

DOWNTOWN AREA EVALUATION

The Downtown Area Evaluation is designed to provide a planning analysis concerning the “four spheres of influence” in the downtown portion of Hackensack. These segments have been identified as follows:

- The Government/Office Sphere
- The Banking, Educational and Cultural Sphere
- The Traditional Retail Sphere
- The Retail/Housing Sphere

An analysis of statistical data concerning retail trade for the entire City has been developed. In general, this data indicates some positive growth in retail trade from 1987 to 1992. Nevertheless, several studies by Economic Research Associates and by this firm indicate that a number of stores in the downtown area remain vacant and unoccupied.

The Master Plan suggests, as does the ERA recommendations, that the downtown corridor of Hackensack is too long and is not particularly pedestrian friendly.

The ERA report also suggests that several key activities could be undertaken to improve its competitive position in the region. Recommended plans to implement market opportunities identified by ERA, are presented in the Plan portion of the Master Plan.

Downtown Area Evaluation

The Master Plan report has utilized the following studies as a basis for the analysis and recommendations for the City of Hackensack’s downtown area: a study prepared by the Eagleton Institute of Politics from Rutgers University concerning a climatic user study of the downtown area; art economic study prepared by Economic Research Associates; and a parking study prepared for the Hackensack Economic Development Commission. These documents have determined that there are four “spheres of influence” that exist in the downtown corridor area of Hackensack.

As part of the City’s master plan update, the downtown area evaluation will:

- Identify the general limits of the four “spheres of influence”.
- Identify specific land uses and building condition characteristics
- Identify available public parking facilities and will also
- Identify specific information propounded in the 1990 master plan. Census data, economic studies and other similar information.

Spheres of Influence

Economic Research Associates (ERA) prepared a report entitled ‘Downtown Market Analysis and Strategy, dated August, 1998, which was submitted to the Hackensack

Economic Development Commission

In evaluating the Market Opportunities the executive summary identified seven key elements as follows:

- ERA sees market potential for the redevelopment of the Main Street area, but believes any development should be phased in gradually.
- Main Street is too long to be developed continuously, and thus must be developed in “spheres of influence” the government sector, the banking/educational sphere containing the urban node, the retail sector which would focus on conventional and household shopping, and the Packard area which should contain big box, service/office and the continuation of many of the existing activities there.
- The office market appears moderate and longer term. The potential movement of the County offices could create a disruption in the market; however, local office specialists believe the large floor plates in the existing offices are very marketable. New sites should be land banked around the garage area.
- Retail development should be focused upon specialty type retail in the urban node and targeted household furnishings; decorating and repair/rehab supplies, rentals and services (such as specialized hardware store) are a good niche in the Sears area
- A movie theater complex would be an excellent addition to the downtown but some questions remain as to the availability of land for development and issues in terms of parking and highway access need to be addressed to determine if a mixed use facility with a higher density would be feasible.
- Multi-family housing, primarily rental apartments in the downtown would create critical mass to spur development. Early phases could include up to 400 units of new construction and smaller scale rehab or retrofit.
- The Ice House has excellent potential for spin-off additional activities, including family oriented restaurants and entertainment.

The following represents comments concerning some aspects of the Downtown Market Analysis.

ERA SEES MARKET POTENTIAL FOR THE REDEVELOPMENT OF THE MAIN STREET AREA

The Hackensack Master Plan program will develop a concept plan with alternative considerations (or public and or private redevelopment of the Main Street area. The Main Street Area, for purposes of this report, is defined as the area delineated on the following page.

2. MAIN STREET IS TOO LONG TO BE DEVELOPED CONTINUOUSLY

The four “spheres of influence” includes the government/office sector at the southerly portion of Main, State and River Streets. The area also includes a number of buildings utilized as law offices, general offices, restaurants and The Record. This area also includes the two “big box” facilities recently developed along River Street, Costco and Pep Boys.

The second sphere of influence, termed the banking, educational and cultural sphere, contains a number of the more successful retail components as the focal point of Main Street.

