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ECONOMIC DEVELOPMENT CORPORATION

# PRINCE GEORGE'S COUNTY FOOD ACCESS

Prince George's County Council  
PHED Committee - Thursday, April 4, 2019

# What is a Food Desert?

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A food desert is a geographic area where residents are restricted from access to affordable groceries and healthy food options (especially fresh produce like fruits and vegetables).

Access is restricted or nonexistent due to the absence of grocery stores within a convenient travelling distance.



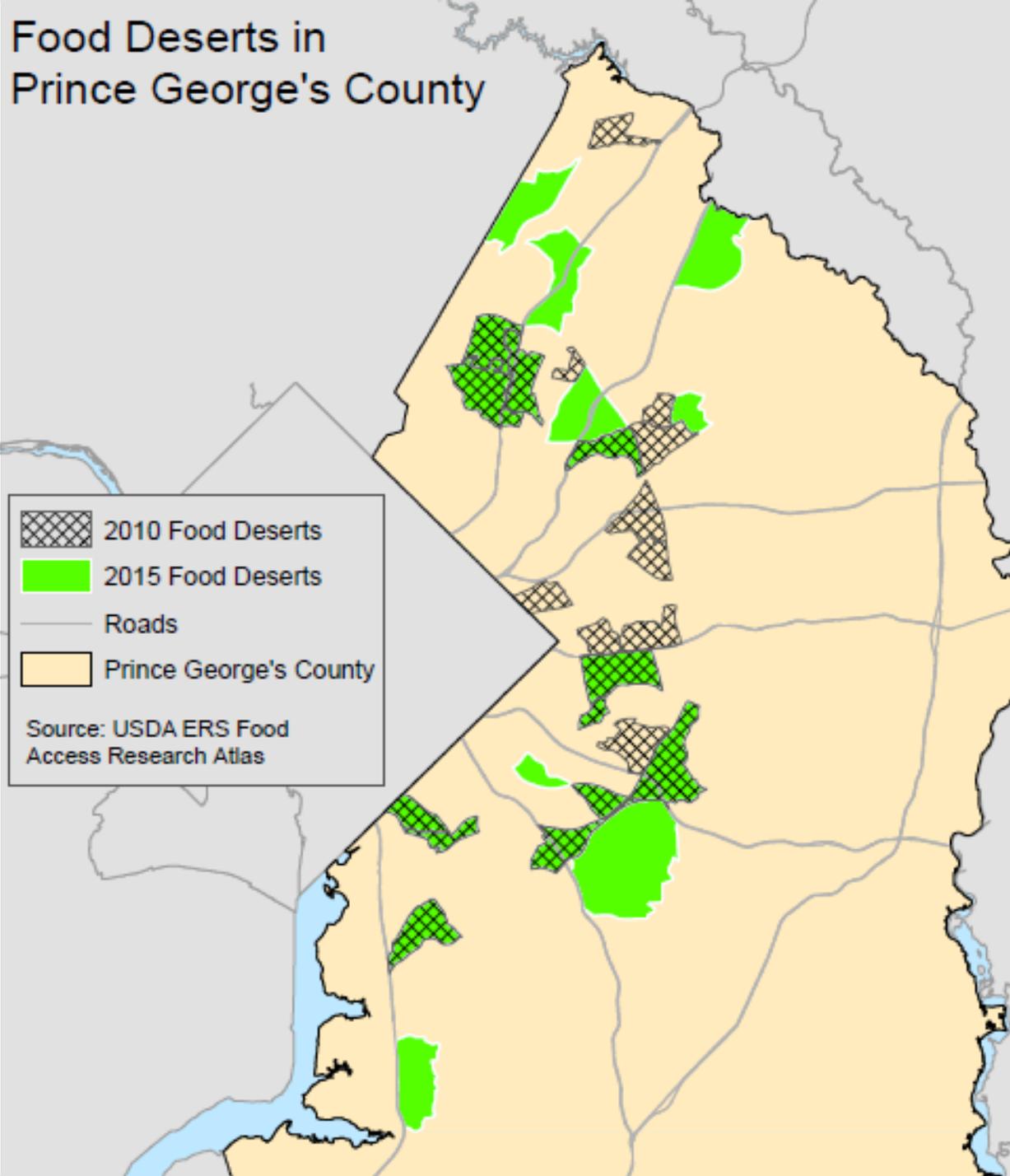
# Low Income Low Access or “LILA”

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- ❑ USDA no longer uses Food Desert designation.
- ❑ Now focus is on Low Income Low Access areas.
- ❑ Low Access: least 33% of the census tract must reside more than 1 mile from supermarket, 10 miles for rural areas.
- ❑ Low Income Areas: 20% poverty level and/or median family income is less than or equal to 80% of state median income.

