HEALTHY FOOD FOR ALL: Encouraging Grocery Investment in Colorado
A Report by the Denver Food Access Task Force
ACKNOWLEDGEMENTS

This report was prepared by Brian Lang and Eugene Kim with assistance from John Weidman at The Food Trust, and Stacey McConlogue from the Denver Department of Environmental Health; it was released in December 2011. Members of the Denver Food Access Task Force, the Denver Department of Environmental Health and Hunger Free Colorado provided valuable input. The Colorado Health Foundation provided support to the Denver Department of Environmental Health and The Food Trust for this project.
Dear Coloradans,

In spite of our designation as one of the leanest states, Colorado’s obesity rate climbed faster than the country’s from 1995 through 2008, rising 89 percent while nationwide the number rose 67 percent. In 2003, the state spent an estimated $874 million for medical care related to obesity. With nearly one in five residents classified as obese, Colorado’s trend is discouraging. Obesity rates in our children, meanwhile, exceed that of several other states. The costs for Colorado’s children are alarming—the Institute of Medicine warns that this may be the first generation to live shorter lives than their parents due to the health consequences from this epidemic.

Access to affordable fresh food is a critical component for healthy eating. Many of our communities don’t have nearby grocery stores, making it difficult to get healthy, affordable food. Research shows that the presence of nearby supermarkets helps people eat better and maintain a healthier weight. Supermarkets also provide needed jobs and economic development.

Additionally, the impact of the recent recession has put healthy eating beyond many peoples’ budgets, impacting children in particular. The rate of Colorado children living in poverty increased an astonishing 50 percent between 2000 and 2008, compared with a 6 percent increase nationwide. With Colorado consistently having one of the lowest rates in the country for participation in SNAP (food stamps) among our eligible residents, Colorado’s children are at particular risk for low access to affordable and nutritious food.

I strongly support public policy that helps bring new grocery stores and supermarkets to our underserved communities, action which also builds the economy while creating jobs in critical areas across the state. The work of the Denver Food Access Task Force represents the critical collaboration across sectors—private and public—so necessary for solving our grocery gap. Their public policy recommendations provide the first steps towards reaching our joint goals of healthy residents thriving in a healthy economy.

I look forward to continued collaboration across the state toward grocery retail development, and thank the members of the task force, the Colorado Health Foundation and The Food Trust for leading this initiative.

Sincerely,

John W. Hickenlooper
Dear Friends,

The obesity epidemic is an issue of major fiscal and public health concern. Although Denver is recognized as an active city with lower obesity rates than other U.S. cities, much like the rest of the nation this trend is on the rise. In fact, Colorado’s rate of overweight children is growing faster than all but one other state in the nation.

Denver’s children are at particular risk: whereas 27% of Colorado’s children are obese or overweight, our rate is over 37%. At the same time, nearly a third of Denver’s children experience food insecurity in their homes. The escalating costs of this epidemic cannot be ignored. With direct costs associated with obesity estimated at over $300 million each year for Denver, business and job growth are significantly stifled.

Research shows that obesity is notably worse in low-income neighborhoods, which, at the same time, have the least access to supermarkets. But studies also show that residents of communities well-served by supermarkets are more likely to eat fruits and vegetables and maintain a healthy weight. As a result, the City of Denver has focused on making nutritious foods like fruits and vegetables more readily available to our residents by supporting investments in supermarkets and grocery stores. In September 2009, we held Denver’s first supermarket summit to hear from retailers about the challenges of investing in underserved neighborhoods, and as a result convened the Denver Food Access Task Force to help develop a public-private response to the issue. Since beginning this work, we’ve been able to support the opening of a Colorado Ranch Market in one of the City’s underserved communities.

The recommendations presented by the Denver Food Access Task Force mark an important step towards my pledge to improve public-private partnerships to grow businesses, and more importantly, promote the health of our communities. On behalf of the City of Denver, I thank Governor Hickenlooper, the Denver Department of Environmental Health, The Food Trust, and the Colorado Health Foundation for the important leadership roles they have played in the task force.

I also thank all the task force members, particularly the co-chairs from Hunger Free Colorado and Safeway, for providing their invaluable assistance and expertise. We are all Denver, and working together, we can build a stronger, healthier future for the City—one that ensures that no business, no neighborhood and no family is left behind.

Sincerely,

Michael Hancock
Mayor
Dear Neighbors,

As co-chairs of the Denver Food Access Task Force, we are honored to present this report outlining our task force’s policy recommendations for developing healthy, affordable food retail in underserved communities—ensuring that everyone can have access to healthy, affordable food.

