

City Council approves loan financing agreement for Southside grocery store

TUESDAY, APRIL 13

Investment by City, Mary Black Foundation paves the way for new grocer



After 18 months with no nearby grocery store option, an end to the Southside food desert is now visible after Spartanburg City Council voted unanimously to approve a measure granting \$300,000 to the City of Spartanburg Development Corporation to be loaned to the grocery operation. The City will additionally back a \$600,000 loan by the Mary Black Foundation.

Though the store's brand name has yet to be announced, City Manager Chris Story laid out some features future grocery shoppers can expect, including an in-store hot and cold prepared food deli, a branded in-store coffee shop, branded in-store made-to-order pizza, and the potential inclusion of pharmacy services if a pharmacy operator can be identified. Story also added that the store's operator is a well-experienced grocery industry professional and that store ownership will meet regularly with a Community Advisory Committee composed of Southside residents.

The City Manager explained to Council that while a worst case scenario would leave the City on the hook for all \$900,000, he considers that outcome extremely unlikely, adding that the City and its partners expect strong performance for the store which would allow the project to transition to conventional financing in five years.

Also at Monday's meeting, City Council voted 4-3 to keep the section of W Main Street in front of Morgan Square (between Church and Magnolia Streets) closed until August, allowing expanded downtown dining and activity to continue in the space through the summer. Mayor Junie White and Council members Rob Rain and Jamie Fulmer voted against.

The decision to close the street to traffic was first made nearly a year ago as the COVID-19 pandemic drastically curtailed shopping and dining in Downtown Spartanburg in an effort to encourage visitors to return and enjoy safer outdoor dining options. Pedestrian count data provided by OneSpartanburg Inc. shows that the move was successful, as visitors returned to downtown in greater numbers after the street was closed. However, recently some downtown retailers have called on the City to reopen the street, citing loss of parking and vehicle traffic on that section of W Main as having a negative impact on their businesses.

While the street remains closed, City staff is expecting to gather survey data from downtown businesses and residents as well as those who visit downtown regularly to gauge overall perception of the closure during the spring and summer months as the pandemic wanes.

In other action, Council voted unanimously to approve a development agreement for a new mixed-use gathering place along the Mary Black Foundation Rail Trail near its intersection with Marion Ave. Fretwell Partners, a group of local business people who have acquired several properties between the rail trail and Union Street around Fretwell Street, is planning to redevelop the former industrial area.

Fretwell envisions a multiphase project which would be centered around an outdoor gathering space. The \$2.4 million first phase includes a stage for live music and one of three planned new buildings, which would be a new home for Little River Roasting Company, a successful local coffee business.

Under terms of the agreement, the City will convey an unused portion of the Alexander Avenue right-of-way for \$1, approve the project to benefit from any applicable state tax credits, permit several encroachments into property adjacent to the trail, and will make minor upgrades to the public infrastructure in the area and reimburse up to \$50,000 of the improvements necessary to ensure the project has good access from the trail.