The third sphere of influence is termed the traditional retail sector which focuses on conventional and household shopping. This area is occupied by the Sears Roebuck Department store.

The last sphere of influence is noted to be the retail/housing area in which big box retail uses, service and office uses as well as existing uses have been suggested. The area is also influenced by certain institutional uses in the area including Fairleigh Dickenson University, a number of major office buildings developed by Fairleigh Dickenson University, various restaurants, other highway related uses and residential development. Presently, there are no educational functions on the Fairleigh Dickenson campus. It is primarily used for administrative offices and the three office buildings-

The Retail/Housing area including the former Packard site has recently been developed as Target store.

3. RETAIL DEVELOPMENT SHOULD BE FOCUSED ON SPECIALTY TYPE RETAIL IN THE URBAN CORE.

In order to more fully comprehend these recommendations, an analysis of trends in retail trade has been prepared for the years 1987 and 1992.

The major findings in this statistical data are noted as follows:

1. Retail sales in 1987 stood at \$575.5 million dollars (for the City of Hackensack). In 1992 retail sales increased to \$599.4 million dollars-an increase of slightly more than \$23.8 million dollars, a 4.1 percent increase.

2. In 1987, Hackensack’s retail trade was ranked the 13th highest in the State of New Jersey. By 1992, the City’s position declined to the 16th highest position in the State.

3. In 1987, there were 429 retail establishments. In 1992, the number of establishments declined by 51 stores, a decline of 11.9 percent. Even with the decline of retail stores, the overall increase in retail sales indicates a continuing demand. -

4. Major declines in the numbers of establishments were registered in furniture stores (18) apparel and accessory stores (15), miscellaneous retail stores (14), and automotive dealers (7).

5. Four of ten business groups declined in total retail sales. The three largest increases in sales were registered by automotive dealers, food establishments, and eating and drinking establishments.

6. Despite certain declines in retail sales, sales for the City of Hackensack total \$16,178 per capita, substantially greater than \$10,608 per capita for Bergen County as a whole.

This analysis indicates that the City of Hackensack is producing retail sales on a per capita basis that is 52.5 percent greater than Bergen County as a whole. This figure is somewhat deceptive since Riverside Square and Sears Roebuck sales account for a substantial portion of total sales.

On a per capita basis, the only businesses that are performing below the Bergen County per capita averages are furniture and home furnishings, drug and proprietary stores and miscellaneous retail sales.

The ERA report, speaking of the downtown Main Street area, stated the following:

“ERA has considered the concept of nodes along Main Street and believes these must be explored. In addition, not counting the free standing Sears, the remaining conventional retail (space) should occupy about half its current space. Some of the other built space could continue with specialty use, antiques and refinishing , decorating/home furnishings Art lofts and galleries, jewelry design and others. The retail that is to remain and be revitalized needs to have a tentative (concept) plan, an incentive program and a marketing strategy...”

Preliminary Recommendations

Some of the key recommendations in the ERA report point to the following:

1. The Main Street corridor cannot return to the days when it was the shopping (center) for the County.
2. The downtown study should focus on the following:
 - (a). The potential for redevelopment of the Main Street Area.
 - (b). A reduction in the scale of the retail/shopping sector. Main Street is too long to be developed continuously. The downtown area is not pedestrian friendly.
 - (c). The provision of additional parking and the dichotomy between long term (monthly) parking and short term shopper parking needs to be resolved.
 - (d). The City in conjunction with private interests needs to find the niche that the market can serve and address the problems that relate to successfully serving that market.

(e). The market study also supported the development of a movie complex for the downtown area. The availability of land for a major movie complex and accessibility to same were reported to represent major impediments for such activity.

(f). The ERA report believes that (mid-rise) apartment uses which can overlook the Hackensack River in the downtown are potentially marketable and can provide an alternative market for goods and services in the downtown corridor.

The statistical data concerning trends in retail sales is noted in Tables 29, 30 and 31.