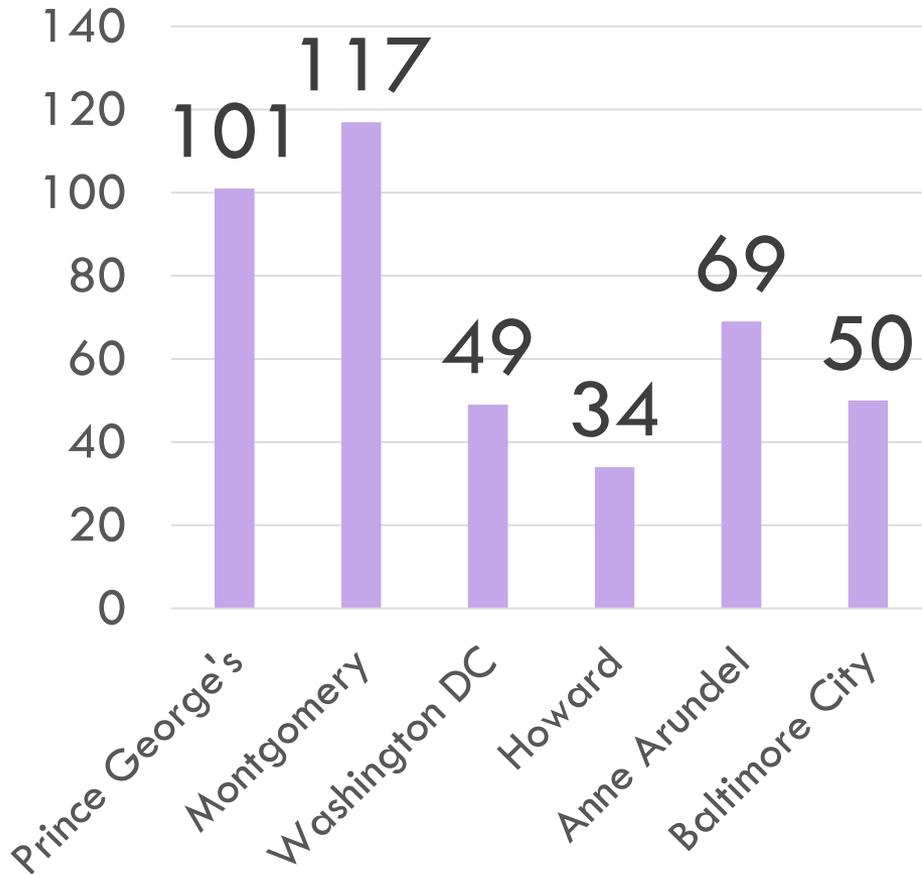
# Food Deserts 2010/2015 Comparison Map

## Food Deserts in Prince George's County

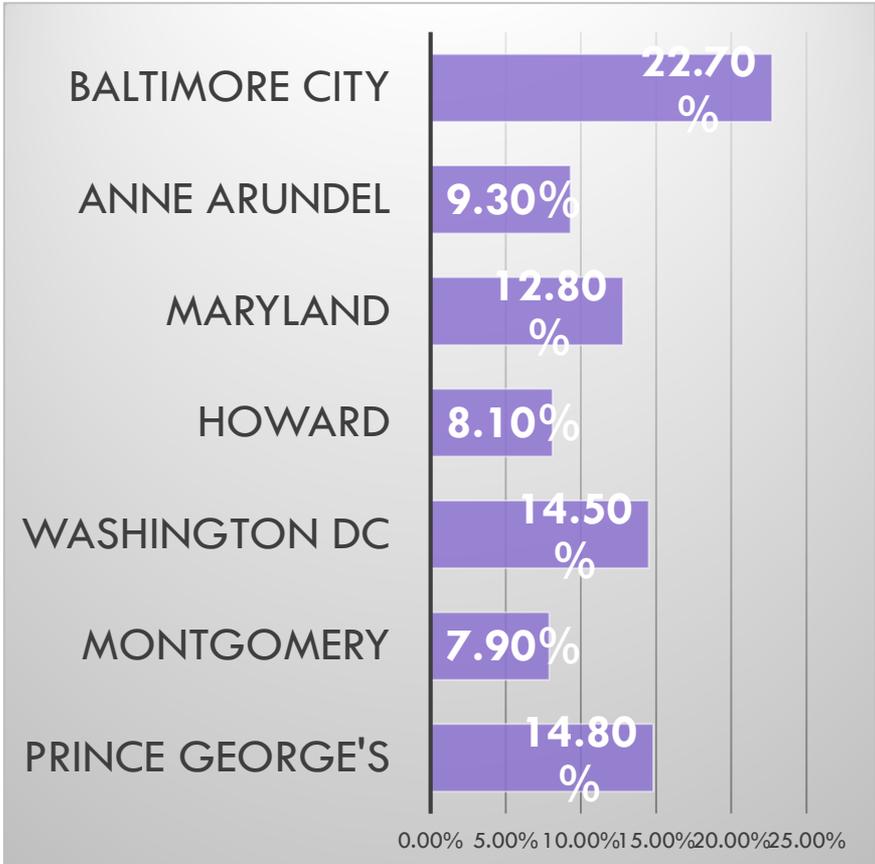


# Regional Statistics

## Total Supermarket Stores



## FOOD INSECURITY



# Grocery Store Inventory

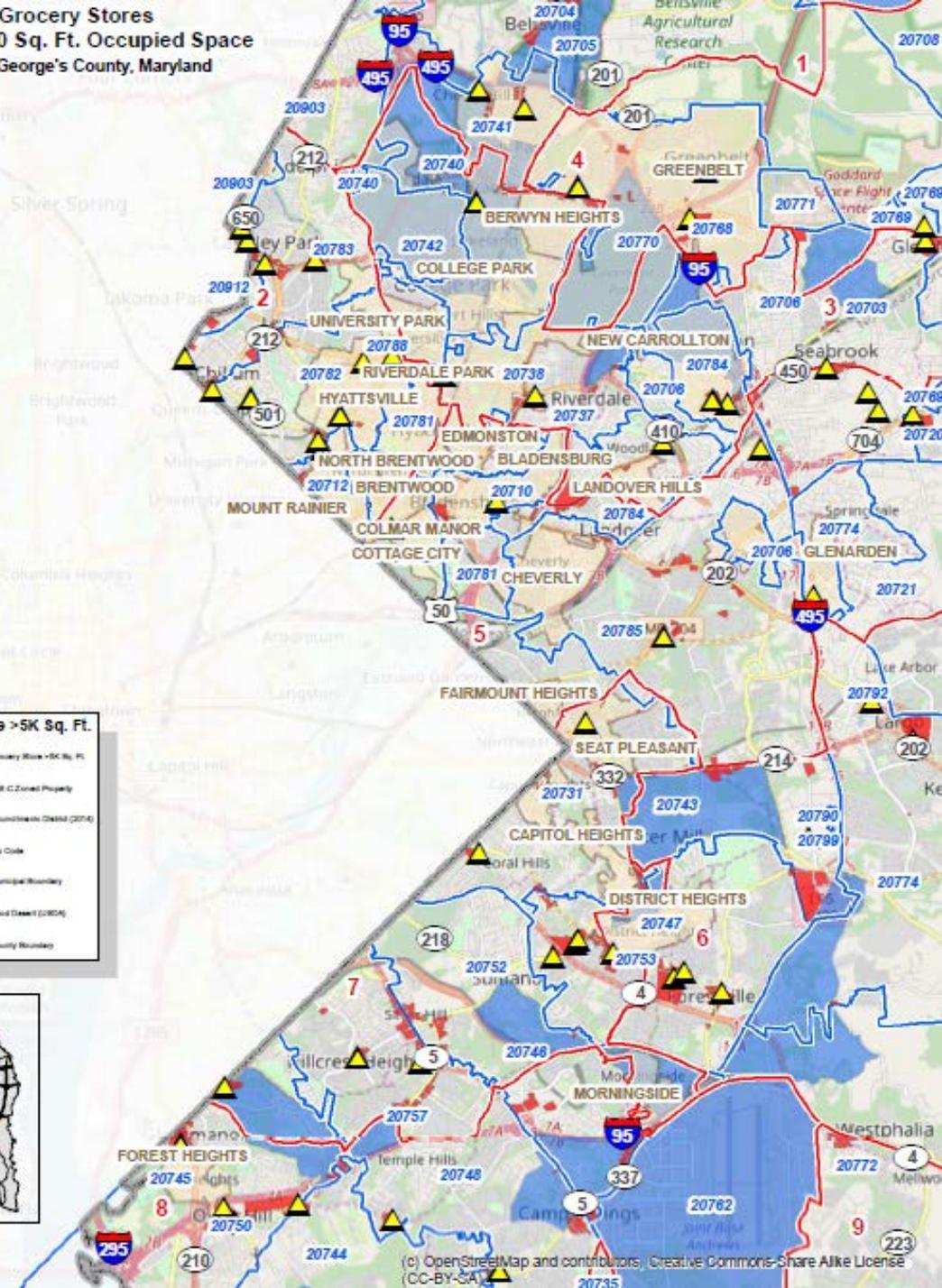
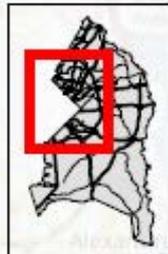
- Prince George's County:
  - 88 grocery stores larger than 5,000 sq ft.
  - 3 more Lidl's under construction.
  - USDA data determined that 81 census tracts were considered Low Access.
  - USDA data determined that 20 census tracts were Low Income and Low Access.
  - Unhealthy food venues account for approximately 55 percent of all food retail outlets in these communities.

