BUILDING HEALTHY COMMUNITIES: Expanding Access to Fresh Food Retail

A Report by the New Orleans Food Policy Advisory Committee
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Dear Neighbors,

Across the country, citizens, policymakers, and civic and private sector leaders are working together to make healthy foods more available. In many urban and rural neighborhoods, it is very easy to buy soda or fast food, but very difficult to find fruits and vegetables. This limited access to nutritious and affordable food — particularly in low-income neighborhoods that lack grocery stores — contributes significantly to rising obesity rates and related health problems.

This report contains recommendations developed by the New Orleans Food Policy Advisory Committee. The recommendations address ways our city and state officials can support increasing the number of retail outlets that sell fresh fruits and vegetables in communities that desperately need them. The Committee was formed by the New Orleans City Council in 2007 and includes both local and national grocers, public health professionals, banking and financial leaders, local food and child welfare proponents, hunger and poverty advocates, government officials, and other stakeholders. As co-chairs, we were privileged to work with such a knowledgeable and dedicated group of professionals and we thank each and every one of them for their hard work.

In southern Louisiana, the limited availability of fresh healthy foods in many areas has been compounded by Hurricanes Katrina and Rita, and the aftermath of the federal levee failures. As one might expect, the storms drastically reduced the number of food retailers serving the public at a time when there was already a deficit of these outlets. As we join together to rebuild, restoring access to fresh food in the greater New Orleans region will improve public health, bring back residents, and bolster economic investment. Additionally, the solutions we’ve recommended can be applied in other parts of our state to benefit everyone. It is our firm belief that the implementation of our recommendations will not only enrich our citizens’ lives, but they will also contribute to the rebuilding effort and spur much-needed economic development.

We envision a city where fruits, vegetables, and other healthy foods are readily accessible; where seniors can shop in their neighborhood and prepare family recipes from fresh locally grown produce; where children can easily choose from a variety of fruits and vegetables to snack on; and where all community members live in good health. Putting this report into action will take strong leadership on the part of our elected officials. Working together with a unified vision and commitment, we can make New Orleans and Louisiana national leaders in building healthy communities.

Sincerely,

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Second Harvest Food Bank of Greater New Orleans and Acadiana

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SUMMARY OF RECOMMENDATIONS

We, the members of the New Orleans Food Policy Advisory Committee, believe that all of our citizens deserve equal access to fresh and nutritious food. Our recommendations focus on increasing access to a variety of retail outlets that sell fresh fruit and vegetables and other healthy foods. These recommendations will especially benefit those who critically need nutritious foods — our elders and our children. We are confident that implementing these recommendations will both improve the health of our families and spark local economic development.

WE RECOMMEND THAT THE CITY OF NEW ORLEANS:

1. Adopt fresh food retailing as a priority for comprehensive neighborhood development and direct the Office of Recovery and Development Administration to provide grants and loans to food retail projects located in target areas.
2. Reduce regulatory barriers to businesses that sell fresh food.
3. Provide tax incentives to encourage the sale of fresh food.
4. Prioritize security for supermarkets and grocery stores.

WE RECOMMEND THAT THE CITY OF NEW ORLEANS AND THE STATE OF LOUISIANA:

5. Make economic development programs available to fresh food retailers.
6. Address the need for transportation to supermarkets, grocery stores, and farmers’ markets.

WE RECOMMEND THAT THE STATE OF LOUISIANA:

7. Develop a financing program that will provide grants and loans to supermarkets, smaller grocery stores, and other fresh food retailers that enhance healthy food access in underserved areas.
8. Expand participation in federal nutrition programs that enable more residents — especially seniors and families with children — to purchase locally grown fresh fruits and vegetables at farmers’ markets.
9. Partner with fresh food retailers to create vocational training opportunities in the fresh food retail sector.

