

Richmond Times-Dispatch

'Food deserts' challenge local area residents

By Louis Llovio, January 23, 2011

When Mary Edwards heads to the grocery store, she worries about the price of eggs and milk. But the Richmond resident has another concern: coming up with the \$10 it takes to get her to the nearest grocery store several miles away.

"There is nothing close by," she said. "I have to pay folks to get to the store."

Edwards is one of thousands of people living in inner cities and rural areas nationwide who are faced with few options for purchasing healthy, reasonably priced basic food because of a shortage of grocery stores near their homes. For them, the corner store or a fast-food restaurant is usually the most convenient food option, but the choices there tend to be overpriced, processed foods.

According to the U.S. Census Bureau, nearly 11 percent of all U.S. households have trouble accessing groceries from established grocers — who traditionally have higher quality-control systems, more fresh fruits, vegetables and meats, and lower prices because of their buying power. The USDA calls areas with limited access to quality groceries "food deserts."

The long-term adverse effects of not having access to grocery stores include poor nutrition, obesity and impaired psychological development, according to The Reinvestment Fund, a Philadelphia-based economic revitalization group.

"When people are located a significant distance from a supermarket, the local options are often higher priced and lower quality," said Alan Berube, a senior fellow at the Brookings Institution's Metropolitan Policy Program.

Mary-Jo Sawyer, a registered dietitian at VCU Medical Center, said people who don't have access to fresh fruits and vegetables at grocery stores tend to purchase the least-expensive items at smaller markets, which are typically high in fat and sodium — like hot dogs. Those choices can lead to obesity, high blood pressure and heart disease, she said.

Making matters worse is that those who don't have access to grocery stores also don't have access to health care that could help them better manage their diets.

"Nutrition is the tip of the iceberg," she said.

So why not build large grocery stores in inner cities with large low-income population bases? It's not that simple, experts say.

Opening stores in urban areas can be more expensive than opening in suburban markets for grocers. Also, larger grocers — which operate on a thin 2.53 percent profit margin according to N.C.-based Sageworks Inc. — tend to build stores in heavily populated areas with higher income levels that can better sustain the stores.

Wal-Mart, which announced a campaign last week to get healthier foods and more affordable foods into its stores, has said it wants to add store in areas that are lacking grocery stores.

Bill Wertz, a spokesman for the retailer, said the company has plans to open stores in Chicago, Washington and New York.

"We haven't announced any specifics beyond the three areas," he said, but added that the company was looking at underserved areas.

"Our intention is to open stores in food deserts."

The Richmond Times-Dispatch contacted several other grocery retailers and supermarket chains for comment, but all said they could not publicly discuss their methodology for choosing new store locations.

Several national groups are working on ways to get food and access to food to those in need, including use of government incentives, financing initiatives and other programs geared at luring grocers into underserved areas.

But while public and private groups work on finding solutions, people are left looking for a way to get food into their pantries.

For Edwards, who lives on a fixed income of \$673 per month, the only alternative to paying for a ride is shopping at one of two smaller markets near her home. But, she said, the considerably higher prices for basic food at those stores make paying for a ride a better bargain.

"That's just not right," she said. "But I've got no choice."

Edwards lives at Frederic A. Fay Towers, a Richmond Redevelopment and Housing Authority apartment complex in east Richmond for older low- to moderate-income residents.

The nearest grocery store to the building and immediate neighborhood is a Food Lion several miles away, which isn't on a bus line.

John Banks, president of the resident advisory council at Fay Towers, said there are corner stores nearby, but residents don't feel safe going at night and food at those stores is limited and pricey.

During a comparison shopping trip last month, The Times-Dispatch priced six common grocery items at a small market near Fay Towers, at a chain grocery store and a discount food store. The total cost for the items ranged from \$10.38 at the discount food store to \$16.33 at the smaller market.

"You may pay \$1.79 for a canned good when you can get it at Wal-Mart for 69 cents. So prices sort of doubles," Banks said. "When you're on a fixed income, you only have so much to spend."

Fay Towers residents aren't the only Richmond-area residents living in food deserts. Residents of South Side, Blackwell, Fulton Hill, Montrose Heights and portions of Newtowne West and Church Hill have trouble accessing quality, affordable food, according to The Reinvestment Fund. So do residents in parts of Chesterfield, Cumberland, Dinwiddie, Prince George and Sussex counties, as well as the city of Petersburg.