While supermarkets are not the only answer for promoting healthy eating, they provide the greatest variety of healthy, affordable food for our residents while creating jobs and economic development. Many of Denver’s neighborhoods have advocated for supermarkets over the past few decades, yet we still lack adequate facilities in many parts of our city. Additionally, there is a growing body of evidence that an increased presence of supermarkets in underserved communities helps people live healthier lives.

Representing leadership from civic, health, food retail, economic development, government and philanthropic organizations, our 38 members met to explore barriers to supermarket and grocery development in neighborhoods that lack access, ultimately identifying nine policy recommendations to drive change at both the state and local levels. We are grateful for the dedicated energy of this group, which blended a variety of perspectives to create realistic and effective solutions, and to the Denver Department of Environmental Health and The Food Trust for convening our membership.

While many of these recommendations directly impact food retail development in Denver, others require changes statewide. These more broadly targeted recommendations will promote grocery development throughout Colorado, while local action can provide a template for other communities to consider.

We look forward to strengthened private-public collaboration to bring these policies to fruition, supporting expanded food retail development in Denver and across Colorado. With concerted action, we can make healthy, affordable food available for all.

Sincerely,

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Executive Director
Hunger Free Colorado
Co-chair
Denver Food Access Task Force

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SUMMARY OF RECOMMENDATIONS

To protect the health of Denver residents, particularly our children, against obesity and diet-related illnesses such as diabetes and cardiovascular disease, it is critical that we develop our food market systems to ensure equal access to healthy, affordable food. Food retail development in underserved areas of Denver and Colorado is a critical component for building a sustainable and just food system. To ensure that all Denver residents live in areas that provide access to healthy, affordable food, the Denver Food Access Task Force presents the following recommendations for action:

Implementation of Recommendations
1. Members of this task force from the grocery retail industry, state and local government, and the nonprofit and civic sectors will guide the implementation of these recommendations, which we believe to be imperative in order to support the comprehensive development of communities and to ensure the health of families.

City and County of Denver – Systems
2. We recommend that in partnership with the task force, the City and County of Denver prioritize food retailing, work with grocers to navigate the development review process and explore ways to expedite the opening of new stores.
3. With support from Colorado’s philanthropic community, we recommend that local economic development agencies within the City and County of Denver employ innovative, data-driven market assessment techniques to identify unmet market demand in Denver’s neighborhoods and to highlight information that would support successful grocery retail projects in underserved areas. Such research should also gather input from communities around the city advocating for better access to healthy, affordable food.
4. In partnership with the leadership of the city’s economic and community development agencies, we recommend that the City and County of Denver create and aggressively market economic development programs designed for the grocery retail industry in identified high-need areas.
5. We recommend that the City and County of Denver establish a single point of contact for the grocery retail industry that coordinates city departments and services for grocery retail development.
6. In partnership with local transit agencies, we recommend that the City and County of Denver take steps to promote safe, affordable and efficient transportation services for neighborhoods lacking healthy food retailers.

State of Colorado and Private Foundations – Fresh Food Financing Fund
7. The task force calls upon Colorado foundations and state and local governments to seed a development and business financing program for grocery retail development projects and seek to leverage seed capital with additional public and private loan fund capital investments. The program should work in concert with the tools described in Recommendation 4.
8. A task force subgroup, with representatives from state and local government, redevelopment and financing authorities, foundations and local Community Development Financial Institutions, should be convened to define the goals, policies, guidelines and delivery model needed to effectively manage the fund and attract private investment.

City and County of Denver and State of Colorado – Supplemental Nutrition Assistance Program (Food Stamp) Enrollment
9. In partnership with hunger advocates, members of the Denver supermarket and grocery business, and the Office of Economic Development, the task force calls upon the leadership of Denver Human Services to prioritize increasing the rate of enrollment in the Supplemental Nutrition Assistance Program (SNAP). To bring about this change, the City of Denver needs to work with the state to ensure effective infrastructure exists to administer the program.
Too many Coloradoans lack sufficient access to healthy, affordable food. There are too few supermarkets in many areas throughout Colorado, including numerous low-income neighborhoods in Denver. The resulting lack of healthy, affordable food imposes a significant toll on many of our communities and undermines the health and well-being of children and families. At the same time, a significant and growing body of research has found that people with convenient access to a grocery store or supermarket eat more fruits and vegetables and are more likely to maintain a healthy weight.

Recognizing that the City of Denver’s lower-income areas are underserved by supermarkets and grocery stores, the Colorado Health Foundation, The Food Trust and the Denver Department of Environmental Health Denver Healthy People Program worked to bring together the needed stakeholders to ensure equitable access to healthy, affordable food for all Denver residents. Invited by then Denver Mayor John Hickenlooper, the Denver Food Access Task Force began meeting to develop a comprehensive approach to the problem. The group is a public-private partnership composed of leadership from the grocery industry, state and local government, and community, economic development, public health and philanthropy sectors. We present nine recommendations for action.

