

DENVERPOST

Abandoned stores leave grocery graveyards in Denver area

Space, money keep some in Denver area from having a well-stocked neighborhood grocery

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They're easy enough to spot all over town: The shuttered Safeways, with their swooping 1960s architecture; the converted former stores of chains long gone; the old Cub Foods stores. Some of them sit empty and crumbling, like the discarded husks of some lumbering animal.

Others have been squeezed into new roles: stuffed with auto parts or office supplies or even church pews. A few of the ex-supermarkets are in suburbs and beyond. But most sit boarded up and graffiti-scrawled in the urban pockets that need grocery stores most.

Neighborhoods rise and fall. The kids grow up, the factory shuts down, the middle class moves on. So, too, the grocery stores that feed it.

Efforts to lure those groceries back are slowly gaining momentum, activists say. But to really succeed, to really get fresh, healthy food into nutrition-neglected neighborhoods labeled food deserts, will take leadership, creativity, a hefty helping of smaller-scale, smaller-volume stores, and an economic incentive or two.

The Colorado Health Foundation is trying to craft incentives that could help spark supermarket growth, said Jill Litt, an assistant professor of environmental health at the University of Colorado's School of Public Health.

Litt, who has worked with the foundation on food-access issues, said they are "advocating for policy changes that would remove some of the barriers that prevent stores from locating in low-income areas."

Those barriers include concerns about store security, finding a reliable workforce — and space.

"A lot of grocery retailers are looking at the demographics of a population, and income is one of those," said Monica Buhlig of Kaiser Permanente.

In inner cities, which were built before anyone dreamed of a supermarket as big as a city block, there just isn't enough available land.

King Soopers, the area's dominant food-store chain, does not have a single store within Denver city limits north cities don't: geography. With no major cities nearby, Denver — and the rest of Colorado — is far from most food distribution hubs.

"Trucks have to drive a long way to get to Colorado," said Drew White, supermarket analyst with Sageworks Inc., based in Raleigh, N.C.

"You're a big city in the middle of desolation," he said.

That's one reason Denver has fewer major chains competing to sell residents their bread and breakfast cereal.

Mike Gilliland, the Boulderite who founded Sunflower Farmers Market, said metro Phoenix, with easier access to West Coast distributors, is a perfect example of competition's effects.

With several major chains and strong local independent grocers, Phoenix, which houses Sunflower's corporate offices, is a food shopper's paradise.

"It's a bloodbath down there," he said.

Profit margins on grocery stores are notoriously low, even in good times. So many chains' desire to play it safe is not surprising.

"It all comes down to money," said City Councilman Paul Lopez, who represents the 3rd District, which stretches to Denver's western border.

"If we had more resources, we could partner up with local grocery stores in opening up neighborhood markets."

His district may need more grocery stores, but it is chock full of convenience stores and liquor outlets.

"We desperately need fresh, healthy choices in our neighborhood," Lopez said. "It's totally unacceptable that the only options we have are potato chips and beer."

Empty spot after fire

Lopez's district also is home to the city's highest concentration of unemployment, and one of the biggest pockets of home foreclosures, according to state statistics.

He knows those people and knows many don't have reliable transportation to get them to grocery stores even a few miles away.

Not very long ago, Lopez's district was home to a thriving little market, the kind everyone who grew up in the Barnum neighborhood shopped at or had a friend who worked at.

But the story of the Knox Court Supermarket reads a lot like the history of the neighborhood itself.

The store was the quintessential mom-and-pop shop, run by a string of Moms and Pops, each new owner reflecting the neighborhood's changing face.

Then in 2008 a fire there closed the store, and it hasn't opened since.

Late last month, Knox Court got yet another owner — a Los Angeles bank.

That's sad, Lopez said. But it's also an opportunity.

Lopez hopes the bank will be interested in selling to someone who'll rebuild and reopen.

He isn't dreaming of a massive store as big as a village. His vision is for what he calls a "junior-sized grocery store," maybe an Azteca. "Just so they sell a lot of fresh produce and fresh food," he said.

Or, maybe a Sav-A-Lot.

"We look for those areas where there are underserved neighborhoods," said Mike Cioppa, Sav-A-Lot's licensing and distribution manager for Colorado.

And Sav-A-Lot is one of the few organizations that prize those abandoned, empty stores.