AS WE UNDERSTAND THAT PROVIDING ALL OF OUR CITIZENS WITH ACCESS TO FRESH AND HEALTHY FOOD REQUIRES COMPREHENSIVE AND DIVERSE STRATEGIES, WE FINALLY RECOMMEND THAT:

10. The New Orleans Food Policy Advisory Committee serve as an ongoing, multi-stakeholder advisory body to the City Council.
INTRODUCTION

The epidemic of obesity in Louisiana threatens the health of our families and children, our quality of life, and even our economy. More and more of our children are overweight, and studies show that overweight children are much more likely to become obese adults. Studies also show a connection between the foods available to people and their dietary habits. One key strategy to stop the dramatic rise in obesity and improve health is to change the neighborhood environment to one that supports healthy eating. Bringing more stores and markets that sell fresh food into neighborhoods has the potential to significantly improve the health of residents. Beyond these health benefits, supermarkets and grocery stores also create jobs and stimulate other business development that improves the local economy.

Recognizing that many New Orleans neighborhoods offer few opportunities to purchase fresh food, the New Orleans City Council unanimously passed a resolution in May 2007 calling for the creation of the Food Policy Advisory Committee. The Council charged this new committee with the task of developing recommendations to address access to fresh food in New Orleans. In the words of the resolution:

...Whereas, it is the belief of the Council of the City of New Orleans that everyone deserves equal access to healthy and nutritious foods and this could serve as an economic catalyst for recovering neighborhoods; now, therefore be it resolved that the Council of the City of New Orleans strongly supports the creation of a Food Policy Advisory Panel and ... that a final report with recommendations for programs and policies to alleviate the problem be delivered to the Special Projects and Economic Development Committee by January 31, 2008.

The Food Policy Advisory Committee has considered ways to bring a variety of fresh food retailers into neighborhoods that currently lack access. This report proposes policy approaches that are achievable, affordable, and innovative. We emphasize building on models that work as well as forging new partnerships with state and local government, communities, and fresh food retailers.

“...change the neighborhood ENVIRONMENT to one that supports HEALTHY EATING.”
FRESH FOOD, OBESITY, AND HEALTH IN LOUISIANA

Obesity is a rapidly growing epidemic in the United States. Louisiana’s rates of obesity and obesity-related diabetes and heart disease are some of the highest in the nation. These diseases are among the leading killers of our time, and they are affecting not just adults, but children as well. Nearly one-third of all children in this country are overweight or obese, and these statistics are even higher in minority populations. Obesity is also an expensive epidemic. In 2004, Louisiana spent $1.3 billion on medical costs related to obesity.

Obesity results from people consuming more calories than they burn. Healthy foods, like fruits and vegetables, are high in nutrients and low in salt, fat, and calories. Therefore, access to fresh, healthy food is vital to reversing the obesity epidemic. But healthy foods are often more expensive and less available than less-nutritious foods, especially for low-income families. Nationwide, research shows that people in low-income areas have significantly less access to healthy foods than their middle class or affluent neighbors. These low-income areas are the same areas with the highest rates of diabetes, hypertension, and heart disease.

Improving access to healthy food can make an important difference. One prominent study demonstrated that access to full-service supermarkets increased fruit and vegetable consumption by as much as 32%. Another found that increased availability of chain supermarkets had a significant association with lower rates of being overweight among adolescents. Conversely, greater availability of convenience stores was associated with higher levels of being overweight.

Access to fresh, nutritious food was inadequate in New Orleans prior to Hurricane Katrina. Since then, availability has only gotten worse (as shown on map, page 7). At present, only 18 supermarkets have reopened in New Orleans, and smaller stores are not meeting the demand for fresh produce.

In a 2007 survey conducted by Tulane University, nearly 60% of low-income Orleans Parish residents reported that they must drive more than three miles to get to a supermarket. Only about half of those surveyed had their own car. This same study indicated that people like to eat fruits and vegetables as much or more than unhealthy foods (see box). A full 70% “would buy” or “might buy” most fresh produce items if they were available in their neighborhoods. In another Tulane study, in the Central City neighborhood of New Orleans, researchers found that greater availability of fresh vegetables led to increased consumption of vegetables by residents.

The studies in New Orleans, as well as studies nationally, strongly suggest that improving access to healthy foods in underserved neighborhoods would improve the diets — and therefore the health — of people who live there.