# Grocery Stores over 5,000 SF

Grocery Stores  
Over 5,000 Sq. Ft. Occupied Space  
Prince George's County, Maryland

**Grocery Store >5K Sq. Ft.**

-  Grocery Store >5K Sq. Ft.
-  C.R.C.Zoned Property
-  Downtowns Defined (2014)
-  Zip Code
-  Municipal Boundary
-  Food Desert (USDA)
-  County Boundary



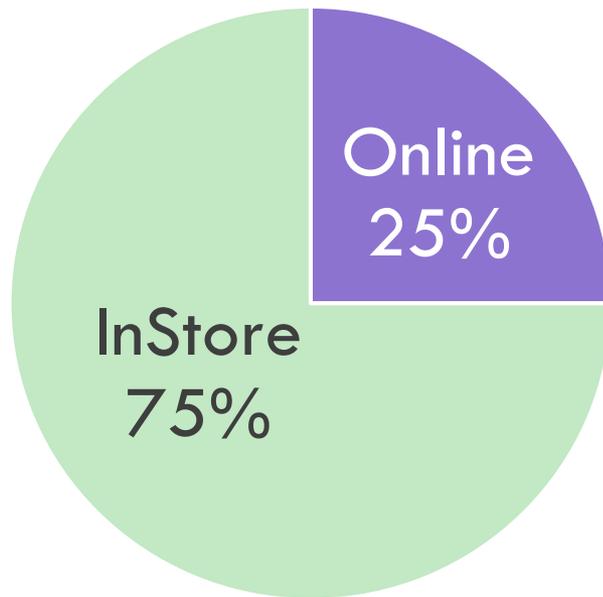
# Trends

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- ❑ Per National Grocers Association, overall Grocery Industry revenues grew by 1.2% in last 5 years.
- ❑ Number of stores decreased slightly by 0.2%.
- ❑ Brands continue to consolidate.
- ❑ Largest Local Market Share:
  - ❑ Giant
  - ❑ Safeway
  - ❑ CVS
  - ❑ 80% Consumers still prefer to shop at local Grocer.

# National Trends

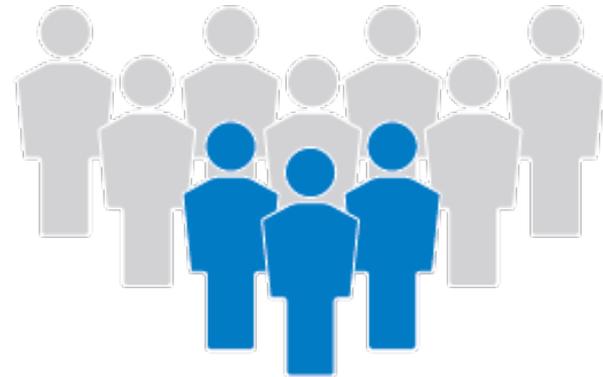
## Percentage of In Store vs Online Purchases



■ Online    ■ InStore

Estimated Increase in Online Shopping over 5 years.

