visit to the supermarket with trips to local dollar stores, convenience stores, online retailers, the local butcher shop, and farmers markets elsewhere in the county. Residents are more likely to stop in at a local convenience store or dollar store for an unexpected need or forgotten item, such as a box of cereal or a loaf of bread, even though the prices may be exorbitant compared to those at a supermarket.

Over 60% of survey respondents travel to Woodstown (which has an Acme supermarket) or to Pennsville (which has a Save-A-Lot, an Acme, and a Walmart that sells food but not produce or meat). Others travel as far as Vineland, New Castle (Delaware), Swedesboro, Upper Deerfield, Bridgeton, and Glassboro. Residents who own or have access to cars have the luxury of choosing when and where to shop, allowing them to prioritize price, quality, or freshness. Those without cars have more limited choices. Since Salem is a very small city in the heart of a rural county, the public transportation options are severely limited compared to most urban centers.

Figure 19: Bus #468 stop in Salem

Photo: BRS site visit 18 December 2024

NJ Transit bus route #468 travels between the Acme in Woodstown and the Carney's Point Senior Apartments and makes 67 stops, with a trip duration of approximately 75 minutes from start to terminus.[38] This route passes through Salem. The bus runs Monday through Friday from 5:30am to 7:10pm; on Saturday the bus runs from 9:30am to 5:00pm. There is no bus service on Sundays. The bus's frequency on weekdays is every 45 minutes to 1 hour and 10 minutes, depending on the time of day, and on Saturdays, the time between buses is lengthened to 1 hour and 15 minutes. Even if a Salem resident is able to coordinate grocery shopping to coincide with bus service, public transit is not the ideal means of travel to purchase and transport groceries for a large household.

NJ Transit bus route #401 travels between Salem and Philadelphia and has three different routes that vary from 67 to 107 stops. Total travel time varies from 55-109 minutes. According to the schedule, each route runs at least once a day, seven days a week; however, Tuesday through Friday on the Woodbury route there is only one bus scheduled, which leaves Philadelphia at 4:29 pm. If a Salem resident misses this bus, there is no "next bus." Presumably this bus serves commuters to Philadelphia, and its schedule has likely been adjusted to accommodate the work schedules of its users. This bus travels through Woodstown but does not stop near the Acme and is therefore not a transportation solution for grocery shopping.

The Salem County Transportation and Resource Guide, prepared by the Salem County Department of Planning and Agriculture (December 2010 and most recently updated in April 2013) highlights a variety of transportation options available for Salem County residents.[39] Each option logged in the guide also indicates the hours the mode is in operation, whether a fare is required, contact information, and the type of clientele served. However, many of the transportation options only provide service to each

[38] https://transitapp.com/en/region/new-jersey/nj-transit/bus-468 and 6294-2713026954.pdf
[39] Transportation Guide, April 2013. https://www.salemcountynj.gov/wp-content/uploads/filebase/planning_board/Transportation%20Planning/transportation%20guide%20April%202013.pdf

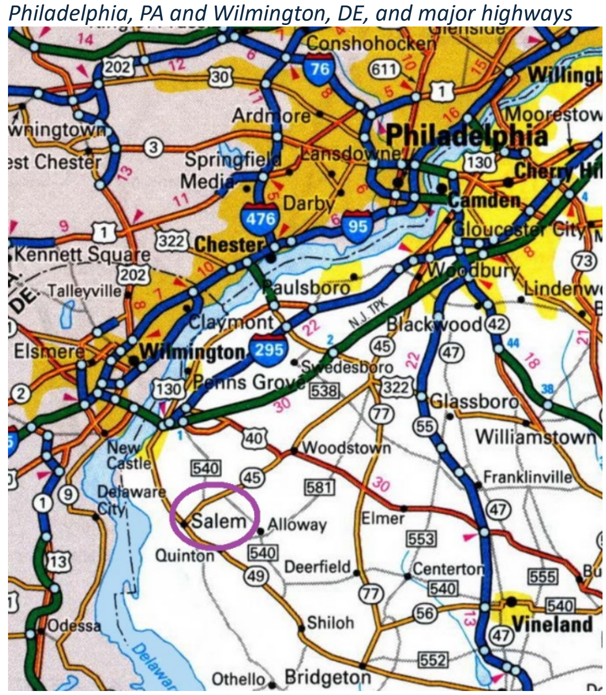
agency's specific clients in the area. For example, the Salem County Office on Aging only provides rides for elderly clients or veterans aged 60 or older, and transportation services only operate Monday through Friday between 8:00 am and 5:00 pm. Similarly, Senior Cares Center of Salem, Shirley Eyes Development Therapeutic Center, Inc., Veterans Services, Salem County Department of Children and Family Protection, Healthcare Commons, Pearl Transit Corp., and the Arc of Salem County limit their respective transportation services to their clientele. The guide appears to have been published as a resource and a means of codifying the available transportation services, yet it serves to highlight the complexities of living without a personal vehicle for transportation in a rural county.

It became apparent in conversations with stakeholders and residents that there are two main groups that people in the community fall into with respect to food access. The first group tends to have very low incomes and may also lack a vehicle. They may be dependent on public transit, carpools, borrowing a car, or using a ride shares program (e.g., Uber or Lyft) to get to a food store, or they may rely on the food pantry – or both. They may also patronize local convenience stores and dollar stores. The second group has more financial comfort and is likely to own a car and use it to commute to their place of employment and other necessities. This second group has the means to travel to a store to purchase groceries, and although they may wish Salem had its own supermarket, they are able to drive to a store in another community. Unlike the first group, this group is able to choose where they shop and how they get there.

As was noted in the Market Analysis, there are a significant number of people (e.g., county and municipal employees, business owners, etc.) who live outside of Salem and travel to the city for work, and a similarly significant number of Salem residents who travel outside of the city for employment. Only half of Salem residents work within Salem County, and the average work commute time is about 27 minutes. Residents indicated during conversations that they often choose to shop for food at a store that is near their place of employment (if that is not Salem) or along their route to or from work.

Although public transportation choices for individuals are limited, the City of Salem and Salem County are conveniently situated to take advantage of roadways, railways, the port, and even regional airports. While the predominantly one-lane roads within and immediately surrounding the city are not major throughways, they connect to a national supply and distribution network in relatively close proximity. The County has 18 miles of a short-line railroad that connects directly to the larger, national CSX freight railway system. Port Salem offers 80,000 SF of prime warehouse and storage space and is conveniently located a short distance from the Chesapeake and Delaware Canal, Wilmington (Delaware), the Port of Baltimore, Philadelphia, the Delaware Bay, and the Atlantic Ocean. Salem is within easy driving distance of the Delaware Memorial Bridge, Interstates 95 and 295, and the New Jersey Turnpike, as well as US Routes 40 and 49. US Route 55 was completed in 1988 to

Figure 20: Salem (circled) is located in close proximity to Philadelphia, PA and Wilmington, DE, and major highways



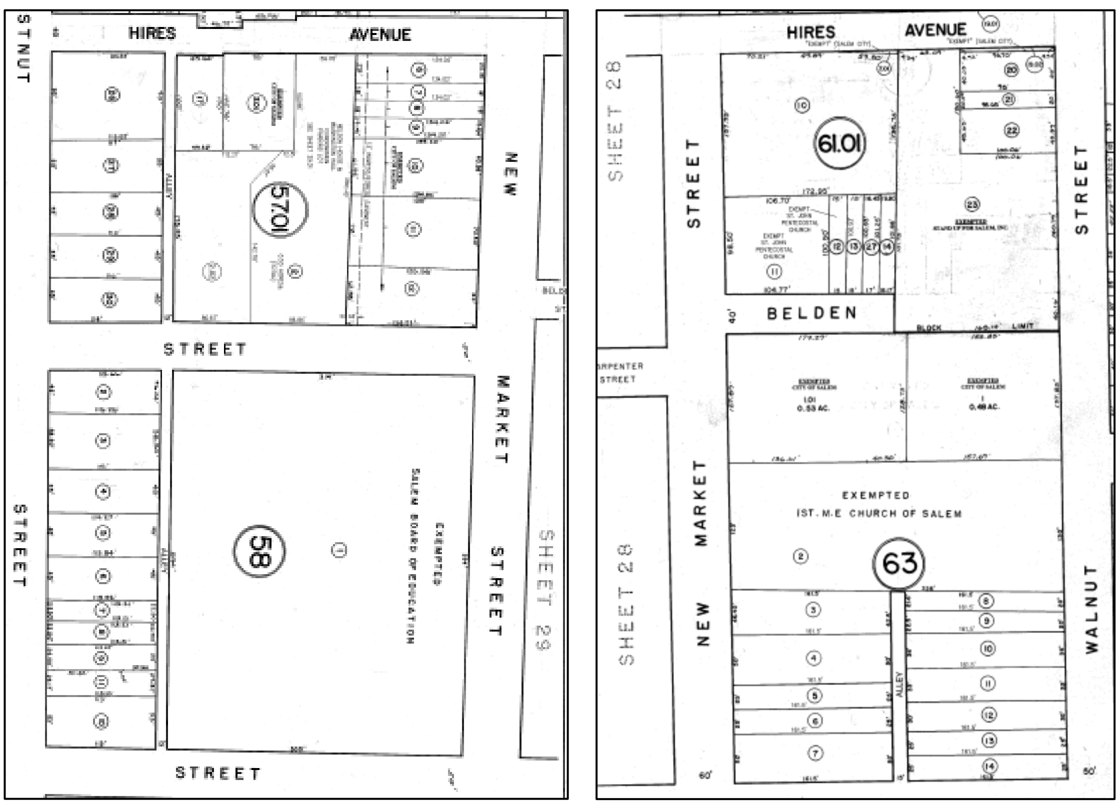
Source: US-Atlas.com

improve distribution access for agricultural and industrial businesses looking to transport their products to markets within and outside of Salem County.[40] Finally, Salem County is within driving distance of two international airports (Philadelphia and Atlantic City) as well as two regional airports (New Castle Airport and Spitfire Aerodrome). All of these linkages provide businesses in Salem with a logistical advantage that allows efficient access to a national distribution and supply network.

Legal and Regulatory Considerations

The target site at 25 New Market Street is a vacant, two-story industrial or manufacturing style building that is noted in city documents as having been a factory. The site is designated on the Zoning Map of the City of Salem as being in the C-1 Retail Commercial zone.[41] While zoning and tax maps are generally consistent in the way they reflect the existing layout of the blocks and streets in the community, there is a discrepancy between the tax maps and the Zoning Map with respect to Belden Street. On the Zoning Map, Belden Street connects to both New Market Street and Walnut Street, completing a rectilinear block. On the Tax Assessor Maps (and as was clear on the site visit), Belden Street is accessible from New Market Street but dead ends in the middle of the block to the east and no longer connects to Walnut Street. An aerial view (as shown in Figure 4 and Figure 17) shows Belden Street on the northeastern

Figure 21: Target site on Salem's Tax Map



Source: City of Salem tax map, pages 28 and 29

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[40] Salem County Economic Development: Transportation & Infrastructure. https://choosesalem.com/transportation-infrastructure/

[41] The City of Salem Zoning Map is dated April 22, 1976, Revised July 1, 1977.

border of the city-owned surface parking lot. A seven-story parking garage was constructed at this location and appears to be at least part of the reason Belden Street became a dead end. This parking structure is owned by a local nonprofit organization called Stand Up for Salem, Inc.

According to Chapter 130 on Land Use in Salem's code, there are three distinct classifications for commercial uses: RLC denotes Residence Limited Commercial, C-1 denotes Retail Commercial, and C-2 denotes General Commercial. Article XII articulates which uses are permitted in each of these respective districts, as well as additional requirements for construction at a particular site. The box below indicates the uses permitted for the target site, which is in the C1 Retail Commercial District.

What does the zoning permit?

The following uses are permitted in a C-1 Retail Commercial District as detailed in 130-60(B):

(1) Any use permitted in RLC Residence - Limited Commercial Districts.

(2) Retail store.

(3) Restaurant, cafe or catering establishment.

(4) Theater and other place of amusement, recreation or assembly.

(5) Residential apartments containing kitchen and bathroom facilities, subject to the minimum square footage requirements for apartments set forth in § 130-56, and further provided that residential apartments shall not be permitted on the first floor/street level. **[Amended 12-5-2005 by Ord. No. 05-36]**

(6) Hand laundry; automatic or self-service laundry (laundromat); or self-service synthetic dry-cleaning establishment or synthetic cleaning establishments.

(7) Newspaper publishing or job printing establishment.

(8) Bakery or confectionery shop, for the production of articles to be sold only at retail on the premises.

(9) Public garage, motor vehicle service station, automobiles sales agency, parking garage or lot, provided that all facilities are located and all services are conducted on the lot.

(10) Any use of the same general character as any of the above permitted uses, provided that no use which is noxious or hazardous shall be permitted.

(11) Accessory use on the same lot with and customarily incidental to any of the above permitted uses, and signs when erected and maintained in accordance with the provisions of Article XVII hereof.

While neither a supermarket nor a grocery store is specifically listed as permitted in the text of the regulations, it is assumed that a retail store – which is permitted – could mean a retail food store. For the purposes of this study, it is assumed that this use is permitted at 25 New Market Street. The area regulations in 130-61 further specify how parcels in this district can be constructed and used.

First, with respect to the *Building Area*, not more than 60% of the area of each lot can be occupied by buildings. The existing building at the target site occupies almost the entirety of the lot, which would classify it as a pre-existing building that is nonconforming with respect to the regulations. Article XVI General Regulations, 130-77 of the Land Use regulations specify five options for nonconforming buildings or uses: Continuation, Extension, Changes, Restoration, or Abandonment. Based on the explanations for each option, the proposal would likely fall into the changes or restoration categories. Changes are defined as changes to the building or land where the nonconforming use is located such that it changes to a conforming use or to a more restricted use; a less restricted use is not permitted. (The building appears to have once been used for some type of manufacturing or automotive use, neither of which is permitted in the C-1 district under today's regulations.) Changing the building to a retail food store would be likely be permitted.

Figure 22: 25 New Market St.

Photo: BRS site visit 18 December 2024

Next, 130-61 specifies that a *Front Yard* is required along each street frontage that a parcel abuts. For a corner lot like 25 New Market Street, a front yard is required on both frontages – Carpenter and New Market Street. However, the regulations note that the front yard on the long side of a corner lot (Carpenter Street) may be reduced to a depth of not less than 10 feet. Reducing the requisite size of the front yards for corner lots enables better layout and use of the parcel, making it more attractive to developers. While the regulations note that buildings used exclusively for commercial purposes are not required to provide a side yard, there is a caveat: when side yards are provided, they cannot be less than five feet in width, and when the lot is used for business and abuts a residential district, a side yard of at least five feet is required along the frontage that borders the residential district. Finally, a rear yard of 20 feet is required.

