



STIMULATING
SUPERMARKET
DEVELOPMENT
IN MARYLAND

*A report of the
Maryland Fresh Food Retail
Task Force*

Task Force Members

Advocates for Children and Youth

Becky Wagner, Executive Director
(Task force co-chair and convening partner)

Ahold USA

Tom Cormier, Director,
Government Affairs

Angels Food Market

Walt Clocker, Owner and Chairman
of the Maryland Retailers
Association

Annie E. Casey Foundation

Sophie Dagenais, Director,
Baltimore Civic Sites and
Initiatives

Associated Wholesaler's, Inc.

Gordon Halteman, (former)
General Manager, Real Estate
and New Business Development
Paul Howes, Store Development
Manager
Gary Lauer, Director of Retail
Development

Baltimore City Health Department

Dr. Oxiris Barbot, Commissioner
Laura Fox, Program Coordinator,
Virtual Supermarket Program

Baltimore City Planning Department

Holly Freishtat, Food Policy
Director, Office of Sustainability
Lynette Washington,
Division Director

Baltimore Development Corporation

Will Beckford, Executive Director
of Commercial Revitalization
Kristen Mitchell, Senior Economic
Development Officer
Leon Pinkett, Senior Economic
Development Officer

Bank of America

Brooke Hodges, Senior Vice
President

B. Green Co.

Benjy Green, CEO

CommonHealth ACTION

David Harrington, Senior Policy
Advisor for Wellness and
Community Initiatives

Corporate Property Solutions

Jim Leanos, Principal

Forest City – New East Baltimore Partnership

Curtis Adams, Development
Manager
Scott Levitan, Senior Vice President
and Development Director

Greater Baltimore Committee

Sara Bruszewski, Director of
Special Projects
Don Fry, President and CEO

Johns Hopkins University, Center for a Livable Future

Amanda Behrens, Project Manager
Anne Palmer, Program Director

Manekin L.L.C.

Owen Rouse, Senior Vice President
and Director of Capital Markets

Mars Supermarkets

Phil Hanlon, President and COO

Maryland Department of Agriculture

Joanna Kille, Director of
Government Relations
Mark Powell, Chief of Marketing
and Agribusiness Development

Maryland Department of Business and Economic Development

Victor Clark, Program Manager,
Office of Small Business
Dominick Murray, Deputy
Secretary

Maryland Department of Health and Mental Hygiene

Dr. Maria Prince, Medical Director,
Center for Chronic
Disease Prevention and
Control (representing Fran
Phillips, Deputy Secretary for
Public Health Services)
Dr. Donald Schell, Director, Center
for Chronic Disease Prevention
and Control

Maryland Department of Housing and Community Development

Carol Gilbert, Assistant Secretary
of Neighborhood Revitalization

Maryland Department of Human Resources

Vince Kilduff, Deputy Executive
Director, Family Investment
Administration

Maryland Department of Planning

Dan Rosen, Resource Conservation
Manager

Maryland Department of Transportation

Pat Keller, Deputy Chief
Administrative Officer, Statewide
Service Department

Maryland Family Network

Linda Ramsey, Deputy Director
of Family Support
Margaret Williams, Executive
Director

Maryland Food Bank

Deborah Flateman, CEO

Maryland Governor's Office for Children

Christina Drushel, Interagency
Prevention Specialist

Maryland Hunger Solutions

Cathy Demeroto, Director

Maryland Retailers Association

Pat Donoho, President (Task force
convening partner)

Office of Governor Martin O'Malley

Ashley Valis, Assistant Chief
of Staff

Office of Mayor Stephanie Rawlings-Blake, City of Baltimore

Kimberly McConkey, Special
Assistant

Pastore's, Inc.

Mike Pastore, President

Pittman's Grocery

David Pittman, Owner

PNC Bank

Franklin McNeil, Community
Development Banking Territory
Manager

Prince George's County Economic Development Corporation

Larry Hentz, Business Development
Specialist

Safeway Inc.

Greg Ten Eyck, Director of Public
Affairs and Government Relations
(Task force co-chair)

Santoni's Super Market

Rob Santoni, Owner

Saubel's Markets

Greg Saubel, President

Supervalu

Tim Parks, Area Sales Director,
Eastern Region

The Association of Baltimore Area Grantmakers

Kurt Sommer, Director, Baltimore
Integration Partnership

The Reinvestment Fund

Dana Johnson, Baltimore Market
Leader

United Way of Central Maryland

Sandy Monck, Chief Impact Officer

Wakefern

Lisa Antoniewicz, Senior Real
Estate Representative

Maryland Fresh Food Retail Task Force

Dear Neighbors,

As co-chairs of the Maryland Fresh Food Retail 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 throughout Maryland.

Despite being one of the wealthiest states in the nation, Maryland is home to many communities with too few supermarkets. Nearly 1.2 million Maryland residents, including approximately 300,000 children, live in lower-income communities underserved by supermarkets. Each year, Maryland spends an estimated \$1.5 billion treating obesity-related diseases. 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.

Every community deserves to have convenient 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 residents while creating jobs and spurring economic development.