<table>
<thead>
<tr>
<th>Food</th>
<th>% “like a lot”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tomatoes</td>
<td>73%</td>
</tr>
<tr>
<td>Fried Chicken</td>
<td>73%</td>
</tr>
<tr>
<td>Lettuce</td>
<td>69%</td>
</tr>
<tr>
<td>Greens</td>
<td>69%</td>
</tr>
<tr>
<td>Green Beans</td>
<td>68%</td>
</tr>
<tr>
<td>Oranges</td>
<td>66%</td>
</tr>
<tr>
<td>French Fries</td>
<td>63%</td>
</tr>
<tr>
<td>Hamburgers</td>
<td>59%</td>
</tr>
<tr>
<td>Broccoli</td>
<td>58%</td>
</tr>
<tr>
<td>Potato Chips</td>
<td>58%</td>
</tr>
<tr>
<td>Apples</td>
<td>54%</td>
</tr>
<tr>
<td>Strawberries</td>
<td>50%</td>
</tr>
</tbody>
</table>

Survey conducted by Randi Sokol (April 2007) of low-income New Orleans residents.

The graph above shows trends in obesity over a 15-year period. Louisiana’s rate of obesity exceeds the national rate. Data was collected by the Centers for Disease Control and Prevention (CDC) based on self-reported measurements, which are frequently underestimated. Actual obesity rates may be higher.
HURRICANES KATRINA AND RITA

On August 29, 2005, Hurricane Katrina made landfall over Southeastern Louisiana, unleashing flood waters throughout a number of parishes, including Orleans, Jefferson, St. Bernard, Plaquemines, and St. Tammany. Less than a month later, Hurricane Rita struck Southwestern Louisiana, causing storm surge to impact the state all the way from Cameron Parish to Orleans.

Since the fall of 2005, the State has been in the recovery process, examining how cities and towns should rebuild their communities. Statewide, the Louisiana Speaks Regional Plan has looked at ways the region can reinvest in affected parishes to build diverse, sustainable communities. In New Orleans, the Unified New Orleans Plan (UNOP) process sought to incorporate resident needs and ideas into a cohesive plan for the city’s recovery.

Throughout the planning process, residents consistently ranked access to healthy foods as critical to neighborhood recovery efforts. Nearly every neighborhood plan created as a part of the UNOP’s Citywide Strategic Recovery and Rebuilding Plan has included the location of a supermarket or grocery store in the immediate area. The City’s own Office of Recovery and Development Administration has incorporated elements of the UNOP plan into their 17 target recovery zones, with supermarkets and green grocers featured as part of the redevelopment effort in most of these zones.

Together, these plans make it clear that residents and experts alike believe that building healthy food stores into neighborhoods is critical, not just to the health of residents, but also to the economic health of those neighborhoods and the recovery of the entire region.

Louisiana Speaks

In May 2007, the Louisiana Recovery Authority released the Louisiana Speaks Regional Plan, a comprehensive road map for recovery based in large part on input from 27,000 Louisianans. The following excerpts illustrate how this committee’s recommendations can complement the current rebuilding effort.

- Create a “State Community Reinvestment Trust Fund” that would provide grants to support plans and projects that reinvigorate existing commercial corridors,...downtowns,... and main streets.
- ...provide a package of financial and tax incentives to prospective developers in reinvestment areas.
- Enhance and adequately fund workforce development and training programs.
New Orleans suffered from inadequate access to fresh, healthy food before Katrina; since flooding inundated the parish, access has only gotten worse. In August 2005, there were 38 full-service supermarkets in the city and today there are only 18. While estimates show the population at about 70% of its pre-storm size, the city has lost more than half of its grocery stores. To meet the needs of the current population, the city needs to more than double the number of supermarkets it presently has.

In New Orleans...

- Pre-Katrina, there were about 12,000 residents per supermarket.
- Today, there are nearly 18,000 residents per supermarket.
- Nationally, there are an average of 8,800 residents per supermarket.

New Orleans population estimates based on the U.S. Postal Service Delivery Statistics, as presented by the Greater New Orleans Community Data Center (www.gnocdc.org).

National supermarket estimates based on data from the Food Marketing Institute (www.fmi.org) and U.S. Census Bureau (www.census.gov).
COMMUNITY AND ECONOMIC DEVELOPMENT

In addition to the important health benefits that they bring to communities, supermarkets, grocery stores, and farmers’ markets contribute to the economic vitality of a surrounding neighborhood. Food retailers, however, face a number of challenges to locating stores in underserved communities. Targeted policy interventions can encourage private sector investment in fresh food retail in underserved neighborhoods. The result is increased access to healthy food, local services, and shopping and job opportunities for the families who live there.