One of the limiting factors and a major constraint to the redevelopment of the building at 25 New Market Street is the size of the land parcel (9,500 SF). Aside from the requirements for side, front, and rear yards, the regulations specify that the site design needs to address off-street parking, off-street loading, access, exterior lighting, buffering and screening, and landscaping requirements. There are additional requirements for stormwater and utility design. Even Lots 11 and 12 combined (about 19,083 SF) would present size constraints, given necessary site improvements such as off-street loading space, exterior lighting, screening, buffering, and landscaping.

Street access for food delivery trucks is another of the site's potentially limiting factors. Although there is a garage opening on the Carpenter Street side of the building at 25 New Market Street (which does not have a raised loading dock), Carpenter Street is a relatively narrow city street of about 23 feet in width. There is no area for trucks to park or turn around, and because the Salem Middle School is directly across Carpenter Street from 25 New Market, the area tends to be very busy with cars, buses, and pedestrians on school days in the morning and mid-afternoon.

The requirement for off-street parking per Schedule G specifies that for a retail store or service business, parking should be provided at a rate of one parking space per 150 SF of gross leasable area. If just the existing building were renovated as a grocery store (without additional construction on Lot 11), this roughly 14,280 SF of retail space[42] would require 96 parking spaces (of 9 feet by 18 feet each), as well as drive aisle widths that permit easy circulation. An assessment of the city-owned paved lot across the street (23,958 SF) would be required to determine if it could accommodate the required parking spaces, drive aisles, and ingress/egress points.

Conclusions

Development of a grocery store, farmers market, or other food retailer at the target site has its challenges and is not the perfect solution for improving food access in Salem. Located in downtown Salem near the middle school, downtown businesses, municipal and county offices, and other resources, the target site on New Market Street has its advantages. However, it also has significant constraints. The existing building at 25 New Market Street is not particularly large, and renovations to redevelop the site as a new retailer would be extremely expensive – even if environmental remediation is unnecessary, which is unknown at this point. Considerations such as zoning requirements for retail use, parking, and access for both customers and food delivery present additional hurdles.

Challenges the city faces include low incomes and a high rate of unemployment. Almost a third of residents live in poverty, and food access is just one of many problems – although it is a problem Salem residents of all income brackets tend to agree on. While its position at the confluence of the Delaware River and tributary Salem River supported manufacturing and shipping in the past, Salem is susceptible to coastal flooding and sea level rise due to its location on a flat, coastal plain. Approximately 54% of the city's total area is within the FEMA 1% flood hazard area. And the city's limited public transportation network does not support potential customers without cars who live outside the target site's immediate area. All of these factors are relevant to a decision about whether the site is suitable for redevelopment as a new food retailer.

Despite the site's relatively small size, it is large enough for a small or medium-sized grocery store. But small stores face additional challenges in establishing a reliable supplier and maintaining affordable prices. Small stores tend to have higher prices (unless they have supplemental funding or a non-

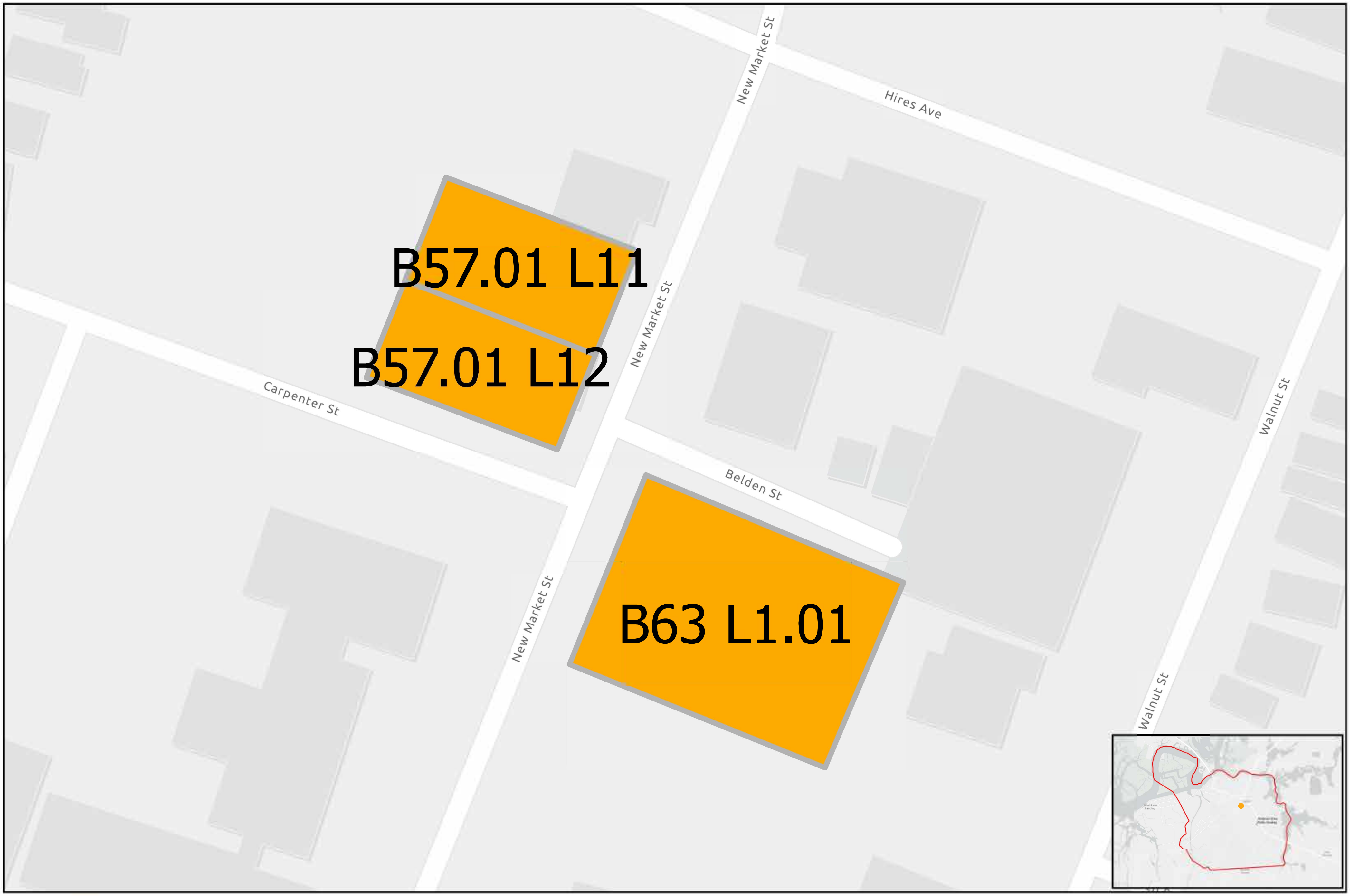
[42] Note that actual retail space would be less when accounting for the elevator, stairwell, restrooms, storage, offices, and any other essential non-sales retail components.

traditional structure). It is essential that a new retailer in Salem accept SNAP and WIC benefits, both to improve food access in the community and to attract a large enough customer base to be sustainable. A substantial percentage of Salem residents purchase food with these benefits, and if a new store is more expensive than supermarkets in other towns, any residents who have the means to travel to other supermarkets will continue to do so. This is because SNAP benefits are for a fixed dollar amount, incentivizing program participants to stretch their benefits by seeking out the best values.

Another challenge is addressing the needs of two distinct groups in Salem – the large group of residents with extremely low incomes, and the group with mid-level and higher incomes. Both feel that improving food access is a top priority. This second group generally has access to a vehicle and is able to travel to a supermarket in another town, even if it is inconvenient. They could be served by a new grocery store in Salem, as long as it carries the right mix of products and is responsive to their needs. But for the large, low-income group – which may not have access to a car – a new store along a traditional model will not solve the issue of access to food if it is not healthier and much more affordable than what convenience stores and supermarkets offer. In fact, for a significant proportion of Salem's population, food pantries and other sources of free emergency food will continue to be essential no matter what new retailer is developed.

Research has shown that a lasting solution must be customized to address the specific needs of a community. The ideal solution for Salem will address a multitude of problems, including food access, education and training, employment, and health. The next section of this study – *Part 3: Site Development Plan and Recommendations* – focuses on actions that can be taken to address food access issues for as many Salem residents as possible.

Appendix: Full-size Maps and Aerial Photos



BRS inc

0 37.5 75 150 Feet

N

Legend

Salem City Boundary

Target Site

Salem Food Security Planning Study

Target Site Location

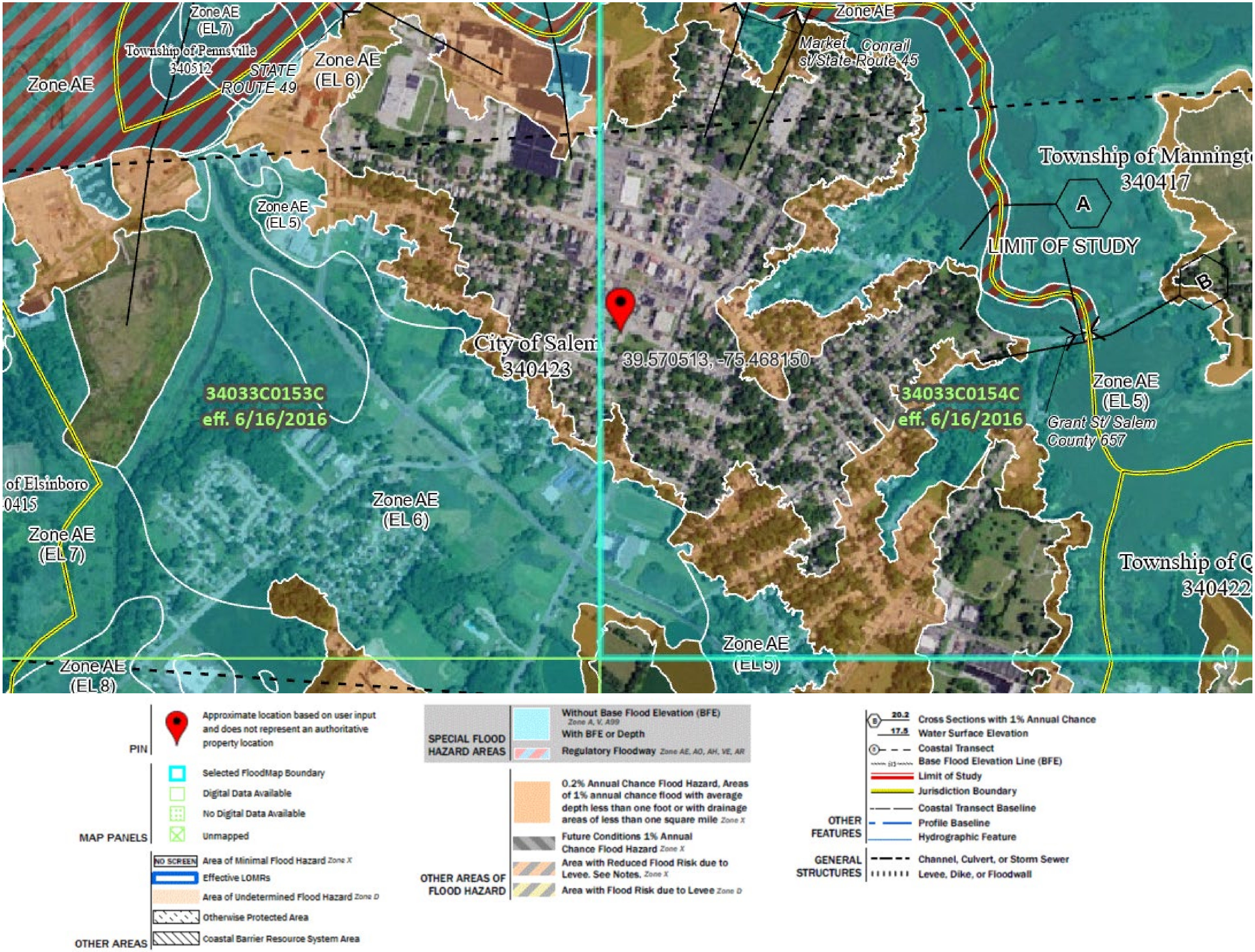
BROWNFIELD REDEVELOPMENT SOLUTIONS, INC
CITY OF SALEM, SALEM COUNTY, NEW JERSEY

Target Site Location by Block and Lot

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=99

FEMA Flood Map Service Center: 25 New Market Street

https://msc.fema.gov/portal/search?AddressQuery=25%20New%20Market%20Street%2C%20Salem%2C%20NJ



National Flood Hazard Layer FIRMette

FEMA

75°28'24"W 39°34'28"N

75°27'47"W 39°34'N

Feet
0 250 500 1,000 1,500 2,000

1:6,000

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- B 20.2 / 17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
- 8 Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