A task force of nearly 45 experts representing leadership from government, public health, grocery retail, civic and community and economic development organizations met to explore barriers to supermarket and grocery store development in neighborhoods that lack access to nutritious foods. As a group we identified 10 policy recommendations to advocate for change at both the state and local levels. We are thankful for the dedicated energy of this group, which blended a variety of perspectives to create realistic and effective solutions. We also would like to extend our gratitude to the Robert Wood Johnson Foundation for their support and to The Food Trust for helping to convene the task force.

The recommendations require changes but are built on the work that officials from Maryland and the City of Baltimore have begun. For instance, the Baltimore City Health Department is already working with a local grocer to provide a grocery delivery service to residents living in neighborhoods lacking access to fresh and healthy food retail. Meanwhile, the Maryland Department of Housing and Community Development's Neighborhood BusinessWorks program is designed to provide gap financing to new or expanding small businesses, such as grocery stores, and nonprofits in qualifying communities around the state to promote investment in commercial districts or town centers and revitalize communities.

Implementing the recommendations outlined in this report will require committed, broad-based leadership to build new and renovate and expand existing grocery stores and other fresh food retail in Maryland. We deeply appreciate the hard work and commitment of the Maryland Fresh Food Retail Task Force members as well as the support from the State of Maryland. Together, we can make healthy, affordable food available for all children and families in Maryland.

Sincerely,



Becky Wagner, Co-chair
Executive Director, Advocates for Children and Youth



Greg Ten Eyck, Co-chair
Director of Public Affairs and Government Relations, Safeway Inc.

INTRODUCTION

Too many Marylanders lack sufficient access to healthy, affordable food. Despite being one of the wealthiest states in the nation, Maryland is home to many communities with too few supermarkets, grocery stores and other retailers of healthy food, such as co-ops, farmers' markets and mobile markets.

These recommendations call upon state and local governments to prioritize grocery store, supermarket and other healthy food retail development in underserved communities.

In Maryland, limited access to nutritious food is a statewide issue that affects urban neighborhoods in cities such as Baltimore and counties such as Prince George's as well as rural communities in areas like western Maryland and the Eastern Shore. The resulting lack of access to healthy, affordable food undermines the health and well-being of children and families. 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. Research also indicates that people who live in communities without a supermarket suffer from disproportionately high rates of obesity, diabetes and other diet-related

health problems. A recent study has shown that over 30 percent of children ages 2 to 5 from low-income families in Maryland are overweight or obese, while the obesity rate for adults in Maryland has nearly doubled over the last 15 years, growing from 15 percent in 1995 to 27 percent in 2010. Each year, Maryland spends an estimated \$1.5 billion treating obesity-related diseases. If body mass indices (BMIs)—a useful measure of overweight and obesity—were lowered by 5 percent, Maryland could save \$13.8 billion by 2030.

To address these concerns, The Food Trust, a nationally recognized nonprofit organization, issued *Food for Every Child: The Need for More Supermarkets in Maryland* in December 2011. Using mapping technology to identify underserved communities across the state, *Food for Every Child* highlights the gaps in food availability and the relationship between supermarket access, diet-related diseases and neighborhood income levels. The report led to a special convening of key food access stakeholders, the Maryland Fresh Food Retail Task Force, to develop recommendations for increasing access to healthy, affordable foods for residents in underserved areas—both urban and rural—throughout the state.

The Maryland Fresh Food Retail Task Force was convened by Advocates for Children and Youth, the Maryland Retailers Association and The Food Trust. The task force is a cohort of leaders from the grocery industry, state and local governments, as well as the community and economic development, public health and civic sectors. Building upon the work of several Maryland organizations and agencies, the task force developed 10 recommendations for state and local public policies that will improve the availability of healthy, affordable food in underserved areas through the development of supermarkets and other healthy food stores.

These recommendations call upon state and local governments to prioritize grocery store, supermarket and other healthy food retail development in underserved communities. Providing Marylanders with greater access to healthy, affordable food will not only alleviate certain public health concerns, but also bring quality jobs. Supermarkets and grocery stores stimulate local economies and serve as economic anchors to lower-income areas, sparking complementary development and neighborhood revitalization in the areas that need it most.

Recognizing that there is no one-size-fits-all solution for communities in Maryland, the task force foresees food retail projects taking on myriad different forms, including new supermarket developments, the expansion or renovation of existing grocery stores and alternative models such as farmers' markets, healthy corner store projects, co-ops and mobile markets. These efforts can also support initiatives that expand the local food system and promote the sale of Maryland-grown foods.

The Maryland Fresh Food Retail Task Force recognizes that efforts to increase access to healthy, affordable food should fit with the state's greater economic development agenda. In today's challenging fiscal climate, the success of efforts to improve healthy food access will depend on coordinated action from state government agencies, community development organizations, charitable foundations, the supermarket industry and others.

The Maryland Fresh Food Retail Task Force members and The Food Trust are committed to working with state and local governments to implement these 10 policy recommendations for children and families in Maryland who deserve the opportunity to lead healthier lives.

A recent study has shown that over 30 percent of children ages 2 to 5 from low-income families in Maryland are overweight or obese.