Traci Moore, who lives in Dinwiddie County, which has a total population of about 25,000 residents, doesn't have a nearby grocery store and must travel 20 minutes to shop for food. She lost her job in April and relies on one of her neighbors to take her to the store.

Moore, 40, prefers going to farmer's markets, but those markets don't accept her food stamps and prices tend to be higher. During spring and summer, to help defray food costs, she grows tomatoes, corn, green peppers and other produce in her garden.

"I plan it all out in advance and I'll go maybe twice a month," Moore said. "If I didn't have my neighbors, I'd probably have to rethink things. It would be really nice to have (a store) closer."

Opening grocery stores in underserved areas could help bring quality food at more reasonable prices to people and it could also spur economic growth by adding jobs and keeping money in those neighborhoods, according to experts who have studied the issue.

"When supermarkets do open in underserved communities, that often serves as an anchor for job growth and other services," said Berube of the Brookings Institution. "Having a supermarket is sort of a needed element for economic development."

Patricia L. Smith, senior policy adviser for The Reinvestment Fund, said a program in Pennsylvania to help build or upgrade grocers in underserved areas statewide has created or preserved more than 5,000 full- and part-time jobs since it began in 2004.

But opening stores in urban areas can be more expensive.

A Reinvestment Fund study that examined the costs of opening a grocery store in an urban area compared with opening in suburban areas found that it was significantly more expensive to open an urban store because it costs more to train staff, maintenance costs are higher, and in most cases, real estate taxes are higher.

The study showed that it cost seven times more to train employees in urban stores than in suburban stores, and security costs were five times higher per year.

According to the study, it costs a grocer \$16 per square foot to open an urban store and \$30.68 per square foot to operate it. That's compared with \$10 per square foot to open a comparable suburban store and \$28.60 per square foot to operate it. The average grocery store is 46,235 square feet, according to the Food Marketing Institute.

"When you look at the pure numbers, even before demographics, a lot of these areas are really blighted," said Jeff Metzger, a grocery-store analyst and publisher of supermarket trade publication Food World. "The challenges typical retailers have with going into these so-called food deserts is A) Can they make money? and B) Are they comfortable going into that environment."

In rural areas, like Dinwiddie, grocers have a different set of problems. There might not be enough buying power to support a larger store, so a large chain could be reluctant to locate there or adjust their business model to make a store work.

Nationally, several groups are addressing food-access issues.

In Richmond, the city held a weeklong community planning exercise in June to discuss ways to improve parts of the East End; one of the needs identified by residents was a quality grocery store.

Rachel Flynn, director of planning and development for the city of Richmond, said the city is working to find a site large enough for a grocery store to go into the East End — those shoppers usually go to eastern Henrico County or Mechanicsville to grocery shop.

Once the site is identified, she said a team will begin reaching out to national chains that might be interested in building in the area. It is not clear how long it could take, she said.

Flynn said the city will look at the possibility of coming up with loans or grants to help fill any financing gaps. "I think it's going to have to be that way in more economically challenged areas," she said.

In Pennsylvania, there already has been some progress.

In 2004, TRF created the Pennsylvania Fresh Food Financing Initiative, which has given more than \$85 million to food retailers in that state. The initiative is a public-private partnership that helps grocers get financing and grants to go into undeserved areas.

TRF's Smith said the program has helped fund 88 projects throughout Pennsylvania, including opening stores, remodeling existing locations and taking over closed stores. The projects have ranged from 70,000-square-foot supermarkets to smaller 12,000-square-foot grocers.

The program is being copied in California, Illinois, Louisiana, New Jersey and New York. There is a federal initiative in the works, but it is subject to congressional approval.

Smith said the public-private partnership to bring grocers to underserved areas is critical because many grocers often won't take the chance and open in certain areas because of the economic uncertainty.

Grocers are very cautious about where they open stores because "if you don't know what you're doing you can lose your shirt," she said.

Meanwhile, those who don't have ready access to larger grocery stores continue looking for ways to get the food they need.

Hattie Cheeseboro of Richmond depends on her son or a community van to take her shopping a few miles away.

"I try to go at the beginning of the second or third week of the month and get a month's worth of food stuff," she said.

If needed she'll take a second trip, but she tries to avoid it because it's too difficult to arrange.

Cheeseboro said having a nearby grocer would allow her to make trips to pick up additional items during the month.

"It's hard not have a Food Lion or a Kroger or a Martin's nearby."