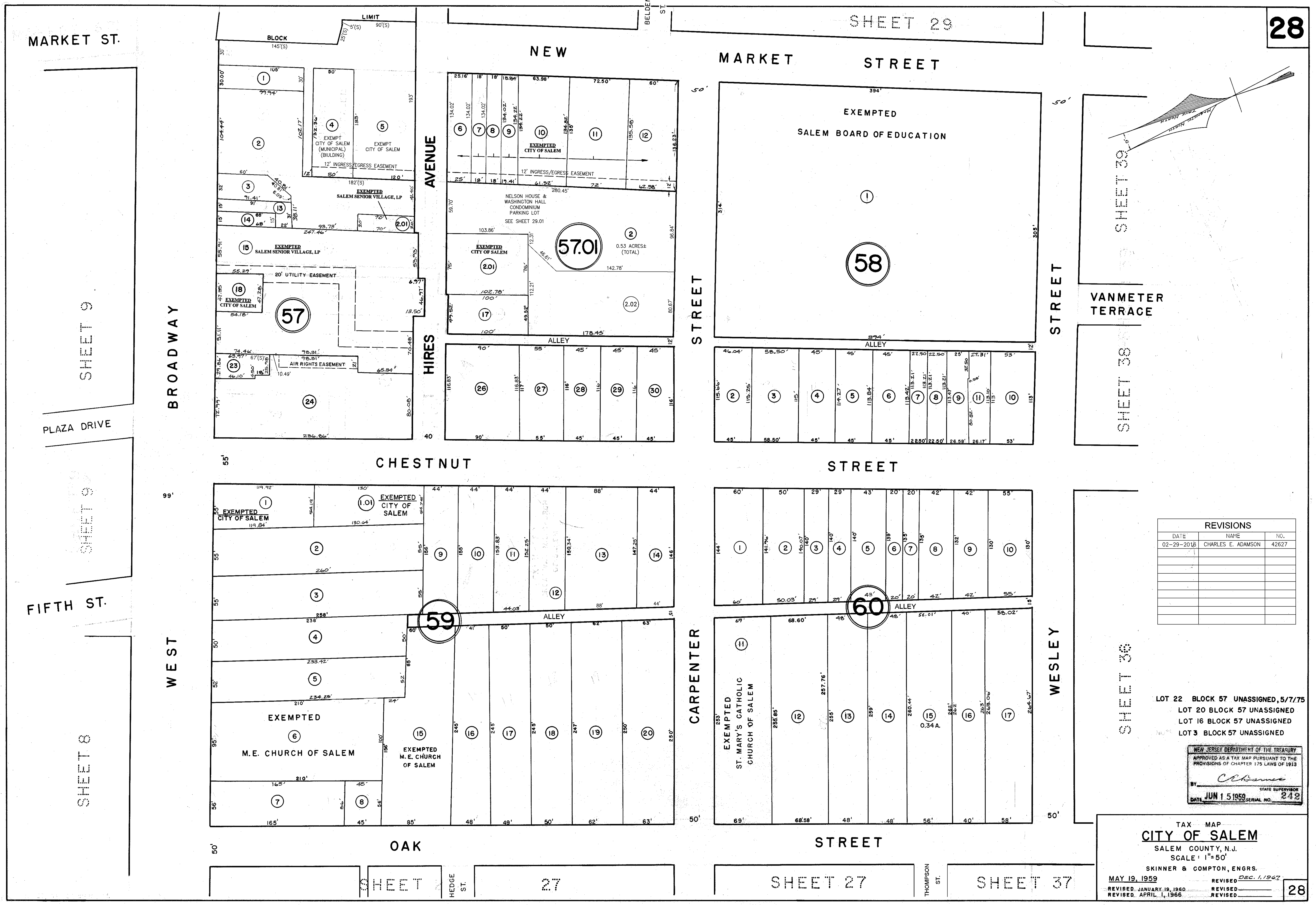
N

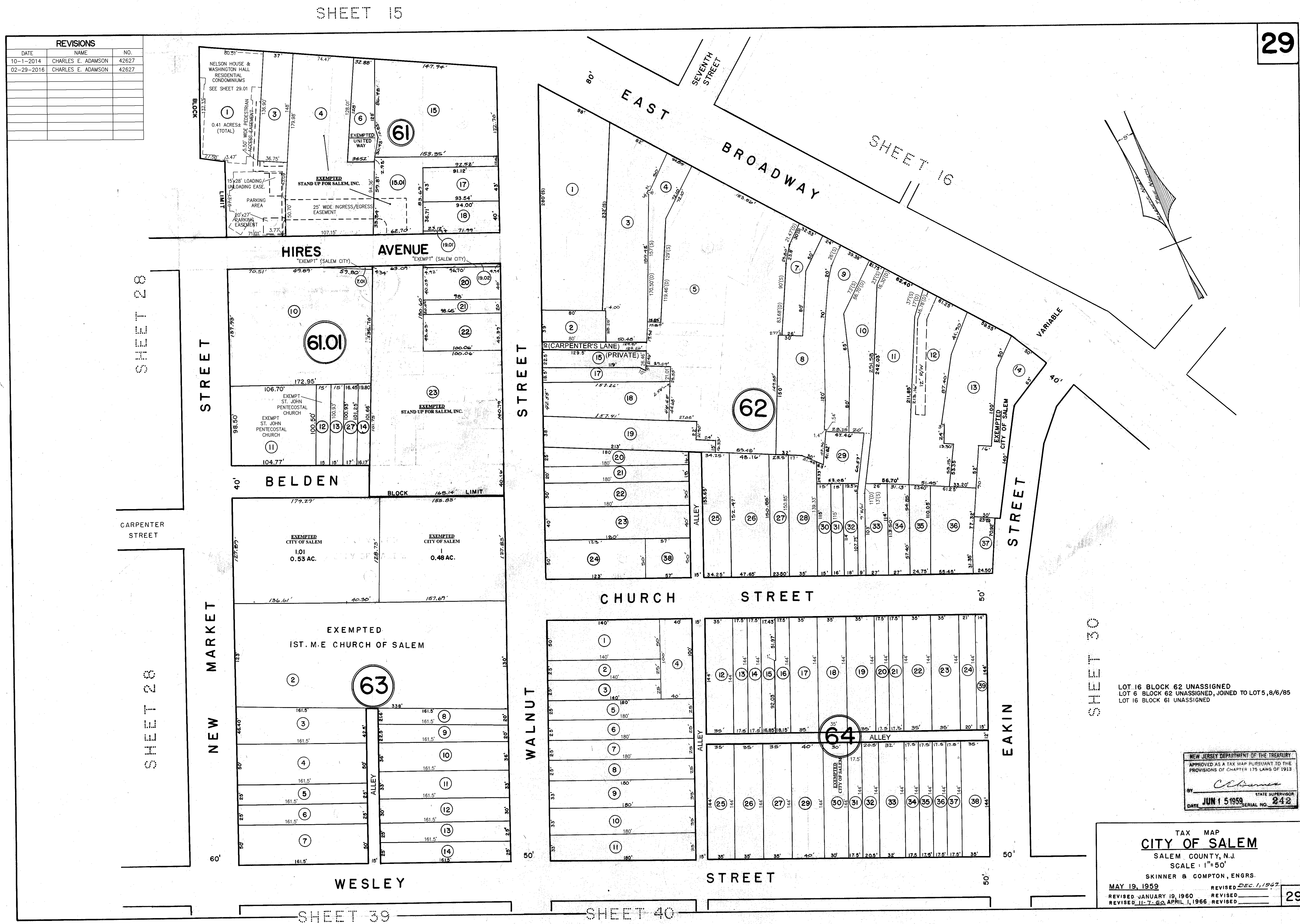
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 3/17/2025 at 8:39 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

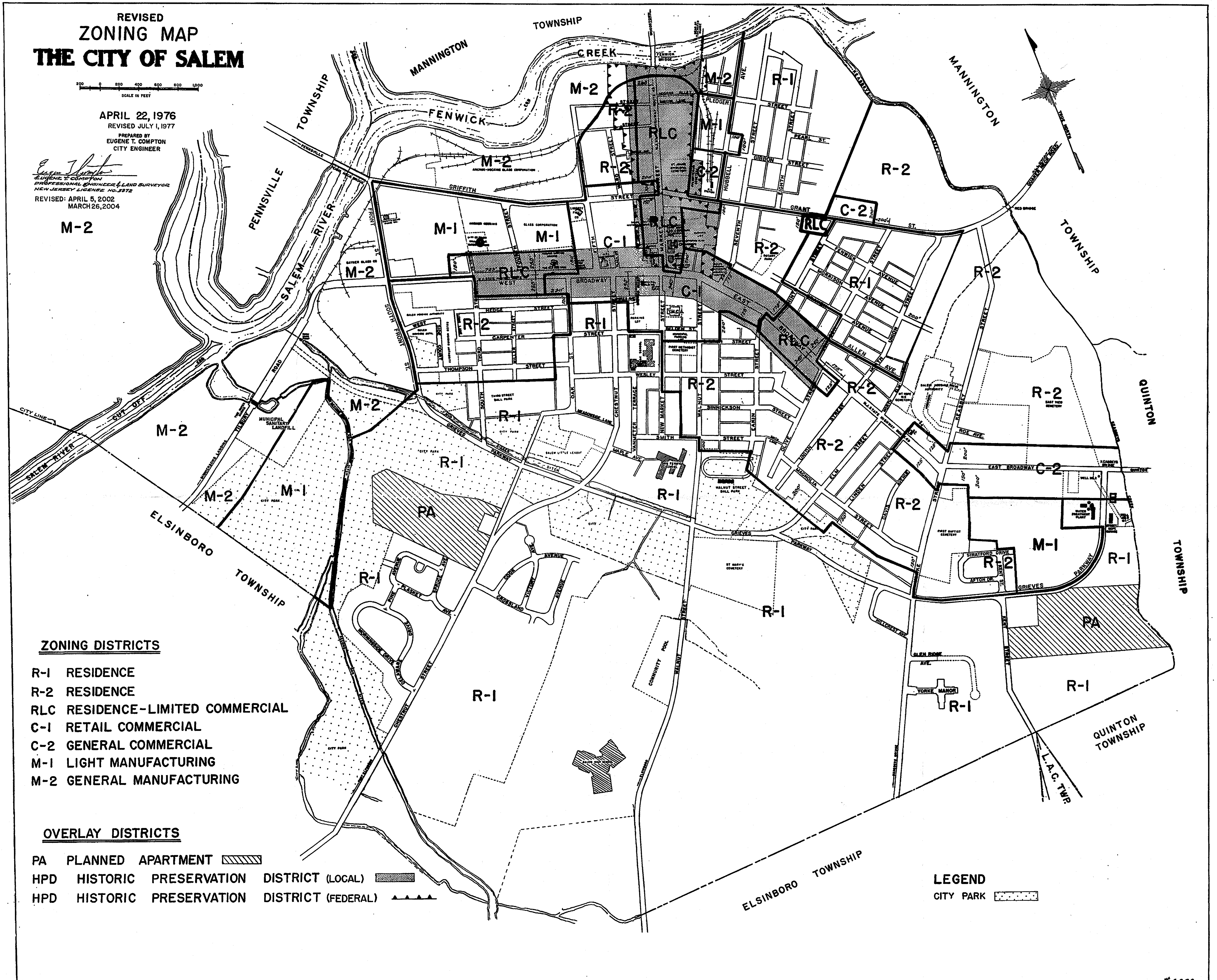
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

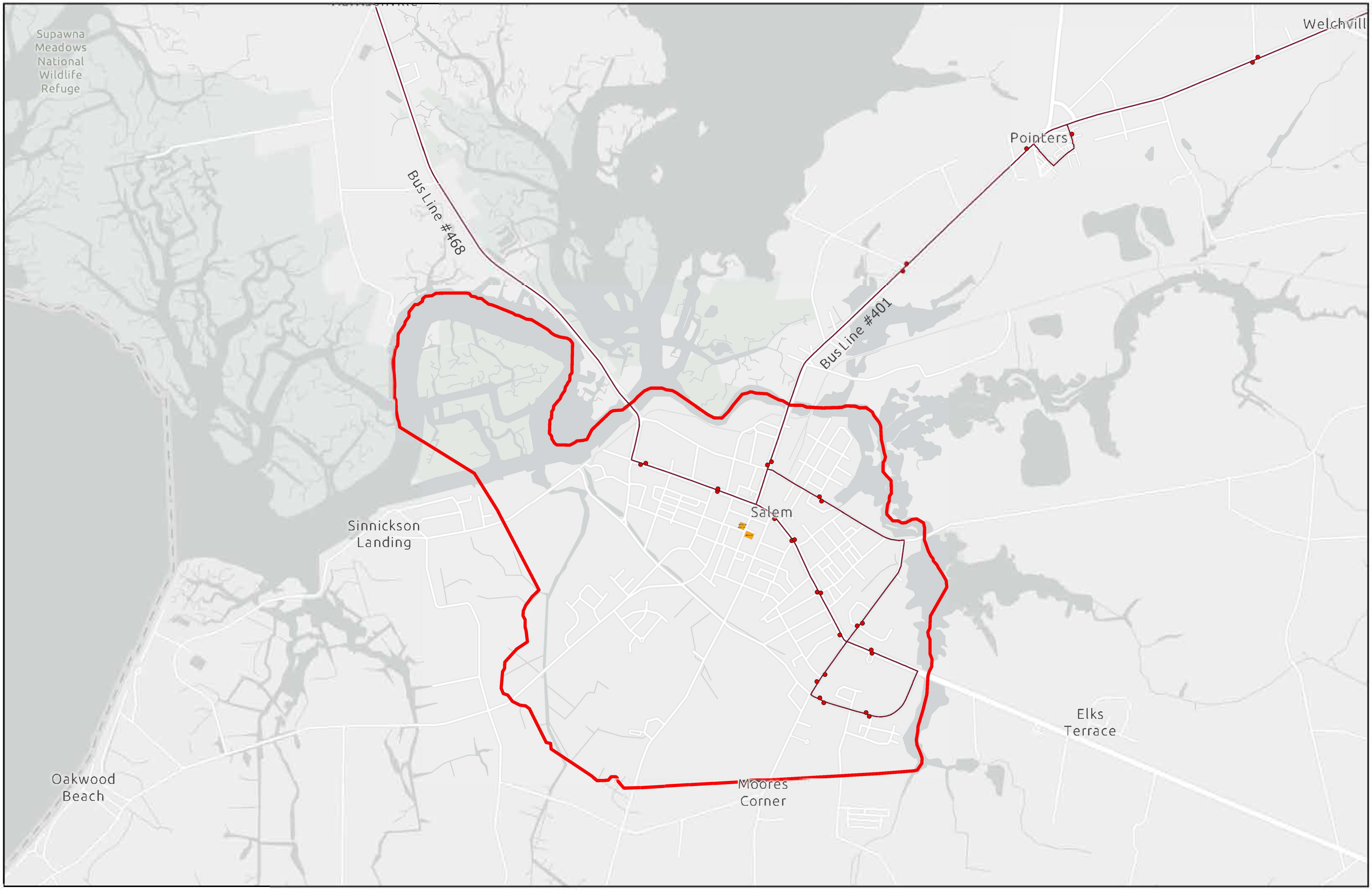

28
SHEET 29
MARKET ST.
NEW MARKET STREET
BELDEN ST.
BLOCK LIMIT
EXEMPT CITY OF SALEM (MUNICIPAL) (BUILDING)
EXEMPT CITY OF SALEM
12' INGRESS/EGRESS EASEMENT
EXEMPTED SALEM SENIOR VILLAGE, LP
EXEMPTED CITY OF SALEM
NELSON HOUSE & WASHINGTON HALL CONDOMINIUM PARKING LOT
SEE SHEET 29.01
0.53 ACRES± (TOTAL)
57.01
57
58
59
60
20' UTILITY EASEMENT
AIR RIGHTS EASEMENT
EXEMPTED SALEM BOARD OF EDUCATION
HIRES AVENUE
BROADWAY
WEST BROADWAY
SHEET 9
PLAZA DRIVE
FIFTH ST.
SHEET 8
CHESTNUT STREET
ALLEY
CARPENTER STREET
WESLEY STREET
VANMETER TERRACE
SHEET 39
SHEET 38
SHEET 36
EXEMPTED CITY OF SALEM
EXEMPTED M.E. CHURCH OF SALEM
EXEMPTED ST. MARY'S CATHOLIC CHURCH OF SALEM
0.34 A.
OAK STREET
SHEET 27
HEDGE ST.
THOMPSON ST.
SHEET 37
REVISIONS
DATE | NAME | NO.
02-29-2016 | CHARLES E. ADAMSON | 42627
LOT 22 BLOCK 57 UNASSIGNED, 5/7/75
LOT 20 BLOCK 57 UNASSIGNED
LOT 16 BLOCK 57 UNASSIGNED
LOT 3 BLOCK 57 UNASSIGNED
NEW JERSEY DEPARTMENT OF THE TREASURY
APPROVED AS A TAX MAP PURSUANT TO THE PROVISIONS OF CHAPTER 175 LAWS OF 1913
STATE SUPERVISOR
DATE JUN 15 1959 SERIAL NO. 242
TAX MAP
CITY OF SALEM
SALEM COUNTY, N.J.
SCALE: 1"=50'
SKINNER & COMPTON, ENGRS.
MAY 19, 1959
REVISED DEC. 1, 1967
REVISED JANUARY 19, 1960
REVISED APRIL 1, 1966
28