SUMMARY OF RECOMMENDATIONS

We, the Maryland Fresh Food Retail Task Force—a public-private partnership of leaders from the grocery industry, state and local governments, as well as the community and economic development, public health and civic sectors—call upon Maryland to prioritize grocery store, supermarket and other healthy food retail access for underserved families and communities. The following recommendations describe critical steps toward achieving that goal:

- 1 The State of Maryland and local governments should market economic development programs, best practices and public incentives to the grocery retail industry in identified high-need areas.
- 2 The State of Maryland should develop a new or expand an existing flexible business financing program that provides grants and loans to support the development, renovation and expansion of grocery stores and other stores that carry or would want to carry healthy foods in underserved communities. This program could be leveraged with additional private investment.
- 3 Local governments and the State of Maryland, as appropriate, should provide assistance with the land assembly process and building reuse in identified high-need areas where local support exists for grocery store and other healthy food retail development.
- 4 The State of Maryland and local governments should work with grocers and other healthy food retailers to navigate the development review process and explore ways to reduce costs and regulatory barriers in the expansion or creation of healthy food retail stores in high-need areas. Such efforts should complement existing efforts provided by the state. The development of a single point of contact and a clearinghouse of information may be useful to such marketing efforts.
- 5 The State of Maryland and local governments, in partnership with grocery store and other healthy food retail operators, should work with regional transportation agencies and private carriers to develop safe, affordable and convenient transportation for shoppers who do not have access to a supermarket, grocery store or other healthy food retail. Additionally, state and local governments should investigate the development of emerging grocery delivery models to meet the needs of their residents.
- 6 The State of Maryland, nonprofit organizations, grocery retailers and anti-hunger advocates should work to maximize participation and benefit amounts in Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants and Children (WIC) participation and benefit amounts through targeted outreach, effective partnerships and utilization of state options. These efforts should complement the existing efforts being carried out by the Partnership to End Childhood Hunger and other groups in Maryland.
- 7 The State of Maryland should develop a new distribution schedule for SNAP that disburses benefits over a longer period of time and more evenly throughout the month. This should be a collaborative effort to help provide funding for changes to the system and proper notification to beneficiaries.
- 8 The State of Maryland and local governments should partner with commercial and retail security, police departments and community efforts to ensure a safe and secure environment for both customers and store personnel.
- 9 The State of Maryland and local governments, in partnership with groups such as local workforce investment boards, nonprofit organizations and community colleges, should create new and expand existing training programs to ensure there is a quality workforce for supermarkets and grocery stores and that such a workforce is drawn from local neighborhoods.
- 10 Working groups of task force members from the grocery industry, state and local governments and the community and economic development, public health and civic sectors should guide the implementation of these recommendations to support improvements in public health, economic development, community sustainability, food insecurity, neighborhood revitalization and social equity.

RECOMMENDATION 1:

The State of Maryland and local governments should market economic development programs, best practices and public incentives to the grocery retail industry in identified high-need areas.

The food retail industry needs public sector support to overcome the high costs of development, particularly in urban areas. Existing economic development and financing programs are often not available to food retailers or grocers are not aware of how to access these resources. Business tools, such as sales tax abatements on equipment purchases, property tax abatements, tax exempt financing bonds and low-cost financing, can encourage supermarkets to invest in underserved areas. At present, these tools are brought to bear on other forms of real estate development, such as housing developments. However, they also can be applied to the grocery industry. Cities and states across the country have successfully used existing incentive programs to attract supermarkets and healthy food retailers to underserved communities.

Success Stories

Washington, D.C.: The D.C. Department of Planning and Economic Development approved the Tax Exemption Act in 2000. This act was part of a citywide supermarket attraction and retention effort, which has resulted in several new store openings and expansions in targeted areas throughout the city. In addition to benefiting from the tax exemption, new developments received additional incentives from the city, including funds from the federal Community Development Block Grant (CDBG) program.

Kentucky: In Louisville, a combination of city loans, federal grants and tax credit financing helped to bring First Choice Market to the Park DuValle neighborhood in southwest Louisville. The \$4.4 million project included a \$3.2 million loan from the city, funded with CDBG-R (stimulus) funds, two \$100,000 city loans, \$35,000 for infrastructure improvements from a local councilmember and a nearly \$1.2 million New Markets Tax Credit equity commitment by local banks. An independently operated grocery store, First Choice Market, opened in 2012, creating more than 150 construction jobs and 40 permanent jobs and

bringing fresh fruits and vegetables to a neighborhood that had been without a full-service supermarket for over a decade, a key priority in the city's redevelopment plan.

While these successes speak to the potential for public incentives to encourage supermarket and other healthy food retail development, a comprehensive program is needed to stimulate such development in communities throughout Maryland.

RECOMMENDATION 2:

The State of Maryland should develop a new or expand an existing flexible business financing program that provides grants and loans to support the development, renovation and expansion of grocery stores and other stores that carry or would want to carry healthy foods in underserved communities. This program could be leveraged with additional private investment.

The State of Maryland should dedicate funds—in the form of grants and loans—to stimulate the development, renovation and expansion of grocery stores, supermarkets and other healthy food retail in underserved communities, support workforce training, offset development and construction costs and fund soft costs, including feasibility and market studies.



