



# An Economic Snapshot of the Hunts Point Food Distribution Center

**Thomas P. DiNapoli**  
New York State Comptroller

**Kenneth B. Bleiwas**  
Deputy Comptroller

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- **The Hunts Point Food Distribution Center is the largest food distribution center in the world, and is home to three major food markets.**
- **The Hunts Point Cooperative Market is the largest meat market in the world with annual revenues of approximately \$2 billion.**
- **The Terminal Market is the largest produce market in the world with annual revenues of about \$2 billion.**
- **The New Fulton Fish Market is the largest and most modern seafood market in the world outside of Japan. Annual revenues total about \$1 billion.**
- **In 2006, according to the U.S. Census Bureau, establishments specializing in wholesale trade accounted for more than one third of all businesses in the Hunts Point area.**
- **The association that operates the produce market is seeking help in financing a new state-of-the-art facility before its lease expires in 2011.**
- **The produce market accounts for 8,500 jobs—both on-site and in related industries.**
- **Total wages paid in the wholesale grocery industry reached \$285 million in 2006, which represented an average salary of \$56,130—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 the Hunts Point Market.**

The Hunts Point Food Distribution Center, often referred to as the Hunts Point Market, is the largest food distribution center in the world. The Hunts Point Market is located on 329 acres in the Bronx and consists of over 200 wholesalers, distributors, and processing businesses with annual revenues of more than \$5 billion. The New York City Terminal Market, the Hunts Point Cooperative Market, and the New Fulton Fish Market are the largest tenants.

After operating since 1822 in Lower Manhattan, the Fulton Fish Market moved to Hunts Point in 2005. The new \$85 million, 400,000-square-foot complex, which was built with the City's assistance, is the largest and most modern seafood market in the world outside of Japan, and generates \$1 billion in yearly revenues.

In 1974, a wholesale meat market—the Hunts Point Cooperative Market—joined the Hunts Point Market. The Cooperative is the largest meat market in the world, with revenues of \$2 billion annually, and features a new state-of-the-art, energy-efficient, cost-effective central refrigeration plant.

In 1967, a wholesale produce market—the New York City Terminal Market—moved to Hunts Point. The Terminal Market traces its origins to 1790, when vendors would sell produce around local churches. Between 1805 and 1967, the produce market operated on Washington Street in Manhattan.

Today, the Terminal Market is the largest produce market in the world, located on 112 acres. More than 50 merchants, who are part of a cooperative, transport fresh fruit and vegetables from 49 states and 55 foreign countries. Each year, 3.3 billion pounds of produce are sold at the 420,000-square-foot market, which generates about \$2 billion in annual revenues.

According to a consultant's report, the Hunts Point Terminal Market is quickly out-growing its capacity to serve the region. The Hunt's Point Terminal Produce Cooperative Association's 30-year lease to operate the produce market expires in 2011.

More than 5,500 buyers visit the produce facility on a weekly basis; each year, some 200,000 trucks, 3,200 rail cars, and 1.4 million vehicles access the facility. Given the current level of use, the age and design of the current facility is constraining operations.

More than half of the Terminal Market's inventory is now stored in refrigerated storage trailers. As a result, produce is handled and moved several times to and from storage trailers. In addition, the facility is deteriorating and does not meet modern storage standards. Insufficient warehouse space and other inefficiencies lead to higher costs and excessive air pollution, which contribute to health concerns by local residents.

The Association has outlined plans for a new \$450 million state-of-the-art facility at Hunts Point, and is in negotiations with the New York City Economic Development Corporation over financing for the project.

The new facility would increase warehouse space, improve the movement of produce, maintain modern cold chain storage standards, and increase rail use, which could reduce truck emissions. The new facility also would receive Leadership in Energy and Environmental Design (LEED) certification, and would incorporate a number of features that would allow the market to become energy self-sufficient and minimize waste and pollution.

Green features include a highly efficient insulated wall and roof system; more efficient refrigeration systems; and rooftop solar panels, which would generate 5 million watts of electricity. The new facility may include composting and geothermal features.

The Association has suggested that without a new facility it may have no choice but to relocate to New Jersey, where a new facility would be less costly to construct and would offer other economic opportunities. Such relocation would result in significant job losses for New York City and a substantial loss in tax revenues. According to the NYC Economic Development Corporation, the Terminal Market accounts for 8,500 jobs—both on-site and in related industries.

The New York State Department of Labor reports that nearly 5,100 workers were employed in the wholesale grocery business in the Bronx during 2006. Total wages paid in the industry reached \$285 million, which represented an average salary of \$56,130—39 percent higher than the average for other industries in the Bronx. In 2006, according to the U.S. Census Bureau, establishments specializing in wholesale trade accounted for more than one third of all businesses in the Hunts Point area.

Teamsters Union Local 202, which represents some 1,500 warehouse workers at the produce market, has indicated that its members earn between \$45,000 and \$75,000 annually, and receive medical and other benefits; also, more than 65 percent of them live in the Bronx.

Modernizing the Hunts Point Market is particularly important because it supplies food to 22 million people within a 50-mile radius of Hunts Point. As such, concerns have been raised about protecting the food supply from possible terrorist attack or power interruptions.

Steps have already been taken to secure the distribution center, including the installation of new fencing, enhanced security lighting, and video surveillance systems. Proposals have been made for further improvements, including additional security personnel, backup generators, and disaster planning.