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Grocery store will return to Kalamazoo's Northside neighborhood Thursday

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By Kathy Jessup | Special to the Gazette





Jonathon Gruenke | Kalamazoo Gazette

Left: Park Street Market, 512 N Park, will be opening Thursday in the location of the former Felpausch that closed a year ago. Right: From left Klar Gamsho, Tom Gamsho, Sam Gamsho and Sam Shina, store directors of Park Street Market.

KALAMAZOO — Kalamazoo's Northside neighborhood will have a neighborhood grocery store again beginning Thursday.

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The Detroit-based Shina Group, owner of 14 other urban grocery stores in Southeast Michigan, will open the doors Thursday morning to Park Street Market, its first West Michigan grocery.

The full-service market is taking over the 512 N. Park St. store that was vacated in May 2009 by Spartan Foods' Felpausch Food Center.

The store was hailed as a success in Northside community revitalization

efforts when it opened in November 2003. Its **closing last year** left a gap in the neighborhood that local leaders have been working to fill ever since.

Sam Shina, Shina Group's overseeing investor, said he expects the new market will "definitely be cheaper" than its predecessor and will offer a large variety of products and services, including a deli, meat counter, small bakery, and full-service dairy, frozen-foods and produce departments and an on-site automated teller machine.

Customer service will include baggers who can deliver groceries to customers' cars.

Shina said his group has invested more than \$500,000 in ramping up the operation and talks are under way to add pharmacy services and potentially recruit a bank to the site.

The seven-day-a-week operation has hired 35 employees, Shina said, with top managers coming in from other Shina Group stores. At least 40 percent of the workforce must be Northside residents, under terms of the operating agreement with Northside Association for Community Development, which owns the site.

For its part, NACD is using \$200,000 in federal stimulus money allocated last year by the city of Kalamazoo to train store workers and maintain the site's exterior maintenance and security.



Mattie Jordan-Woods, NACD executive director, said Shina Group will pay the same \$6,187-a-month rent that had been charged to Felpausch. Most of that will go to pay down NACD's mortgage on the property.

Jordan-Woods said the new lease includes several unique features. For example, Park Street Market has agreed to purchase wholesale produce from an NACD-sponsored urban garden if quality standards can be met. And NACD may expand its foray into farming by investing in a hydroponics growing operation to increase production and job opportunities, Jordan-Woods said.

"One of the most unique things about this arrangement is that we're putting in place initiatives that will create a feeder system to provide qualified personnel to work in the store," Jordan-Woods said. "NACD is contracting with a group to provide training for new department managers to be qualified to fill spots as their (Shina Group's) people eventually move out."

During the first year of the agreement, NACD will pay all exterior maintenance and security costs. The tenant will pay up to \$7,000 in each of the subsequent two years.

"Keeping it maintained is so important to the impression of the neighborhood," Jordan-Woods said.

The city also had allocated \$50,000 to help NACD pay operating costs for the building while it remained vacant.

Jordan-Woods said community members, the city, the Kalamazoo Community Foundation and the Local Initiative Support Corporation all played a role in securing the new neighborhood grocery.

The Northside leader said a lot is riding on NACD's grocery group choice.

"(NACD) understands we will not ask the community for funds again to open up a store, so we need to make sure it stays there," Jordan-Woods said. "We feel we have a long-term partner with the Shina family."

Shina said Park Street Market is taking over the three years remaining on the Spartan Stores lease with NACD. Once that expires, Shina said his investor group plans to sign its own lease for up to 20 years.

"We definitely need the community's support to make this store thrive," Shina said. "I think there's the potential for our employment numbers to grow to 50 to 60 employees." Some critics of the previous store said its pricing was not considered competitive, which may have affected its customer base.

"We'll definitely be cheaper than Felpausch and Spartan-owned stores," Shina said. "This store has more variety than any of the 15 stores we have now. We're going to be aggressive in the environment we're in and our main focus will be to give the community a grocery store that's full-service and clean."

NACD selected Shina Group over five other lease prospects, Jordan-Woods said.

"We felt this organization knew about urban groceries," she said. "When you went into one of their stores, they had things that our community expected in a grocery store. They make sure they provide the product, service and pricing for the community."

Park Street Market will have a "soft" opening Thursday, sometime between 10 a.m. and noon, with a grand opening planned for some time after the July 4 holiday.

Normal operating hours will be 8 a.m. to 9 p.m. Mondays through Saturdays, and 8 a.m. to 7 p.m. on Sundays.