Success Stories

Pennsylvania: 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 (FFFI). The Reinvestment Fund, a CDFI, used the state's \$30 million capital to leverage an additional \$146 million in other sources of public and private capital. The Food Trust partnered with The Reinvestment Fund to co-administer the initiative. Since its launch, the initiative has approved nearly 90 new and expanded fresh food retail projects across the state for funding. The Fresh Food Financing Initiative has created or retained over 5,000 jobs and increased access to healthy food for

an estimated 500,000 people. The success of FFFI in Pennsylvania influenced the creation and design of similar initiatives in New York, New Orleans, California, New Jersey and Illinois.

Louisiana: Along the Gulf Coast, the flooding and damage caused by Hurricane Katrina in 2005 resulted in the closure of many supermarkets. In New Orleans, the availability of fresh produce was already limited prior to the storm, and the situation deteriorated afterwards. Without convenient access to a nearby supermarket, many residents relied on convenience stores that carried little, if any, fresh produce. In 2011, the City of New Orleans launched

the Fresh Food Retailer Initiative (FFRI), seeded with \$7 million dollars of Disaster Community Development Block Grants (D-CDBG). Hope Enterprise Corporation (HOPE) and The Food Trust were contracted by the city to manage the program. HOPE has matched the city's pledge, creating a \$14 million financing platform for FFRI to assist healthy food retailers. Since the launch, the program has funded a new small grocery, DaFresh Seafood and Produce Store, and the planned 2013 re-opening of the iconic Circle Food Store.

See appendix for additional information on fresh food financing programs around the country.

RECOMMENDATION 3:

Local governments and the State of Maryland, as appropriate, should provide assistance with the land assembly process and building reuse in identified high-need areas where local support exists for grocery store and other healthy food retail development.

Supermarket operators and developers often have difficulty identifying and assembling adequate sites for developing supermarkets in and near areas where they are needed most. Maryland should give priority to acquiring, assembling and conveying land for new supermarket and grocery store development. In addition, local governments should offer density bonuses or other preferences in their zoning codes for projects that include a supermarket, grocery store or other retailer carrying healthy foods.

Success Stories

Florida: St. Petersburg assisted in assembling 32 parcels of land to develop the Tangerine Plaza shopping center in an economically distressed area. This 47,000-square-foot neighborhood shopping center is anchored by Sweetbay Supermarket, the first full-service grocery store and pharmacy in the neighborhood. The city bought the land, cleared the liens and other encumbrances against the properties and rezoned the site for neighborhood commercial development. Once the land was ready for construction, the city leased the property to the developer for 99 years for an annual payment of \$5. Since opening its doors, the Sweetbay Supermarket in Midtown has set sales records for the Florida-based company. In addition, the property tax revenue for the city increased from \$6,000 per year to more than \$110,000.



RECOMMENDATION 4:

The State of Maryland and local governments should work with grocers and other healthy food retailers to navigate the development review process and explore ways to reduce costs and regulatory barriers in the expansion or creation of healthy food retail stores in high-need areas. Such efforts should complement existing efforts provided by the state. The development of a single point of contact and a clearinghouse of information may be useful to such marketing efforts.

State and local government approval processes can add several years and substantial cost to a grocery store or supermarket project in an underserved area, but there are ways to streamline these obstacles for supermarket operators. Government can show preference to development it hopes to encourage by expediting approval processes, thereby reducing project costs. Designating a single point of contact for interacting with government would help grocery store and supermarket operators navigate the complex process of developing stores in underserved communities. Additionally, an online clearinghouse of information would help grocers and developers locate needed information more quickly. Codes should be reviewed and amended to reduce the length of time it takes to develop a supermarket or other healthy food retail store. Such efforts should work to complement or enhance existing state programs such as Maryland Made Easy, which works to improve Maryland's business environment by streamlining processes and simplifying regulations.

Success Stories

Illinois: In Chicago, the city has addressed healthy food retail needs in its communities by making the development process for retailers more streamlined and less burdensome. The city has designated a single agency, called Shop Chicago, to address the multiple concerns of potential retailers and to coordinate the development process for projects. Shop Chicago's programs simplify the approval process, identify measures to facilitate land assembly and provide customized market information on specific development opportunities and communities, among many other proactive measures. As a result, the Shop Chicago program has successfully attracted new grocery stores to underserved neighborhoods.

California: The Community Redevelopment Agency of the City of Los Angeles (CRA/LA) developed an incentive package to attract new food retailers to South Los Angeles neighborhoods that were underserved by grocery retailers. Anticipating some of the regulatory hurdles for grocery store developments, the Los Angeles City Planning Department and Department of Building Services worked with CRA/LA to assist grocery operators in securing financial products to support their new projects. Since its inception, the program has been successful in attracting new grocers to the Los Angeles area.

RECOMMENDATION 5:

The State of Maryland and local governments, in partnership with grocery store and other healthy food retail operators, should work with regional transportation agencies and private carriers to develop safe, affordable and convenient transportation for shoppers who do not have access to a supermarket, grocery store or other healthy food retail. Additionally, state and local governments should investigate the development of emerging grocery delivery models to meet the needs of their residents.

