

Aug 5

## **Wakefern Food Corporation Breaks Ground on New Distribution Facility in Newark By Betsy Kraat**

NEWARK--Mayor Cory A. Booker, Council President Donald M. Payne, Jr., East Ward Council Member Augusto Amador, Deputy Mayor for Economic and Housing Development & Brick City Development Corporation Chairman Stefan Pryor, Brick City Development Corporation CEO Lyneir Richardson, Wakefern Food Corporation Chairman and CEO Joseph Colalillo, Newark Farmers Market, LLC President Aron Forem, Hollister Construction Services Chief Executive Officer Christopher Johnson, TD Bank Central NJ Market President Nick Miceli and other dignitaries broke ground on Forem Facility Management's new distribution center for Wakefern Food Corporation today, at 52-62 Cornelia Street in the City's East Ward.

Also in attendance were Assemblyman Albert Coutinho, New Jersey Economic Development Authority (NJEDA) Finance and Development Director Margie Piliere and Newark Business Administrator Julien X. Neals.

This 180,000-sf, temperature-controlled facility will bring approximately 120 permanent jobs to the City. The facility will distribute food products to ShopRite stores in the Northeast.

“Despite the most challenging economy most of us have ever seen, Newark is continuing to grow and develop, to bring job opportunities and prosperity to our residents,” Mayor Booker said.

“This project was driven by a group of development partners and City and BCDC professionals working together to turn denizens of doubt into heroes of hope. This project joins the increasingly large roster of new developments taking place in our great city during our “groundbreaking year”, which will see over \$700 million in new development, the construction of over 2 million square feet of new or renovated space, and the creation of over 2,500 construction jobs and over 2,500 permanent jobs.”

“The distribution center that begins rising from this site today will be a prime example of how this administration has aligned plans and incentives to spur development and job creation, despite an extremely difficult economic environment for construction projects,” said Deputy Mayor Pryor. “When we charted an economic development strategy at the outset of Mayor Booker’s administration, we saw the construction of new distribution centers as a prime opportunity to harness our seaport, airport, and rail infrastructure as job creation catalysts. To make these new facilities financially feasible, we participated in a coalition of partners, led by Assemblyman Al Coutinho and Senator Ray Lesniak, to advocate for the enactment of the urban transit hub tax credit, the state’s smart-growth urban incentive program. Today, with the groundbreaking of a new food distribution center, captained by a top-notch set of development partners and financed with urban transit hub tax credits, I am so gratified to see our plans begin to become reality. Thank you to the Forem, Wakefern, and Hollister organizations for choosing and investing in Newark.”

The new building will be followed by a second phase of construction, which will see an additional 100,000 square feet.

The State Economic Development Agency provided approval for Urban Transit Hub Credit in the amount of \$45 million on a \$65 million capital expenditure project. TD Bank provided a leverage loan under new market tax credit structure for approximately \$27 million. Other participants in the transaction are The Re-Investment Fund, which provided New Markets Tax Credits and a predevelopment loan of \$2 million. Consortium America provided new market tax credits. BCDC provided technical assistance as well as tax abatement.

The Newark Farmers Market, LLC has been under its present ownership, the Forem family, since 1933, and is one of the major suppliers of fresh fruits and vegetables to the area. Aron Forem has been owner of Newark Farmers Market since 1980 and now is partnering with The Wakefern Food Corporation and the City of Newark to create jobs and develop a produce distribution center.

Wakefern was founded in 1947 and with 47 members; it is today's largest retailer-owned cooperative group of supermarkets in the United States. Employing an innovative approach to wholesale business services, Wakefern focuses on helping independent retailers compete in a big business world. Providing the tools entrepreneurs need to stay a step ahead of the competition, Wakefern's wholesale client base benefits from the company's extensive portfolio of services, including innovative technology, private label development, and best in-class procurement practices. Headquartered in Keasbey, New Jersey, Wakefern operates more than 2.5 million square feet of grocery and non-food warehousing.

The Booker administration has made economic development and the creation of jobs a high priority. These innovative efforts have included the launching of the Brick City Development Corporation, the City's economic development catalyst. Since 2006, the executives of major companies such as Pitney Bowes, Standard Chartered Bank, Audible.com, Mimeo.com, CGC Genetics, Panasonic, Marriott, Manischewitz, and others have chosen Newark as home for new corporate headquarters and major operations centers.

They've been joined by entrepreneurs, including dozens of companies that received start-up capital or other assistance from Brick City Development Corporation, such as Dental Kidz, Newark Art Supply, and Advanced Recovery. Economic development has also benefited from the 2007 opening of the Prudential Center, which brought New Jersey Devils hockey, New Jersey Nets basketball, and New York Liberty WNBA basketball to the City's downtown. The City and BCDC have also spurred the development of numerous downtown restaurants and bars as well as the construction of a new Marriott Hotel adjacent to the arena.

Economic development has also taken place in all of Newark's neighborhoods, with projects like the redevelopment of the Newark Screens multi-plex movie theater in the City's Central Ward, by a group headed by Newark native and NBA basketball star Shaquille O'Neal, and the doubling of the rate of affordable housing production citywide.

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