

Case Study: Increasing Equitable Food Access through the Healthy Neighborhood Market Network

Corner stores are a staple in many communities of color throughout Los Angeles, where local residents find food and household items only a short walk away. Unfortunately, despite the benefits of convenience, corner stores typically offer an abundance of unhealthy food and drink options. The impacts of these stores being inundated with sugar-sweetened teas and sodas, cheap alcohol, and processed pastries are often compounded with limited options for fresh fruits and



Photo Source: Healthy Neighborhood Market Network

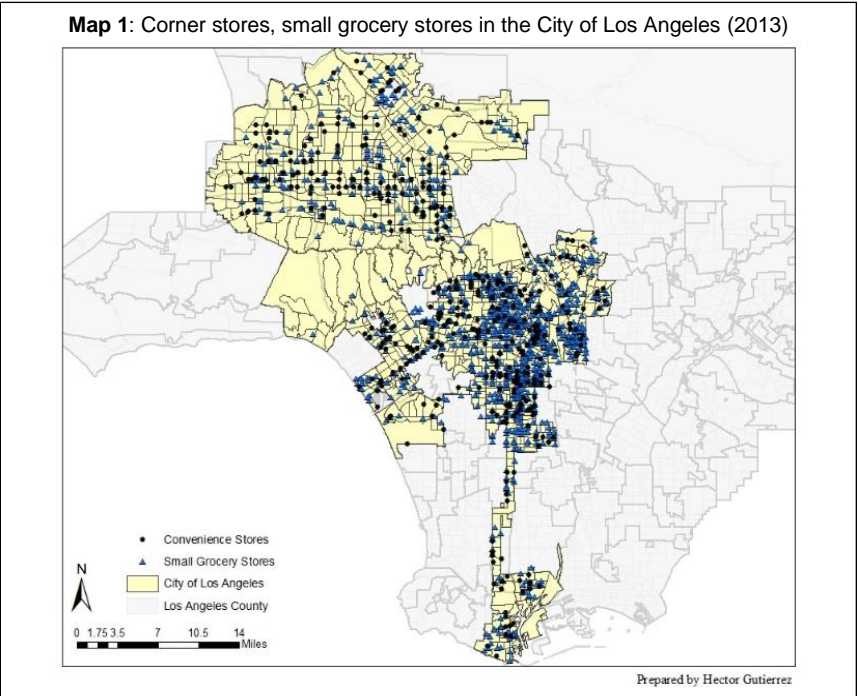
vegetables. The Los Angeles Food Policy Council’s Healthy Neighborhood Market Network (HNMN) is at the forefront of improving the healthy food offerings of corner stores in Los Angeles’ communities of color by transforming corner markets into a convenient and healthy food retail option for residents. This case study explores how HNMN’s leadership development, technical assistance and creative partnerships can result in mutual benefits for corner store owners and the community.

The Problem with Food Deserts

South Los Angeles, McArthur Park and Boyle Heights—like many other communities of color—have been labeled as “food deserts,” or communities lacking access to healthy, quality and affordable foods. South Los Angeles and Boyle Heights continue to struggle to increase grocery store access in their respective communities. In fact, the number of grocery stores in South Los Angeles has actually decreased from 48 stores in 2011 to 46 stores in 2015ⁱ. New supermarket and grocery store development is challenging as it faces a longer timeline for completion due to an extended approval process, high start-up costs, and difficulty locating land that is both legally viable and attractive to developers.

In the current retail environment, small food retailers reach Los Angeles residents where large-scale retailers like full-service grocers are hard to find. As Map 1 shows, thousands of small markets and corner stores – independently owned by low-income to middle-income families in LA – are concentrated in South LA, Westlake and East LA. In fact, small-scale retailers make up 94% of food retail in South LA. That’s 12% more small markets operating in South LA than in West LA.

Access to transportation plays an important role in limiting access to healthy food and underscores the importance of neighborhood markets. Low income people, people of color and renters rely on public transit at much greater rates than others. South LA, Koreatown, East Hollywood and Boyle Heights are home to the most families in the City without access to a vehicle for transportation. Low-income transit-dependent residents in these neighborhoods often look to small-scale retailers such as corner stores as an alternative to full-service grocery stores that require a long bus ride.



Map Source: U.S Economic Census County Business Patterns;
Prepared by: Hector Gutierrez

Research shows that improvements in the food resource environment can, in fact, change shopping patterns and health behaviors. Empirical studies have found that individuals living next to newly built supermarkets shop at supermarkets more, consume more fruits and vegetables, and report better physical health. Additional research concludes that increasing corner store conversions, farmers markets and local produce vendors can lead to improved health outcomes as well. The outcomes of these studies suggest that increasing healthy food access through the expansion of both small and large-scale retail in low-access communities could result in positive health improvements for Los Angeles’s historically underserved residents.