Good transportation policy should support transit for area residents to nearby grocery stores and should encourage the development of new stores along existing transportation routes. Lower-income households are less likely than other households to own a car and less likely to live in a neighborhood with a supermarket. Many lower-income families, as well as the elderly, disabled and other consumers dependent on public transit, have to take multiple bus rides to access the nearest supermarket. Lack of convenient and affordable transportation makes it difficult for these shoppers to purchase fresh, healthy foods. A transportation needs assessment should be conducted to explore transportation barriers in neighborhoods that lack a full-service grocery store. Also, new options to help bring grocery store purchases to residents should also be explored.



Success Stories

Connecticut: In Hartford, the L-Tower Avenue bus route plays an important role in increasing access to major supermarkets for transit-dependent residents. Designed as part of the Jobs Access program to link lower-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.

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.

Maryland: Developed in 2010, the Virtual Supermarket Program (VSP) uses an online grocery ordering and delivery system to bring food to neighborhoods with low-vehicle ownership and inadequate access to healthy food. It enables residents to place grocery orders from anywhere with internet access and pick up the order at

a local community site such as senior, disabled or public housing or the local library without a delivery fee. Residents can pay for their groceries using cash, credit, debit and SNAP. At senior buildings and public housing sites, fellow residents help neighbors who are not comfortable using the internet to place their online orders. The VSP increases access to healthy, affordable groceries and saves residents money and time. The VSP is currently the only online food ordering program in the nation that accepts SNAP.

RECOMMENDATION 6:

The State of Maryland, nonprofit organizations, grocery retailers and anti-hunger advocates should work to maximize participation and benefit amounts in Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants and Children (WIC) through targeted outreach, effective partnerships and utilization of state options. These efforts should complement the existing efforts being carried out by the Partnership to End Childhood Hunger and other groups in Maryland.

Increasing enrollment in the SNAP and WIC programs is an important part of increasing the buying power of economically distressed communities, thereby increasing the projected long-term success of grocery stores entering these neighborhoods. According to the United States Department of Agriculture, every \$5 in new SNAP benefits generates \$9 in total community spending. According to the Food Research and Action Center, \$200 million in SNAP benefits go unclaimed in Maryland annually and over 300,000 Marylanders who are eligible for SNAP benefits do not participate in the program. Studies note the primary reason that SNAP, WIC and other wellness support programs are underutilized is because eligible residents do not know that they are eligible for these programs.

The State of Maryland, through its Partnership to End Childhood Hunger and through civic organizations such as Maryland Hunger Solutions, is already taking steps to improve program accessibility and delivery by increasing the visibility of these programs and helping to streamline the administrative processes tied to SNAP and WIC participation. Key stakeholders involved in improving SNAP and WIC participation, benefit amounts and benefit delivery should work with already existing efforts sponsored by the state and others. This will allow better access to healthy, affordable food for children and families in need.

Success Stories

Ohio: Ohio developed an integrated, effective system for SNAP outreach, enrollment and maintenance that informs residents about the benefits of the program.

One component they used for outreach and enrollment was The Ohio Benefit Bank, an Internet-based, counselor-assisted service that connects lower- and moderate-income families to tax credits and work supports, including SNAP benefits. The program was

implemented through a public-private partnership of over 1,100 faith-based, nonprofit, government and private organizations.

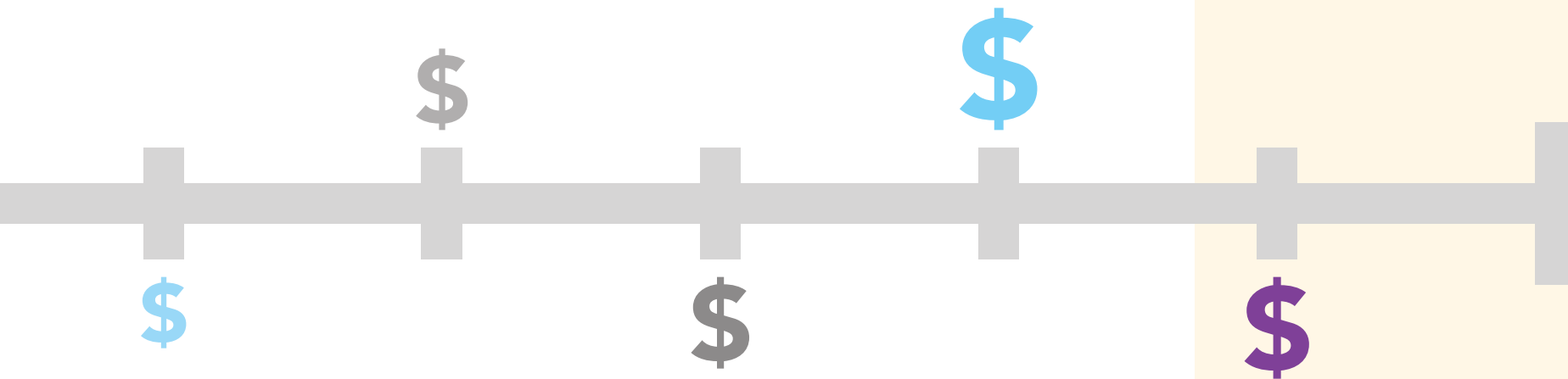
RECOMMENDATION 7:

The State of Maryland should develop a new distribution schedule for SNAP that disburses benefits over a longer period of time and more evenly throughout the month. This should be a collaborative effort to help provide funding for changes to the system and proper notification to beneficiaries.