Development projects for supermarkets can be complex and often require significant investments of time and resources to be successful. In what is already a competitive and difficult industry, where annual profit margins are around one percent, Louisiana retailers face challenges that are significantly magnified after the hurricanes. The top challenges cited by retailers include difficulty obtaining financing and affordable insurance coverage, the pressing need for reliable market data and analysis, concerns around crime and security, difficulty attracting and retaining qualified employees, and complex regulatory and zoning processes.

Supermarket development can strengthen and revitalize underserved communities in many critical ways. Supermarkets and grocery stores provide customers with a place to buy a wide variety of fresh, nutritious foods at competitive prices. Likewise, they create job opportunities and skills training for local residents. A typical supermarket development project will create between 100 and 200 permanent jobs, many of which go to local residents.

By serving as anchors to downtowns and commercial corridors, supermarkets can contribute to the physical rehabilitation and reduction of blight in a distressed area, while catalyzing additional economic investment into a community. Many communities, however, are losing economic opportunities due to inadequate access and unmet food retail demand. Notably, one national study showed that approximately 35% of retail demand in inner cities is currently being served by businesses located outside of those communities. Basic food retail needs comprise the largest category of this unmet retail demand. As a result, potential grocery store dollars are leaking out of communities lacking adequate access to fresh food.
Many parts of the greater New Orleans area are served by local, independent full-service grocers. These home-grown retailers are of great value to the regional economy and it is important to assist in the retention and growth of these local grocers, as well as to proactively encourage investment by chain supermarkets.

Neighborhood corner stores are a frequent point of food purchases for low-income New Orleans residents. If these stores sell only alcohol, tobacco, and calorie-dense snack foods, they detract from the health of their surrounding neighborhoods. But if they stock ample amounts of healthy foods, particularly fresh fruits and vegetables, they can contribute to their communities in positive ways. Providing these operators with incentives and support to carry more fresh fruits and vegetables and other healthy foods makes sense for the health and economic viability of the surrounding community. Additionally, new or existing neighborhood stores are well positioned to provide culturally appropriate fresh foods to serve increasingly diverse populations in the city and the state.

Farmers' markets offer communities another source of healthy food — notably locally grown fruits and vegetables — while fostering social interaction and providing regional farmers with a viable source of income. Farmers’ markets can also provide a space for outreach activities, including nutrition education and cooking tips. Expanding the capacity of regional and urban farmers to meet the demonstrated consumer demand is a critical component for sustaining a network of farmers’ markets in the greater New Orleans area.

Fresh food retailers help make a community livable. They make economic investments that strengthen neighborhoods, create more jobs, encourage more spending in the local economy, and increase the local sales tax revenue. Given the multiple positive benefits that new food retailers can deliver, local and state government should provide strong incentives to encourage their development.
RECOMMENDATIONS

The City of New Orleans should adopt fresh food retailing as a priority for comprehensive neighborhood development and the City’s Office of Recovery and Development Administration should direct grants and loans to food retail projects located in target areas.

Food retail is a vital component of neighborhood development. Fresh food access is a basic necessity for residents and, as such, communities cannot thrive and grow without it. New Orleans neighborhoods would benefit from a strategic plan focused on stimulating new investments and improvements in the fresh food retail sector. This can be achieved by integrating fresh food retail into decisions and activities around land use, transportation, and economic development.

In particular, the City of New Orleans has a unique opportunity to incorporate fresh food retail as a central focus of current rebuilding efforts. By serving as anchors to commercial corridors, supermarkets can help to attract complementary retail businesses and additional private investment into communities. The presence of farmers’ markets and other fresh food retailers will strengthen communities and make them more attractive places to live and work.

As the City of New Orleans’ lead agency tasked with coordinating the rebuilding efforts, the Office of Recovery and Development Administration (ORDA) has identified target areas throughout the city for initial redevelopment efforts. Given the many benefits that they can generate for a community, both economically and health-wise, fresh food retail projects should be prioritized and supported in these target areas. The ORDA’s plans include projects such as supermarkets, farmers’ markets, and green grocers.
The City of New Orleans should reduce regulatory barriers to businesses that sell fresh food.

