

Highlights & Impacts

16,000 sq. ft.

grocery store, plus 8,000 square feet of other commercial space.

\$7.4 million

In total project costs.

\$7 million

in New Markets Tax Credit financing.

284

financial supporters.

69

jobs created.

82%+

of the jobs filled by Chester residents.

Profile: Fare & Square Chester, Pennsylvania



A once vibrant industrial center, the City of Chester began to lose jobs and people in the early sixties. Poverty and crime rose as the city's economy declined. Today, Chester's unemployment rate is 13.9 percent and 36.9 percent of Chester residents live below the poverty line. The last full-service grocery store within the city limits closed in 2001. As a result, nearly half of Chester's 33,000 residents must travel a considerable distance to shop at a conventional supermarket according to an analysis of supermarket access by The Reinvestment Fund (TRF). But the good news is that a high-quality, innovative nonprofit grocery store—Fare & Square—opened its doors September 28, 2013.

Fare & Square is the culmination of numerous attempts to attract healthy food retailers to this severely distressed city. Owned and operated by [Philabundance](#), a nonprofit hunger relief organization, Fare & Square has created a 16,000-square-foot, nonprofit grocery store. The store is located in an area where over 70 percent of residents live in a "food desert" according to data from the USDA Economic Research Service.

"Food access is a growing and complex problem across the country and in the Delaware Valley, and one that requires a complex solution. We've worked on this concept for years, and we are thrilled to see it coming to fruition to help the residents of Chester."
Bill Clark, President and Executive Director, Philabundance

Fare & Square offers shoppers convenient access to “good food right around the corner” that has not been available to residents in a grocery store format in more than a decade. Fare & Square sells nutritious food staples with a focus on fresh produce, meat, deli, seafood, dairy, frozen foods, and dry goods. The store will offer these foods to customers at everyday low prices.

Fare & Square is designed to give Chester’s low-income residents a conventional grocery shopping experience, but in ways that will help shoppers stretch their food dollars. This nonprofit food retail format will allow customers to make informed choices about their selections in a dignified way. Philabundance believes that the satisfaction and self-empowerment from making one’s own choices will encourage many people in need of hunger relief services to come to Fare & Square.

***“Fare & Square has the potential to transform people’s thinking so that people are more attracted to healthy diets.”
Brandon Primeaux, Chester resident***

On opening day, over 4,700 households signed up for Carrot Club which entitles members to special discounts. In addition, Carrot Club members with household incomes below 200 percent of the federal poverty level are eligible for “Carrot Cash” benefits, which give a 7 percent credit toward future purchases. Fare & Square will also accept Supplemental Nutrition Program (SNAP) benefits, further improving food access for low-income Chester residents. The store will house a community center to assist customers in signing up for SNAP/food stamps along with connecting them to other programs and services that promote health and self-sufficiency.

Fare & Square created 69 full- and part-time jobs, which are filled primarily by Chester community residents. Philabundance offered a five-week service industry training course to prepare residents of Chester for jobs in the grocery industry and Fare & Square hired 36 of the graduates.

This is Philabundance’s first foray into the grocery business and financing the project was not an easy task because the business model is untested. The Commonwealth of [Pennsylvania Redevelopment Assistance Capital Program](#) provided a \$750,000 grant, which required a one-to-one match, to jumpstart the project. Philabundance tapped into its fundraising prowess and secured matching grants from [individual donors and multiple private foundations](#). The Nonprofit Facilities Fund (NFF) and TRF, both [community development financial institutions \(CDFIs\)](#), provided [New Markets Tax Credits \(NMTC\)](#) to finance the project. The NMTC investor is TD Bank. In addition, NFF and TRF provided loans to bridge the payment of various funding commitments to the project. The federal [Healthy Food Financing Initiative \(HFFI\)](#) was the source of capital for TRF’s bridge loan.



For more information about the Healthy Food Access Portal, contact us at info@healthyfoodaccess.org.

