

Profile on Liberty Heights ShopRite

Baltimore, MD



An artist's rendering of the new Liberty Heights ShopRite in Baltimore, Maryland.

In Spring 2014, the West Baltimore neighborhood of Howard Park will receive a much needed 68,000 square foot supermarket. The supermarket is a joint venture by two seasoned ShopRite operators, Jeff Brown and the Klein family. The partnership will combine the Klein family's 90 year background of owning and operating stores in suburban Maryland and Jeff Brown's experience in running urban-based stores in the Philadelphia region. The project also stands as an example of a successful partnership involving Baltimoreans United in Leadership Development (BUILD), Baltimore Development Corporation (BDC), the Howard Park Civic Association, Calvin Rodwell Elementary School's Child First Afterschool Program, Klein Family Markets, UpLift Solutions, Opportunity Finance Network (OFN), City First Bank, JPMorgan Chase and TRF.

The Howard Park neighborhood has been without a grocery store for over a decade and is a USDA Food Desert and a TRF Low Supermarket Access area, where an estimated \$60.9 million of grocery retail demand is leaking annually. This equates to \$1.2 million per week in grocery sales.

Since the prior grocery store left in 2000, community leaders, elected officials, and BDC have been working to restore local access to a supermarket. With many residents lacking a car and over a fifth of the families living in poverty, a local supermarket was paramount. After the site was acquired by the City in 2006, BDC worked to demolish the existing structures and remediate the area paving the way for developers.

In 2011, TRF applied for and received a Healthy Food Financing Initiative (HFFI)

TRF FINANCING COMPONENTS

- \$9.5 million in NMTC financing, which includes a \$7.6 million senior leverage loan from TRF, with a \$2 million participation from OFN
- \$650,000 predevelopment loan

TOTAL PROJECT COSTS: \$15.9 million

IMPACT

- 68,000 square feet of food retail
- Health clinic and pharmacy
- 2 community rooms, one of which will support a local elementary school's culinary and healthy eating program
- 250 full-time and part-time jobs



Baltimore City's Mayor Rawlings-Blake with Jeff Brown, Marshall Klein, Howard Park community leaders, elected officials and other stakeholders at the kick-off event for the supermarket project.

award through the US Department of Health and Human Services (HHS) to provide a low-cost loan that supported pre-developmental costs. In 2013, TRF and City First Bank partnered to provide \$14.65 million in New Markets Tax Credit financing towards the construction and permanent financing of a standalone supermarket space. A separate transaction will finance the fit-out of the store. Not only will the ShopRite provide much needed fresh foods, but it will also create 250 full-time and part-time jobs, many of which will be filled by neighborhood residents. The development team is partnering with the Baltimore Department of Social Services and the Mayor's Office of Employment Development to fill the new full and part time jobs created by the supermarket and to provide a wage subsidy for six months of on-the-job training for low-skilled workers. The supermarket will participate in Special Supplemental Nutrition Programs such as food stamps and WIC (Women, Infants and Children) assistance program for qualifying individuals. The grocery will also benefit the community by housing a 1,000 square foot health clinic and pharmacy along with community rooms. One of rooms will be dedicated to supporting a cooking and nutrition education program for students of the adjacent Calvin Rodwell Elementary School.

Jeff Brown and the Klein family have worked with community groups for over three years to bring to fruition the Liberty Heights ShopRite. They've utilized community input to shape the store's design and plan to cater to the diverse preferences of the Howard Park community by carrying a broad array of ethnic products in the store. The supermarket operators also worked with the Baltimore bus transportation system to design a store parking lot that accommodates a major bus stop at its front entrance for the ease of local shoppers.

THE REINVESTMENT FUND

Capital at the point of impact.

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ABOUT TRF

The Reinvestment Fund (TRF), a national leader in the financing of neighborhood revitalization, has invested \$1.2 billion in Mid-Atlantic communities since 1985. A CDFI, TRF finances housing, community facilities, supermarkets, commercial real estate and energy efficiency projects. It also provides public policy expertise by helping clients create actionable solutions and by sharing data and analysis via www.PolicyMap.com.