3 out of 10



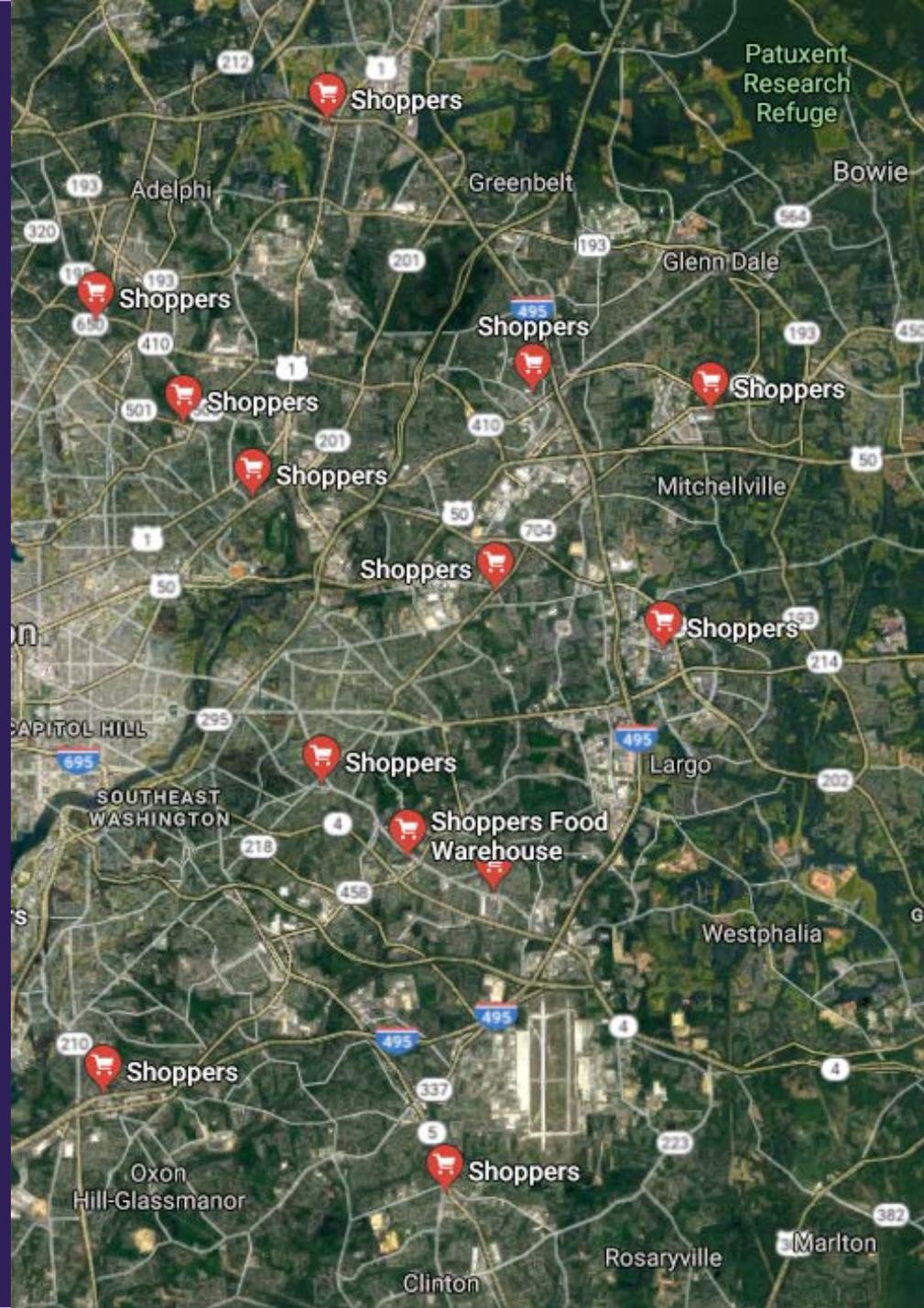
National Grocers Association

# Shoppers Food Warehouse

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- ❑ Shopper's bought by United Natural Foods Inc. (UNFI) in October 2018.
- ❑ New ownership wants to focus on wholesale operations.
- ❑ Recently announced that sale/closures of all locations would happen in next few months.
- ❑ More than 100 locations have been closed or sold nationwide.
- ❑ Prince George's County has 12 shoppers locations.