These recommendations identify short- and long-term public policies that will improve the availability of healthy, affordable food in underserved regions through the development of new supermarkets and food stores. The proposed policies build on existing City of Denver efforts to partner effectively with private and nonprofit interests, while improving the responsiveness of government by enhancing focus on grocery retail development. This initiative will create a sample model for other municipalities to adapt. Developing financing programs and increasing SNAP participation rates will also require collaboration from the state and have the potential to impact food access throughout Colorado.

The Denver Food Access Task Force pledges to create working groups that will implement the following policy recommendations to address the disparity in access to healthy, affordable food. With strong leadership and dedicated resources from the City and County of Denver and the State of Colorado, supermarkets, grocery stores and quality food stores can improve public health, create jobs and stimulate other business development that improves the local economy.

**Task force recommendations include:**

- Enhance Denver City and County systems to support healthy food retail development in underserved areas.
- Establish a fresh food financing fund modeled on the successful Pennsylvania Fresh Food Financing Initiative, which provides access to capital for developing supermarkets and grocery stores.
- Improve the participation rate among Coloradans eligible for the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. Participation rates in Colorado are among the worst in the US. According to the USDA, Colorado missed out on $2.6 billion in SNAP benefits from 2006 to 2009, dollars which could have been stimulating grocery retail development and creating jobs in our neediest communities.
FOOD ACCESS, HEALTH & ECONOMIC DEVELOPMENT IN DENVER AND COLORADO

The Denver Food Access Task Force has found compelling health and economic reasons for expanding access to grocery retail in low-income communities.

Obesity has severe health consequences. Indeed, the children of today may be the first generation to have a shorter lifespan than their parents. Unhealthy eating and inactivity contribute to over 300,000 deaths nationally each year. Poor diet contributes to four of the six leading causes of death and increases the risk of numerous diseases, including heart disease, diabetes, obesity, hypertension, stroke, osteoporosis and many types of cancer. Additionally, obesity costs the United States an estimated $147 billion per year in direct medical costs.

While Denver and Colorado fare better than the rest of the nation, our obesity rates would have been considered average just 10 years ago. Low-income communities are at particular risk.

Generally, people who have access to grocery stores have healthier diets and lower rates of chronic illness. Studies have shown that bringing grocery stores to underserved areas leads to increased fruit and vegetable consumption. A recent report summarizing research linking grocery access and health found 13 of 14 studies showing a correlation between greater access and better eating behaviors. Five studies found that proximity to supermarkets corresponds with a lower body mass index (BMI) or rates of obesity, diabetes or diet-related death among adults. One study found the same correlation among adolescents.

Access to food is not evenly distributed in Colorado. Many people have to travel long distances to buy food at a supermarket. In low-income communities, many do not have cars and are less able to afford to travel to the areas
where supermarkets are concentrated. A 2009 study by The Food Trust found a number of Colorado communities were underserved by supermarkets, including large portions of Eastern Colorado, the far northeast corner of the state, Southern Central Colorado and areas of Western Colorado. Several lower-income neighborhoods in Denver had low supermarket sales, including Westwood, Barnum, Barnum West, Villa Park, Sun Valley, North Park Hill, Northeast Park Hill, East Colfax, Elyria Swansea, Clayton, Cole, Globeville, Five Points and Montbello.

Colorado and Denver consistently rank near or at the bottom for participation of eligible residents in the Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamp program. Accessing available federal SNAP dollars would provide healthy, affordable food for those most at risk and would stimulate grocery sales, thereby boosting our local economy.

Supermarket development not only promotes health but also offers economic benefits by bringing dollars and jobs to our neediest neighborhoods. Supermarkets are known to be anchors in communities, attracting complementary retail services including banks, pharmacies and restaurants. In several instances around the country, supermarket development has been credited with catalyzing the revitalization of entire neighborhoods. Studies of Pennsylvania’s Fresh Food Financing Initiative, a public-private partnership that developed over 90 new and expanded stores across the state, found that it helped to create or retain over 5,000 jobs. And one study found that the vast majority of jobs created through the initiative were filled by local residents who lived within 3 miles of the store.

The Denver Food Access Task Force recognizes that access to healthy, affordable food needs to be improved as part of Denver and Colorado’s larger economic development, health improvement and sustainability goals. Establishing supermarket and grocery development as one of a set of strategies for achieving these aims provides a comprehensive vision for food-based economic development. Complementary goals such as better fresh food offerings at corner stores, more farmers’ markets, expanded local agriculture and innovative fresh food retail ventures like urban micro-farms can provide synergistic momentum towards an expanded local food economy.

Economic development, jobs and health—all result from supporting healthy, affordable food retail.