REVISIONS

DATE	NAME	NO.
10-1-2014	CHARLES E. ADAMSON	42627
02-29-2016	CHARLES E. ADAMSON	42627


REVISED
ZONING MAP
THE CITY OF SALEM
SCALE IN FEET
APRIL 22, 1976
REVISED JULY 1, 1977
PREPARED BY
EUGENE T. COMPTON
CITY ENGINEER
EUGENE T. COMPTON
PROFESSIONAL ENGINEER & LAND SURVEYOR
NEW JERSEY LICENSE NO. 3572
REVISED: APRIL 5, 2002
MARCH 26, 2004
ZONING DISTRICTS
R-1 RESIDENCE
R-2 RESIDENCE
RLC RESIDENCE-LIMITED COMMERCIAL
C-1 RETAIL COMMERCIAL
C-2 GENERAL COMMERCIAL
M-1 LIGHT MANUFACTURING
M-2 GENERAL MANUFACTURING
OVERLAY DISTRICTS
PA PLANNED APARTMENT
HPD HISTORIC PRESERVATION DISTRICT (LOCAL)
HPD HISTORIC PRESERVATION DISTRICT (FEDERAL)
LEGEND
CITY PARK
MANNINGTON TOWNSHIP
PENNSVILLE TOWNSHIP
ELSINBORO TOWNSHIP
QUINTON TOWNSHIP
L.A.C. TWP.
MANNINGTON CREEK
FENWICK CREEK
SALEM RIVER
SALEM RIVER CUT OFF
CITY LINE
GRIFFITH
BROADWAY
GRANT ST.
EAST BROADWAY
GRIEVES PARKWAY
CHESTNUT STREET
WALNUT STREET
COMMUNITY POOL
YORKE MANOR
#4680



Legend

- Salem City Boundary
- Target Site
- Bus Line
- Bus Stops

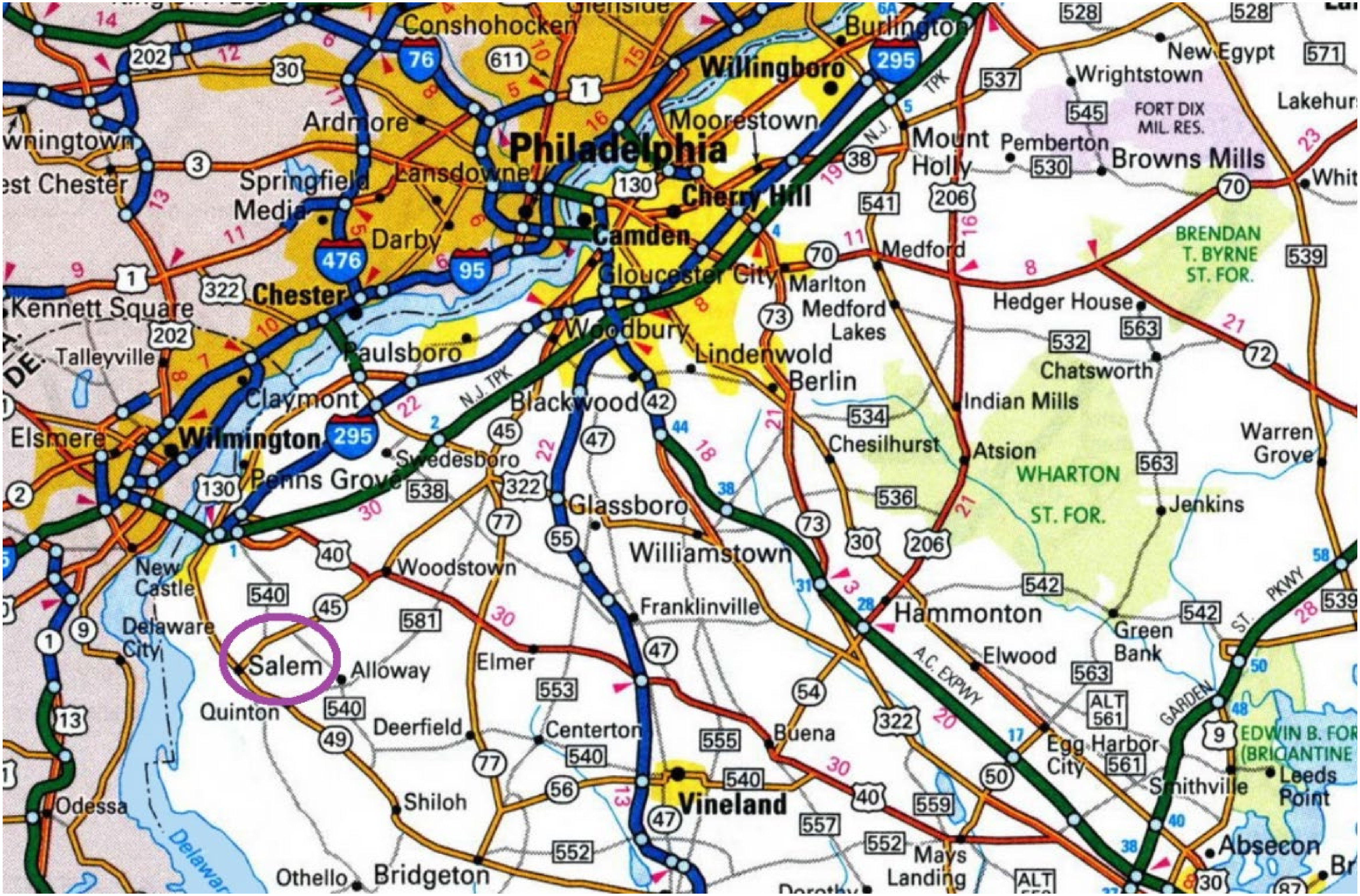
0 0.25 0.5 1 Miles

N

Salem Food Security Planning Study
Bus Lines and Target Site

BROWNFIELD REDEVELOPMENT SOLUTIONS, INC CITY OF SALEM, SALEM COUNTY, NEW JERSEY

Salem (circled in purple) is located in close proximity to Philadelphia, PA and Wilmington, DE, and major highways are easily accessible.



Source: US-Atlas.com (https://us-atlas.com/federal/new-jersey-interstate-map.html#google_vignette)

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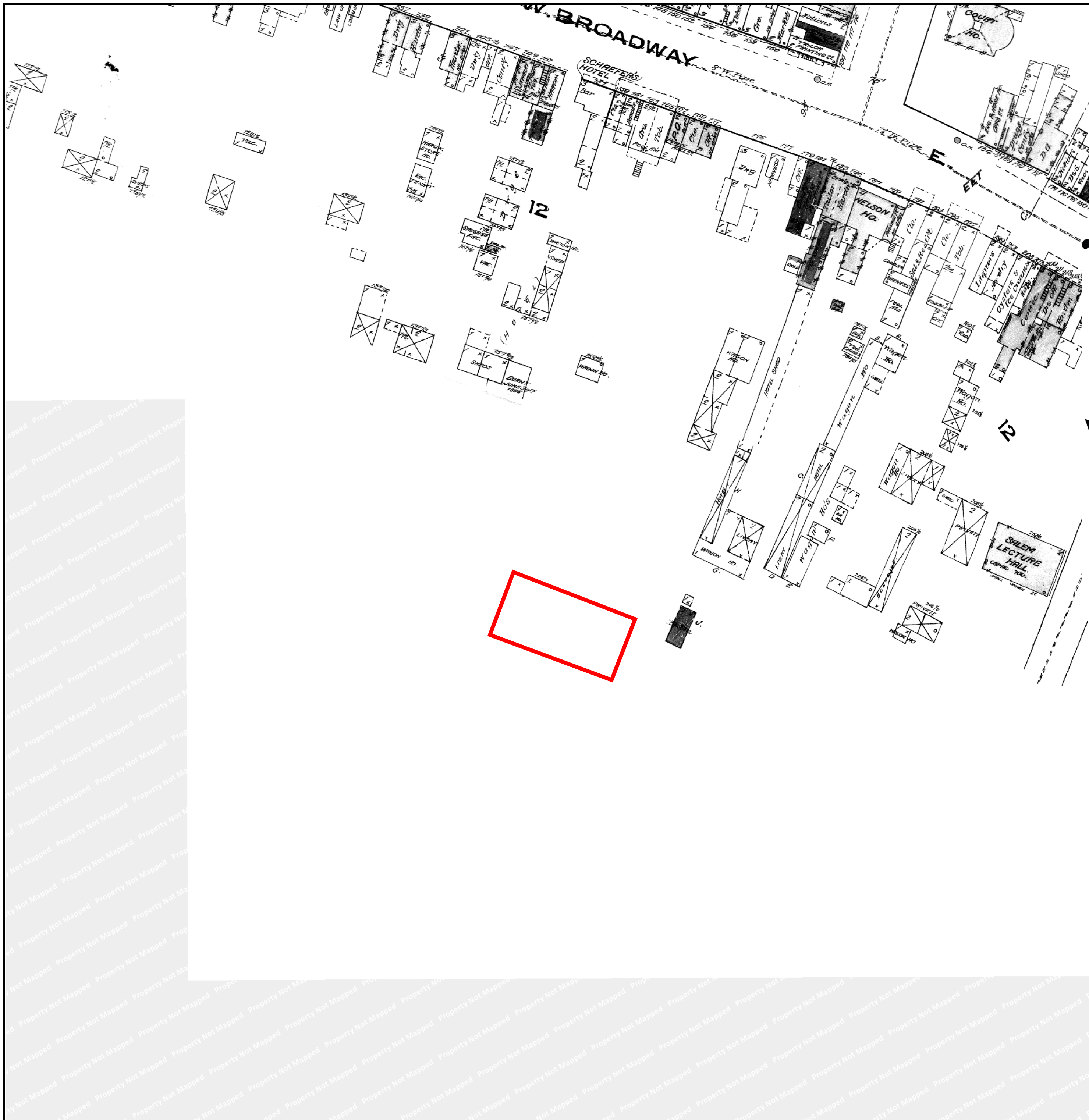
1885



Certification # 87FC-4932-A212

Site Name:	25 New Market, Salem
Address:	25 New Market Street
City, ST, ZIP:	Salem, NJ 08079
Client:	BRS, INC
EDR Inquiry:	7964457.3
Order Date:	04/21/2025
Certification #	87FC-4932-A212
Copyright	1885

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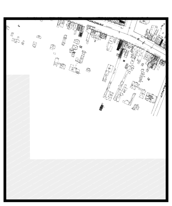

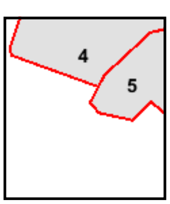

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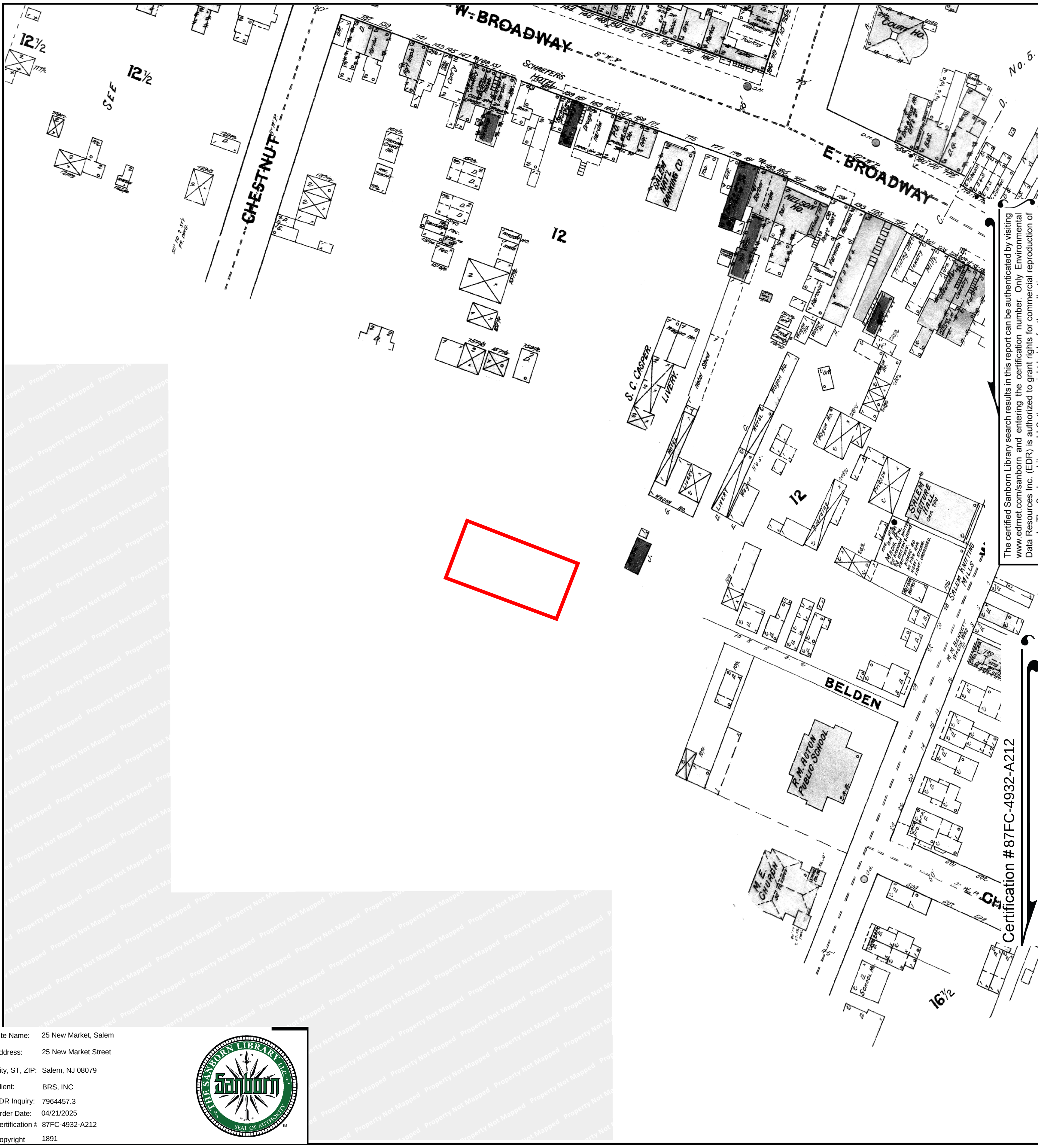

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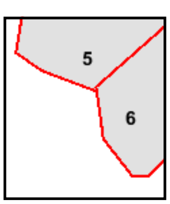