When SNAP benefits are dispersed unevenly throughout the month, food retail stores experience a surge of business at the time of distribution—often at the beginning of the month—that produce myriad unintended consequences, including long lines at checkout, overcrowding, issues with adequate product supply and staffing difficulties. All of these factors can make it more difficult for the poorest consumers to conveniently access high-quality fresh fruits and vegetables. These challenges make some retailers hesitant to operate in communities with heavy SNAP participation. Smoother distribution schedules for SNAP benefits in Maryland will help ensure that fresh foods are available throughout the month and that grocery stores can properly serve consumers in areas with high SNAP sales.

Success Stories

Illinois: In 2010, Voices for Illinois Children, the Illinois Retail Merchants Association and the Illinois Food Retailers Association advocated for the Illinois Department of Human Services to add three additional dates to the SNAP distribution schedule. Prior to 2010, 70 percent of SNAP recipients received their benefits on the first day of the month; the remaining 30 percent of benefit issuances were staggered throughout the month. Because of this schedule, grocery operators had difficulty adequately stocking their stores, which were flooded with shoppers at the beginning of the month. Providing adequate hours for their employees was also an issue since they needed them at the beginning of the month to manage the high demand but not as much toward the end of the month when the demand was significantly reduced. As a result of this change to the distribution schedule, grocers reported an improvement in the distribution of store traffic throughout the month.



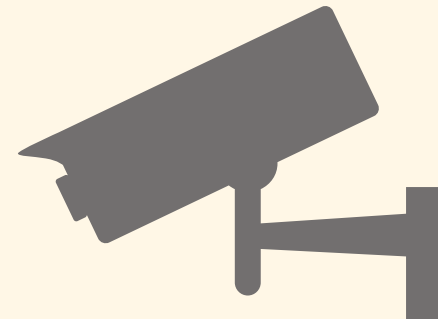
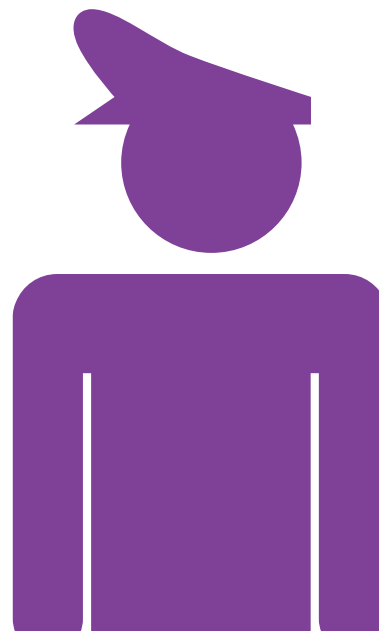
RECOMMENDATION 8:

The State of Maryland and local governments should partner with commercial and retail security, police departments and community efforts to ensure a safe and secure environment for both customers and store personnel.

Lack of security can be a major problem for supermarket operators in underserved communities. Stores find it financially difficult to locate and do business in areas with high rates of theft and other types of crime. Security concerns, real or perceived, also discourage customers from walking to a neighborhood store and possibly from shopping there altogether. Maryland and its local governments need to prioritize and ensure a safe environment at and around grocery stores and other healthy food retailers, which are critical establishments in the community.

Success Stories

California: The Coalition for Responsible Community Development partnered with the Los Angeles Police Department to promote neighborhood security, particularly in regard to retail and economic development. The organization hired local youths and young adults to improve public safety and the appearance of local streets in South Los Angeles by abating 80,000 square feet of graffiti per week. The graffiti made people feel unsafe in this commercial district and provided reasons for businesses to disinvest. The graffiti abatement crews follow a 30- to 50-mile daily route covering 12 square miles, including commercial corridors with high crime rates and 55 known gangs. The community partnership served to tackle difficult economic and social problems resulting in an increased perception of safety in the neighborhood and the creation of a better retail business environment. Similar types of linkages between police enforcement and commercial/retail partners can have the effect of providing safer communities surrounding grocery store development.



RECOMMENDATION 9:

The State of Maryland and local governments, in partnership with groups such as local workforce investment boards, nonprofit organizations and community colleges, should create new and expand existing training programs to ensure there is a quality workforce for supermarkets and grocery stores and that such a workforce is drawn from local neighborhoods.

The grocery industry cites the lack of an available workforce as a barrier to developing supermarkets and grocery stores. Often it is difficult to find candidates who have had suitable job training for specialized needs such as produce and meat handling. Industry leaders are cognizant of the value of their labor force and the need to educate that workforce to address issues of shrinkage, best practices, effective customer service techniques and employees' rights and obligations. New and existing programs should ensure that a quality workforce is available for grocery store retailing once a store opens in a community.



Success Stories

Ohio: A \$1,300 matching grant from Project TEN (Train Employees Now) allowed Ben Fligner to train employees for his grocery store in Lorain, Ohio. Unveiled in 2007, Project TEN is the result of an effort by Lorain County to leverage workforce development monies distributed by the state. The matching grant made it possible for Fligner to send five employees to an Ohio Department of Agriculture training program which certified the workers in meat handling. This provided the needed workforce training to complement

Fligner's recent expansion from a 12,000-square-foot operation to a 32,000-square-foot one that includes a new full-service meat counter. The grocery store also was able to establish a wholesale meat business and a catering department. The supermarket, which used to employ 32 workers, is now able to support a staff of 90.