A number of regulations for food retailers specifically address the health and safety of consumers and must be strongly enforced. Other regulations simply do not contribute to health or welfare, but rather place excessive time and cost burdens on businesses seeking to remain in compliance.

In Orleans Parish, fresh food retailers working to rebuild, expand, or renovate food stores face a lengthy and costly permitting process. The City needs to develop more efficient and transparent permitting and zoning for fresh food retail outlets. Specific suggestions include:

- A “one-stop shopping” approach for businesses making inquiries and submitting applications for licenses and permits.
- Making explanatory information and forms available via the City’s website.
- A fast-tracked permitting process for fresh food retailers planning to locate in underserved communities.

In addition, the City could offer technical assistance with inspections and permitting to small neighborhood stores that aim to expand their selection of fresh fruits and vegetables and other healthy food.

Urban farming can be another important source of fresh, nutritious food in neighborhoods. One specific recommendation is to modify the New Orleans Comprehensive Zoning Ordinance to enable people who grow fruit and vegetables in the city — such as in gardens and nurseries, or on small- to medium-sized urban farms — to also sell their fresh, unprepared produce on the premises.

Historically, mobile markets and vendors selling fresh fruit and vegetables have been a vital part of the food culture in New Orleans, offering access within neighborhoods and opportunities for local entrepreneurs. Current city code, however, may curtail the revitalization of such activities. It is particularly important that mobile markets selling produce and other fresh foods are able to provide access in neighborhoods that currently lack full-scale grocery stores.

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 has designated a single agency, called Retail Chicago, to address the multiple concerns of potential retailers and to coordinate the development process for projects. Retail Chicago’s programs simplify the approval process and identify measures to facilitate land assembly, among many other proactive measures. As a result, the Retail Chicago program has successfully attracted new grocery stores to long-underserved neighborhoods.
The City of New Orleans should provide tax incentives to encourage the sale of fresh food.

While food sales are exempt from Louisiana sales taxes, the City of New Orleans charges a 4.5% sales tax on all food. Increasing the expense of food creates a burden on seniors and working families, while also making it more likely that they will purchase low-nutrient foods that are cheaper and more accessible.

The Food Policy Advisory Committee recommends that the City repeal the tax on the sale of fresh food items to benefit all New Orleanians. Sales taxes on food in the U.S. are rare and considered regressive because they take a larger percentage of income from people who make less money. Thirty-one states and the District of Columbia exempt food sales from their state sales tax. Of these, Louisiana is one of only five states where food is subject to local sales taxes.

A family of four in the U.S. spends at least $6,500 annually for a nutritious diet at home. In New Orleans, that family spends about $300 more each year in sales taxes for their grocery purchases. This tax bill represents a week’s wages for some families and the equivalent of 2½ weeks’ worth of groceries. Repealing the sales tax on fresh food items will make healthier foods more affordable to city residents and help to bring more fresh food retailers to New Orleans.

Alternatively, the City could provide tax incentives for food retailers to expand their selection and sales of fresh foods. Currently, New Orleans retailers who pay their city sales taxes on time receive a 1% rebate. This Committee recommends that prompt payment be additionally rewarded with another 1% rebate on line item sales of fruits, vegetables, and other fresh products. This additional 1% rebate will encourage retailers to sell more of these fresh foods.
The City of New Orleans should prioritize security for supermarkets and grocery stores.

Lack of security can be a major problem for supermarket operators in underserved communities. Stores find it financially difficult to locate and stay in areas with high rates of theft and other types of crime. Security concerns also discourage customers from walking to a neighborhood store, and possibly from shopping there altogether. The City needs to prioritize and ensure a safe environment around supermarkets, which are critical establishments in the community.

Actions that the City could take include developing a Food Retail Crime Prevention District, similar to a neighborhood crime prevention district. The City could designate a unit within the New Orleans Police Department to address security issues that supermarkets may face. The City could also work with retailers on techniques that make the environment outside businesses safer, such as increased lighting and clearer sight lines. Such efforts are part of a practice called “Crime Prevention Through Environmental Design,” gaining popularity across the country.

