

# Still Minding the Grocery Gap in D.C.

A 2023 Update





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## **Acknowledgments**

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This report was written by D.C. Hunger Solutions Interim Director LaMonika N. Jones and Programs Intern Anna R. Simpson. The findings and conclusions presented in this report are those of D.C. Hunger Solutions alone and do not represent official positions or policies of supporters.

## **Executive Summary**

The COVID-19 pandemic presented a series of challenges in accessing food resources across the nation. Specifically, here in the District of Columbia, nearly 11 percent of households struggle to afford enough food.<sup>1</sup> Additionally, D.C. continues to experience one of the highest percentages of hunger among older adults in the nation at 12.8 percent, according to the Food Research & Action Center (FRAC).2 The ability to obtain enough food for an active, healthy life is one of the most basic of human needs. Without access to adequate, healthy food, people are likely to be hungry, undernourished, and in poor health, with high rates of obesity, heart disease, diabetes, and other nutrition-related health problems.

In October 2021, D.C. Hunger Solutions released Still Minding the Grocery Gap in D.C.: A 2021 Update to continue the process of examining grocery store access and the resulting impacts of grocery store disparities in the District of Columbia. While previous versions of the report highlighted the continued increase in the grocery store gap between the highest- and lowest-income neighborhoods, the 2021 update reported on the policies announced by the government to address the widening grocery gap during the COVID-19 pandemic — specifically, allocated





funds, directives, and proposed legislation implemented by D.C. Council.<sup>3</sup> The 2021 report revealed that the number of grocery stores in the lowest-income areas, Wards 7 and 8, had not changed, and the stores in the grocery store pipelines for those wards had not been completed in 2020. Overall, the 2021 update uncovered that disparities continued to linger among the lowest- and highest-income wards in the District.

In the past year, several new grocery stores have opened in the District, increasing overall grocery store access. However, disparities remain as residents have had to grapple with the closing of grocery stores in high-need areas. As in previous years, the goals of this report will continue to be to evaluate policy changes, offer recommendations for implementation, and provide additional guidance on ways to further decrease the grocery gap.

This report includes data from November 2021–August 2023. Since the 2021 update, a review of the data notes that, as additional grocery stores have opened and closed in the District, neighborhoods east of the Anacostia River continue to be disproportionately impacted by a lack of grocery access compared to other high-income wards in the District.

D.C. Food Policy Council. "The Road Ahead: 2021 Update on Food Access & Food Security in the District of Columbia". Available at https://dcfoodpolicycouncilorg.files. wordpress.com/2021/12/food-security-progress-report-2021\_final.pdf. Accessed 30 July 2023.

<sup>&</sup>lt;sup>2</sup>Food Research & Action Center. "Interactive Map: Food Insecurity Among Older Adults". Available at https://frac.org/hunger-poverty-america/senior-hunger#Flmap.

<sup>&</sup>lt;sup>3</sup>D.C. Hunger Solutions. (2021). Still Minding the Grocery Gap in D.C.: 10th Anniversary Grocery Store Report. Available at: https://www.dchunger.org/wp-content/ uploads/2021/01/StillMindingGroceryGap.pdf. Accessed on 18 May 2023.

## Methodology

This review, conducted by D.C. Hunger Solutions, looks at the number of full-service grocery stores across the District. For purposes of this report, full-service grocery stores are defined as business establishments with a minimum of 50 percent of the store's total square footage, or 6,000 square feet, primarily engaged in retailing designated food products for home consumption and preparation.4

D.C. Hunger Solutions also analyzed a number of indicators of food security, poverty, and health among D.C.'s residents, including median income, race and ethnicity, health outcomes, availability of transportation, education, and COVID-19 outcomes. Data was gathered from publicly available sources indicated throughout the report and verified where possible.