Pennsylvania: Through grant and loan assistance from the Pennsylvania Fresh Food Financing Initiative, Brown's ShopRite of Island Avenue was able to open in Philadelphia's underserved Eastwick community. The

57,000-square-foot supermarket has brought healthy food and 258 quality jobs to the area. Funding from the initiative paid for a local workforce development agency to develop a customized training program for the Island Avenue ShopRite and five other stores. This program improves employee retention and helps employees advance in their careers—setting employees on the path for long-term success within the grocery industry. Most of the employees are residents of the surrounding community, which is predominantly African American and West African.

RECOMMENDATION 10:

Working groups of task force members from the grocery industry, state and local governments and the community and economic development, public health and civic sectors should guide the implementation of these recommendations to support improvements in public health, economic development, community sustainability, food insecurity, neighborhood revitalization and social equity.

The active participation of public-private leadership from the grocery industry, state and local governments, as well as the community and economic development, public health and civic sectors has been essential to the successful redevelopment of supermarkets and other healthy, affordable food retail across the country.



Success Stories

Louisiana: In 2008, the New Orleans Food Policy Advisory Committee (FPAC), a task force convened by The Food Trust and The Prevention Research Center at Tulane University, which included public health, economic development and supermarket industry leaders, developed 10 policy recommendations addressing ways that 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 grocery 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 local Community Development Financial Institution Hope Enterprise Corporation.

CONCLUSION

Providing better access to healthy, affordable food is an important strategy to reduce and prevent obesity and improve residents' health. Having more supermarkets and stores that sell nutritious options in underserved areas will ensure that residents of Maryland can purchase healthy food for their families. Efforts to improve food access in the state will create needed jobs and economic opportunity for Marylanders as well as help revitalize struggling neighborhoods.

The 10 recommendations developed by the Maryland Fresh Food Retail Task Force are achievable steps toward creating healthier communities in Maryland. By working together, we can improve the health of our children and increase their ability to lead active lives.

The Maryland Fresh Food Retail Task Force encourages state and local leaders to expedite the implementation of these recommendations. The result will be economic development, strong communities and better health for the people of Maryland.

Providing better access to healthy, affordable food is an important strategy to reduce and prevent obesity and improve residents' health.

APPENDIX: HEALTHY FOOD FINANCING PROGRAMS

LOCATION	NAME OF PROGRAM	PROGRAM ADMINISTRATORS	FUNDING SOURCES	TYPES OF FINANCING
PA	Pennsylvania Fresh Food Financing Initiative www.trfund.com/financing/Healthy_food/FreshFoodFinancing.html	PA Department of Community and Economic Development, The Food Trust, The Reinvestment Fund and the Urban Affairs Coalition	State commitment: \$30 million. Seeded with \$30 million from the state's Department of Community and Economic Development. Matched with \$146 million in additional public and private investment.	Loans: Maximum loan amount subject to TRF's current lending exposure policies. Grants: Up to \$250,000 per store and \$750,000 in total for one operator. Extraordinary grants of up to \$1 million were made available for projects with high potential for serving areas of extreme need.
NY	New York Healthy Food & Healthy Communities Fund www.liifund.org/nyhealthyfood	NY Empire State Development Corporation, Low Income Investment Fund (LIIF), The Reinvestment Fund and The Food Trust	State commitment: \$10 million. Seeded with \$10 million from the state's Empire State Development Corporation. Matched with a \$20 million commitment from The Goldman Sachs Group, Inc. LIIF also received a \$3 million national Healthy Food Financing Initiative award in 2011.	Loans: Range in size from \$250,000 to \$5 million or larger for New Markets Tax Credit transactions. Grants: Range in size from \$5,000 to \$500,000 for capital grants and \$5,000 to \$200,000 for predevelopment grants.
LA	New Orleans Fresh Food Retailer Initiative www.hope-ec.org/index.php/new-orleans-fresh-food-retailer-initiative	City of New Orleans, Hope Enterprise Corporation and The Food Trust	Federal and private funding. Seeded with \$7 million in Disaster Community Development Block Grant funds. Matched 1:1 with HOPE investment.	Loans: Not to exceed \$1 million. Forgivable Loans: Up to \$500,000 or 20% of total financing needs.
NJ	New Jersey Food Access Initiative www.trfund.com/financing/Healthy_food/NJ_HealthyFoodRetailInitiative.pdf	NJ Economic Development Authority (NJEDA) and The Reinvestment Fund	State commitment: \$4 million. To date, financial partners include: NJ Economic Development Authority (\$4 million), Living Cities (\$2 million credit), and the Robert Wood Johnson Foundation (\$10 million program-related investment). TRF also received a \$3 million national Healthy Food Financing Initiative award in 2011.	Loans: Range in size from \$200,000 to \$4.5 million or larger for New Markets Tax Credit transactions. Grants: In some cases, loans may be paired with a predevelopment or capital grant, which range in size from \$5,000 to \$125,000. Recoverable Grants: Early-stage financing with no-interest loans, typically repaid by construction financing.
CA	California FreshWorks Fund www.cafreshworks.com	The California Endowment, NCB Capital Impact, Emerging Markets	Foundation and other private funding: To date, approximately \$264 million raised from a variety of investors: The California Endowment, NCB Capital Impact, JPMorgan Chase, Morgan Stanley, US Bank, Calvert Foundation, Dignity Health, Kaiser Permanente, Bank of America, Citibank, Charles Schwab, Met Life and Opportunity Finance Network.	Loans: Up to \$8 million. Grants: Up to \$50,000.
IL	Illinois Fresh Food Fund www.iff.org/illinois-food	IL Department of Commerce and Economic Opportunity and IFF	State commitment: \$10 million. Seeded with a \$10 million grant from the IL Department of Commerce and Economic Opportunity. IFF has committed to matching the state dollars 3:1. Additionally, \$3 million in funding has been secured by IFF through the national Healthy Food Financing Initiative.	Loans: Typical loans range from \$250,000 to \$1 million. Grants: Grants are only available to those who are also applying for a loan. The grant amount can be up to 10% of the loan amount, not to exceed \$100,000.
National	Healthy Food Financing Initiative www.acf.hhs.gov/programs/ocs/programs/community-economic-development/healthy-food-financing	US Departments of Treasury, Agriculture, and Health and Human Services	Federal funding: To date, the US Department of Treasury (CDFI Fund) has allocated \$47 million and the US Department of Health and Human Services (Office of Community Services) has allocated \$20 million.	Financing packages vary. HFFI dollars are given to Community Development Financial Institutions (CDFIs) and Community Development Corporations (CDCs) to disseminate to projects in their regions.