Example:
In New Haven, Connecticut, a grocery chain called Shaw’s Supermarkets committed to locating a new store in the Greater Dwight area, an ethnically and economically diverse neighborhood. However, while the company saw an appealing market opportunity to serve a community that had long been without a full-service supermarket, there were unique challenges to operating in this urban area. Shaw’s needed to draw customers from some distressed neighborhoods as well as from nearby Yale University. The store’s management took an early, proactive approach to engage the local community development corporation, community representatives, and New Haven Police around the issue of security.

Working together, the store’s management, the community, and local officials were able to formulate an effective yet sensitive security plan that would physically protect the store and provide a safe environment for customers and employees. This plan resulted in the presence of an in-store police officer during store hours and a 24-hour manned security car in the parking lot. In addition to formal security at the store, the collaboration between the store and the local community resulted in informal security monitoring by the community itself.
The City of New Orleans and the State of Louisiana should make economic development programs available to fresh food retailers.

Despite being an important economic and community asset, supermarkets and fresh food retailers are often not able to take advantage of available economic development programs. In some cases, retailers are excluded from these programs. In other instances, food retailers, particularly those who own small neighborhood stores and have limited staffing resources, may not be aware that these programs exist or have the capacity to pursue them.

The Food Policy Advisory Committee recommends that food retail be made a priority industry due to its role in providing the most basic necessities to seniors, families, and children. For example, the Quality Jobs program that provides rebates on payroll and sales taxes is currently not available to food retailers. Modifying economic development programs such as this one would help supermarkets and grocery stores expand their businesses into underserved areas.

Many food retailers, especially those who own small neighborhood stores, do not take advantage of existing programs such as federal worker tax credits and Job1 employee training incentives. This represents a missed opportunity for smaller food stores to save on labor costs while investing in the workforce. The Food Policy Advisory Committee recommends that the City and State should actively market programs to existing independent and smaller grocers.

Additionally, both small and large supermarkets are often challenged by the task of developing sites that have been abandoned or out of service for extended periods of time. Areas that have been hard-hit by flooding or have traditionally not prospered are in particular need of access to fresh healthy food. Strong efforts should be made to reach retailers with the potential to undertake projects in underserved neighborhoods and directly match them to economic development programs that best fit their needs and development plans.
The City of New Orleans and the State of Louisiana should address the need for transportation to supermarkets, grocery stores, and farmers’ markets.

With large parts of New Orleans completely lacking a major fresh food retailer, many city residents have to travel great distances to shop. That distance is compounded by the fact that many do not own a car and public transportation routes have been cut since Hurricane Katrina. In fact, in a 2007 survey of predominantly low-income Orleans Parish residents, only half of those surveyed owned a car. These residents frequently use corner stores for the majority of their grocery trips, but most of these stores do not sell fresh fruits and vegetables.

Until the economic development measures recommended in this report can be implemented, the Food Policy Advisory Committee proposes the establishment of a temporary grocery shuttle program. Such targeted routes would directly link the transit-dependent families in underserved neighborhoods to full-service food retailers.

As new food retail is developed in the city and additional bus routes are added, the Regional Transit Authority should continue to identify ways to get residents without cars to fresh food retailers. Such programs could include return-trip bus vouchers, increased public transportation along corridors with fresh food retail, and targeted grocery shuttles from senior centers, housing developments, and apartment complexes to supermarkets and farmers’ markets.

Example:
In Los Angeles, California, the City offered a short-term grocery shuttle to address the food access needs of residents following the 1992 civil disturbances. This short-term program was called Operation Foodbasket and helped residents from devastated areas get to supermarkets. A similar program could be of great benefit in post-Katrina New Orleans.
The State of Louisiana should develop a financing program that would provide grants and loans to supermarkets, smaller grocery stores, and other fresh food retailers that enhance healthy food access in underserved areas.

The State of Louisiana should dedicate funds to stimulate the development of fresh food retail in underserved communities. This financing program would support the development or revitalization of grocery stores and farmers’ markets and improve the selection of nutritious food options available in smaller neighborhood stores. Financing could be used for purposes such as site acquisition and rehabilitation, construction, equipment purchase, and workforce development. Retailers receiving grants should be required to sell fresh, healthy foods.

Such a program should be implemented through the establishment of a public-private partnership, modeled after the Fresh Food Financing Initiative in Pennsylvania (details provided below).