#### **Data Shifts Since 2021**

#### Change in Number of Full-Service Grocery Stores and Poverty Rates in D.C. Overall and by Ward, 2021-2023

Ward	Population	Number of Full-Service Grocery Stores, 2021	Number of Full-Service Grocery Stores, 2023*	Number of Full-Service Grocery Stores in Pipeline, 2021	Number of Full-Service Grocery Stores in Pipeline, 2023	Median Household Income, 2021	Median Household Income, 2023	Percentage of Individuals Below the Poverty Line, 2021	Percentage of Individuals Below the Poverty Line, 2023
D.C.	679,031	75	76	7	3	\$91,414	\$104,110	12.05%	10.06%
1	83,885	12	13	0	0	\$110,339	\$126,433	11.90%	7.88%
2	83,162	12	13	0	0	\$112,244	\$124,728	5.88%	4.80%
3	77,813	13	16	1	2	\$143,339	\$157,057	2.27%	2.04%
4	83,103	11	11	1	0	\$94,163	\$106,634	6.78%	6.62%
5	88,965	9	6	1	1	\$91,189	\$102,744	7.65%	7.45%
6	106,206	15	10	1	0	\$113,922	\$125,555	7.89%	7.14%
7	74,561	2	4	2	0	\$42,201	\$49,509	23.26%	20.54%
8	73,200	1	3	1	0	\$39,473	\$47,421	26.61%	20.53%

<sup>\*</sup>Four full-service grocery stores have opened and closed in the period between 2021–2023.

#### Redistricting

In June 2022, the D.C. Council released new ward boundaries for Washington, D.C., using the District's 2020 census data to make their recommendations for ward redistricting.<sup>5</sup> The goal of this effort was to redraw boundaries to have a more fair and equitable representation in each ward. Furthermore, recommendations were made to redraw Advisory Neighborhood Commission boundaries (ANC) for the same reasons. Wards 7 and 8 saw the most dramatic changes in boundaries as Ward 7 expanded further across the river and Ward 8 expanded across the river for the first time. As

a result of the redistricting, Ward 8 now includes Navy Yard with Ward 7 extending west into Capitol Hill.

#### **Number of Grocery Stores**

In 2023 compared to 2021, the total number of grocery stores in the District remained relatively the same, including the number of stores open in Wards 1 through 6. This is despite the Walmart on H Street in Ward 6 closing. Grocery stores access in Wards 7 and 8, east of the Anacostia River remained the same. It should also be noted, although the number of grocery stores increased in Ward 8, this is due

<sup>&</sup>lt;sup>4</sup>D.C. Alcoholic Beverage Regulation Administration. (n.d.). Full-Service Grocery Stores. Available at: https://abra.dc.gov/page/full-service-grocery-stores. Accessed on 30

<sup>&</sup>lt;sup>5</sup>District of Columbia Office of Planning. District of Columbia 2021 Ward Redistricting. Available at https://planning.dc.gov/page/district-columbia-2021-ward-redistricting. Accessed 30 May 2023.

to the 2021 ward redistricting. Neighborhoods in Ward 8 east of the Anacostia River continue to have access to only one grocery store in their neighborhood — Giant Food on Alabama Avenue. Additionally, as the Lidl in Skyland Town Center opened in Ward 7, Good Food Market, which originally intended to be a full-service grocery store in Ward 8, altered their business model to offering only readyto-eat food items and café space.6 (Despite the market's competitive pricing, it had been too hard for them to keep up with recent inflation and be profitable in a lowincome area). In spite of shuttering some of their grocery stores, Lidl most recently opened a new location in Capitol Heights, with an additional store scheduled to be opened in Tenleytown late fourth quarter. Aldi is also scheduled to open a new location at Fort Totten in 2024.

