

# Dillons Grocery Store

2010 Southeast 29th Street, Topeka, KS



|                              |              |
|------------------------------|--------------|
| <b>Total project costs</b>   | \$19,752,384 |
| <b>Total NMTC allocation</b> | \$14,000,000 |
| <b>CBKC NMTC allocation</b>  | \$6,500,000  |
| <b>Closing date</b>          | 12/31/2013   |



## Project Description

CBKC provided \$6.5 million of NMTC allocation to support a 22,000 SF expansion and renovation of a blighted grocery store in a low-income community in Topeka, KS (the "Project"). The Project expanded the produce and fresh food section of the Dillon's grocery store bringing healthier food options this federally designated food desert while also creating 40 new jobs at the store and retaining 132 jobs. In addition to the expansion, the project will renovate the façade of the building while also laying new pavement in the parking lot. The renovations helped revitalize the community and spur additional complimentary business development. Based on the economic output of the expanded store, the Project creates \$3.13 million of direct economic impact and an indirect economic impact of \$1.926 million on the local community.

The NMTC allocation was critical in allowing the Project to move forward. Dillions is a subsidiary of the Kroger Company and the decision to move forward with the Project is subject to oversight by the Capital Committee. Without the NMTC subsidy, the yields generated by the store would not support the required returns to get capital approval and thus the expansion, renovation and ongoing operations of the store would have been jeopardized. The allocation reduced the costs of expansion allowing the Project to receive committee approval and the Project to move forward.

## Distress Criteria

- Unemployment rate-1.57x the national average
- Median family income- 57.2%
- Poverty rate- 27.4%
- Food desert
- Located in Tax Incremental Financing District

## Community Impacts

- 75 construction jobs
- 172 created and retained jobs with 80% of jobs accessible to low-income persons
- Alleviates two food deserts
- Provides Fresh affordable food to 51,310 persons in 3 mile radius of which 55.5% of population is low income (income at or below 80% median income)



## Community Alignment

The Project was in direct alignment with the Economic Development Plan for Topeka/Shawnee County, which focused on creating jobs and retaining businesses in the community. In addition to being in alignment with the county plan, the Project was part of a Neighborhood Realization Plan enacted by the City of Topeka in 2012 that focused on improving and investing in this area and other low-income communities throughout Topeka to help revitalize these areas.