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 (FFFI). The program provides grant and loan funding to help retailers with many aspects of the store development process. FFFI is an important source of financing for fresh food retailers that plan to operate in underserved communities where infrastructure costs and credit needs cannot be filled solely by conventional financial institutions. The initiative consists of a multi-faceted funding pool of $120 million, of which $30 million has been committed by the State, and the remainder leveraged through a variety of public and private sources, including federal New Markets Tax Credits.

The program is supported through a public-private partnership between the State and three organizations: The Food Trust, The Reinvestment Fund, and the Greater Philadelphia Urban Affairs Coalition. Each partner brings special expertise to supporting the initiative. The Food Trust works with the supermarket industry, developers, and communities to provide outreach and coordination, as well as conducts analysis to identify underserved communities. The Reinvestment Fund manages the Initiative’s financing program. The Greater Philadelphia Urban Affairs Coalition provides support to expand employment and contracting opportunities for women and minorities.

Accomplishments of the Pennsylvania Fresh Food Financing Initiative*

- 32 supermarkets and grocery stores throughout PA
- $26.8 million in grant and loan funding committed
- 2,645 jobs created or preserved
- 899,750 square feet of food retail space

* Figures reflect accomplishments in the first three years of the program.
The State of Louisiana should expand participation in federal nutrition programs that enable more residents — especially seniors and families with children — to purchase locally grown fresh fruit and vegetables at farmers’ markets.

The Food Stamp Program, the Nutrition Program for Women, Infants, and Children (WIC), and the Farmers’ Market Nutrition Programs provide direct, effective support for low-income mothers, seniors, and families to purchase fresh and healthy foods. By increasing the purchasing power of recipients, these federal nutrition assistance programs likewise benefit local food retailers, farmers, and communities.

Because farmers’ markets often lack the technology and staff capacity to perform electronic transactions, the shift from food stamp coupons to electronic benefit transfer (EBT) cards has prevented some residents from shopping for fresh, locally grown produce at markets. The State should ensure convenient EBT access and expand the use of EBT cards at farmers’ markets statewide. Louisiana should look to states like New York, which has created a public-private partnership to provide EBT terminals, marketing materials, and training to farmers’ market managers at no charge.

Expanding the two Farmers’ Market Nutrition Programs (FMNP) that operate in Louisiana would also help connect low-income seniors and mothers to farmers’ markets and healthy, local foods. Through these programs, eligible seniors and WIC participants receive vouchers to purchase fruits and vegetables at farmers’ markets and farm stands. The federal government provides annual grants to states for direct FMNP costs, while states cover the administrative costs and can supplement the benefit level.

While Louisiana’s Seniors FMNP has been readily adopted by both farmers and consumers, its federal funding has been repeatedly cut. Moreover, Louisiana has only a tiny pilot program for the WIC FMNP.

The State of Louisiana should participate more actively in both Farmers’ Market Nutrition Programs and should dedicate funds to develop innovative social marketing efforts to forge long-term relationships between vulnerable citizens and farmers’ markets. For example, offering seniors additional market vouchers for Louisiana milk or seafood would both provide consumers with more reasons to visit farmers’ markets and support Louisiana agriculture. Furthermore, Louisiana should provide matching funds to increase the yearly FMNP voucher from about $20 to $60.

Example:

In New Orleans, the Crescent City Farmers’ Market provides EBT access through a replicable system that is effective, affordable, and inclusive. Customers swipe EBT, credit, and debit cards at one central wireless card reader, then receive wooden tokens to spend on eligible fresh foods throughout the market. The Crescent City Market staff also coordinates outreach to local seniors and youth groups through their “Meet Me at the Market” campaign.
The State of Louisiana should partner with fresh food retailers to create vocational training opportunities in the fresh food retail sector.

It is often difficult for employers to hire, train, and retain qualified employees, particularly in underserved communities. Within fresh food retailing especially, additional training is needed for workers to handle and merchandize perishable food products. Across the supermarket industry, labor costs comprise the largest expense associated with operating a store, accounting for more than 60% of business operating expenses.