“Because of the increasing rates of obesity, unhealthy eating habits and physical inactivity, we may see the first generation that will be less healthy and have a shorter life expectancy than their parents.”

— former Surgeon General Richard Carmona
Members of this task force from the grocery retail industry, state and local government, and the nonprofit and civic sectors will guide the implementation of these recommendations, which we believe to be imperative in order to support the comprehensive development of communities and to ensure the health of families.

The active participation of public-private leadership from the grocery retail industry, public officials, and the nonprofit and civic sectors has been essential to the successful redevelopment of supermarkets and other healthy, affordable food retail across the country.

An umbrella group of public and private sector leaders selected from the task force will provide guidance to and coordinated action for smaller workgroups to move these policy recommendations forward. Additionally, this implementation task force will work closely with the Denver Sustainable Food Policy Council, a permanent citizen body that advises the City of Denver on food policy, in order to institutionalize citizen advisory oversight of ongoing strategy implementation. It will also coordinate efforts with other healthy eating advocacy groups and organizations. A key function of the implementation task force will be to secure future funding and resources needed to implement all of the recommendations.

The task force will establish three workgroups for addressing the following areas: 1) implementing changes to Denver city systems, 2) developing a financing program and 3) advocating for changes to the SNAP program.

Example:

Collaboration among public and private leadership has been one of the main drivers of success behind projects seeking to increase investment in new and expanded grocery stores for cities around the country. In New Orleans, the Fresh Food Retailer Initiative was launched in spring 2011 to increase access to healthy, affordable foods in traditionally underserved neighborhoods in the city through the development of grocery stores and supermarkets. Seeds for the initiative were planted years earlier.

In 2008, the New Orleans Food Policy Advisory Committee (FPAC), composed of leaders from the world of public health, economic development and the supermarket industry, developed 10 policy recommendations addressing ways the city and state could support increasing supermarket and other fresh food retail development in underserved communities. At the conclusion of FPAC proceedings, key members continued to work for the implementation of recommendations. One proposal called for the development of a financing program for supermarkets and led to the creation of the Fresh Food Retailer Initiative, which provides direct financial assistance to retail businesses by awarding forgivable and/or interest-bearing loans to supermarkets, grocery stores and other fresh food retailers. The city has provided $7 million in Disaster Community Development Block Grant funds toward the program, which will be matched by a local Community Development Financial Institution, Hope Enterprise Corporation.
In recent years, the City and County of Denver has made significant progress toward improved development services and economic development technical assistance. Task force members support continued enhancement of city processes and services through focused attention on stimulating grocery retail development in underserved areas and on encouraging public transit access to grocery stores.

Recommendations 2 through 6 address changes to enhance Denver city systems for supporting grocery retail expansion. Many food retailers interested in developing in underserved areas need support with the development and permitting processes, as well as help accessing incentives, financing, workforce development and other supportive programs that would enable them to open successful stores. Innovative market data that clarifies what kinds of potential fresh food buying power exists in Denver’s underserved neighborhoods, as well as corresponding retail models for meeting these demands, can stimulate healthy food retail development. Outreach to potential retailers about these services and support can create a pipeline of retail development projects. A single point of contact at the city is needed to coordinate this process.

Transportation is another critical factor for access to healthy food. The city works with the Regional Transportation District to ensure its residents’ needs are met. Encouraging a focus on planning transportation systems that link underserved areas to existing grocery stores and advocating for grocery retail development in planned transportation hubs such as the Fast Tracks regional light rail stations would promote grocery access. Additionally, these actions would stimulate the economy and support sustainable transportation modes.

Task force members support continued enhancement of city processes and services through focused attention on increasing grocery retail development in underserved areas and encouraging public transit access to existing grocery stores. The implementation of such changes will require the support of elected officials, departmental leadership and citizen advisory entities such as the Denver Sustainable Food Policy Council.
We recommend that in partnership with the task force, the City and County of Denver prioritize food retailing, work with grocers to navigate the development review process and explore ways to expedite the opening of new stores.

Building on the recent success toward improved development services and economic development technical assistance, the City and County of Denver, with the support of task force members, should engage retailers who are interested in opening stores in needy areas to identify the diverse barriers that arise throughout the development and permitting processes and address these as needed. Additionally, inclusion of grocery development as a priority within city planning documents will support concrete action and provide a measure of progress for review by the Denver Sustainable Food Policy Council.