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Volume 1, Sheet 6

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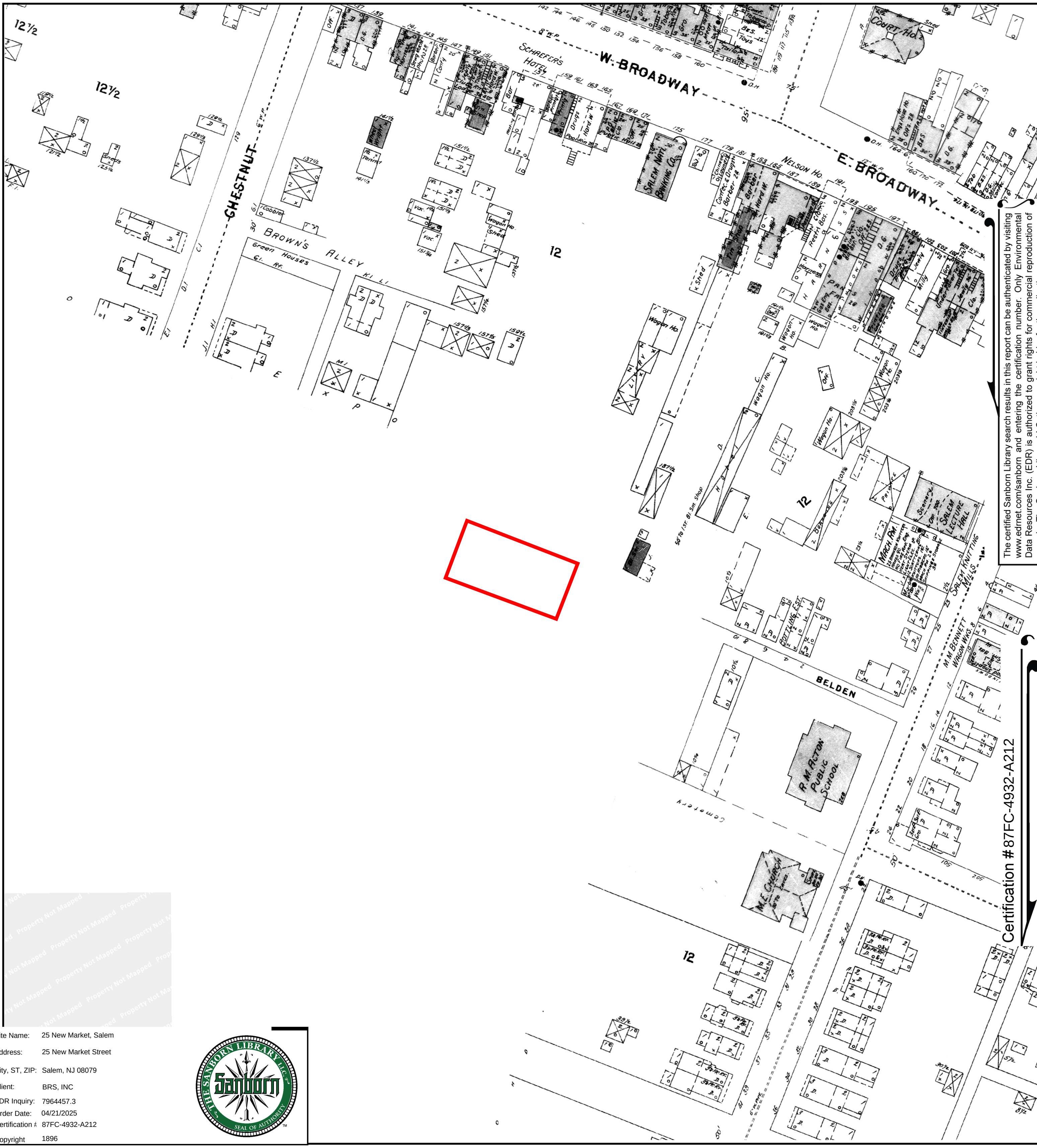

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Copyright 1896

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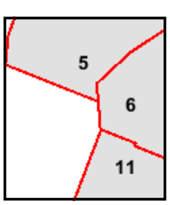

Volume 1, Sheet 6
Volume 1, Sheet 5
Volume 1, Sheet 11

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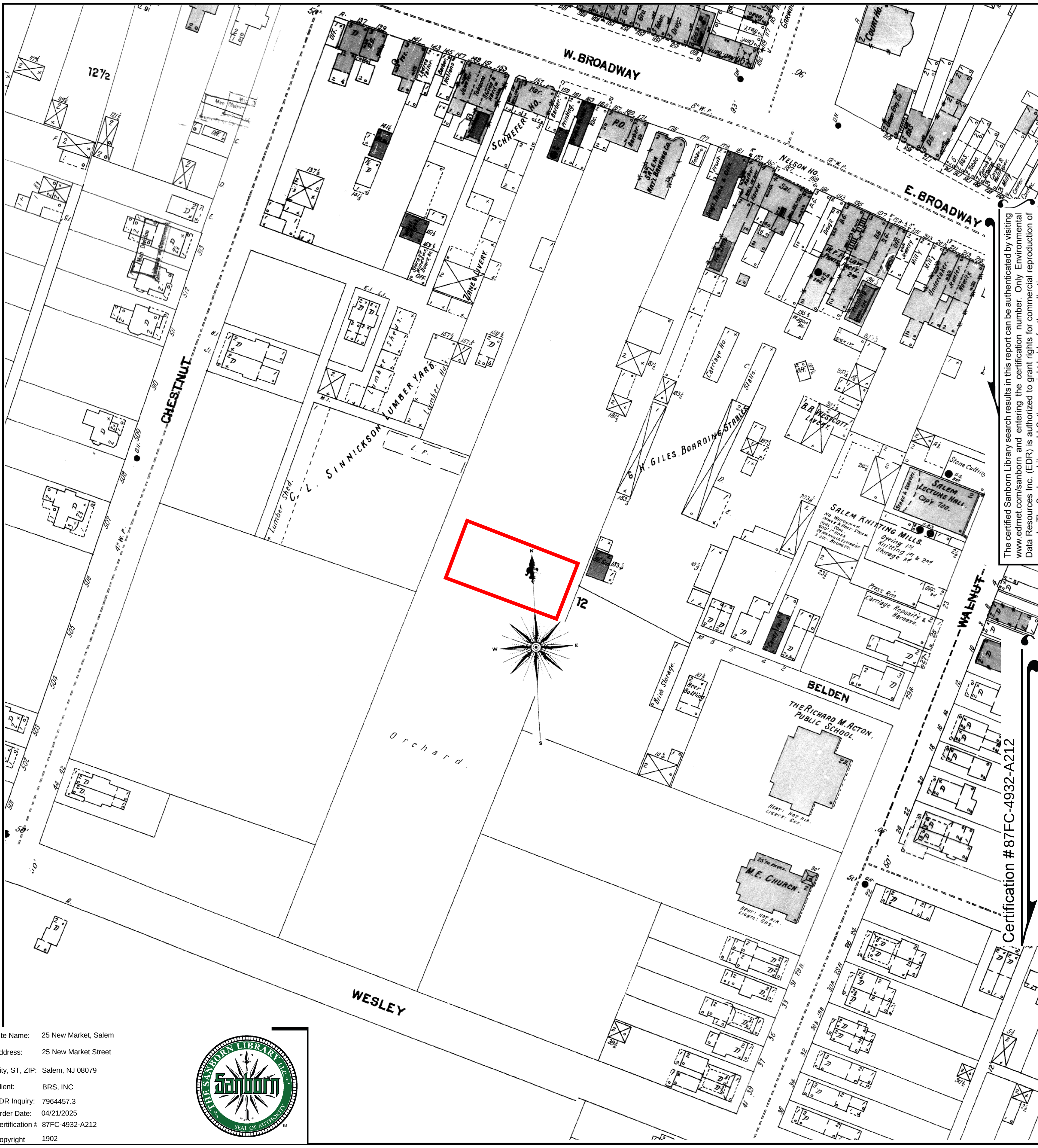
1902



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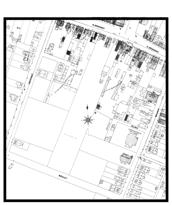

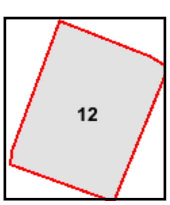

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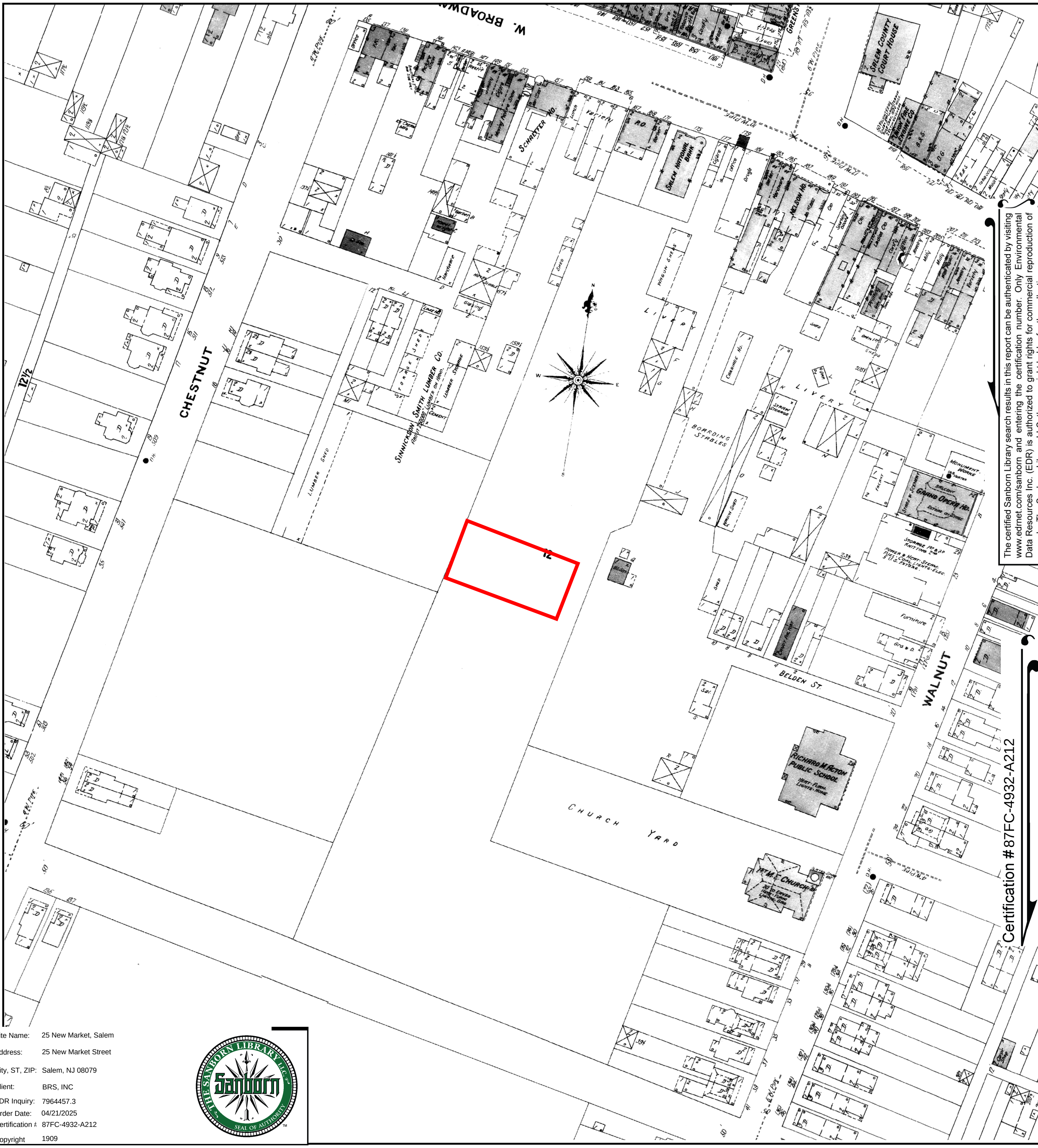

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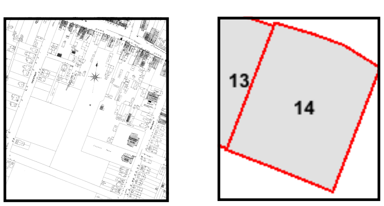

Volume 1, Sheet 13
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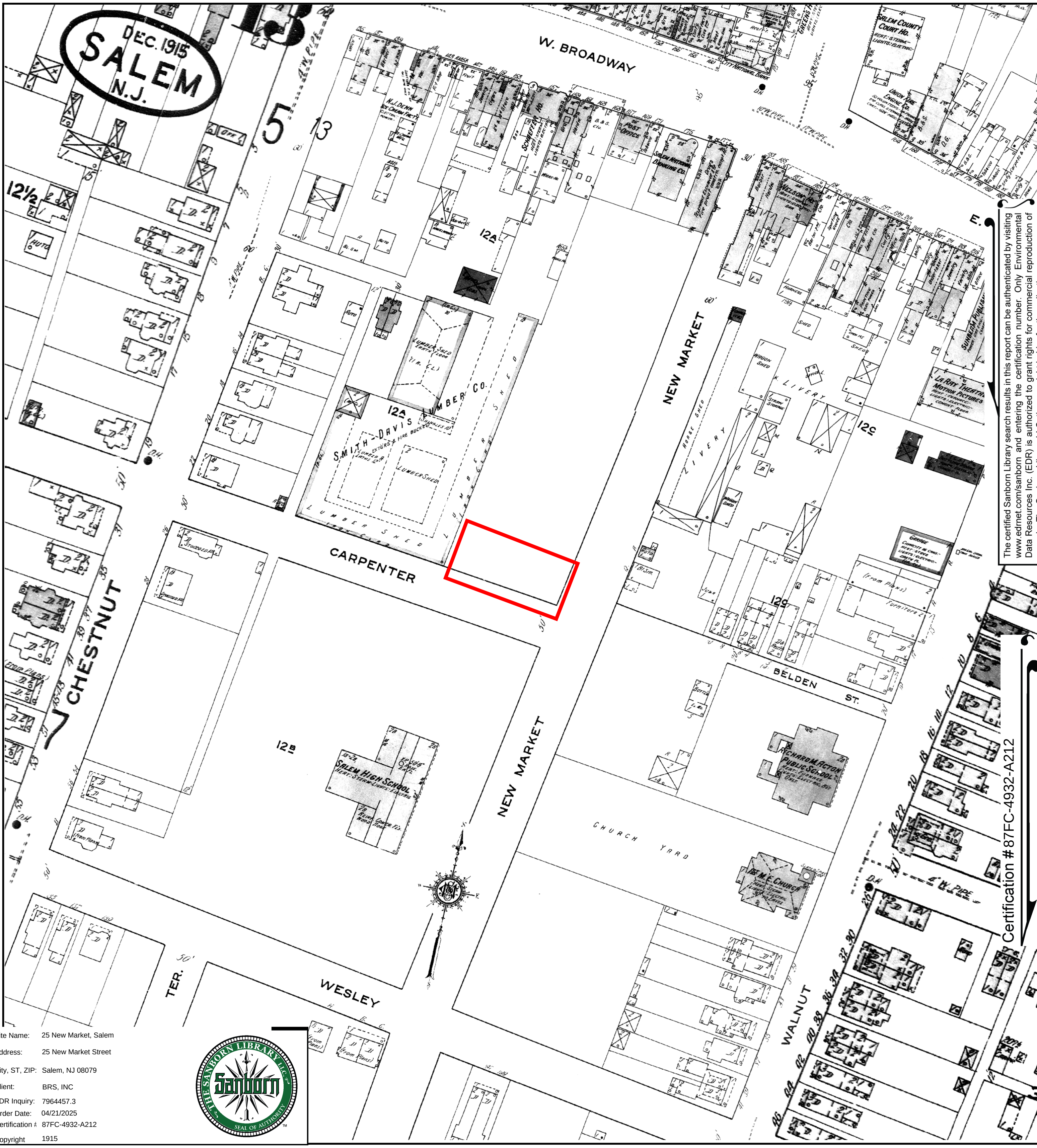