Contact Kathy Jessup at kjessup@kalamazoogazette.com or 269-388-8590.

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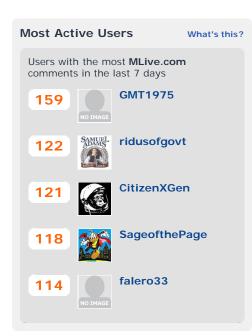
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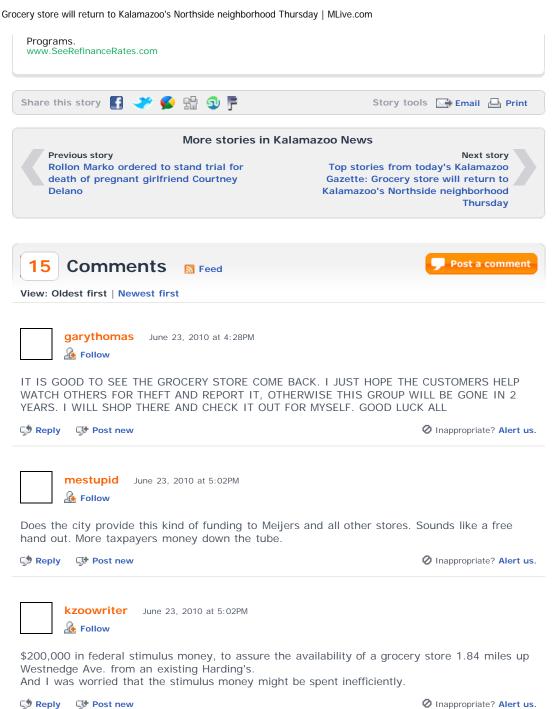
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Shina Group Pulls Out of Northside Market

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rampagephil June 23, 2010 at 5:40PM

The Shina Group announced today that they were closing the grocery store that they had reopened just (put number of months here). According to a spokesman, the company simply could not overcome the high cost of theft, shoplifting, and vandalism that occured daily. Mattie Jordan-Woods, director of the NACD, blamed former President Bush on the failure, stating that if it weren't for his policies against "the community" the community would not have felt the need to steal. In a related story, Jordan-Woods was overhead laughing all the way to the bank for the hundreds of thousands of dollars that were trusted to her and the NACD, saying that it's a true sucker, uh taxpayer, who actually pays for the training of store workers and security of a private business.

For the record, when I was 16 I worked at a grocery store, it took them about 3 hours to train me on everything I needed to do. Wonder how many THOUSANDS of dollars and HUNDREDS of

a success.

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HepKitten June 24, 2010 at 9:56AM A Follow

Wow - I'm saddened by most of these comments. I can't believe people could be so negative about the opening of a grocery store and the creation of jobs in an economically depressed neighborhood. Not to mention the attempted integration of a business and community with the urban garden and hydroponic projects. Plus, I would think that a company specializing in building grocery stores in urban areas - like DETROIT, for example - would be an ideal investor in this kind of endeavor.

How do you all propose that the Northside clean up it's act and better the neighborhood? Negativity like this is just sickening. If you don't like the ghetto, don't shop there, but don't bash the people that live in that area daily and are actually trying to make a difference.

Congratulations, Northside community leaders: I wish you all the best in this endeavor, and I applaud your innovative and optimistic ideas. Good luck and please ignore the naysayers!



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truthavenger June 24, 2010 at 12:35PM

If there were a realistic, legitimate business opportunity in opening a northside grocery store, then the Shina Group would open one WITHOUT a \$200,000 taxpayer bailout.

But they can't. Because 4 grocery stores have failed in this neighborhood over the past 30 years.

It is not the taxpayers obligation to subsidize a grocery store--or a shoe store, or hardware store, or restaurant--in ANY neighborhood in any location. If a business can't make it, then it should fail. Period.

The taxpayers of this nation have been bailing out and subsidizing businesses left and right, and what has it gotten us? A \$12 trillion national debt, a faltering economy, 10 percent unemployment, and debt that our grandchildren and greatgrandchildren will be paying off.

How about we get back to a better way--living within our means?

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HepKitten June 24, 2010 at 1:33PM

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I completely agree with you about living within our means. Too many of us rely on credit cards and lenders to help us keep our unrealistic standards of living, not to mention our government handing out money left and right to companies and corporations that should have known better than to get themselves into the situations they need bailing out of in the first place.