To address these challenges, the State should partner with the fresh food retail sector to develop an industrywide vocational training program. A structured partnership with dedicated resources can generate multiple benefits for employers, workers, and communities. By having greater access to a trained labor supply, supermarkets are better able to locate in underserved communities, providing communities with more fresh food access as well as creating more jobs for local residents. Employees will also benefit from a vocational training program that can help them to advance in their careers.

**Example:**

A number of states have developed sector-based initiatives as a key component of their workforce and economic development policies. These statewide industry workforce initiatives are distinct from traditional job-matching and training services since they focus on addressing the collective needs of employers within an industry rather than individual firms. These initiatives build partnerships among employers, training providers, community groups, and key government stakeholders to devise creative and customized solutions for specific industries at a regional level.

Industry-specific training programs help workers gain critical skills to prepare for their jobs and career advancements. A study by the Aspen Institute found that workers participating in these training programs saw an increase in their median personal earnings from $8,580 to $14,040 one year after training, with a further increase to $17,732 after two years. Employers also report numerous benefits, including improved retention and productivity and greater workforce diversity.
The New Orleans Food Policy Advisory Committee should serve as an ongoing, multi-stakeholder advisory body to the City Council.

Addressing fresh food access through the placement of retail outlets is a first step in ensuring that all of our citizens have the foods they need to develop healthy families and communities. There are, however, additional barriers to consistently bringing good food to the family table.

Recognizing that food is at the heart of healthy communities, cities throughout the country are creating innovative local and regional solutions to make healthy food more available. Nowhere is the celebration of food as apparent as it is in New Orleans. By continuing to support the importance of fresh foods and further increasing the availability of local fruits, vegetables, and seafood, policymakers place food as an integral part of the state’s renewal.

The New Orleans Food Policy Advisory Committee is committed to continued research into all of the issues that prevent our most vulnerable citizens from securing the foods they need for lifelong health. As an ongoing, multi-stakeholder advisory body to the City Council, The New Orleans Food Policy Advisory Committee could explore issues such as:

- Adopting a Community Food Charter that outlines the strategies necessary to move the vision of a healthy New Orleans forward;
- Improving the nutritional value of food served in our schools;
- Supporting our local and regional food producers;
- Promoting environmental, nutritional, cultural, culinary, and horticultural awareness;
- Developing infrastructure and resources for fresh food growing throughout the city;
- Launching a full-scale market analysis of the city’s untapped economic potential that can be used by a variety of fresh food retailers.

The New Orleans Food Policy Advisory Committee welcomes the opportunity to develop future recommendations that will complement the implementation of the targeted retail recommendations we have made in this report.
CONCLUSION

It is clear that providing better access to fresh food is an important strategy to prevent obesity and improve health. Attracting more stores and markets that sell fresh food to low-income and underserved areas will ensure that everyone can purchase the basic necessities of good nutrition for their families. These efforts will also create needed jobs and economic opportunity.

The ten recommendations developed by the Food Policy Advisory Committee are achievable steps toward healthier communities in Louisiana. By working together, this Committee is convinced that we – children’s advocates, food retailers, community residents, local food proponents, health professionals, and government officials – can improve the health of our children and families and, at the same time, significantly contribute to the rebuilding of the Gulf Coast.

We encourage our city and state leaders to work toward speedy implementation of these recommendations. The result will be economic revitalization, livable neighborhoods, and better health for the people of Louisiana.


City of Chicago. Retail Chicago. http://www.ci.chi.il.us (City of Chicago website) http://tinyurl.com/3ey9pf (Retail Chicago quick link)


Pennsylvania Department of Community & Economic Development http://www.newpa.com


The Prevention Research Center at Tulane University is a member of the Prevention Research Centers program of the Centers for Disease Control and Prevention through cooperative agreement # 1-U48-DP-000047. We conduct innovative research to study the impact of the physical and social environment on obesity and health. We also work with communities to assess the effect of changes in the social and physical environment on health and healthy behaviors and design and implement strategies for prevention.

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The Food Trust, founded in 1992, is a nonprofit organization working to ensure that everyone has access to affordable, nutritious food. The Food Trust works in low-income neighborhoods to increase the availability of fresh food and educate children and families about healthy eating. Its partners include school districts, supermarket operators, corner store owners and farmers. Through the Fresh Food Financing Initiative, The Food Trust has helped open or improve more than 30 supermarkets and grocery stores in Pennsylvania.

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