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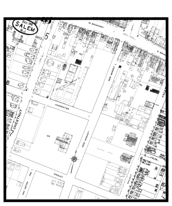

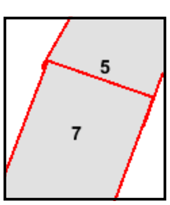

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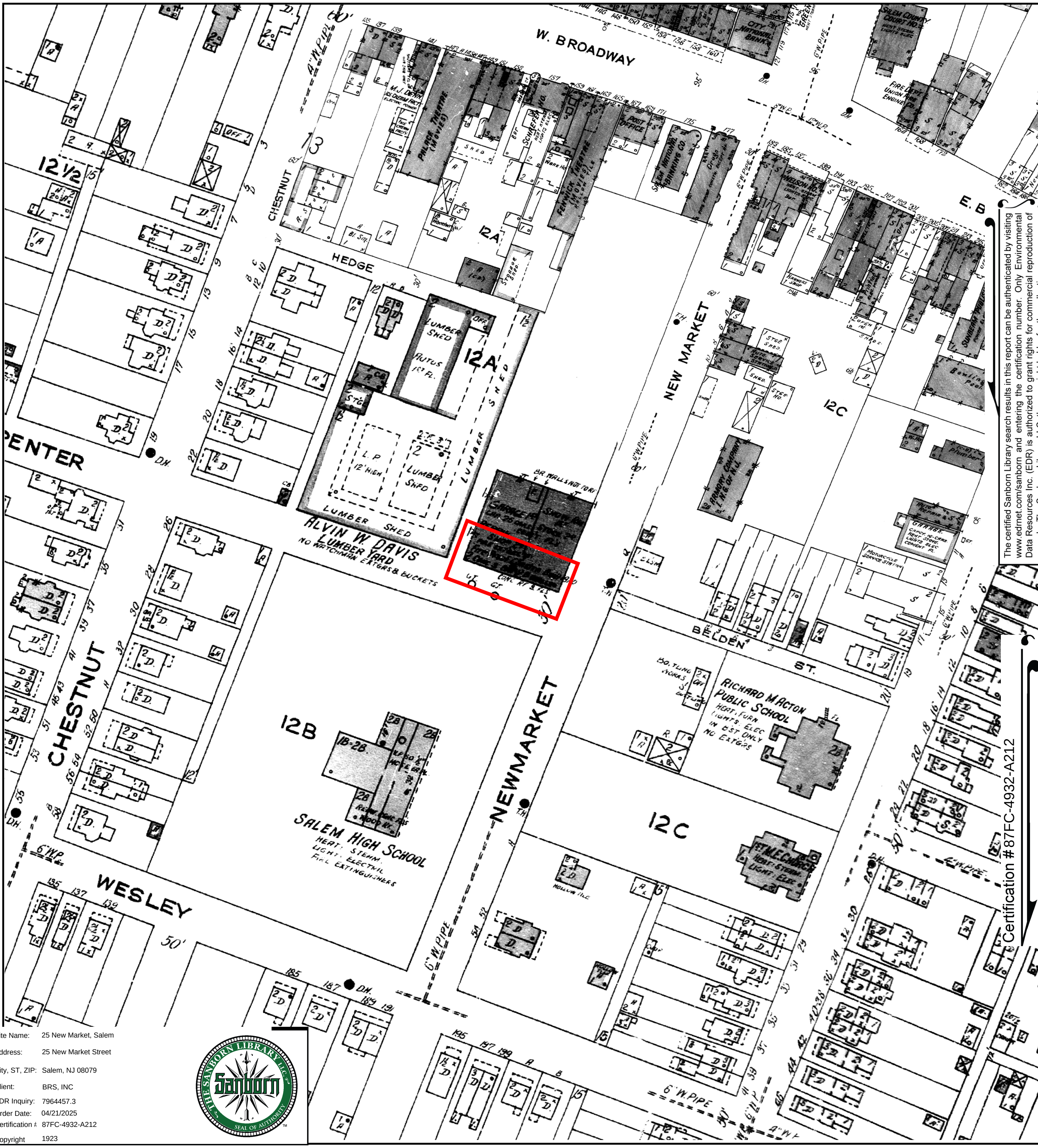

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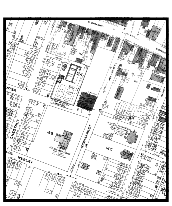

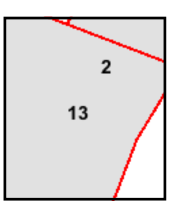

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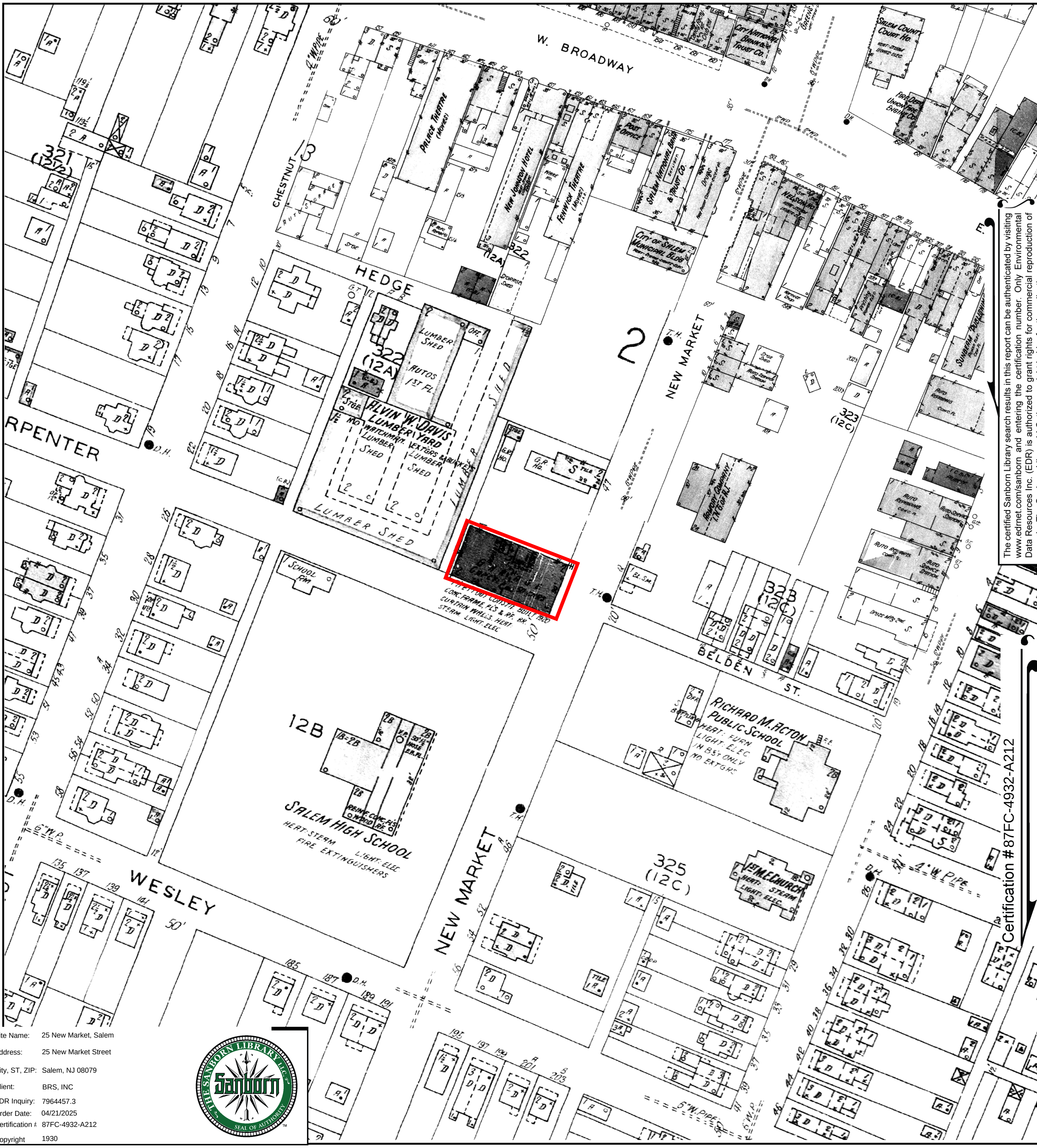

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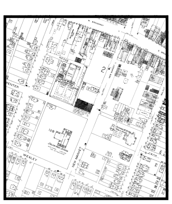

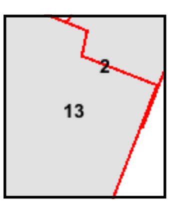

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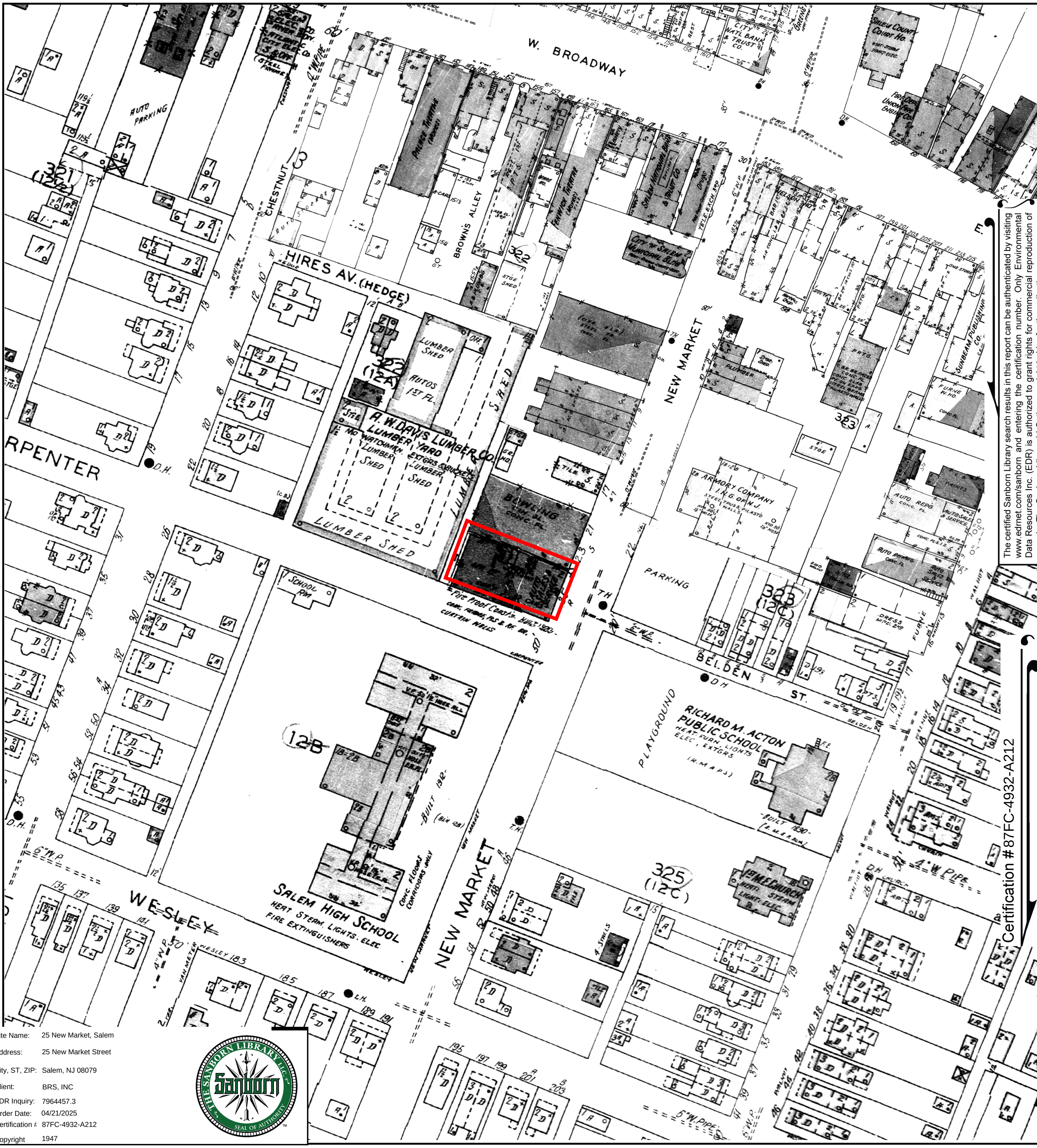

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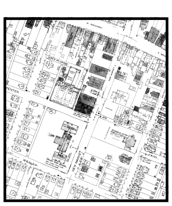