Example:

New York City has explicitly adopted food retailing as a priority for community development in response to rising concern over the lack of access to healthy, affordable food in underserved communities. In January 2007, Mayor Michael Bloomberg established a food policy coordinator for the city charged with coordinating the efforts of city agencies to improve access to healthy, affordable food. Subsequently, in fall 2010, Mayor Bloomberg and City Council Speaker Christine Quinn introduced the Food Retail Expansion to Support Health (FRESH) program, a new initiative that provides zoning and financial incentives to property owners, developers and grocery store operators in areas of New York City currently underserved by grocery stores. FRESH is the first program in the nation to combine zoning and financial incentives. Part of the city’s Five Borough Economic Opportunity Plan, FRESH is expected to create an estimated 15 new grocery stores and to upgrade 10 existing stores, thereby creating 1,100 new jobs and retaining 400 others over the next 10 years.

In Portland, Oregon, the Bureau of Planning and Sustainability created strategies addressing healthy, affordable food access as part of its Portland Plan, a document to guide the growth of the city to the year 2035. Among the plan’s goals is for “90 percent of Portlanders to live within a half mile of an accessible retail location that sells healthy, affordable food.” To implement that plan, the city is attracting grocers to neighborhoods that are considered underserved through awards of funding and technical assistance packages.
With support from Colorado’s philanthropic community, we recommend that local economic development agencies within the City and County of Denver employ innovative, data-driven market assessment techniques to identify unmet market demand in Denver’s neighborhoods and to highlight information that would support successful grocery retail projects in underserved areas. Such research should also gather input from communities around the city advocating for better access to healthy, affordable food.

In late 2009, The Food Trust released a report titled “The Need for More Supermarkets in Colorado.” This report identified lower-income areas underserved by fresh food retailers in Denver having high rates of diet-related deaths. To build upon this data, non-traditional market analysis that incorporates community input will provide better understanding of the capacity of specific underserved areas in Denver to support fresh food retailers. Additional assessment of different fresh food retail models will help the city design a proactive outreach strategy to attract those retailers most likely to succeed in different neighborhoods, based on demographic and market analysis. The data may also be used in long-range planning for station areas, transit corridors and other activity centers to identify places where fresh food retailers would be an ideal anchor for commercial/mixed-use development.

Example:
The City of Milwaukee’s Department of City Development has successfully used independent data analysis to attract new supermarket chains. Milwaukee utilized a state-of-the-art methodology relating detailed income tax filing data and other current information on residents’ spending patterns to describe the income concentration and spending power around commercial districts. The city mapped the purchasing power and economic assets of all commercial districts in the city. The purchasing power profile reports were then posted on the City of Milwaukee’s website. Milwaukee’s data showed that some of the strongest retail markets in the city have been ignored in part due to marketing stereotypes promulgated by commercial marketing firms, misconceptions about income status and persistent “urban legends” about the absence of workers in inner-city neighborhoods.

The City of Baltimore is using similar techniques to document its unmet demand for food. Recent research compiled by Social Compact, a coalition of business leaders from across the country who are promoting successful business investment in lower-income communities for the benefit of current residents, indicated that an estimated $217 million in grocery leakage could support an additional 633,000 square feet of grocery retail space in Baltimore. The analysis uses information similar to that used by the City of Milwaukee, including local tax assessments, building permits, consumer credit bureaus and utility bill payment data.
In partnership with the leadership of the city’s economic and community development agencies, we recommend that the City and County of Denver create and aggressively market economic development programs designed for the grocery retail industry in identified high need areas.

Proactive outreach would showcase data developed under Recommendation 3 and help the city identify the most appropriate retailers to target with investment incentives tailored to their needs. Tools should include tax incentives, grants, low-interest loans, operating subsidies and other incentives, such as tax increment financing where appropriate, capable of altering base market conditions to the extent needed to encourage grocery retail development. The task force encourages financing and development partners such as the Denver Urban Renewal Authority to support these steps. The city, in collaboration with the task force, can advocate for complementary incentives to be established by the State of Colorado.

Example:
In Los Angeles, an incentives package implemented by the Community Redevelopment Agency of the City of Los Angeles, has been successful in attracting three new grocery stores into underserved sections of the city in the last three years. The package offers low-interest financing, discounted energy entitlements, expedited plan review at the Planning Department, assistance with identifying sites and assistance with identifying qualified workers.

In Boston’s Mission Hill neighborhood, a Stop & Shop store opened in a former tannery and paint factory following environmental remediation by the city and other development assistance in the form of low-cost financing, infrastructure improvements and tax abatements. The Jamaica Plain Neighborhood Development Corporation partnered in the store’s development.

Various states – such as Nevada and Michigan – have passed legislation offering tax abatements to encourage grocery store development. In Nevada, developers can apply for a partial abatement of the taxes imposed on necessary capital equipment; while in Michigan, lawmakers have allowed property tax abatements in underserved areas for food stores that carry fresh meat and poultry, fruits and vegetables, and dairy.
We recommend that the City and County of Denver establish a single point of contact for the grocery retail industry that coordinates city departments and services for grocery retail development.

