

Dillons Grocery Store

4747 S. Broadway Street, Wichita, KS



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| Total project costs | \$13,262,739 |
| Total NMTC allocation | \$9,000,000 |
| CBKC NMTC allocation | \$9,000,000 |
| Closing date | 11/05/2015 |



Project Description

CBKC provided \$9 million of NMTC allocation to support a 30,000 square foot ("SF") expansion and renovation of a blighted grocery store in a low-income community in Wichita, 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 bringing the first "Little Clinic" into Kansas. The Little Clinic is a 1,900 SF medical office within the grocery store that provides health services 7 days a week to diagnose common illnesses, while also providing physicals, screening and a number of vaccinations. The services are provided at a reduced rate and provide an accessible and affordable option for local community members. The Project also created 52 new jobs while retaining 128 jobs at the store. The renovations helped revitalize the community and spur additional complimentary business development. Based on the economic output of the expanded store, the Project creates \$4.87 million of direct economic impact and an indirect economic impact of \$2.69 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-1.5x the national average
- Median family income- 78%
- USDA Food desert
- Located in Tax Incremental Financing District

Community Impacts

- 77 construction jobs
- 177 created and retained jobs with 80% of jobs accessible to low-income persons
- Eliminates food desert and supports 6 surrounding food deserts.
- Provides Fresh affordable food to 52,021 persons in 3 mile radius of which 53% of population is low income (income at or below 80% median income)
- Created first "Little Clinic" in Kansas.

Community Alignment

The Project was in direct alignment with the Comprehensive Investments Plan for Wichita-Sedgwick County, Kansas, which was created by a 16-member steering committee from the city and county and focused on investing in renovating existing facilities while also supporting development that enhanced the life of the Community. The Project renovates a current grocery store providing expanding options, specifically in the produce and fresh food section of the store while also bringing vital health care to the community.