# Shoppers Food Warehouse Locations



# Shopper's Replacement Strategy

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- ❑ Regular Communication with Corporate Office.
- ❑ In discussions with interested Grocery Brands that have been identified as possible purchasers of Shopper's retail locations.
- ❑ Giant has purchased locations in the region, rumored in negotiations for purchase of additional stores.
- ❑ Daily watch for announcement. PGCEDC Team and Employ Prince George's County on Standby.

# Why Stores Close and Leave

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## Causes:

- ❑ High density of low income residents
- ❑ High operating costs
- ❑ Profit margin erosion
- ❑ Increased industry competition
- ❑ Outdated sizes, appearance, and products, and logistical challenges



## Effects:

- ❑ Creates food desert
- ❑ Deprives customers of access to quality groceries and produce
- ❑ Creates large commercial vacancies
- ❑ Increases the unemployment rate

# Food Desert Relief Plan Agenda

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## Food Desert Relief Action Plan:

- Targeted Locations in Food Deserts to place Emerging Grocers – Completed
- Develop List of Emerging Grocers - Completed
- Assess Emerging Grocers for Relief Criteria – In Progress
- Develop “Emerging Grocer Selling Story” – Planning
- Meet with Principals of Emerging Grocers – Planning
- Close Deals with Emerging Grocers - Planning

# Targeted Food Desert Locations

## Targets since 2015

- Central Avenue
  - Kingdom Square
- Cheverly / Fairmount Heights
- Forestville
- Morningside/ Camp Springs
- College Park/Greenbelt
- Glenarden
- New Carrollton
- Oxon Hill Glassmanor
- Wheeler Rd./ St. Barnabas Rd.
- Laurel

# County Based Suggested Solutions

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- ❑ Consider increased tax credits for grocery stores inside the beltway. Example: Baltimore Grocery Store Tax Credit.
- ❑ Consider increased housing density in targeted areas.
- ❑ Allow each grocery store chain with four or more stores in the County to have 3 locations which offer beer and wine.
- ❑ Accelerate the permitting process to create grocery stores which offer gas.
- ❑ Offer incentive to small independent stores for offering fresh produce in targeted areas.

# County Based Suggested Solutions

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- ❑ Increase partnership with local farmers, farmers markets and vendors.
- ❑ Create Food Depots from converted older shopping centers.
- ❑ Attract local independent and International chains from DMV area to uncover goals and present County opportunities.
- ❑ Loosen Food Truck regulations allowing additional locations for Hubs.
- ❑ Explore federal and state sources of financing

# Area Specific Solutions

- Each area designated as LILA or LA (low access) will be addressed independently.
- Solutions will be developed specific to area needs.
- County must work in conjunction with local resources including Capital Area Food Bank, PG Food Equity Council and other Government and Nonprofits entities working to address Food Insecurity Issues.



# Community Based Food Desert Solutions

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Mobile Market Chattanooga, TN: Brings groceries and fresh produce to the neighborhood so anyone can access fresh, healthy, local food instead of commuting a long distance to a grocery store.



Second Harvest Santa Clara, CA: Distributes healthy food, including more fresh produce than almost any other food bank in the country, through a network of 309 nonprofit partners at 985 sites. They connect those in need to federal nutrition programs and other food resources.



City Harvest NY, NY: Rescue 61 million pounds of food this year and deliver it, free of charge, to hundreds of food pantries, soup kitchens.



# Grocery Store Legislation

Prince George's Delegation (Sen. Benson) HB188:

“Authorizing a property tax credit against the county property tax imposed on personal property of a grocery store that completes certain construction and is located in a certain healthy food priority area; requiring the governing body of Prince George's County to designate what constitutes a healthy food priority area for purposes of the tax credit based on certain factors; providing that the tax credit may not exceed a certain amount; etc.”

# County Executive Proposals

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- Shoppers: Sent letter expressing concern about leaving communities without access to groceries and urged aggressive pursuit of sales to other brands
- Revitalization of 42 Shopping Centers reported in 2017 Retail Study as needing Redevelopment.
- Targeting 27 of 42 inner beltway locations
- Utilize RCLCO strategies in retail study
- Goal is to connect potential investors with targeted shopping center ownership

# Good Foods Market Announcement

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- New non-profit community focused grocery store to open in Seat Pleasant replacing closed Safeway
- \$1.9 Million project costs supported by multiple County sources
- Unique community challenges created need for unique solutions



Prince George's County Economic  
Development Corporation  
(301)583-4650