In Denver, fresh food retailers working to build, expand or renovate food stores in underserved areas have faced barriers along the planning, financing and permitting processes. To overcome those barriers and expedite the development of new stores, we recommend that the city create a single point of contact for grocers developing new or expanded stores in Denver.

The single point of contact would:

- Develop and monitor market data for underserved communities.
- Gather input from Denver communities advocating for better access to healthy, affordable food.
- Conduct outreach to fresh food retailers, including marketing of investment incentives and data through up-to-date collateral material and an interactive website.
- Act as a liaison for fresh food retailers as they navigate the city’s permitting and development review processes and with community groups as they seek improved access to healthy, affordable food.
- Participate in long-range planning for corridors, transit stations and other activity centers where fresh food retailers would be potential anchors for commercial development.

Example:

In Chicago, Illinois, the city has addressed fresh food retail needs in its communities by making the development process for retailers more streamlined and less burdensome. The city created Shop Chicago, an aggressive outreach program to introduce retailers, brokers and developers to the many community retail development opportunities in Chicago and to expedite their entry into these markets. The program coordinates the city’s participation in the development process while strengthening and stabilizing existing neighborhood retail centers. Specific responsibilities of Shop Chicago include maintaining a single point of access for inquiries about neighborhood retail development opportunities, providing customized market information for development opportunities and communities, and creating a strategic plan to coordinate these initiatives with developer and neighborhood needs.
In partnership with local transit agencies, we recommend that the City and County of Denver take steps to promote safe, affordable and efficient transportation services for neighborhoods lacking healthy food retailers.

As the Regional Transportation District (RTD) studies circulator systems, the city will work with RTD to identify gaps in transit service where enhanced service would better connect residents to transit stations and destinations such as grocery retailers. The city can advocate for inclusion of fresh food retail development near new transit stations. Additionally, an innovative model for transportation access to grocery stores can be explored and developed in collaboration with RTD and other partners.

Example:

In various cities, new public transit routes and rider information have given residents much needed access to grocery stores and supported the economic viability of those stores.

The L-Tower Avenue bus route in Hartford, Connecticut, plays an important role in increasing access to major supermarkets for transit-dependent residents. Designed as part of the Jobs Access program to link low-income residents with jobs, shopping and medical services, the L-Tower Avenue bus route saw its ridership double after a year, with grocery shopping cited as the primary reason to take the bus by one-third of its riders. Similarly, the Austin, Texas, Capital Metro, working with the Austin/Travis County Food Policy Council, started a “grocery bus” line in 1996 with the intention of providing improved food access to residents of the primarily low-income, Latino Eastside. The bus route was designed to run at regular intervals seven days a week and to link neighborhoods with two supermarkets. In Springfield, Massachusetts, community members, public officials and store management developed a free, once-a-week shuttle service in an effort to ensure that the one supermarket that served 26,000 people did not close. In Wisconsin, the Madison Metro Public Transit “Ride Guide” includes routes to 20 area grocery stores among other popular destinations and has an arrangement with at least one grocer to drop-off and pick up customers right at the door.
Fresh Food Financing Fund

Infrastructure costs and credit needs for grocers investing in new and expanded stores in underserved neighborhoods cannot always be met by conventional financial institutions. Where traditional, non-subsidized financing mechanisms are infeasible or less feasible, funds from a variety of sources – such as foundations, state and local governments, and private entities – have been pooled to stimulate the development of fresh food retail in underserved communities around the country. A grocery and fresh food retail financing program could be used for site acquisition, rehabilitation, construction, equipment purchases, and business and workforce development. Such a financing program in Colorado should promote projects that would improve access to healthy, affordable food and promote economic development in underserved areas. It should also show preference to projects with demonstrated community support.

For a fund to be successful in Colorado and Denver, government, finance and philanthropic partners need to design a structure that works effectively for our state and city and to create critical partnerships that are needed for success. A work group will be created to establish such a design and to leverage the partners needed to successfully implement a fresh food financing fund.

Recommendations 7 and 8 provide for the design and establishment of a fresh food financing fund.
The task force calls upon Colorado foundations and state and local governments to seed a development and business financing program for grocery retail development projects and seek to leverage seed capital with additional public and private loan fund capital investments. The program should work in concert with the tools described in Recommendation 4.

A task force subgroup, with representatives from state and local government, redevelopment and financing authorities, foundations and local Community Development Financial Institutions, should be convened to define the goals, policies, guidelines and delivery model needed to effectively manage the fund and attract private investment.