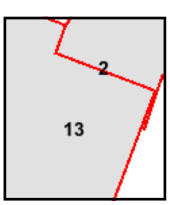

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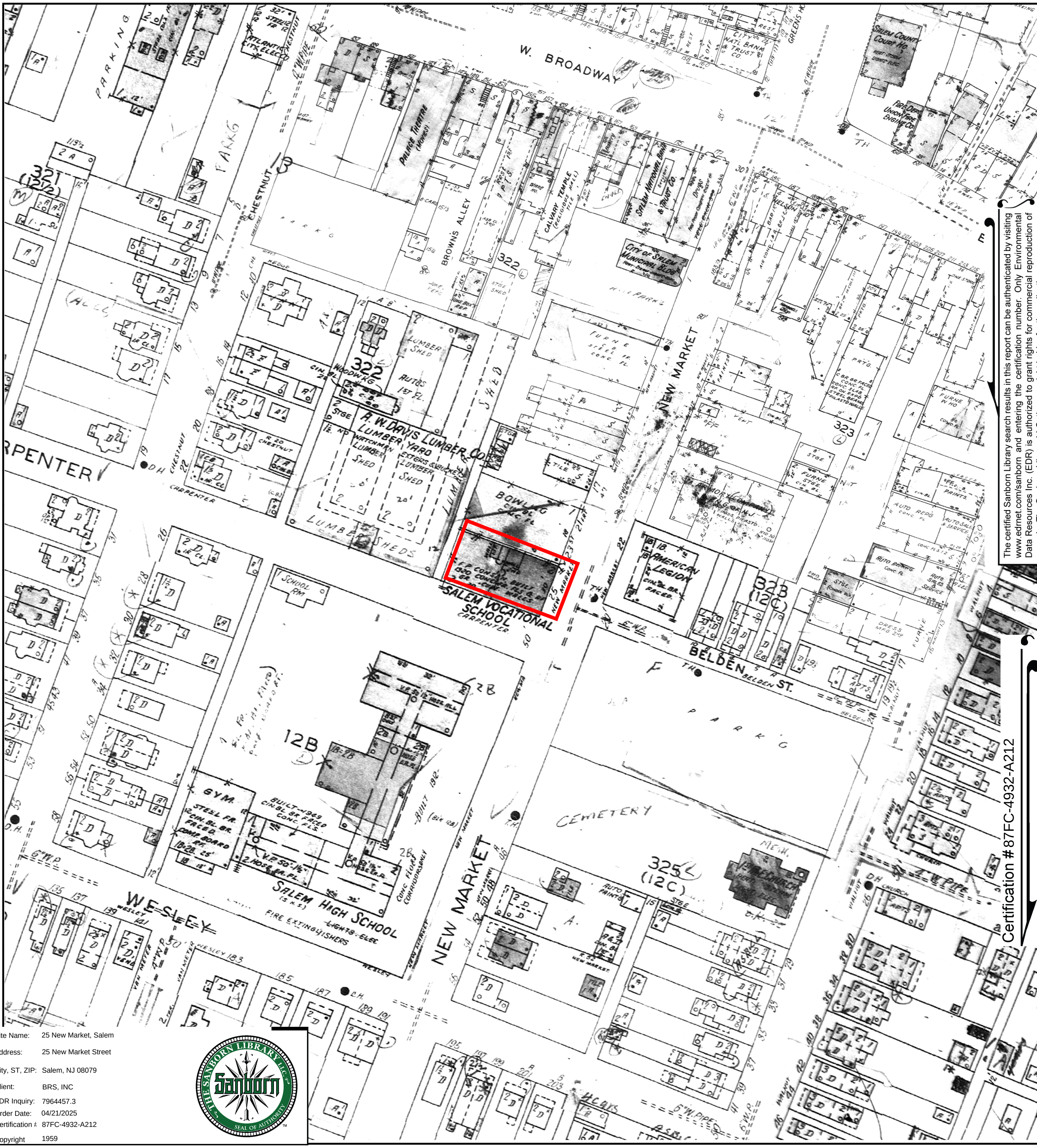
1959



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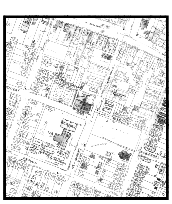

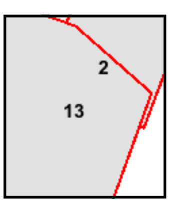

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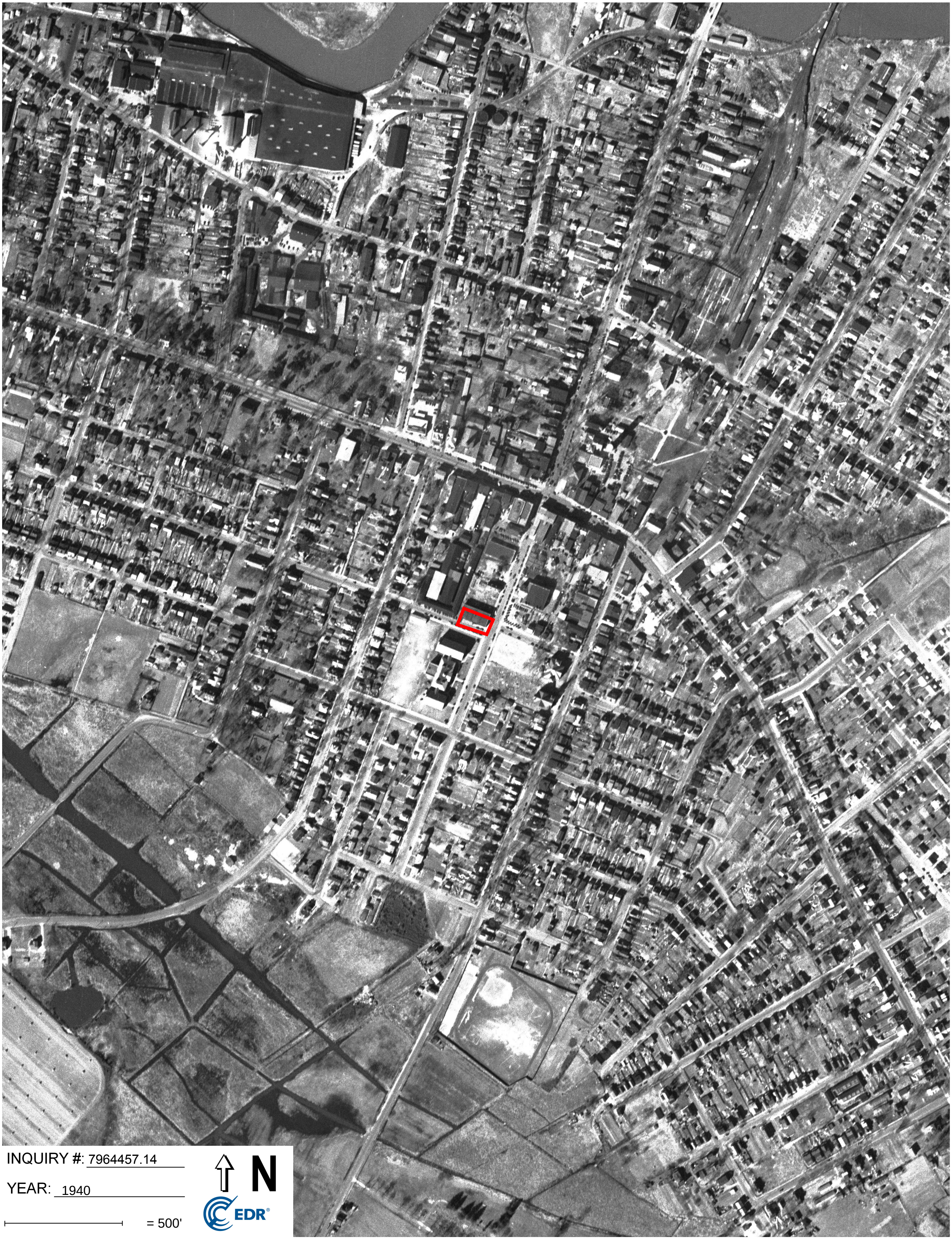
EDR



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EDR

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YEAR: 1951

= 500'

N

EDR

[redacted]

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YEAR: 1954

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YEAR: 1962

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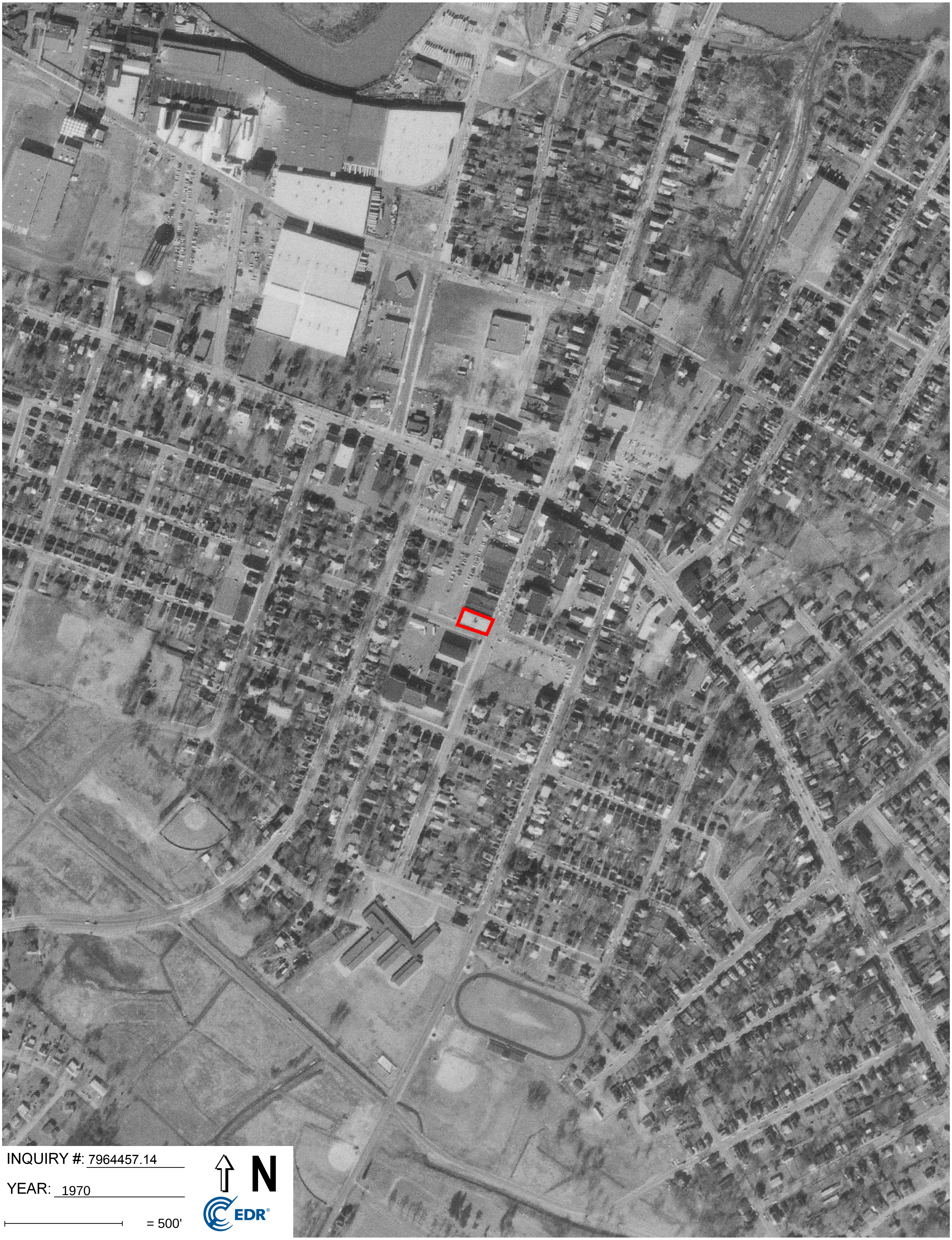
EDR



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EDR

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EDR

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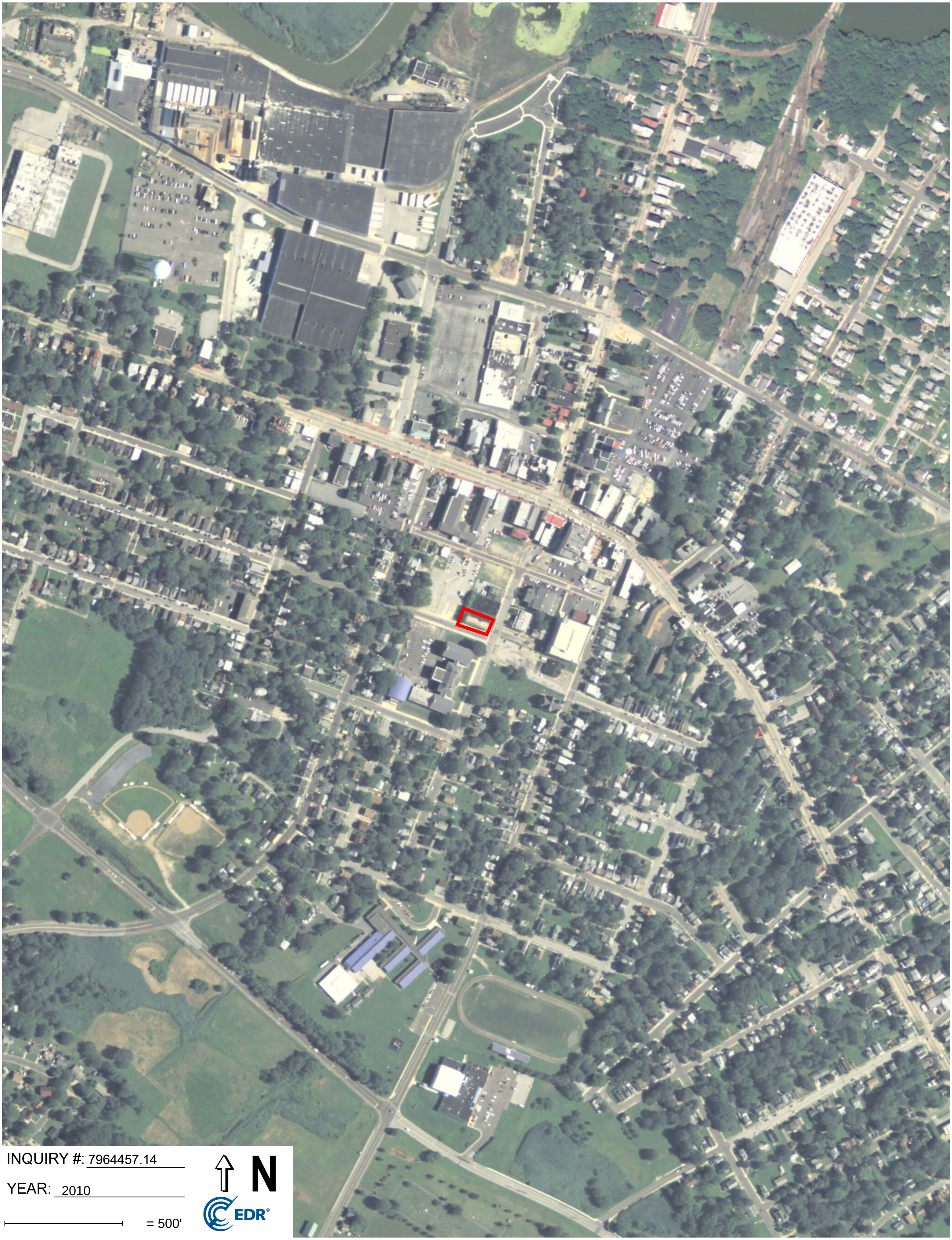
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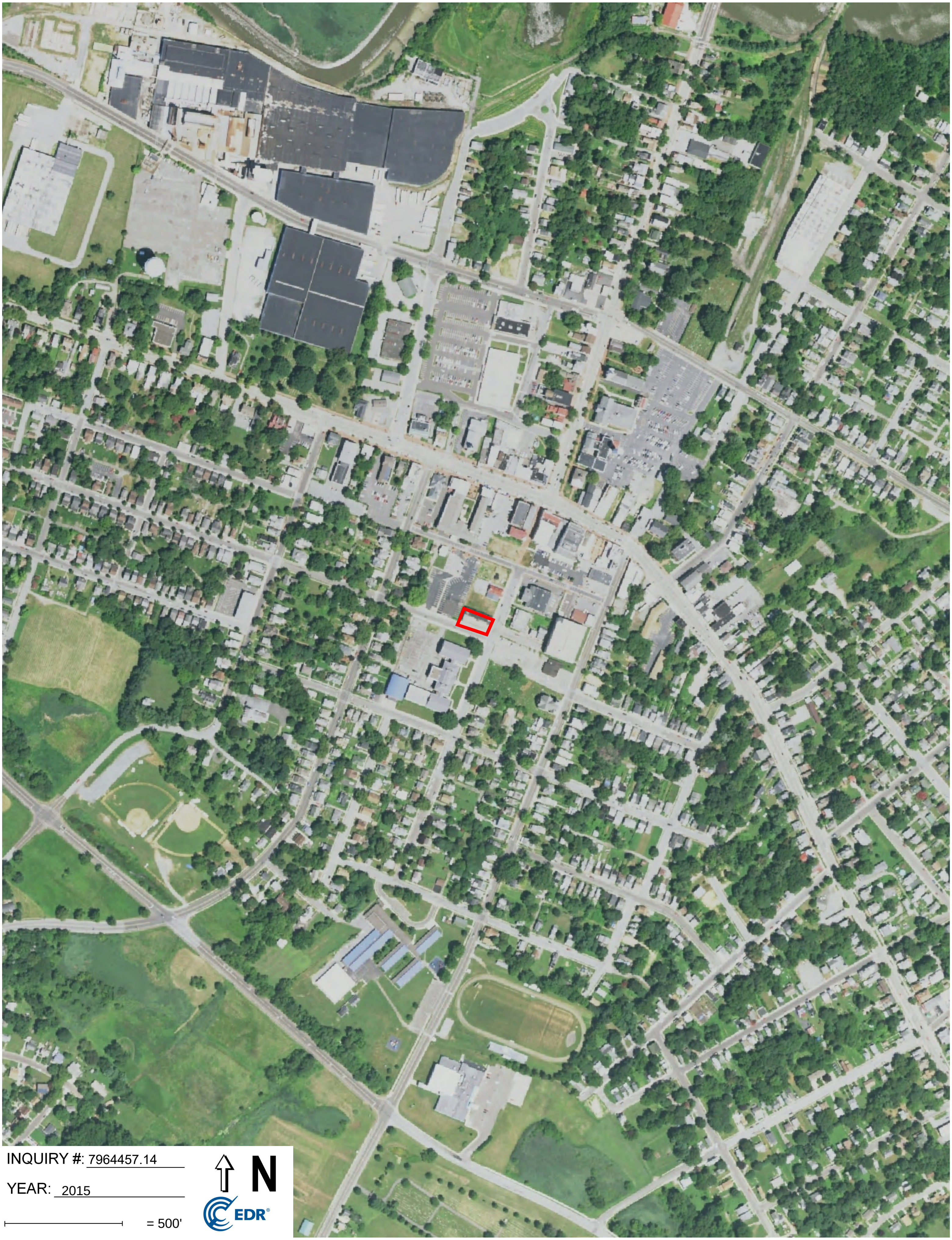
EDR