However, the fact remains that the government did apportion this money to Kalamazoo to do with as they saw fit. It wasn't my decision, and it wasn't yours. That the money is going to an attempt to revitalize a blighted neighborhood wasn't our decision either. I personally didn't vote on how to spend that cash and I didn't do anything to make my opinion on how it should be spent heard, so I wouldn't be in a position to complain if they'd spent the money on supplying every Kalamazoo resident with a kiddie pool full of Jello, or something else equally ridiculous.

The residents of the Northside are not to blame for the bailout trend, so I won't address that part of your argument. They are not responsible for that \$200K being available in the first place and likely didn't have a say in whatever policies said it could be spent on subsidizing a business. But a group of individuals did see an opportunity to utilize that money in an effort to provide their area with something they think they need.

And the fact that four grocery stores have failed in that area isn't a reason not to attempt it again - business fail everywhere, every day. Should we use that as a reason not to try to open anymore new businesses anywhere, ever? Shoot, politicians have been epically failing since politics began - I'd rather get rid of them. Also, did any of those grocery stores that were attempted in that area have the experience of this chain in operating in urban areas? Did any of the previous grocery stores offer the lower prices on their products that people with low incomes need? Did they participate in programs where they actually bought local produce from the neighborhood they served? I think that last one is kind of cool, actually.

Again, I agree with you on living within our means. I homestead, don't have a mortgage or a car payment, and try my best to support my family below my means without accepting handouts. I just don't think I can blame or wish bad things on a group of people trying to improve the circumstances of themselves and those around them, using the opportunities that are available to them.

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truthavenger June 24, 2010 at 2:48PM

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"However, the fact remains that the government did apportion this money to Kalamazoo to do with as they saw fit. It wasn't my decision, and it wasn't yours."

Wrong. It was the decision of politicians in Washington who we elected, so we are ultimately responsible. As long as we continue to elect irresponsible and spendthrift people to government, we will continue to spend our way into oblivion.

"And the fact that four grocery stores have failed in that area isn't a reason not to attempt it again." Are you serious? Do you, and the people who ponied up \$200,000 in tax dollars for this risky project, learn anything from history?

I am not blaming or wishing bad things on the people who live on the Northside. But bailing out businesses is not the road to their well-being. You cannot make a person, or a neighborhood, rich by taking money from others. All that does is impoverish everyone.



I actually hate arguing politics and typically avoid debates. But thanks much for the educational exchange - many folks would stoop to name calling and you've actually been pretty decent. Do try to avoid the generalizations, though. I didn't personally volunteer my hard-earned tax dollars for anything, since last I checked, I was required by law to fork it over. And I didn't go out and research who would be the most irresponsible and spendthrift person for any given position and vote for them. Matter of fact, no matter how you vote, local, state and national governments are full of crooks. When you only have two varieties of crooks to choose from, you're kinda screwed however you look at it.

You argue so vehemently against this particular method of economical development on the Northside, I am honestly curious: what do you think should be done?

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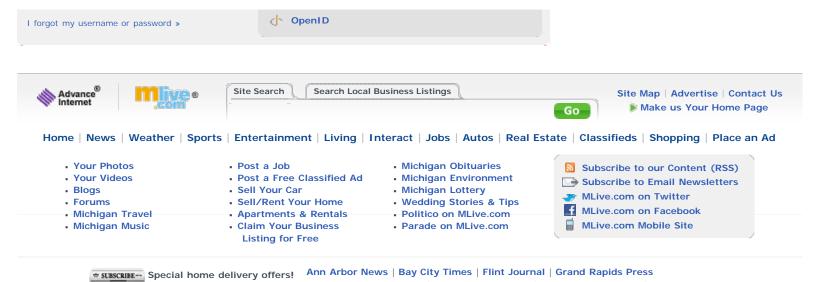
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I agree completely with your first paragraph. You hit the nail on the head. Though there are a few honest politicians, both parties are corrupt and both devise their agenda for one purpose only--to get re-elected.

The problem with the Northside is the problem with government at all levels--it tries to do too much, instead of focusing on what it should be doing. Instead of trying grand "redevelopment" and "economic development" schemes like a taxpayer-funded grocery store or a downtown arena, local governments should concentrate on law enforcement, and efficient delivery of services like roads, sewers, water, and keep costs contained by keeping its labor costs manageable (no cushy fringe benefits, early retirement, pay that is higher than the private sector).

If they do that, governments can keep their taxes low, which allows businesses to be formed and to thrive. If the tax burden were lower in Kalamazoo, and if the city could insure public safety on the north side, then perhaps a private grocery store could operate there without the need for a taxpayer subsidy.





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