


A \$336 Million Plan to Build Housing, Retail and an Arts Hub in Newark

NJPAC in Newark is building apartments, retail space and a huge community center. It sees the project as key to its mission — and its future.

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By Tracey Tully

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For six years, plans to transform land next to the New Jersey Performing Arts Center in Newark existed only in architectural renderings, a tabletop 3-D model and tales told in rarefied circles by the center's president, John Schreiber.

The goal was lofty: NJPAC, a nonprofit, would build retail space and hundreds of market-rate apartments, reinvigorating a dilapidated business district and spinning off enough profit to shore up its bottom line and reinvest in arts programming.

The pandemic delayed the dream. Then a hot real estate market and a newly generous state tax incentive program accelerated it.

On Wednesday, New Jersey officials will celebrate the groundbreaking of the \$336 million project, which, within three years, is expected to alter the skyline of the state's largest city and turn a ribbon of land next to a traffic-choked highway into an arts and retail hub.

The project, known as ArtSide, is one of the largest real estate ventures in decades in Newark, a poor industrial city 14 miles from Manhattan that is struggling to revitalize without large-scale gentrification.

Hopes are high. “It’s massive,” said Ras J. Baraka, the city’s mayor. “It helps us to change the center of gravity in Newark.”

The project features 350 apartments in a campuslike setting — a seven-story mid-rise building, a 25-story high-rise and 15 town homes. Ground-floor retail space is expected to draw restaurants and shops to a road being extended from downtown Newark into the property.

A community center partly funded by Leon Cooperman, a billionaire philanthropist, will open across the street from NJPAC. And Newark’s public jazz station, WBGO, will get prime space for a new headquarters on the corner.

Several other residential complexes are either newly built or planned in the vicinity, and Mr. Baraka said the high-density housing would add a 24-hour buzz to a section of Newark that has never fully recovered from the racial unrest of the 1960s and the decades of disinvestment that followed.

The project is also drawing approving nods far from Newark. Arts executives seeking ways to generate new revenue streams see the model as a recipe for self-reliance as donations and government funding shrink.

“What NJPAC is doing really represents the future of performing arts centers,” said Rachel S. Moore, who leads the Music Center in Los Angeles.

Johann Zietsman, the head of the Adrienne Arsht Center for the Performing Arts in Miami, agreed: “The work that they’re doing is clearly pointing the way.”

This is NJPAC’s third foray into the commercial real estate market. One Theater Square, where two-bedroom apartments rent for \$3,200 a month, opened across the street in 2018. Two years ago, NJPAC partnered with Lionsgate, a film-production company that plans to build a movie and television studio with six soundstages elsewhere in Newark.

The ArtSide and Lionsgate projects are expected to generate \$120 million in profit for the performing arts center over 10 years, according to Mr. Schreiber.

“As important as the revenue is,” he said, “the goal is to also be able to create a really engaging, vibrant, fun place to hang out.”

Vacant storefronts remain common in much of downtown Newark and the need for affordable housing is acute.

Tim Sullivan, chief executive of the New Jersey Economic Development Authority, said one large project was no panacea for the problems that still plague the city of 312,000, where one in four people live below the poverty line and fewer than 25 percent of residents own their own homes.

Mr. Sullivan, whose agency approved nearly \$200 million in tax credits for the ArtSide project, said that “big splashy things” were good, but that work also needed to continue on the ground, “block by block.”

As a condition of city law and the state tax break, 20 percent of the new apartments must remain affordable for residents earning between 40 percent and 80 percent of the county’s median income — between \$51,000 and \$103,000 for a family of four.

Newark residents will get first dibs in a lottery for those 70 affordable units under a law the city adopted last year as part of an equitable-growth strategy that has been a focus of Mr. Baraka’s administration.

Since 2021, Newark has created 483 units of affordable housing and 777 more are under construction, according to Allison Ladd, deputy mayor for housing and economic development.

The need for more low-cost housing in the city is evident. A lottery held Monday for eight affordable duplex homes sold by the Urban League of Essex County for an average of \$150,000 drew 170 qualified buyers with incomes between \$31,000 and \$120,000.

Aisha Glover is the global head of urban innovation at Audible, an audiobook and podcast service that in 2007 relocated its headquarters to Newark, three blocks from the performing arts center, in a move hailed as a sign of early confidence in the city’s rebound.

Ms. Glover, who used to work for the city’s economic development arm, said NJPAC’s willingness to invest in Newark and its residents should be the norm, not the exception.

“Quite frankly,” she said, “it is how anchor institutions should be showing up.”

Tracey Tully is a reporter for The Times who covers New Jersey, where she has lived for more than 20 years.
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