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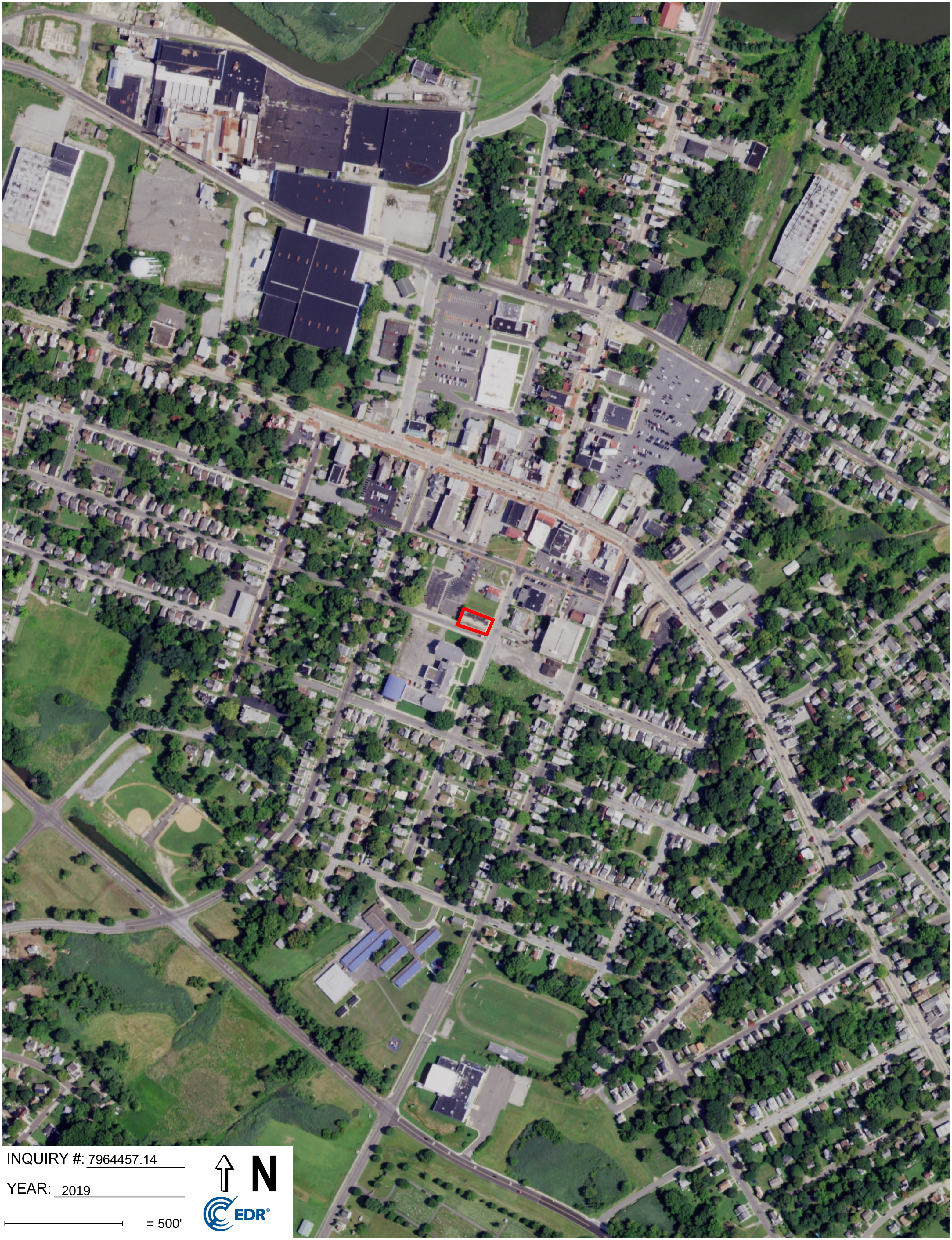

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YEAR: 2019

= 500'

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EDR

PART 3:
SITE DEVELOPMENT PLAN & RECOMMENDATIONS

Site Development Plan & Recommendations

Table of Contents

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

Introduction

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

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.

Figure 1: Second floor of 25 New Market St.

Photos: BRS site visit 18 December 2024

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.

Figure 2: Target site – aerial image

Source: Google Earth aerial image

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 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

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

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.

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.[1] 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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[1] 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.[2] 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.

[2] 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

Figure 5: Greenwood Ave. Farmers Market, Trenton

Photo: Capital Area YMCA

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.

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.[3]

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.

[3] 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*

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, BJs, 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.

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

***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.*

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[4] 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

[4] "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

"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

***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.*

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.

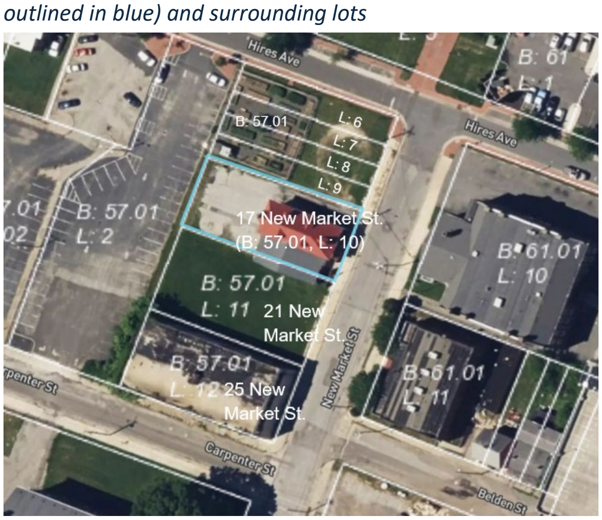
If 17 New Market became available as a site for the new store, its size of 4,254 SF is on the small side, and its two-story layout presents some challenges to accessibility and customer convenience. It would be important to have an elevator and probably necessary to build a covered grocery cart bay beside 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.[5] 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.[6]

[5] 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.
[6] City of Salem Land Use code, Part 3: Zoning; Article IX R-1 Residence Districts. 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.[7]

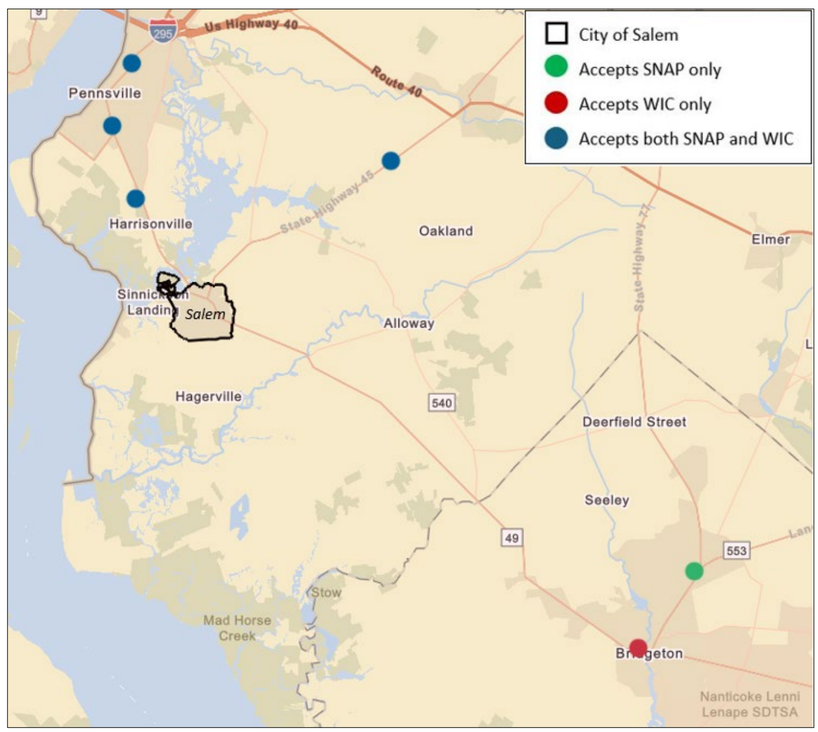
The store would accept SNAP and WIC benefits the same way a traditional grocery store or supermarket does, which would also mean stocking benefit-eligible items. Items eligible for SNAP are:

- 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.[8]

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.[9]

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

[7] 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.

[8] USDA (https://www.fns.usda.gov/snap/eligible-food-items)

[9] 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

***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.*

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.

Figure 14: Market Street, Salem

Photo: BRS site visit 29 April 2025

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 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.[10] 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.[11] 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.

Figure 15: Giant Shuttle, West York, PA

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

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.[12]

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,

[10] 28% of Salem's 2,172 households did not have access to a vehicle as of the 2022 US Census American Community Survey.
[11] 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.
[12] 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.[13]

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.[14] 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."[15] 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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[13] "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
[14] NJ health rankings by county in 2023; NJSHAD - Summary Health Indicator Report - Obesity Among Adults.
[15] 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

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 though 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.

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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=

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=

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=

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=

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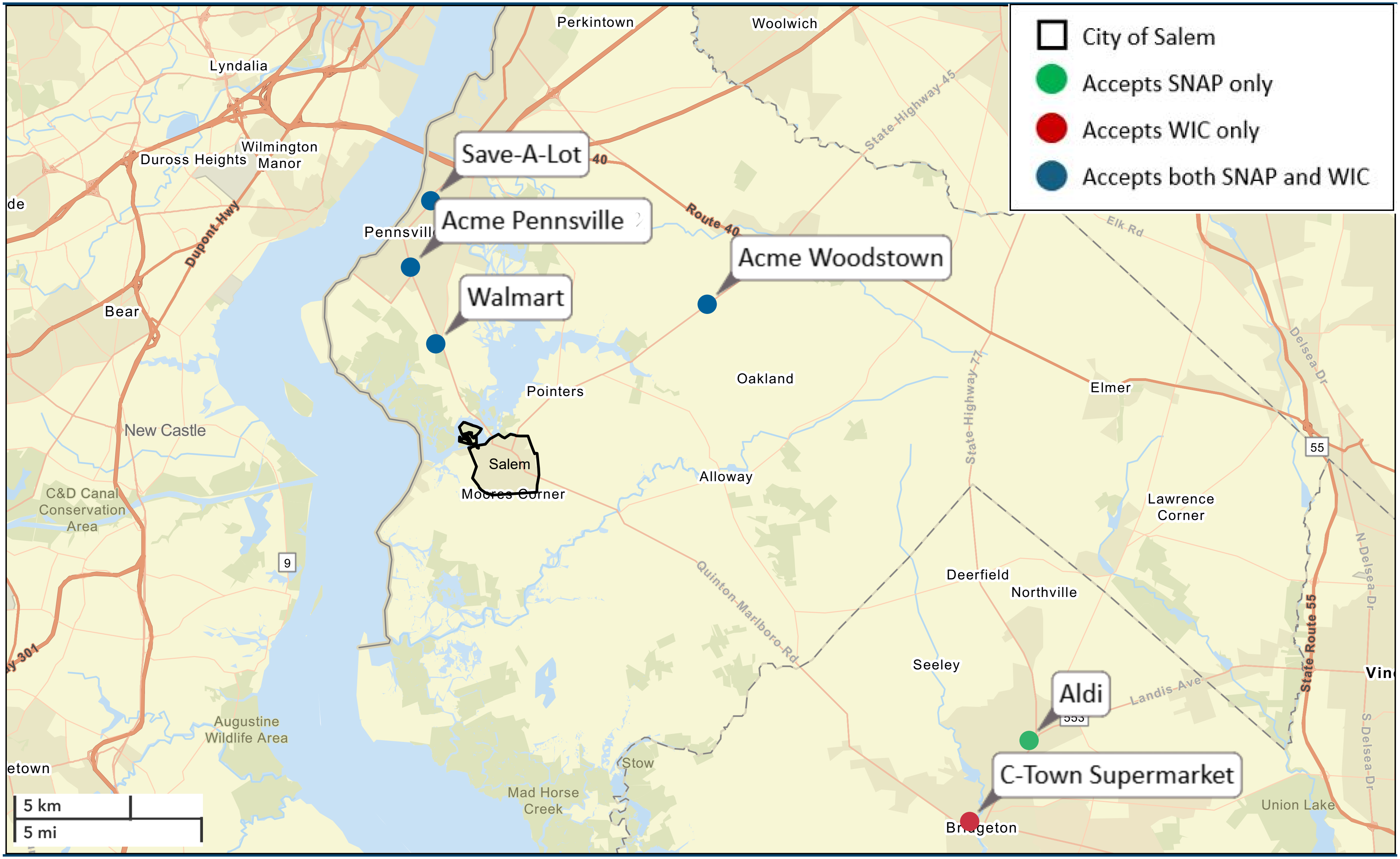

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