



FOR IMMEDIATE RELEASE:

August 28, 2019

Contact: Ellen Svrcek
VP, Marketing & Business Development
717-869-5433
esvrcek@communityfirstfund.org

**Community First Fund, Greater Berks Development Fund, and Others
Announce First Phase for \$8.2M Property Redevelopment Project**

(Reading, PA): This morning Daniel Betancourt, President and CEO of Community First Fund, Edward Swoyer, President of GRCA's Greater Berks Development Fund, Christian Leinbach, Chairman of the Berks County Commissioners, Johanny Cepeda-Freytiz, Reading City Councilwoman, District 6, Sonya Smith, Associate State Director of Programs & Policy for the Kutztown University Small Business Development Center, and local business owner Leopoldo Sanchez, formally announced the launch of the first phase of an \$8.2 million redevelopment project located at North 4th and Elm Streets in downtown Reading.

Sanchez, with financing from a small consortium of lenders led by Community First Fund, will convert a vacant 40,000 sq. ft. property into a two-story commercial space with three different businesses. Located in a low-income neighborhood in downtown Reading, this project will create 120 full-time jobs and 30 part-time jobs for residents. The property includes nine affordable-rate apartments, which will remain as part of the project.

The street level of the property will feature a 17,000 sq. ft. Super Natural & Fresh Produce grocery store and café. The second floor will house two different businesses: a 19,000 sq. ft. warehouse to supply local bodegas and grocery stores with fresh food and a 4,000 sq. ft. manufacturing space to produce corn flour tortillas for local stores and restaurants. An existing 10,000 sq. ft. space will be demolished to create a parking garage and loading dock. The project is estimated to be completed in 2022.

"Providing access to a grocery store and healthy foods is a critical issue in underserved communities," says Dan Betancourt, President and CEO of Community First Fund. "This project will help make this neighborhood a better and healthier place for low income individuals to live and prosper. And the creation of 150 quality jobs will have a major impact on many families in Reading. We are proud to be assisting Leo Sanchez with this project."

Community First Fund and the Greater Berks Development Fund, an affiliate of the Greater Reading Chamber Alliance, have been working with Sanchez on the development of the project since March

2018. Community First Fund made the initial loan of \$1.2 million to start Phase 1, which encompasses pre-development work such as demolition, parking renovations, and roof repairs. The Greater Berks Development Fund has 50% participation in the loan at \$600,000. Additionally, the City of Reading has pledged \$1.5 million to help finance equipment through the Community Development Section 108 loan program. Additional financing still needs to be secured for Phase 2, which is when the large-scale construction and renovations will take place.

“We are extremely happy to be able to partner with Community First Fund to assist Leopoldo Sanchez’s continued growth and significant investment in Reading,” says Edward Swoyer, President of the Greater Berks Development Fund. “He’s a perfect example of the entrepreneur we are looking to support.”

Sanchez is experienced in the grocery industry, as he currently owns and operates two Super Natural & Fresh Produce stores; one on N. 12th Street in Reading, and another in Scranton. These full service grocery stores offer a large variety of ethnic and cultural produce and fresh food for the predominately-Hispanic communities where they are located.

“This project will not only provide good jobs and healthy food for the community and its residents, but will also support local businesses,” says Sanchez. “Most bodegas and restaurants here in Reading have to get produce and tortillas from Philadelphia or New York. Having a local wholesaler will make it much easier for these businesses to get products faster and better serve their community.”

Sanchez worked closely with the Kutztown University Small Business Development Center on this project, which helped him with business planning and projections. Local realtor and paid consultant Michael Rivera will be serving as project manager. Monarch Enterprise, headed by Principal Aaron Camara, will be managing construction of the project.

###

About Community First Fund

Community First Fund is the premier economic development organization serving the low income communities of central and eastern Pennsylvania. The 501(c)(3) nonprofit organization provides loan capital to businesses, real estate developers, and community support organizations throughout the region. Since 1992, Community First Fund has made more than 1840 loans and investments totaling over \$240 million to businesses, affordable housing and community based developers, and community based programs and initiatives. Get more information on Community First Fund at www.communityfirstfund.org.