



Economic Snapshot of the Hunts Point Food Distribution Center

Highlights

- The Hunts Point Food Distribution Center is the largest food distribution center in the nation and is home to three major food markets.
- The Hunts Point Cooperative Market is the largest meat market in the United States.
- The Hunts Point Terminal Produce Market is the largest produce market in the nation.
- The New Fulton Fish Market is the largest seafood market in the United States.
- In 2022, wholesale trade establishments accounted for more than one-third of all businesses in the Hunts Point area.
- The Hunts Point Terminal Produce Market Association that operates the produce market is working with the NYCEDC to finance a new state-of-the-art facility.
- As of 2016, FDC accounted for 8,500 jobs — both on-site and in related industries.
- Total wages paid in the wholesale grocery industry in the area reached nearly \$510 million in 2022, which represented an average salary of \$77,590 — more than one-third higher than the average for other industries in the Bronx.
- The New York State Department of Agriculture and Markets has proposed establishing a farmers' market near FDC to improve distribution and connect farmers.

The Hunts Point Food Distribution Center (FDC) is the largest food distribution center in the United States. FDC is located on 329 acres in the Bronx and consists of about 150 wholesalers, distributors, and processing businesses. The Hunts Point Terminal Produce Market, the Hunts Point Cooperative Market, Baldor and the New Fulton Fish Market are the largest tenants by employment. There is more than 3.2 million square feet of warehouse space at Hunts Point Market, with leasing rates at or near 100 percent.

The Hunts Point Terminal Produce Market traces its origins to 1790 and between 1805 and 1967, operated on Washington Street in Manhattan. In 1967, the wholesale produce market moved to Hunts Point. The Hunts Point Terminal Produce Market employs about 2,000 people.

In 1974, a wholesale meat market — the Hunts Point Cooperative Market — joined the FDC. The Cooperative is the largest meat market in the United States and features a state-of-the-art, energy-efficient, cost-effective central refrigeration plant. The meat market employs about 2,565 people.

Fulton Fish Market moved to Hunts Point in 2005 after operating in Lower Manhattan since 1822. The 400,000-square-foot complex is the largest and most modern seafood market in the United States and employs about 750 people.

The most recent study on food distribution in New York City, completed in 2016, highlighted the critical role FDC plays, distributing approximately 4.5 billion pounds of food annually, about half of which is for New York City. About 12 percent of all food in the City goes through FDC, including about 25 percent of produce, 35 percent of meat and 45 percent of fish. Independent restaurants make up nearly 50 percent of its customers.

FDC continues to evolve to maintain its position as a leader among food distribution centers worldwide. The market, its associations and its members are also an integral part of the community, providing training, jobs and food to the metro region, and working with local partners to mitigate negative externalities associated with distribution, such as air pollution.

To this end, two major changes are expected to come to FDC over the next few years. The New York State Regional Food Hub, a 60,000-square-foot, \$39 million cold-storage warehouse facility, is expected to complete construction before the end of 2023. The hub is a partnership between the City and State and leverages \$30 million in New Market Tax Credits and \$15 million in funding from the New York City Regional Economic Development Council. It will provide distribution services to enhance the reach of the GrowNYC program, which connects farmers across the State to local farmers markets that supply underserved New Yorkers with locally grown food. The hub is set to expand GrowNYC's farmer network from 60 to 150 farmers, distribute 20 million pounds of food annually and create nearly 80 unionized jobs.

In addition, Hunts Point Terminal Market members, via the Hunts Point Produce Market Association, have partnered with the New York City Economic Development Corporation (NYCEDC) to identify funding for a new state-of-the-art facility. In 2019, NYCEDC undertook a Request for Expressions of Interest for an opportunity to redevelop the Hunts Point Terminal Produce Market into a modern and resilient distribution facility for produce.

NYCEDC and its partners at the Terminal Produce Market expect the project to allow Hunts Point to retain jobs and reduce emissions created by the market. The project is expected to cost \$650 million, with nearly \$400 million in funding secured from its partners, including New York

City, New York State and the federal government. Securing remaining funding will ensure the market's modernization can be completed to provide the anticipated economic and environmental benefits. The new market will reduce emissions by providing enhanced temperature control, updating and moving refrigeration into the warehouse space and reducing reliance on tractor-trailers powered by combustion engines, instead improving intermodal (rail and electric vehicle) connectivity.

The Produce Market Association has noted that the plan would also include potential space for non-warehousing businesses that provide services to independent retailers and customers in the Terminal Produce Market, strengthening its supply chain and making businesses in the market more competitive against larger firms.

The New York State Department of Labor reports that on average, more than 7,400 workers were employed in the wholesale grocery business in the Bronx in 2022, about 2,000 jobs more than in 2012. Nearly 6,100 of these jobs were located in Hunts Point, with total wages paid reaching nearly \$480 million, up more than by \$130 million from a decade prior. Establishments specializing in wholesale grocery trade accounted for more than one-fifth of all Hunts Point businesses.

Teamsters Union Local 202, which represents nearly 1,500 warehouse workers at the produce market, has indicated that its members earn between \$50,000 and \$80,000 annually, and receive medical and other benefits. The majority of these workers live in the Bronx.

Modernizing FDC is critical to hardening the food supply for 22 million people in a 50-mile radius, protecting it from climate, power or other interruptions. One of New York City's many competitive strengths is its variety of food options, from local bodegas to fine dining restaurants. FDC remains an engine for ensuring the industry has what it needs to thrive in the future.

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