#### **Poverty Level and Food Insecurity**

Poverty levels have decreased across the District. However, disparities between the highest-income-earning ward (Ward 3) and the lowest-income-earning ward (Ward 8) are still significant. Studies show that the COVID-19 pandemic amplified rates of hunger and exacerbated disparities across the country, but federal nutrition programs, along with unemployment and stimulus checks, helped reduce hardship during the pandemic.<sup>7</sup> Since the COVID-19 pandemic, SNAP participants increased in the District by over 14 percent.8 One national study found that SNAP Emergency Allotments, which increased a household's benefits to the maximum level, were associated with lower rates of food insecurity during the pandemic, especially among households with children. Another national study found that financial hardship and food insecurity that occurred as a direct result of the pandemic were lessened by receiving SNAP benefits.9

SNAP participants received a minimum increase of \$95 a month. In D.C. this totaled an additional \$15 million per month to SNAP participants. Unfortunately, on March 1, 2023, Emergency Allotments ended in the District, affecting more than 90,000 participants, with the District



losing an estimated \$14 million per month in SNAP benefits.<sup>10</sup> Moreover, each SNAP participant has lost on average \$90 a month. The end of Emergency Allotments comes at a time when residents are still recovering from the pandemic. With inflation seen in grocery stores across the country, cutting SNAP benefits will only increase food insecurity among District residents.

#### **Policy Shifts Since 2021**

There has been a significant number of policy proposals introduced or funded by the D.C. government since the COVID-19 pandemic to help increase grocery store access in low-income areas. D.C. Hunger Solutions continues to be pleased with these serious actions and is supportive of additional investments to help close the grocery gap.

#### **Nourish DC Collaborative**

Launched in 2021, the Nourish DC Collaborative was created in partnership with the government of the District of Columbia to support the development of a robust ecosystem of locally owned food businesses, neighborhood vibrancy, and health equity in D.C. communities, especially in neighborhoods underserved by grocery stores and other food businesses.<sup>11</sup> To achieve a

<sup>&</sup>lt;sup>6</sup>DCist. Good Food Markets Closes Ward 8 Grocery Store As It Pivots To Prepared Food. Available at: https://dcist.com/story/22/11/17/dc-good-food-markets-closesward-8-grocery-store/. Accessed on June 1, 2023.

<sup>&</sup>lt;sup>7</sup>Food Research & Action Center. (2021). Hunger, Poverty, and Health Disparities During COVID-19 and the Federal Nutrition Programs' Role in an Equitable Recovery (pages 3-5). Available at: https://frac.org/wp-content/uploads/COVIDResearchReport-2021.pdf#page=3. Accessed on 30 May 2023.

<sup>&</sup>lt;sup>8</sup>U.S. Department of Agriculture. Supplemental Nutrition Assistance Program: SNAP Data Tables. Available at: https://www.fns.usda.gov/pd/supplemental-nutritionassistance-program-snap. Accessed on 30 July 2023.

<sup>9</sup> Food Research & Action Center. (2021). Hunger, Poverty, and Health Disparities During COVID-19 and the Federal Nutrition Programs' Role in an Equitable Recovery (page 29). Available at: https://frac.org/wp-content/uploads/COVIDResearchReport-2021.pdf#page=29. Accessed on 30 May 2023.

D.C. Hunger Solutions. D.C. Households Face Hunger Cliff as Emergency Allotments End. https://www.dchunger.org/updates/d-c-households-face-hunger-cliff-asemergency-allotments-end/. Accessed on April 26, 2023.

<sup>&</sup>lt;sup>11</sup> Capital Impact Partners. Fact Sheet. Available at <a href="https://capimpact.wpengine.com/wp-content/uploads/2022/06/Capital-Impact-Partners-Nourish-DC-Fact-Sheet.pdf">https://capimpact.wpengine.com/wp-content/uploads/2022/06/Capital-Impact-Partners-Nourish-DC-Fact-Sheet.pdf</a>. Accessed on 31 July 2023.

more equitable food system in the district, this collaborative helps with financing, technical assistance, and grants. Awarded grants support grocery stores, food incubators, corner stores, cooperative business, farmers markets, food delivery businesses, urban farms, food processors, food hubs, restaurants, and caterers.