"We've rehabbed almost all our buildings, which were at one time or another other supermarkets," said John Leever, who owns seven of Colorado's nine Sav-A-Lots, including five in metro Denver.

While a typical King Soopers or Safeway can be 65,000 square feet, and a Wal-Mart Supercenter twice that size, Sav-A-Lot stores are more like 15,000 square feet.

That slimmed-down profile means Sav-A-Lot can squeeze into inner-city neighborhoods where vacant land is scarce.

Of course, that also means less merchandise.

"We have a limited assortment," Cioppa said. "Where Kroger or Safeway might have 20,000 to 30,000 items, we have about 2,000."

That's easier to do than it sounds, he said. "Take ketchup. King Soopers may have five brands of ketchup in five sizes for each brand. We may have one brand, one 24-ounce bottle of ketchup."

Cioppa is well aware of the security concerns that scare some grocers away from less-affluent neighborhoods.

But he said that in general, theft and vandalism aren't bad enough to run Sav-A-Lot out of its niche neighborhoods.

"In Kansas, we're located in the middle of a residential neighborhood that two-and-a-half years ago didn't have a choice of where to shop," Cioppa said.

"We've found the neighborhood actually helps protect the store because they like having it there."

In fact, Leever said he sees room for more Sav-A-Lots in Colorado. But in some areas, such as Globeville and Swansea, there is nothing to rebuild.

In Globeville, jammed at the intersection of Interstates 70 and 25, residents have been clamoring for a grocery store for years. Leever would like to give them one, "but there are just a lot of natural barriers — rivers, railroad tracks," and no suitable sites.

Transportation for those without cars also is an issue.

"We talked with the (Denver) office of economic development to see if potentially they could adjust bus routes or put together partnerships to get a van that would go around the neighborhood," he said.

But there just isn't money for that, he said.

Still, Leever hasn't given up.

"We were kind of hopeful that with food deserts getting some attention from the White House and elsewhere that there might be some help."

Small markets gain steam

While many look to government boosts such as tax incentives or neighborhood revitalization dollars, there is another, surprising source of help for neglected neighborhoods.

Call it the slow-food movement, the organics craze or simply a growing interest in knowing where food comes from. All that may be the creation of people with enough money to have a choice in the matter. But the have-nots may benefit too.

Industry analyst White sees a backlash against behemoth grocery stores.

If that backlash grows, "there could be greater emphasis, a resurgence, of neighborhood grocery stores, farmers market every Saturday," White said.

Sunflower wants to be one of those stores. And last year, there was public talk that got a lot of downtown residents excited about Sunflower taking over the one-time Safeway at East Colfax and Josephine Street.

Back in 1963, Colfax Avenue was a thriving thoroughfare and the perfect spot for the modern new Safeway.

But in the 1970s, Interstate 70 was pulling most through traffic off Colfax, and the avenue's fortunes turned.

By 1991, when pastor Michael Walker turned the key on the building, years of sitting empty, except for those who crept in and took cover there, had left it "totally destroyed," Walker said.

"There was broken glass everywhere, old tires, trash."

Nearly 20 years later, the Church in the City has moved down the street. And the former Safeway is boarded up, once again a home for the homeless.

Not for long though; the city of Denver bought the property, which it hopes to turn into something the neighborhood needs almost as much as a grocery store: a recreation center.

But it wasn't a lack of customers, or of customers with money, that scotched the Sunflower deal, Gilliland said.

"We loved that site" and its demographics.

"We've kind of decided we don't want to be in super-high-end areas," he said. "We're looking for people who are conscious of healthy food but don't want to pay that high price."

The problem with the old Safeway-cum-church was the site plan, Gilliland said.

So he keeps looking.