Building Store Owner Capacity with Healthy Food Retail

The Healthy Neighborhood Market Network (HNMN) organizes a critical segment of our local food system– neighborhood markets– to successfully expand healthy food options in underserved neighborhoods. Each year, HNMN offers between 20-30 corner store owners intensive business and leadership training, mentorship, and technical assistance to transform their stores into a healthy food business. The majority of store owners are immigrants, people of color and low-to-moderate income themselves. Store owners participate in group workshops and receive customized technical assistance on topics ranging from marketing, branding, store design and merchandising, pricing and profitability and sourcing options.

A 2016 survey of twenty-two business-owners participating in HNMN found that 73% of store owners saw an increase in healthy food sales after participating in the program. Of these store owners, 60% expanded already existing healthy food inventory, and 26.7% had introduced new healthy food products- an average of 8 new products.



Photo Source: Daniel Rizik-Baer, Los Angeles Food Policy Council

It Takes a Village

The success of the Healthy Neighborhood Market Network lies in a literal network of resource providers who coordinate to provide customized services to store owners. LAFPC partners with Youth Policy Institute, Sustainable Economic Enterprises of Los Angeles (SEE-LA), American Heart Association and Charles Drew University nursing students to provide blood pressure screenings, nutrition workshops and cooking demonstrations on site at store to drive demand for new healthy products. Many neighborhood based organizations – such as parent programs and WIC centers - link residents to new healthy food options available at stores. Locally grown fruits and vegetables are supplied weekly through a social enterprise delivery service in partnership with Leadership for Urban Renewal Network (LURN), Asian

Pacific Islander Forward Movement, Heath and LeJeune and other produce distributors. Business coaching and lending support has come through Avivar Capital and the California FreshWorks Fund, LURN and RISE Financial Pathways. Store owners in Mid-City and South Los Angeles are being transformed from the inside-out with design, architecture and marketing support through LA MAS and Team Friday. Funding and evaluation support comes from the Los Angeles County Department of Public Health, the City of Los Angeles Economic and Workforce Development Department and Kaiser Permanente, where researchers are looking at price elasticity and profitability factors for fresh food at corner stores. Further support and expertise comes to store owners from the healthy food chain sweetgreen, Whole Foods Market, and Mayor Eric Garcetti's Great Streets Team. For its part, the team at Los Angeles Food Policy Council provides one-on-one technical assistance based on a healthy food retail curriculum, hosts training events and coordinates store transformation projects.

The Healthy Neighborhood Market Network brings it all together, leveraging the unique contributions of each partner toward the transformation of retail environments throughout Los Angeles County. Finally, participating store owners network *with each other* in peer learning activities, and often store owners with more experience with healthy food products will share tips and lessons learned as teachers at HNMN events.

Connecting Low-Income Families to Healthy Food Retail through Veggie Vouchers

Recently, the HNMN program launched Sam's Plus-- a fruit and vegetable voucher program for Supplemental Nutrition Assistance Program (SNAP-- the program formerly known as food stamps) participants to use at a corner store in MacArthur Park/Westlake neighborhood called Sam's Market. Sam's Plus is a pilot that provides \$50 extra dollars each month to SNAP customers to purchase fruits and vegetables from Sam's Market, a neighborhood market who is changing from a "beer n' tobacco" convenience store to a healthy food market. Sam's Plus has expanded the customer base for Sam's Market while simultaneously reducing the cost barrier for low-income community residents to purchase healthy food, which in turn increases the economic success of the corner store conversion. Beginning in December 2016 with only a few families enrolled, Sam's Plus voucher redemption was up to \$1,600 in July 2017 with 76 families participating, making produce the second highest grossing product category in Sam's Market that month. While reflecting on the benefits of the HNMN program, the owner of Sam's Market noted that:

“Before, I was planning to streamline operations in my store toward only keeping the guaranteed money makers... Working with you all opened my eyes toward a different approach to business. Like Whole Foods or Trader Joe’s, I want to make this store a place that has products that I want to buy too. I like to buy healthier stuff too! Now I want to do quick stuff plus healthy. If people have access to it, people will buy it more. And education will change behaviors.” -Andy Lee, Sam’s Market

Funded by the United States Department of Agriculture, the Sam’s Plus pilot is connected to a similar veggie voucher pilot at Albertson’s and Pavilions markets in the Los Angeles Promise Zone – a federally designated geography to address poverty conditions- in partnership with Youth Policy Institute.

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Conclusion

The Healthy Neighborhood Market Network approach to addressing food desert conditions is comprehensive in that it combines (1) business and leadership development (2) distribution solutions (3) building and incentivizing demand for healthy food and (4) a cross-sector resource network. Together, these strategies hold the promise of durability and sustainability, since success is defined in terms of the store owners’ capacity to carry forward a new healthy food business approach in partnership with their own community. For many decades, neighborhood markets and corner stores were viewed more as a nuisance and a symbol of inadequate access. While certainly healthy neighborhood markets are not a full-scale food access solution, the Healthy Neighborhood Market Network has demonstrated that small retailers do have a meaningful role to play in improving the health, connectivity and vitality of a community.