In March 2022, the Bowser administration, the Office of the Deputy Mayor for Planning and Economic Development, and Capital Impact Partners awarded \$400,000 in Nourish DC Grants to nine local Black-, Latinx-, Indigenous-, People of Color-owned food businesses in Wards 5, 7, and 8 to support the development of a more equitable food ecosystem in the District.<sup>12</sup> In addition to these nine grant awardees, Nourish DC has supported the disbursement of six loans, and 88 businesses have received one-on-one or cohort-based technical assistance.13

Capital Impact Partners received \$1 million to serve as fund manager to the Nourish DC Collaborative. According to the Year One Impact Report, Nourish DC Collaborative also deployed more than \$14.9 million in financial products and loans to support food-based businesses and provided oneon-one support or group technical assistance to more than 200 businesses.14

#### **Food Access Fund**

The purpose of the Food Access Fund (FAF) Grant is to increase equitable access to fresh, healthy, and affordable food by securing grocery stores and restaurants; support existing small businesses; attract new businesses; increase the District's tax base; create new job opportunities for District residents; and transform designated emerging commercial corridors into thriving and inviting neighborhood centers. The FAF Grant will provide qualified businesses with capital for tenant improvements related to expansion of operations into a new location in an area

identified as having low food access (as set forth in the **Local Food Access Grants Emergency Amendment Act** of 2021), with priority given to locations in Ward 7 or Ward 8.15 For fiscal year 2023, The Office of the Deputy Mayor for Planning and Economic Development is in its fourth round of funding with an estimated \$11 million in available grant funds.

D.C. Hunger Solutions supports the Food Access Fund and looks forward to seeing if this has the intended impact of increasing the number of new full-service grocery stores in Wards 7 and 8.

#### Supermarket Incentive Tax

The Supermarket Tax Exemption Act of 2000 waives certain taxes and fees for grocery stores that are built in specific neighborhoods. 16 Intended to incentivize development and investment in areas lacking access to groceries and fresh food, it has been unsuccessful in attracting new retailers to Wards 7 and 8. The Supermarket Tax Incentives Amendment Act of 2021 was proposed in the FY 2022 Budget Support Act of 2021. This proposed amendment revises the definition of an eligible area for the tax incentive, amends the definition of a supermarket, requires the Mayor to submit a plan to the D.C. Council if it is determined that there is an area that warrants investment but is not an eligible area under the law, and requires that a supermarket with the incentive accept public benefit program payments.<sup>17</sup> The stated purpose of the change is to improve the Supermarket Tax Incentive Program by "refining the eligible geographies to target areas with the greatest need for new grocers and add communityfocused requirements for grocers."18

D.C. Hunger Solutions supports making changes to the Supermarket Tax Incentives to make it more tailored to attracting food retailers to Wards 7 and 8.

<sup>&</sup>lt;sup>12</sup> District of Columbia Office of the Deputy Mayor for Planning and Economic Development (DMPED). Bowser Administration Awards \$400,000 in Nourish DC Grants to BIPOC-Owned DC Food Businesses to Grow Local Equitable Food Ecosystem. Available at https://dmped.dc.gov/release/bowser-administration-awards-400000nourish-dc-grants-bipoc-owned-dc-food-businesses-grow. Accessed on 31 July 2023.

<sup>&</sup>lt;sup>14</sup> Capital Impact Partners. Nourish DC Year One Report. Available at https://www.capitalimpact.org/programs/nourish-dc-collaborative/. Accessed on 31 July 2023.

<sup>15</sup> District of Columbia Office of the Deputy Mayor for Planning and Economic Development (DMPED). Food Access Fund. Available at https://dmped.dc.gov/page/foodaccess-fund. Accessed on 31 July 2023.

<sup>&</sup>lt;sup>16</sup> Code of the District of Columbia. (n.d.). Chapter 38. Supermarket Tax Incentives. Available at https://code.dccouncil.gov/us/dc/council/code/titles/47/chapters/38. Accessed on 31 July 2023.

