# **Closing the Grocery Store Gap in the Nation's Capital**



any thousands of people who live in the nation's capital do not have adequate access to healthy and affordable food. In fact, 1 in 7 households in Washington, D.C., is <u>food insecure</u>.<sup>1</sup> The majority of these residents is African American and lives in Wards 7 and 8, which have the highest poverty rates in the city and a paucity of full-service grocery stores.

A review of the grocery store landscape conducted in the spring of 2016 by D.C. Hunger Solutions revealed that of the 49 full-service grocery stores in the District, there are only two in Ward 7 and just one in Ward 8. This represents a decline in the number of stores in each of these wards since D.C. Hunger Solutions last analyzed access to grocery stores in the District in 2010. At that time, there were four full-service grocery stores in Ward 7 and three in Ward 8.

These numbers stand in sharp contrast to the number of stores located in higher-income wards, most of which have seven or more full-service grocery stores. This disparity reflects both the

Changes in the Number of Confirmed and Planned Full-Service Grocery Stores in D.C., from 2010 to 2016, Compared to D.C.'s 2014 Median Household Incomes and Racial and Ethnic Demographics

Wards	# of Full-Service Grocery Stores,	# of Full-Service Grocery Stores,	# of Full- Service Grocery Stores in Pipeline,*	Median Household Income, 2014	% Non- Hispanic Black, 2014	% Non- Hispanic White, 2014	% Hispanic, Any Race, 2014
	2010	2016	2016				
Ward 1	6	8	1	\$80,794	31.4	54.7	20.8
Ward 2	8	7	0	\$99,422	9.0	74.7	9.8
Ward 3	11	9	0	\$109,909	6.0	82.2	9.4
Ward 4	2	5	1	\$71,545	58.6	26.1	19.3
Ward 5	3	7	1	\$55,063	72.8	18.3	8.3
Ward 6	4	10	3	\$90,903	36.7	54.1	6.0
Ward 7	4	2	0	\$39,828	94.4	2.5	2.8
Ward 8	3	1	0	\$31,642	93.7	4.3	1.4
DC Overall	43 (avg. 5.4 per ward)*	49 (avg. 6.1 per ward)*	6 (avg. 0.75 per ward)	\$69,235	49.6	40.2	9.9

Note: A precise comparison between 2010 and 2016 data is challenging due to ward boundary changes in 2012 and a modest change in the application of full-service grocery store definition between D.C. Hunger Solutions' 2010 report and this report.

growing economic and racial inequality in the city and the shortfalls in the District's efforts to solve the problem. This disparity also exacerbates food insecurity and poor health outcomes for the District's most vulnerable residents.

### Grocery Store Access, Food Insecurity, and Health

Lack of proximity to affordable and healthy food has many adverse consequences. Residents in Wards 7 and 8 often have to travel further to access a full-service grocery store, which increases transportation costs and often squeezes a household's already limited budget. As a result, many rely on local corner stores, which often lack a variety of healthy food and charge higher prices for the few nutritious items they do sell. Lack of access to the foods necessary for a healthy and balanced diet can lead to poor health outcomes. For example, residents in Wards 7 and 8 had the city's highest rate of diabetes and obesity in 2012, with rates nearly double the District's overall average.

#### Less Access to Full-Service Grocery Stores Has Disproportionate Impacts on SNAP and WIC Participants and Neighborhood Economies

Lack of access to full-service grocery stores is a particular problem for households receiving federal nutrition assistance through the Supplemental Nutrition Assistance Program (SNAP), commonly referred to as food stamps, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Nearly half of the District's SNAP and WIC recipients live in Wards 7 and 8. Many District residents in Wards 7 and 8 and other underserved areas spend their SNAP benefits at full-service grocery stores in neighboring jurisdictions in Maryland or Virginia, where food prices are often lower. According to U.S. Department of Agriculture research, every \$5 spent in new SNAP benefits generates roughly \$9 in economic activity.<sup>2</sup> Therefore, losing SNAP redemptions to neighboring jurisdictions ultimately harms the District's economy.

While all full-service grocery stores in the District accept SNAP, only 55 percent of them accept WIC. Part of the reason for fewer WICauthorized retailers is that the District has imposed complicated requirements, such as minimum square footage, that are stricter than the federal criteria.

#### Local Efforts to Address the Issue

In 2010, the District government passed the Food, Environment, and Economic Development Act (FEED-DC), which built upon the Supermarket Tax Exemption Act of 2000 to attract grocery stores to low-income areas in the District.<sup>3</sup> FEED-DC more directly sought to target stores that could qualify for fee and tax exemptions. Currently, the District's grocery store incentive program operates through tax incentives, offering qualified grocery stores exemptions on:

- real property taxes;
- personal property taxes;
- business license fees; and
- sales and use taxes on building materials necessary for construction.

Since 2000, 22 grocery stores have qualified for tax exemptions under these two acts. Only two grocery stores have received exemptions in the program in Ward 8, and no grocery store has received an exemption in Ward 7.

#### Recommendations

The District's grocery gap is a food security, anti-poverty, health, and racial equity issue that must be addressed. Closing the full-service grocery store gap must continue to be the District government's priority in its effort to provide all residents access to healthy and affordable food.

The nation's capital can make great strides in combating hunger; reducing disparities in the city's income, poverty, and chronic disease rates between racial and ethnic groups; and taking advantage of economic development opportunities. Toward these outcomes, D.C. Hunger Solutions recommends that the D.C. Council partners with local agencies to:

- explore ways to better utilize FEED-DC to bring new full-service grocery stores to areas of the city with limited access;
- convene a multi-sector taskforce that includes community members to examine the barriers to grocery store development in Wards 7 and 8;
- explore the District's WIC vendor policies so that WIC participants have adequate access to retail outlets that accept WIC benefits;
- ensure the continued availability of healthy food by supporting other sources of food access, such as innovative grocery delivery programs, farmers' markets, corner stores, smaller grocery stores, emergency food banks, and community cooperatives; and
- develop and implement long-term, sustainable solutions that meet the needs of the community.

#### Endnotes

- <sup>1</sup> Coleman-Jensen, A., Rabbitt, M. P., Gregory, C., & Singh, A. (2015). Household Food Security in the United States in 2014. Available at: <u>http://endhunger.org/PDFs/2015/Food\_Insecurity\_2014.pdf</u>. Accessed on November 22, 2016.
- <sup>2</sup> U.S. Department of Agriculture. (2011). The Benefits of Increasing the Supplemental Nutrition Assistance Program (SNAP) Participation in Your State. Available at: <u>http://www.fns.usda.gov/sites/default/files/bc\_facts.</u> <u>pdf</u>. Accessed on November 22, 2016.
- <sup>3</sup>Government of the District of Columbia Office of the Chief Financial Officer. (2010). Fiscal Impact Statement "Food, Environmental, and Economic Development in the District of Columbia Act of 2010" (Memo). Available at: http://app.cfo.dc.gov/services/fiscal\_impact/pdf/spring09/FINAL-FIS-18-967-Food-Environmental-and-Economic-Development-in-the-District-of-Columbia-Act-of-2010.pdf. Accessed on November 22, 2016.

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