

50 Projects – 50 States: South Carolina

South Church St. Plaza Spartanburg, SC

The Southside Neighborhood in Spartanburg, South Carolina has a growing elderly and low income population. For years, the City struggled to attract new investment into Southside. The area has historically lacked retail establishments offering basic goods and services.

As a long standing client community of National Development Council (NDC), the city of Spartanburg, SC requested assistance in structuring a new real estate development in its Southside Neighborhood. HEDC New Markets, Inc. worked with the city and Carolina First Bank to structure a \$7 million New Markets Tax Credit (NMTC) investment for the South Church Street Plaza.

The city of Spartanburg worked with NDC and Carolina First Bank and Spencer Hines Properties to develop a new 61,600 square foot shopping center in the city's Southside neighborhood. Now, groceries and apparel are available at the Plaza, and for the first time in more than a decade the neighborhood has a pharmacy, which is minority-and-woman-owned as well as a minority-owned fast food franchise.

Because the area market could not attract a grocer at market-rate retail rents, New Markets financing made it possible to structure below-market rents that attracted reputable tenants providing affordable goods and services and employing over 40 people. The city of Spartanburg has a population less than 40,000. With this new shopping center, most residents now have a grocer within walking distance of their homes for the first time. Tenants now include:

- Save a Lot grocery store that provides up to a 40% savings compared to other conventional grocers.
- Founders Federal Credit Union—the only credit union in the Southside neighborhood
- South Church Healthmark Pharmacy, a woman-owned minority pharmacy and the first pharmacy in the neighborhood in ten years
- Southside Barber Shop, a minority-owned barber shop
- Citi Trends, a 200 store apparel chain (catering to the fashion conscious African American family)

NMTC Allocatee

**HEDC New Markets, Inc.
New York, NY
David Trevisani and Ann
Vogt: 212.682.1106**

**Affiliate of
National Development
Council (NDC)**

Community Profile

- 11% unemployment rate in Spartanburg County
- SBA Designated HUB Zone
- Hot Zone



Project Highlights

- Real Estate: Retail
- Total Project Cost: \$7.18 million
- NMTC: \$7.08 million
- Jobs: 25 Construction, 40 Permanent