Government of the District of Columbia Office of the Chief Financial Officer. (2021). Fiscal Impact Statement — "Fiscal year 2022 Budget Support Act of 2021" (memo; pages 7–8). Available at http://app.cfo.dc.gov/services/fiscal\_impact/pdf/spring09/FIS%20-%20Fiscal%20Year%20222%20Budget%20Support%20Act%20of%20

<sup>18</sup> Executive Office of the Mayor. (2021). Fair Shot: Food Access Investments in the FY 22 Budget. Available at https://dcfoodpolicycouncilorg.files.wordpress. com/2021/06/food-access-strategy\_final-06.03.21.pdf. Accessed on 31 July 2023.

#### **East of the River Leasing Strategy**

The East of the River Leasing Strategy is a directive from Mayor Bowser to relocate government agencies to properties in Wards 7 and 8 neighborhoods as an investment tool intended to attract retailers, including grocery stores. This is a strategy that has been used in the past when the Frank D. Reeves Municipal Building was built in 1986, in Ward 1, to help redevelop the U Street corridor.

Mayor Bowser hopes to replicate this by using the Neighborhood Prosperity Fund to attract food retailers, like Lidl in Ward 7, through government leases in Wards 7 and 8. As part of this strategy, the Department of General Services moved to a new location at 3924 Minnesota Avenue NE, in Ward 7. Mayor Bowser also announced \$3 million in funding from the Great Streets Retail Small Business Grant program.<sup>19</sup> Along with Tax Increment Financing and Opportunity Zone funds, this relocation hopes to bring retail, dining, residential, and a new grocery store to Minnesota Avenue NE and Benning Avenue NE, in Ward 7. The Great Streets Retail Small Business grantees include the largest cohort of 49 businesses receiving funding in Ward 7.20



D.C. Hunger Solutions supports the East of the River Leasing Strategy and looks forward to seeing if this has the intended effect of increasing the number of new full-service grocery stores in Wards 7 and 8.

## Recommendations

In addition to the funds already earmarked for the Nourish DC Collaborative, D.C. Hunger Solutions recommends that the D.C. Council continue to invest additional funding to support small, locally owned foodbased businesses with emphasis on Black-, Latinx-,

■ Increase funding for the Nourish DC Collaborative:

Indigenous-owned businesses. As the Nourish DC Collaborative specifically focuses on investing in locally owned food businesses and helps address the grocery gap in Wards 7 and 8, greater funding is critical to ensuring that food-insecure neighborhoods receive the loans and grants they need to create lasting, increased food access. Increasing funding specifically for the Nourish DC Collaborative is crucial, because even though there are a variety of funds aimed at increasing retailers and business, this is the only one specifically for grocery access. Others, such as the Food Access Fund,

also support businesses such as sit-down restaurants.

Fully fund Give SNAP a Raise: The Give SNAP a Raise Amendment Act was introduced on January 3, 2022, increasing the monthly minimum payments SNAP participants receive as well as providing local funds to increase SNAP benefits to match food expenses under the Low-Cost Food Plan.<sup>21</sup> During the pandemic, SNAP participants in the District grew from 94,000 residents to 135,000 residents. Moreover, 43 percent of Black residents are experiencing food insecurity compared to 2 percent of White residents.<sup>22</sup> Most families in the District spend their SNAP benefits within two weeks, and on average, are \$100 short of feeding their families

<sup>9</sup> Government of the District of Columbia: Executive Office of the Mayor. Mayor Bowser Highlights Economic Development East of the River at the New DGS Headquarters Grand Opening. Available at https://mayor.dc.gov/release/mayor-bowser-highlights-economic-development-east-river-new-dgs-headquarters-grand-opening. Accessed on 31 July 2023.

<sup>&</sup>lt;sup>21</sup> Council of the District of Columbia. Bill 24-600: Give SNAP a Raise. Available at https://lims.dccouncil.gov/Legislation/B24-0600. Access on 2 May 2023.