Example:

In 2004, Pennsylvania created the nation’s first statewide program to address the lack of fresh food availability in its communities: the Pennsylvania Fresh Food Financing Initiative. The initiative was started with $30 million in state funds. A Community Development Financial Institution, The Reinvestment Fund (TRF), used the state’s capital to leverage an additional $90 million in other sources of public and private capital, for a total of $120 million. Sources included banks, store operators and developers, and federal, local and philanthropic sources. The Food Trust, a nonprofit food access organization, partnered with TRF to co-administer the initiative. Since its launch, the initiative has financed more than 90 new and expanded stores across the state, creating or retaining over 5,000 jobs and serving an estimated 500,000 people.

The New York Healthy Food Healthy Communities Fund is a $30 million program created by former New York Governor David Paterson to provide grants and loans to supermarkets investing in new or expanded business in underserved communities statewide. The program was seeded with a $10 million investment from New York’s Empire State Development Corporation and Department of Agriculture and Markets. The program is administered by the Low Income Investment Fund, a Community Development Financial Institution that creates tailored financial packages of grants and loans for the construction and expansion of eligible supermarkets. The Food Trust screens applicants to ensure that investments are made in areas of need. Goldman Sachs provided an additional $20 million in loan capital for the program, and the New York State Health Foundation provided a grant to help cover the costs of managing the fund.

Modeled after the successful Pennsylvania Fresh Food Financing Initiative and intended to align with plans for a National Healthy Food Financing Initiative, the California FreshWorks Fund (CAFWF) is a public-private partnership loan and grant fund that will finance grocery stores and other forms of fresh food retail and distribution in underserved communities throughout California. Created in partnership with The California Endowment, National Cooperative Bank (NCB) Capital Impact, and other community, industry and government partners, CAFWF was seeded with a $30 million mission-related investment and a $3 million grant from The California Endowment and was then leveraged with $170 million in commitments from NCB Capital Impact, Kaiser Permanente, JPMorgan Chase and others.
Supplemental Nutrition Assistance Program (Food Stamp) Enrollment

Originally designed as an agriculture support and surplus program, SNAP, formerly known as food stamps, is the cornerstone of federal food assistance initiatives. In 2010, it helped put food on the table for 40.3 million people. SNAP provides monthly dollar allotments based on income and family size that are loaded onto an electronic benefits card to purchase food.

Colorado is among a minority of states that administer SNAP through its counties, as opposed to being a state-run program. This approach presents unique challenges to implementing system-wide administrative processes. Increasing program access at the county level, thereby generating grocery sales, will take a multi-pronged approach that includes a focus on customer service and improved business processes, along with the formation of robust community-based partnerships. Denver has the largest number of SNAP eligible individuals in Colorado. Therefore, it must have an active voice in partnering with the state regarding eliminating non-federally mandated program rules, seeking federal waivers where applicable and providing feedback on the functionality of the Colorado Benefits Management System.

Colorado is currently participating in Work Support Strategies: Streamlining Access, Strengthening Families, an Urban Institute/Ford Foundation project that provides states the opportunity to design, test and implement more effective approaches to delivering key supports, such as SNAP, for low-income working families. As one of the two county-run systems to receive the grant, Colorado is presently working to gain consensus among state and county leaders on the changes in policy, procedures and technology needed to accomplish better coordination across programs. In recent years, Colorado has eliminated some statutory barriers to coordination. However, clients still face challenges to receiving benefits, such as lengthy applications, slow case processing, confusing eligibility requirements and duplicative verification processes.

In 2009, Colorado ranked 50th among the states and the District of Columbia for SNAP participation. With less than a 42 percent participation rate, approximately 480,000 eligible participants missed out on benefits that provide access to healthy, affordable food. Not only does low enrollment mean the difference between going hungry and having food on the table, SNAP generates significant revenues for food retailers and creates jobs throughout the state. From 2006 to 2009, SNAP generated almost $1.5 billion dollars in grocery retailer revenues for Colorado. Had there been full participation in the program during those years, there would have been an additional $2.6 billion in federal dollars coming into the state. With an economic multiplier effect of 1.84, these funds would have resulted in almost $4.8 billion in additional economic activity.
In partnership with hunger advocates, members of the Denver supermarket and grocery business, and the Office of Economic Development, the task force calls upon leadership of Denver Human Services to prioritize increasing the rate of enrollment in the Supplemental Nutrition Assistance Program (SNAP). To bring about this change, the City of Denver needs to work with the state to ensure effective infrastructure exists to administer the program.

To improve participation in SNAP, the state should strengthen its efforts to identify and eliminate regulatory and procedural barriers to enrollment. Specifically, the state can take steps to streamline administrative processes. An example is the 2011 elimination of the asset test. Another is cross-sector working groups other states have established that meet quarterly to discuss best practices, identify barriers to participation and design remedies. The state could also change Colorado’s name for the program (currently called the Food Assistance Program) to align with the federal name of SNAP. Retailers, counties and nonprofits could then use federal outreach materials and signage, thus producing a cost savings.