Selected Resources

Centers for Disease Control and Prevention – Overweight and Obesity <http://www.cdc.gov/obesity/index.html>

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

City of Baltimore – Baltimore City Food Policy Initiative <http://www.baltimorecity.gov/Government/Agencies/Departments/Planning/BaltimoreFoodPolicyInitiative.aspx>

City of Baltimore Health Department – The Virtual Supermarket Project <http://baltimorehealth.org/virtualsupermarket.html>

City of Chicago – Shop Chicago http://www.cityofchicago.org/city/en/depts/dcd/supp_info/shop_chicago.html

City of Louisville – Economic Growth and Innovation Newsroom <http://www.louisvilleky.gov/economicdevelopment/News/2012/FirstChoiceMarketOpensinParkDuValle.htm>

City of Philadelphia – Philadelphia Food Charter http://www.phila.gov/green/greenworks/equity_LocalFood.html

Community Food Security Coalition http://www.foodsecurity.org/policy_trans03_brief.html

Community Health and Food Access: Local Government Role <http://bookstore.icma.org/freedocs/E43398.pdf>

Community Redevelopment Agency of Los Angeles <http://www.crala.org/internet-site/About/index.cfm>

Illinois Food Retailer Association <http://www.ilfood.org/>

Maryland Department of Business and Economic Development – Maryland Made Easy Program <http://easy.maryland.gov/>

Maryland Department of Housing and Community Development – Neighborhood BusinessWorks Program <http://www.neighborhoodrevitalization.org/programs/nbw/nbw.aspx>

Maryland Hunger Solutions <http://www.mdhungersolutions.org/>

Partnership to End Childhood Hunger in Maryland <http://md.nokidhungry.org/>

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The Food Trust – Food For Every Child: The Need for More Supermarkets in Maryland www.thefoodtrust.org/pdf/Maryland_mappingFINAL.pdf

The Food Trust – Supermarket Campaign in Louisiana <http://www.thefoodtrust.org/php/programs/supermarket-LA.php>

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

The Reinvestment Fund – Pennsylvania Fresh Food Financing Initiative http://www.trfund.com/resource/downloads/Fresh_Food_Financing_Initiative_Comprehensive.pdf

Treuhaft, S and Karpyn, A. (2010) The Grocery Gap: Who Has Access to Healthy Food and Why it Matters. Oakland, Ca: PolicyLink and The Food Trust http://www.policylink.org/site/c.lkIXLbMNJrE/b.5860321/k.89D7/The_Grocery_Gap_Who_Has_Access_to_Healthy_Food_and_Why_It_Matters.htm

United States Department of Agriculture, Food and Nutrition Services, Supplemental Nutrition Assistance Program (SNAP) <http://www.fns.usda.gov/snap/>

Uplift Solutions <http://www.upliftsolutions.org/>

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Ensuring That Everyone Has Access To Affordable, Nutritious Food

The Food Trust, a nationally recognized 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 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 approved funding for nearly 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. For more information or to order additional copies of this report, visit thefoodtrust.org or contact The Food Trust.

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1617 John F. Kennedy Blvd. • One Penn Center, Suite 900
Philadelphia, PA 19103 • contact@thefoodtrust.org
(215) 575-0444 • Fax: (215) 575-0466





The Food Trust

THEFOODTRUST.ORG

1617 John F. Kennedy Blvd. • One Penn Center, Suite 900 • Philadelphia, PA 19103
(215) 575-0444 • Fax: (215) 575-0466 • contact@thefoodtrust.org