<sup>&</sup>lt;sup>22</sup> Council of the District of Columbia. Statement of Introduction: Give SNAP a Raise Amendment Act of 2022. Available at https://lims.dccouncil.gov/downloads/ LIMS/48552/Introduction/B24-0600-Introduction.pdf?Id=131950. Accessed on 2 May 2023.

each month. This has resulted in a \$160 million SNAP food security gap in our local area. With current issues of inflation, food costs in D.C. have become one of the highest in the nation.

This local investment will help D.C. families better grapple with the hunger cliff resulting from the end of COVID-19 pandemic SNAP Emergency Allotments. Give SNAP a Raise also supports small and large retailers, as SNAP has a proven record of generating business.<sup>23</sup> D.C. Hunger Solutions continues to support increasing SNAP benefits by 30 percent in the District using federal and local funds.

Give SNAP a Raise was passed by D.C. Council on December 20, 2022, and signed into law by the Mayor on January 10, 2023, becoming effective on March 10, 2023.

Increase coordination to expand program participation: Work is already underway by District of Columbia Department of Health to increase data sharing through the WIC Expansion Act (WIC is the Special Supplemental Nutrition Program for Women, Infants, and Children), and funding from the American Rescue Plan Act in the FY 2022 budget will help ensure those who are enrolled in either Medicaid or SNAP are provided guidance on the WIC application process.<sup>24</sup> Such coordination between programs and agencies is critical to full utilization of the federal nutrition programs by residents and should be a priority of all agencies that operate nutrition and anti-poverty programs to help D.C.'s residents.

D.C. Hunger Solutions recommends future data sharing and collaborative initiatives including food advocacy groups and community organizations as well as the agencies that oversee program execution. Policy and community groups with greater capacity would then be able to aid agencies in outreach efforts and further increase program participation. As participation increases, data collection on programs can better inform policy needs and address the grocery gap more holistically. Navigating the social safety net is a full-time job, and this burden should not be put on residents who are just trying to make ends meet.

D.C. Hunger Solutions continues to advocate for the recommendations outlined in the last grocery store report:

- Convene a multisector task force that includes government officials, food-related business owners, and Wards 7 and 8 residents to examine grocery store development in those wards. This task force should submit a formal report to the Mayor and D.C. Council with ideas for identifying barriers and possible solutions, reviewing the current and proposed actions detailed in this report, and proposing other innovative solutions.
- Invest more in public transportation infrastructure in Wards 7 and 8, including more routes for buses and Metro rail. Planning should prioritize these wards for being the areas with the lowest grocery store access. Along with infrastructure, the frequency and reliability of public transportation must be reviewed and prioritized.
- Ensure the continued availability of healthy food by supporting other sources of food access, such as small footprint grocery stores, healthy corner stores, grocery co-ops, and community gardens. This includes budgetary investment and supporting expansion of such programs.
- Community input and outreach must accompany the development and implementation of any new program or retailer to ensure its acceptance and use by residents. Moreover, officials should study what unofficial community solutions have already been developed. An answer to food access in Wards 7 and 8 might already exist and just needs to be formalized and scaled. This also ensures any program is building power for residents.

## **Conclusion**

In our previous grocery report, Still Minding the Grocery Gap in D.C.: A 2021 Update, D.C. Hunger Solutions stated that "the lack of meaningful action to address this problem is a moral failing on the part of the District of Columbia." This year has seen significant progress toward a solution to a problem that has plagued D.C. for decades. D.C. Hunger Solutions is pleased to continue analyzing meaningful efforts by the District to close the grocery gap and to continue advocating to end hunger in Washington, D.C.

<sup>&</sup>lt;sup>23</sup> Center on Budget and Policy Priorities. (2020). SNAP Boosts Retailers and Local Economies. Available at: https://www.cbpp.org/research/food-assistance/snap-boostsretailers-and-local-economies. Accessed on 30 July 2023.

<sup>&</sup>lt;sup>24</sup> Code of the District of Columbia. (n.d.). D.C. Law 22–255. Women, Infants, and Children Program Expansion Act of 2018. Available at: https://code.dccouncil.gov/us/dc/ council/laws/22-255. Accessed on 31 July 2023.



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