

IMPACTS OF FOOD ACCESS AND DISTRIBUTION



THE ECONOMIC AND FISCAL IMPACT OF WAKEFERN FOOD DISTRIBUTION CENTER, A NEW MARKETS TAX CREDIT PROJECT OF THE REINVESTMENT FUND

Econsult Solutions, Inc. (ESI) in conjunction with The Reinvestment Fund (TRF) provided an economic impact study on the Wakefern Food Corporation. Wakefern, the largest retailer-owned cooperative group of supermarkets in the United States, constructed a new LEED certified 180,000 square foot refrigerated produce warehouse and distribution center in the East Ward area of the City Newark in the State of New Jersey. The original distribution center, located in nearby Elizabeth, New Jersey, was operating at capacity and was not able to support new supermarkets.

The study showed that the new warehouse and distribution center will allow Wakefern to distribute food products to ShopRite stores, helping Wakefern continue to grow and supporting an additional 27 to 30 supermarkets within the Northeastern US. In addition, construction of the Wakefern Food Distribution Center brought highly significant investments into an economically stagnant area. Located in an eligible LIC (Low-Income Community) for purposes of NMTC Program, the Distribution Center was made possible by NMTCs from TRF.

The existence and operations of the Distribution Center has conferred significant economic benefits to the immediate LIC, the State of New Jersey, and the New York City MSA in the following ways:

- Upfront renovations generated about \$91 million in one-time expenditure impact and created about 540 new temporary jobs within the State of New Jersey, and about \$83 million in one-time expenditure impact and about 570 new temporary jobs within the New York City MSA
- Ongoing operations generate about \$73 million in annual expenditure impact and support about 600 new permanent jobs within the State of New Jersey, and about \$72 million in annual expenditure impact and about 650 new permanent jobs within the New York City MSA
- New Jersey saw positive fiscal impacts of about \$3.1 million in new tax revenues from construction, and sees an additional \$3.0 million per year from ongoing operations



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