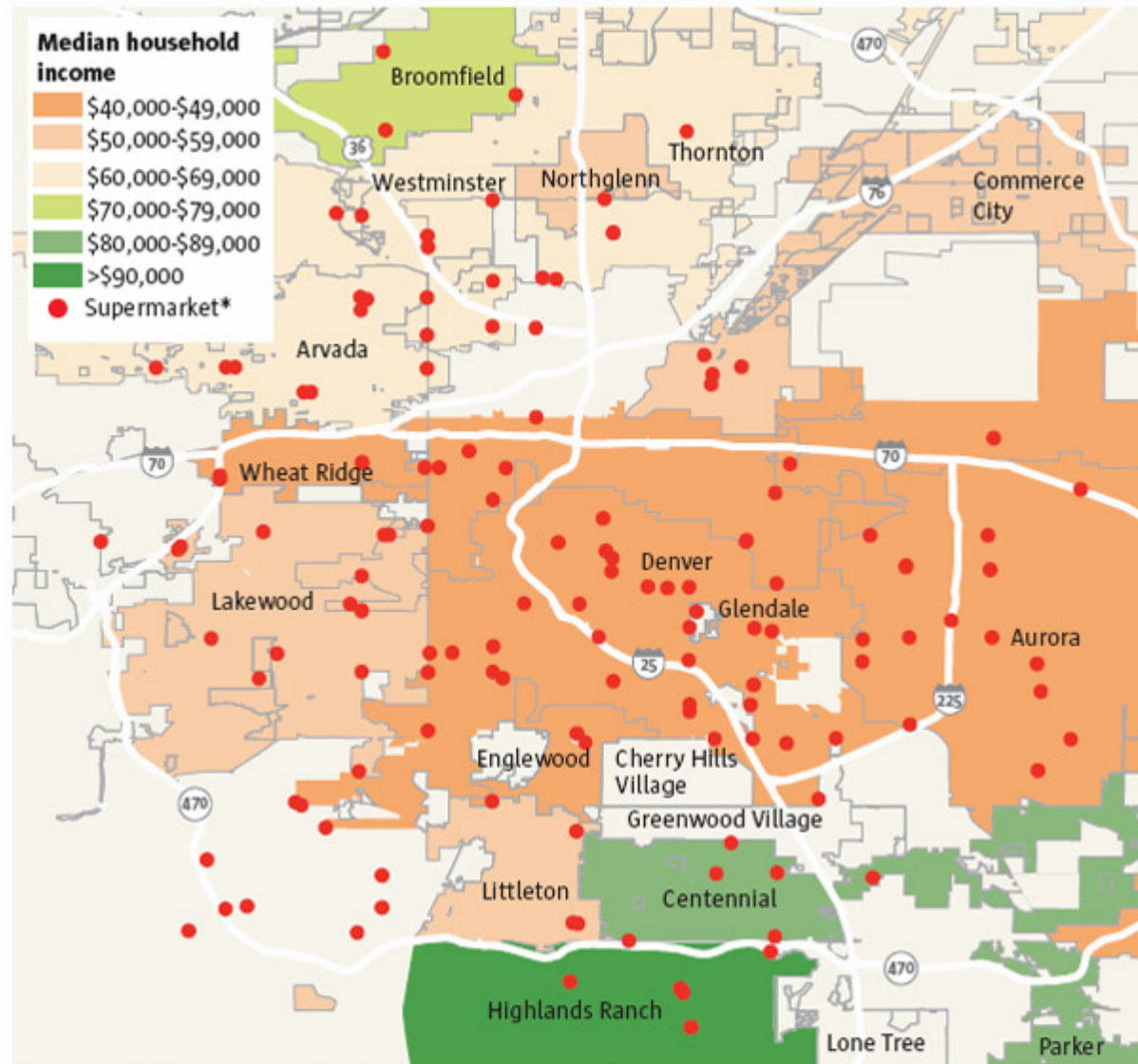
In the meantime, downtown residents are getting a place to play. But they'll have to keep waiting for a year-round nearby source of healthy food.

Leevers predicts that whoever fills that need will reap more than money.

"I get comments every time we open a new store, customers come up literally shaking my hand thanking us for opening a store in their neighborhood," Leevers said. "It's a great feeling knowing we're helping those people out."

Metro Denver grocery stores

Supermarket chains typically locate in areas where land is plentiful and population growth is likely. That approach distributes stores fairly evenly in newer and growing neighborhoods but leaves many older, low-income neighborhoods lacking shopping options.



*Supermarket locations for King Soopers, Safeway, Whole Foods, Wal-Mart Supercenter, Sunflower Farmers Market and Sav-A-Lot

Sources: U.S. Census Bureau 2008 estimates; Denver Post research

Burt Hubbard and Jeff Goertzen, *The Denver Post*