The City and County of Denver has recently made significant progress in improving the timely processing of SNAP applications as required by federal law. Building on this momentum, the city can institute innovative community outreach programs, raising awareness about SNAP and engaging community partners to establish outreach to eligible populations. One such partnership in Denver places Hunger Free Colorado staff at the Denver Department of Human Services to assist staff with SNAP processing tasks. Another could provide application assistance to shoppers at grocery stores. Additionally, partnerships and coalitions among cities and counties could more efficiently address the barriers to SNAP enrollment by pooling resources and experience. Eligible activities can be included in the state’s Outreach Plan which allows for a 50 percent federal reimbursement match.

Building on recent momentum, both the city and the state can construct the partnerships and systems needed to ensure access to SNAP benefits. Engaging the food retailing and economic development sectors, in addition to more traditional food security partners, can bring needed resources to increase SNAP participation. Such actions would make the application process more accessible to eligible residents and ensure that determination of eligibility is completed in a timely manner.

Increasing Colorado’s participation in SNAP has the potential to help almost half a million Coloradans eat healthier food while generating significant economic development.

Example:
Among the 10 SNAP county-administered states, Ohio has consistently achieved participation rates above the national average, outperforming the other nine states in this category. Ohio developed an integrated, effective system for outreach, enrollment and maintenance that enables this success. One component they use for outreach and enrollment is The Ohio Benefit Bank, an Internet-based, counselor-assisted service that connects low- and moderate-income families to tax credits and work supports, including SNAP benefits. The program is implemented through a public-private partnership of over 1,100 faith-based, nonprofit, government and private organizations. The creation of this system to assist those in need with supports that help in their day-to-day lives has put the state of Ohio at the forefront of fighting hunger and poverty.
SELECTED RESOURCES


Center for Science in the Public Interest – Nutrition Policy, http://www.cspinet.org/nutritionpolicy/nutrition_policy.html#eat


Community Food Security Coalition – Transportation and Food: The Importance of Access, http://www.foodsecurity.org/policy_trans03_brief.html;


Hunger Free Colorado – Supplemental Nutrition Access Program (SNAP), http://www.hungerfreecolorado.org/supplemental-nutrition-assistance-program-snap-.html

Leadership for Healthy Communities – Supermarkets & Healthy Food Vendors Examples, http://www.leadershipforhealthycommunities.org/content/view/318/187/


The Low Income Investment Fund – Healthy Food Healthy Communities Program http://www.iiifund.org/programs/healthy-food/


ABOUT THE DENVER DEPARTMENT OF ENVIRONMENTAL HEALTH
The Denver Department of Environmental Health is a City & County of Denver Charter department responsible for public and environmental health for the population of the City & County of Denver. Our mission is “Promote Healthy Communities” – which we undertake by:

- Promoting active living and healthy eating,
- Protecting Denver’s environment, and
- Providing the full scope of essential public health services for Denver’s population, with our partner, Denver Public Health, a department of the Denver Health and Hospital Association, and many other community, nonprofit and business partners.

ABOUT THE FOOD TRUST
Ensuring That Everyone Has Access To Affordable, Nutritious Food

The Food Trust, a nonprofit founded in Philadelphia in 1992, strives to make healthy food available to all. Research has shown that lack of access to healthy food has a profound impact on food choices and, therefore, a profound impact on health.

For almost 20 years, The Food Trust has worked with neighborhoods, schools, grocers, farmers and policymakers to develop a comprehensive approach to improving the health of America’s children. The Food Trust’s innovative initiatives integrate nutrition education with increased availability of affordable, healthy foods.

This approach has been shown to reduce the incidence of childhood overweight; a study in the journal Pediatrics found that the agency’s School Nutrition Policy Initiative resulted in a 50 percent reduction in the incidence of overweight among Philadelphia school children.

The Food Trust is recognized as a regional and national leader in the prevention of childhood obesity and other diet-related diseases for this and other notable initiatives to increase food access in underserved neighborhoods, including the Healthy Corner Store Initiative and the Pennsylvania Fresh Food Financing Initiative, a public/private partnership which has sparked the development of more than 90 fresh-food retail projects across Pennsylvania.

The Centers for Disease Control and Prevention honored the Fresh Food Financing Initiative in its Showcase of Innovative Policy and Environmental Strategies for Obesity Prevention and Control, and the program was named one of the Top 15 Innovations in American Government by Harvard University.

“The Food Trust is transforming the food landscape one community at a time, by helping families make healthy choices and providing access to the affordable and nutritious food we all deserve.” — Robert Wood Johnson Foundation

For more information or to order additional copies of this report, visit thefoodtrust.org or contact The Food Trust.

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